

Prepare A Realistic Budget

Many people find doing a grant budget difficult. You need to give yourself time to draft it, consider it again for feasibility, check that all aspects of the proposal have been accounted for, then redraft it and perhaps get feedback from another person. Do a final check of all figures with a calculator to make sure it adds up.

Always check the application guidelines to establish what expenditure items the funding program will allow and what the maximum funding amount available is. Discuss this with the funding agency's staff to ensure that the application is not made ineligible because the budget does not meet the guidelines. Application forms usually have prompts for the sorts of budget items that need to be included. As well as using these as a guide you should carefully go over all the activities, objectives and outcomes identified in the proposal and ensure that all costs required to ensure they are accounted for.

All budgets have an income side and an expenditure side and usually income, including the funding amount, must equal expenditure (although some application forms will show the required funding amount as a deficit in income that is to be made up by the funding). Funding assessors are used to evaluating the feasibility of projects and understanding their budgetary implications. Therefore you should ensure that all components of the proposal clearly and accurately tell the same story.

Income

Income for the project will usually be shown as coming from a number of sources including the funding agency, in-kind support, contributions from other funding agencies, generated income like sales or fees, sponsorship or donations and perhaps your own financial input.

In Kind Support

Organisations and individuals may be interested in assisting with a project, not with cash but through the provision of goods or services in kind. This might include things such as secretarial and administrative assistance, access to telephones; use of space or facilities; equipment loans; discounted materials; use of mailing lists; free advertising; travel and accommodation assistance. Such assistance should be strategically considered on the same level as financial support and costed.

Expenditure

The budget must be based on recently researched costs and take account of any industry awards or payment standards.

Expenditure items will vary from project to project and can include such items as wages, leave loading, workers compensation, insurance, transport and other travel costs, materials, tools, rental of studio, health and safety gear, promotion and publicity and documentation.

Direct and indirect costs

You may need to separately identify the direct and indirect costs in the budget. For example, direct costs include salaries, wages and fees, materials, supplies and travelling expenses, equipment rental, printing charges, marketing and display costs and administrative services. Indirect costs include items such as rent of utilities and security of the work premises. The amount of indirect costs to be included in the budget should be cleared with the agency's staff.

Salaries, fees and wages

Budgets that include salaries should quote award rates, or industry standards. The [NAVA's Code of Practice](#) for the Professional Australian Visual Arts, Craft and Design Sector provides industry guidelines for:

- artists' studio work
- public art fees
- fees for creating site specific or ephemeral work
- New Media fees
- loan fees for works loaned to exhibitions in publicly funded galleries
- basic copyright fees
- illustrator and writer fees
- independent curator fees
- arts administrators salaries and
- teaching rates of pay.

To access these rates please see the Artists' Scales of Fees and Wages chapter of [The Code of Practice](#).

Work charged at an hourly rate should include an additional percentage to cover on-costs such as workers' compensation, holiday and annual leave allowances etc. This is usually calculated as a lump sum of approximately 20-25% of the base salary. It may be included in the budget either by increasing the hourly salary by the additional percentage or, be identified in the budget as a separate item called "on-costs".

Travel expenses

You will need to get quotes for any flights etc., remembering that it will be a few months before you undertake the project so choose a mid fare price as your estimate. You may also need to budget for costs like accommodation and meals while you are away. This can be done by either quoting known amounts or by providing a daily per diem amount. Government employees are usually provided with a per diem and the amount usually varies depending on whether the travel is to a capital city of a regional area, on the assumption that accommodation is more expensive in capital cities. To find out a reasonable per diem rate you could ask the government funding agency for the current rate paid to employees.

Remember your budget should set out the feasibility of the project and your income should always equal your expenditure.