



Budget Justification an Important, yet Underutilized Part of Proposals

If you're preparing an SBIR/STTR proposal for the Aug. 5 NIH deadline don't underestimate the power of your budget justification. Numbers on a spreadsheet are only half of the story. Reviewers need to see WHY you are spending money on the things in your budget. Here are some important things to remember:

1. This is the only place in the proposal that really tells the reviewers who is doing what, where. It should be a valuable overview of the way the project is set up, which will help answer a lot of questions reviewers have about your company.
2. This is **not** where you justify *the project* and talk about how great it is. That information should be in the Research Strategy. The Budget Justification is where you explain in narrative detail **how you will spend NIH's money**.
3. **Every** line item (including project personnel) in the project budget should have a subheading and corresponding paragraph in the Budget Justification. Keeping the order, numbering and headings as in the budget spreadsheet will help you to do this.
4. Include all justification information for all years of a multi-year project in the same document. There should be Year 1, Year 2 and Total columns for each line item.
5. List all **Company Personnel** and include the following information in a short paragraph for each:
 - i. Employment status – Where are they currently employed? Will this change on receipt of award? Will they be hired by the company on receipt of award?
 - ii. Project role – What will their project role/title be, and what will they do? This is *not* the place to add a lot of background information about the individual and how great they are; that information belongs in the Biosketch.
 - iii. % Effort – Express in terms of Calendar Months. E.g. 50% effort on a six-month project = three calendar months.
 - iv. Total salary/payment in \$
6. If the application includes a subaward/consortium budget, a **separate budget and budget justification** must be submitted for each subaward.
7. The Budget Justification should be a **stand-alone document** to give the reviewers an overview of the budget without having to refer to the budget spreadsheets.

BBC can provide assistance not only in reviewing your budget and budget justifications, but your entire proposal. [Contact us](#) to see how we work.