

Annex B

DETAILS OF BUDGETING FOR FUNDING

- i. The proposed budget should not exceed the Budget Limit stated in **Annex A**. Proposals exceeding this limit will be regarded as ineligible.
- ii. The proposed budget should be based on realistic costings with appropriate justifications. The value for money of the budget will be considered in the assessment of the proposal and may be subjected to amendments and revisions.
- iii. When budgeting for funding, the total cost of the project should include all approved direct costs and indirect costs. All expenditures should be budgeted inclusive of any applicable Goods and Services Taxes (GST) at the prevailing rates, where applicable. No additional claims for GST will be reimbursed.
- iv. Budget items are categorized as direct or indirect cost items. Direct costs are defined as the incremental cost required to execute the programme. This excludes contributions in-kind¹, existing equipment and the cost of existing manpower as well as building cost. Indirect costs are expenses incurred by the research activity in the form of space, support personnel, administrative and facilities expenses.
- v. Supportable direct costs can be classified into the following cost categories:
 - Expenditure on manpower (EOM);
 - Equipment;
 - Other Operating Expenses (OOE)
- vi. For all direct cost items proposed for the project, please note that:
 - Funded Institutions must strictly comply with their own procurement practices;
 - Funded Institutions must ensure that all cost items are reasonable and are incurred under formally established, consistently applied policies and prevailing practices of the funded institution; and
 - All items/ services/ manpower purchased/ engaged must be necessary for the R&D work.
- vii. The Lead PI should exercise due diligence and ensure that the proposed budget is correct and free from error.

¹ Contributions from public agencies account as direct costs.

- viii. Please ensure that equipment proposed to be purchased are currently unavailable in the funded Institution or institution of collaborators. In the event where a similar equipment is available in a funded Institution, necessary justifications for purchase has to be provided and explicit NParks' approval has to be obtained. Equipment purchased using NParks funding needs to be available for NParks' use during the project as needed.
- ix. At the end of the project, NParks shall have the option to own any equipment above the cost of \$500 at no transfer cost.
- x. NParks will support 100 percent of the approved qualifying direct costs of a project for Singapore-based IHLs, public sector agencies and not-for profit research laboratories. Companies and company-affiliated research laboratories or institutions will qualify for up to 70 percent of the approved qualifying direct costs of a project.
- xi. Support for indirect costs, in the form of overheads, will only be provided for Singapore-based IHLs, and not-for-profit entities². Funding support of up to 20 percent of the total qualifying approved direct costs (i.e., Total direct costs less exceptional items) will be allowed.

² A*STAR RIs do not qualify for indirect cost funding.