



National Science Foundation

Cost Analysis and Audit Resolution Branch (CAAR) Proposal Budget Reviews



IMPORTANT LINKS:

National Science Foundation
www.nsf.gov

Division of Institution and Award Support
www.nsf.gov/bfa/dias

Cost Analysis and Audit Resolution Branch
<http://www.nsf.gov/bfa/dias/caar/index.jsp>

NSF Proposal & Award Policies and Procedures Guide
http://www.nsf.gov/publications/pub_summ.jsp?ods_key=papp

Prospective New Awardee Guide
http://www.nsf.gov/publications/pub_summ.jsp?ods_key=pnag

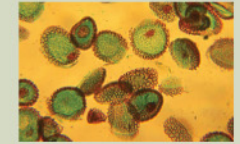
General Federal Requirements
<http://www.nsf.gov/bfa/dias/caar/fed.jsp>

Questions may be directed to CAAR
Phone: (703) 292-8244



Overview/Purpose

NSF Program Officers and Grant Specialists from the Division of Grants and Agreements (DGA) and the Division of Acquisition and Cooperative Support (DACs) review proposed budgets to ensure that they are both reasonable and realistic to accomplish the proposed scope of research. For selected proposal budgets, DCA/DACS may request that CAAR staff provide deeper analysis.



Proposal Budget Reviews assess an awardee's proposed award budgets to verify that costs are reasonable, allowable, and allocable in accordance with federal regulations and NSF guidance.

Proposal Budget Reviews typically include the following:

- A cursory review of the proposal budget and budget explanation for accuracy and presentation
- A cursory review for unallowable costs and expense classification
- A review of reasonableness for selected items of cost
- A review of any specific budget line items requested by DGA or DACs.

Timeframe/Roles

- If CAAR is asked to participate in the review, it makes a recommendation to the DGA/DACS Grants Specialist. Upon completion of the review, DGA/DACS make the final determination on the overall size and specific amounts included in the final budget.
- Awardee organizations are responsible for providing accurate and complete information regarding their proposed budgets and for promptly responding to requests for additional information.

Topics Covered

- **Overall Reasonableness** – Amounts of the proposal budget line items, e.g. subawards, appear to correspond to the objectives of the proposed award.
- **Allowability** – Selected costs are evaluated to determine their allowability based upon the applicable Federal Cost Principles, NSF-specific terms and conditions, and award specific terms and conditions (if any).
- **Allocability** – Individual costs are assignable or chargeable to one or more cost objectives based on relative benefits received. A cost is allocable if it is incurred specifically for the project. A cost is also allocable if it is necessary to the overall operation of a business, even though a direct relationship to any particular cost objective cannot be shown. These types of costs are generally not allowable as a direct charge, but may be allocated based on established indirect cost rates.

For more information, see the [Prospective New Awardee Guide](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=pnag):
http://www.nsf.gov/publications/pub_summ.jsp?ods_key=pnag

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