

GrantWriter360

The Work Behind the Numbers

Building Budgets and
Work Plans That Agree

Aneel Shahzad

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A Note to the Reader

This book is for people who have to turn a proposed service or programme into work that can be scheduled and paid for. It is written for nonprofit leaders, programme managers, proposal teams and small organisations preparing funded assignments. The methods can also help a business construct its delivery cost before making a pricing decision. The book concentrates on the underlying work and resources. It does not teach commercial pricing strategy or replace a funder's instructions.

Cedar Learning Initiative and every part of its worked example are fictional. The organisation, project, participants, funding arrangements, rates and scenarios were created for teaching. They are not descriptions of a client, a completed assignment or the author's results. Amounts appear in illustrative currency units, abbreviated CU. They are not quotations, market benchmarks or recommendations for what a person should be paid.

The example uses a twelve-week project divided into three four-week planning periods. It converts six hours of assigned work into one planning day when a comparison needs days. Neither convention defines a calendar month, an employee's paid working day or a legal limit. Staff rates represent assumed total hourly employment cost to the organisation, not take-home pay. They include assumed pay and employer employment charges, with no second payroll addition. Office costs are allocated separately. Supplier rates represent the assumed total amount payable. No particular tax jurisdiction is modelled.

The practical methods and worksheets are the author's synthesis. Selected primary sources support specific concepts, and their scope is identified where it matters. Funding rules, cost categories and approval requirements differ. This is management guidance, not legal, tax or accounting advice. Check the applicable opportunity and obtain appropriate specialist advice for a consequential uncertainty.

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Introduction

A budget can add correctly while describing work that nobody has time to do. A schedule can finish on the required date while relying on a specialist who is already assigned elsewhere. Both documents can look complete because each has been prepared within its own boundaries. The difficulty becomes visible when someone asks how the people, activities and money fit together.

Consider a familiar request: prepare a budget for a training programme. The available amount is known, so the first draft places figures beside personnel, travel, materials and administration. A colleague then writes a work plan around those headings. It is possible to produce a tidy application this way. It is harder to explain how much preparation a trainer will need, what happens when participants require more help, or which promise must change if the available funding falls.

A more useful starting point is the service itself. Define what people will receive, work out the activities needed to provide it, and estimate the resources those activities consume. Place the work into periods when the resources can actually be available. Only then can the budget show the cost of the proposed design. The funding limit still matters. It may require a different design, but it should not erase work that remains necessary.

This book follows that construction. Cedar Learning Initiative plans a short course for adults who coordinate activities in community organisations. Participants will practise preparing a small activity plan and a matching budget. The example is deliberately modest. Its arithmetic can be checked without specialist software, yet it contains the difficulties that make much larger estimates unreliable: repeated activities, preparation time, shared resources, overlapping commitments, payment timing and changes in scope.

The original design admits sixty people in three cohorts. Later, a reduction in the funding ceiling forces a decision about reach. The revised plan admits forty people while preserving the course and individual support offered to each admitted participant. It lowers the estimated project cost and serves fewer people. The chapters show where the savings arise, which costs remain and why the new budget must describe a new promise.

You can read the book from beginning to end to follow the calculation, or use the chapters while building your own estimate. Start with one deliverable rather than an entire organisation. A small, well-explained model is easier to extend than a large sheet whose inputs nobody can explain. The appendices provide the full case budget and working questions that can be adapted to a spreadsheet or planning document.

The final product should allow a delivery colleague to reconstruct the estimate. That colleague should be able to see why a quantity exists, what a rate includes, where the work sits on the calendar and which assumption would change the result. This is also what makes an estimate useful after approval. When evidence changes, the team can revise the relevant part instead of negotiating a new total from memory.

1 Start with a Deliverable

The first useful budget decision is often a sentence about the service. Before estimating what an assignment will cost, make clear what must exist or happen when the work is complete. An instruction to build community capacity is too broad to cost. A commitment to provide a defined course, practical support and an account of what participants completed gives the team something it can examine.

A deliverable needs a recipient and a usable form. A course is experienced by participants; the funder may also need records and a report. A research assignment produces findings, but those findings may need to be delivered as a dataset, a report or a briefing. The same general purpose can therefore produce very different workloads. Format is consequential when it changes the preparation, checking, accessibility or approval work.

Begin with the recipient's intended use. Cedar's participants need to prepare a modest plan for an activity they manage. They do not need a comprehensive finance qualification. This limits the curriculum and the depth of individual support. It also limits what the organisation can claim about the result. A short course may help a participant produce a clearer plan; it cannot establish that the participant's organisation will obtain funding or that every planned activity will succeed.

Define what the service includes

Cedar's original design offers sixty adults places in three cohorts of twenty. Each cohort receives four group sessions, with a three-hour session each week during the group phase. Every enrolled participant is also offered one individual support appointment after that phase. The appointment is an organisation-initiated telephone or low-data call, with suitable access checked during enrolment. It provides forty-five minutes with the trainer to discuss the participant's short plan and budget. A further fifteen minutes of trainer time covers brief review of the submitted exercise, preparation and the record. Project calls and data are costed separately; no additional participant data reimbursement is assumed. Materials, participant communication, attendance records and a final report are part of the work.

These details establish several different quantities. The project has sixty unique participants. It delivers twelve group events because three cohorts each receive four sessions. It creates 240 group attendance opportunities because each of the sixty participants can attend four times. If one person attends every session, the records show

one person and four attendances. Calling those four attendances four beneficiaries would overstate reach.

The budget initially provides travel support and refreshments for every planned attendance opportunity. That is a capacity assumption, not a forecast that every seat will be occupied. Actual payments and reporting must follow the agreed conditions and actual delivery. A missing participant does not automatically reduce a booked venue charge or the trainer's reserved time. The cost implications depend on which resource the absence affects and when it becomes known.

Cedar defines course completion as attendance at at least three of the four group sessions and submission of a short activity plan with a matching budget. This definition is a teaching choice, not an external accreditation standard. The project will report actual completions. It does not promise that all sixty people will complete, nor does it use a guessed completion percentage to reduce the resources offered to them.

The distinction matters when a team builds a budget around optimistic uptake. If the proposal gives every enrollee access to support, the plan needs enough capacity to honour that offer. An assumption that fewer people will ask for help can be used in a clearly bounded demand model, with a stated limit and a way to manage excess demand. It cannot quietly replace an unrestricted promise.

Separate the result from the evidence of delivery

Cedar wants participants to become better able to connect activities with resources. The course and support are the services it controls. A participant's subsequent use of the method depends on other conditions, including the authority to change a plan and the opportunities to practise. The project can ask about use and report the answers it receives. It should not turn a short follow-up conversation into proof of a lasting organisational improvement.

Evidence of delivery has its own workload. Somebody must prepare a starting record, check attendance, retain the submitted exercise, collect follow-up responses and explain missing information. Those tasks will later appear in the activity estimate. At this stage, decide what is genuinely needed to judge the service. Collecting a large amount of information because it might be interesting makes the service more expensive and can create unnecessary burdens for participants.

A sensible completion record can be brief. Cedar needs to identify an enrolled participant consistently, record sessions attended and note whether the defined exercise was submitted. The operational record must use appropriate information handling for

the actual setting. The teaching case requires no real participant information. In a live programme, the team should decide which information is necessary and how it will be handled before building forms around it.

The final report serves a different reader. It explains the service delivered, actual participation and completion, the limits of the follow-up information and the practical lessons from the work. It should not imply that missing responses are favourable results. Making those boundaries clear now helps the team estimate an achievable report rather than discovering at closeout that an evaluation study was expected.

Give completion a practical test

A useful acceptance description explains how the responsible people will recognise completion. Cedar's preparation is complete when the materials, enrolment arrangements and delivery arrangements are ready for the first group session. Group delivery is complete when each cohort has received the four agreed events and the event records are available. An event that was offered but cancelled does not count as delivered. Any exception requires an explicit decision about the service, schedule and cost. Closeout requires the individual support offer, the defined records and the final report.

These tests should be precise enough to guide work without creating an unnecessary inspection system. For a short assignment, the delivery lead may review the materials and the report directly. A larger or regulated assignment may require formal review, independent testing or approval by several parties. Those arrangements take time and should enter the estimate when they apply.

Notice what Cedar has not promised. The design contains no residential event, certification process, repeat course for people who miss sessions or open-ended advisory service. If one of those becomes necessary, it is a design change. Naming a boundary does not make a proposal unhelpful. It allows a buyer or funder to decide whether the service is suitable before the team has built costs around a different understanding.

An exclusion should also be credible. If a service cannot work without a particular support, excluding that support may undermine the design. The right response is to examine the need and its cost, then include it, arrange a credible alternative or narrow the service. A line saying that accessibility is somebody else's responsibility will not solve an access problem. Cedar must check venue and materials needs during preparation and resolve any material requirement before committing to the existing design.

Make the first design record short

At this point, the team does not need a completed budget. It needs an agreed description that can be taken apart. Write the intended recipients, service quantities, frequency, duration, completion test and material boundaries in ordinary language. Note any unknown that could alter the method, such as travel distance or the complexity of a participant's starting task.

For Cedar, the consequential unknown is the effort needed to help an individual participant apply the method. The initial appointment allowance is an explicit estimate. Later chapters test what happens if that allowance is too small. Recording the uncertainty here prevents a convenient number from gaining authority simply because it has been copied into several documents.

The same discipline works for a technical service. A promise to clean a dataset needs a defined dataset, permitted changes and a usable output. A promise to conduct consultations needs a defined audience, contact method and synthesis. The estimating unit follows the service. It should not be selected merely because the application form has a familiar budget heading.

Before moving on, ask a colleague to describe what an admitted participant will receive and what the funder will receive. If the accounts differ, resolve the difference. Activity estimates are much easier to challenge when everyone is estimating the same service.

2 Break the Work into Activities

A deliverable describes what the recipient will receive. An activity describes work needed to provide it. The distinction becomes useful when a team notices that a single deliverable contains several kinds of effort. A training session needs preparation, arrangements, facilitation and records. Only one of those activities happens in front of the participants.

Break the work down until each part can be estimated by somebody who understands it. A line called programme management is usually too broad for that purpose. A line for every email is too small. The useful level is one at which the method, quantity or responsible resource could change independently enough to affect the estimate.

This approach is related to the work breakdown and detailed estimating practices described in the U.S. Government Accountability Office's cost guide. The small activity structure used here is an adaptation for a short service project. It is not a requirement to reproduce a large government programme's estimating machinery. [1]

Follow the work through an ordinary week

Walk through one event before multiplying it. Cedar's trainer needs to prepare the session, facilitate it and contribute the information required after delivery. The coordinator needs to confirm arrangements, communicate with participants, support the event and ensure the records reach the right person. The monitoring and records officer checks attendance information. The project lead handles delivery decisions and unresolved issues.

Those roles should not all receive the same allowance merely because they touch the event. Their work differs. The trainer's preparation depends on the material and participant needs. The coordinator's arrangements depend on bookings and communication. Checking an attendance record is shorter than attending the session, provided the record was collected properly. Estimating each contribution exposes those assumptions.

Cedar allows one and a half trainer hours to prepare each three-hour group event. It also allows one and a half coordinator hours for arrangements and three coordinator hours during the event. The monitoring and records officer receives three quarters of an hour per event to check attendance records. These are fictional planning inputs. A live

estimate would need a reason for using them, such as a comparable session, a structured trial or the judgment of the person who will perform the work.

The event allowances do not include initial course development. Cedar separately allows thirty-six trainer hours to prepare and walk through the course materials before group delivery. This is a different activity with a different cost behaviour. Removing one event might reduce event preparation, but it would not remove the need for a coherent course.

A walk-through also reveals where a description is incomplete. If the trainer is expected to transport equipment, test it and restore the room, identify where that time sits. Cedar's supplier booking block accommodates setup and clear-up, while the coordinator's arrangements allowance covers the associated staff work. If a real venue required substantial handling, the allowance would need to be tested rather than assumed sufficient.

Choose one place for each piece of work

The same work can be viewed by deliverable, role, period or expense category. Those are useful views of one estimate. They should not become separate estimates that are added together.

For Cedar, trainer preparation is recorded as an activity performed by the trainer during group delivery. The budget later multiplies those hours by the trainer's cost rate. There is no second fee called session preparation inside the materials budget. Similarly, the final report includes the records officer's analysis time and the project lead's review time. It does not create an extra unexplained reporting allowance on top of those hours.

Give each activity a stable label and describe its boundaries. A short note saying that event arrangements include booking, reminders and setup coordination can prevent another estimator from charging those tasks again under mobilisation. The purpose is to make ownership intelligible. A complicated coding system adds little if people still disagree about what a line covers.

Check the joins between activities. If one person's task ends at collecting attendance and another begins at analysis, somebody must transfer and check the records. If a deliverable requires approval, somebody must prepare the review version and respond to comments. These joins are common places for omitted work because each specialist reasonably assumes that another person will handle them.

The opposite problem occurs when both people budget for the full task. Where two roles contribute, distinguish their contributions. Cedar's coordinator closes the

participant and event records. The records officer analyses the information and writes the report. The project lead reviews the result. Those activities can all be necessary, but their descriptions should explain why they are separate.

Identify what drives the quantity

Some activities vary with people, some with events and some with the existence of the project. Cedar's individual support grows with the number of enrolled participants. Event arrangements grow with the number of group events. Preparing the measurement tools is largely fixed for this design, even if fewer people enrol.

These relationships matter more than the budget heading. Personnel can contain both fixed and variable work. Materials can include an initial design cost and a per-participant printing cost. A smaller participant group may therefore save less than a proportional share of the total. The later funding-cut example relies on these differences.

Use a calculation when a quantity has a defensible repeated structure. Twelve events multiplied by one and a half preparation hours produces eighteen trainer hours. Sixty support appointments multiplied by one staff hour produces sixty trainer hours. A calculation makes the input visible; it does not prove that the allowance is realistic. The team still needs to examine the unit and the method behind it.

Some tasks need an estimate as a whole. Cedar gives the trainer twelve hours to synthesise lessons and hand over the final materials. The task does not reduce neatly to minutes per participant because it concerns the course as a whole. Record it as a bounded allowance, explain what it includes and test it against the expected output. False precision is not an improvement over an honestly stated judgment.

Estimate with the people who know the work

Ask the eventual delivery staff to describe a normal unit of work and a difficult one. An average drawn from very different tasks can conceal the condition that causes delays. If participants start with widely different levels of knowledge, the individual appointment allowance may need a range, a more restricted service or additional support capacity.

Use past information carefully. Actual hours from a previous assignment are useful only after checking the service, staff experience, quality expectations and circumstances. A rushed project may have met the date by omitting work that the new assignment requires. A heavily supported pilot may have consumed resources recorded elsewhere. Copying its visible cost would reproduce the omission.

When no good history exists, document the estimate as an initial hypothesis. A short rehearsal or a review of a representative task can improve it. Decide which unknown deserves that effort. Cedar would gain more from testing the individual support task than from debating a very small stationery amount, because support effort affects the trainer's busiest phase.

Finally, read the activities back against the deliverables. Each material promise should have work underneath it. Each substantial activity should have a reason to exist. This second check can reveal an expensive habit that does not serve the agreed result. Removing unnecessary work is a legitimate design improvement when the team explains why the result remains acceptable.

The completed activity structure should be small enough to discuss and detailed enough to revise. It is the working description from which staffing, schedule and cost will be built. Keep it close to those calculations. If the activity structure changes while the budget remains frozen, the apparent agreement between them will quickly disappear.

3 Estimate the Effort People Can Supply

An effort estimate says how much work a task will consume. A capacity estimate says how much suitable work the assigned people can provide when it is needed. The two should meet before a staffing plan is accepted. A total number of days is not enough if those days belong to the wrong period or to people who are unavailable.

Cedar uses hours as its primary unit because the work includes short events and appointments. When days are useful for comparison, six assigned hours equal one planning day. The estimate does not assume that a six-hour planning day is the person's paid day. Using a defined conversion avoids a common error in which one contributor means eight hours by a day and another means the time between morning and lunch.

The GAO schedule guide distinguishes effort from duration and explains why resource availability and calendars matter. It also cautions against assuming that adding people always reduces duration proportionately. The calculations below use that distinction at the scale of a small service project. [2]

Build effort from the chosen method

The trainer's original assignment contains several different calculations. Initial materials require thirty-six hours. Twelve group events require thirty-six contact hours and eighteen preparation hours. Individual support requires sixty hours, including the preparation and records built into each appointment. Synthesis and handover require twelve more hours. The total is 162 trainer hours.

The appointment calculation deserves attention. A participant receives forty-five minutes of contact. The trainer reserves a full hour because useful support also requires preparation and a record. Sixty appointments therefore consume sixty staff hours while offering forty-five participant contact hours in total. Treating all sixty staff hours as direct contact would overstate the service; budgeting only the contact time would omit part of the work.

Cedar assigns a separate suitably skilled person to each of its five roles. That assumption prevents the model from treating one person as simultaneously available under different job titles. A small organisation may combine roles, but then the hours must be combined against that person's single calendar. Separating roles in a budget does not create additional human capacity.

Table 1 shows the original effort by planning period. Each period contains four weeks. The first covers preparation, the second group delivery and the third individual support and closeout.

Table 1 Original project effort in hours

Role	Period 1	Period 2	Period 3	Total
Project lead	24	24	24	72
Trainer	36	54	72	162
Coordinator	36	54	30	120
Monitoring and records officer	18	9	33	60
Finance administrator	6	6	6	18
Total	120	147	165	432

The 432 hours are equivalent to seventy-two six-hour planning days. That conversion is useful for comparison, but the hourly structure should remain available. It contains information about the short activities and the periods in which work must happen. Rounding every small activity to whole days would distort the total.

Establish availability before assigning it

Start with the person's actual working calendar and subtract time already committed elsewhere, known absence and other responsibilities that cannot be used for this project. Then identify which remaining time the organisation is prepared to reserve. Capacity should be agreed with the person who controls the assignment, not inferred from an empty-looking diary.

In Cedar's teaching model, each person has 120 general working hours in a four-week period before those other commitments are considered. The project cannot claim all of them. The trainer's reserved availability is forty-two hours in the first period, sixty in the second and seventy-eight in the third. The coordinator has forty-two, fifty-four and thirty-six. These are case assumptions about usable project availability, not universal productivity ratios.

The resulting comparison is more revealing than a statement that both people are part time. During group delivery the trainer needs fifty-four of sixty available hours, while the coordinator needs all fifty-four available hours. The coordinator is therefore the tighter resource in that phase, even though the trainer has the larger total assignment across the project.

A small difference between demand and available hours does not automatically provide useful flexibility. The trainer may have free time on a day when the venue or participants cannot meet. Capacity also has a skill dimension. An unassigned administrative hour cannot be exchanged directly for an hour of specialist instruction. Compare the actual resource needed, in the period and time block required.

Check the busiest week and the busiest moment

Monthly or project totals can hide overload. Cedar spreads group events over four weeks, with one event for each cohort each week. The trainer needs thirteen and a half hours each week for group preparation and delivery. The coordinator also needs thirteen and a half hours for arrangements and event support. Their reserved weekly capacities in that phase are fifteen and thirteen and a half hours respectively.

Now imagine placing all three cohorts in the same morning. The aggregate hours would remain unchanged, but the plan would require the trainer and coordinator in three places at once. A resource check must therefore look inside the week when activities are simultaneous or fixed to a particular time. A spreadsheet can add the right number of hours without noticing the conflict.

Individual support creates a different pattern. Cedar plans twenty appointments in each of the first three weeks of the final period, followed by twelve trainer hours for synthesis and handover in the last week. Trainer availability is twenty-two hours in each appointment week and twelve in the last week. The spare time is small and occurs before closeout. It cannot be described as a large pool available anywhere in the period.

Keep known nonproject work out of that spare time. If a manager has already promised the trainer to another programme, the same hours cannot also serve as contingency for Cedar. Conversely, a genuinely available hour need not be filled merely to make utilisation look complete. A plan with no usable room for ordinary variation is fragile even if it is arithmetically possible.

Keep effort separate from payroll and charging

A staff member can be paid for a period without spending the whole period on a project. Project effort assigns part of that person's work to the project. The cost calculation then applies the appropriate rate or cost basis. Neither calculation, on its own, proves the eventual amount that may be charged to a funder.

For Cedar, hourly rates represent assumed employment costs attributable to assigned project time. The example adds no separate benefits or payroll loading because those components are already included in its rate assumptions. A real organisation may use a

different method. It should identify whether the rate is salary only, a fully loaded employment rate, a consultant's charge or another basis, and then avoid adding the same component twice.

There is also a difference between project cost and additional cash payroll. Reassigning an employee from another project can increase the cost attributable to Cedar without changing the organisation's total salary payment that month. The reassignment still has an opportunity cost and may leave the other project short of capacity. Treating salaried staff as free because their pay would continue anyway can make a proposal look inexpensive while concealing displaced work.

At this stage, Cedar's planned effort fits the reserved weekly capacities under its stated availability assumptions. That is a conditional conclusion. It remains true only while the people, skills and reserved time remain available. Record who confirmed those assumptions and when they should be checked again. The next step is to fit that capacity around the order in which the work must happen.

4 Put Dependencies on the Calendar

The calendar has to respect both the order of the work and the availability of the people doing it. Start with the necessary sequence, then test whether the resources fit.

Reversing that order can produce a schedule in which activities have attractive dates but cannot begin because their inputs do not yet exist.

Cedar's group sessions depend on usable materials, enrolled participants and workable event arrangements. Individual support follows the group course because participants need an initial plan to discuss. The final report depends on the delivery and participant records, and release depends on the lead's review. These relationships explain the twelve-week design more clearly than three coloured bars labelled preparation, delivery and reporting.

Distinguish work from waiting

A dependency can consume elapsed time without consuming continuous staff effort. A participant may need time between sessions to attempt an exercise. A venue may need notice before confirming a booking. A reviewer may need a reasonable response window even when the review itself requires only a few hours. Removing those intervals from the calendar does not make the underlying need disappear.

Cedar places one session per cohort in each of four consecutive weeks. The spacing gives participants an opportunity to try the work before the next session. Delivering the same contact hours in a single compressed event would change the learning design. It might be a legitimate alternative, but it should be assessed as a different service rather than treated as a simple scheduling efficiency.

Avoid assigning a full week of labour to every week of elapsed time. An activity may take several weeks because it involves intermittent contact or an external response. Estimate the active effort separately and place it within the elapsed window. This keeps a long but light activity from absorbing an unjustified staffing allowance.

The reverse error is just as costly. An eight-hour task does not necessarily finish tomorrow if the qualified person has only a small block available. Nor can the task always be divided among several people. Work that requires one person's judgment, a fixed event or a sequence of decisions may resist division. The useful question is how the chosen method can actually be performed with the resources available.

Build the sequence before fixing the date

During weeks one to four, Cedar prepares the course, enrolls participants and settles delivery arrangements. Measurement tools are prepared early enough to collect the starting information consistently. The materials are walked through before they are used with participants. The initial phase ends with a practical readiness check, so a missing venue confirmation cannot be hidden inside a label saying preparation complete.

Weeks five to eight contain group delivery. Cohort A meets on Monday, cohort B on Wednesday and cohort C on Friday. Each event occupies a three-hour morning block. Preparation and arrangements take place outside those blocks. The venue and equipment booking is defined to include the necessary setup and clear-up, with coordinator effort provided within the arrangements allowance.

Weeks nine to eleven contain individual support and follow-up contacts. These use organisation-initiated calls from existing office space. The coordinator arranges the appointments, the trainer reviews and discusses the exercises, and the records officer collects the defined follow-up information. An unsuccessful contact still consumes effort. The allowance does not establish that every participant will answer or that repeated attempts can continue without limit.

Week twelve completes the work. The coordinator closes the records on Monday and Tuesday while the trainer prepares the final course synthesis and handover material. The records officer uses six hours on Wednesday and four on Thursday to complete and check the draft. The lead begins review late on Thursday. Two records-officer hours remain on Friday for ordinary corrections and final checks, followed by the lead's release decision. The original plan assigns two lead hours to Thursday review and four to Friday; the smaller design uses one and a half and three. A material revision that exceeds these allowances reopens the completion plan.

Six additional records-officer hours have already been used in week ten to analyse settled group records. Together with the twelve hours in the final week, including ordinary checking and correction, they make the eighteen-hour analysis and report allowance. Preliminary work is possible because group delivery has ended; the final report still waits for complete closeout records. This is a more credible sequence than placing all analysis, record closure and approval at the same final deadline.

Test the calendar at the level of the constraint

A project with many flexible tasks may only need a weekly capacity check. Cedar also needs a check of the fixed event blocks because the trainer and coordinator must attend together. In the final week, it needs a daily sequence because several outputs depend on one another. Choose detail according to the constraint, rather than making every activity equally precise.

The original case has little room in several places. The coordinator's group-delivery weeks use the entire reserved allocation. The trainer and coordinator use their full project availability in week twelve. The records officer also uses the full final-week allocation. This does not make the plan impossible, but it means a late input can affect the finish even when unused hours remain elsewhere in the project.

An hour left over in week two cannot repair a missed participant appointment in week eleven. Similarly, an available person cannot shorten a supplier's lead time unless the method itself can change. A useful schedule identifies where flexibility actually sits: in a movable activity, an available time block, a replaceable resource or a delivery date that the recipient can accept.

Distinguish that flexibility from an unexplained gap. Leaving a blank week in a plan may be prudent if it addresses a known uncertainty and is agreed with the funder. It may also conceal unfinished thinking. Explain what the time is intended to absorb and what would trigger its use. Otherwise, one colleague may treat it as available for new work while another is relying on it to protect the finish date.

Resolve conflicts by changing something real

When resources do not fit, the team has several possible changes to examine. It can move work, reserve more of the appropriate person's time, add a qualified resource, alter the method or negotiate the completion date. Each choice has consequences. Moving a session can affect participant access. Adding a trainer can require briefing and consistency checks. Compressing preparation can reduce the chance to discover a defect before delivery.

Choose a solution based on the cause of the conflict. If the problem is that three events overlap, increasing the total trainer budget without changing the staffing or event times will not help. If the problem is insufficient total support hours, rearranging those same hours may also be insufficient. The calendar should show what changed, not merely display a revised finish date.

For an external dependency, identify a date by which its uncertainty must be resolved. Cedar needs venue and participant-access arrangements before group delivery. If either cannot be settled within preparation, the lead must reconsider the sequence or service. Continuing as though confirmation will arrive on time transfers an unresolved assumption into an apparent commitment.

Once the calendar works, preserve its basis. Record the starting week, the duration of each phase, the event pattern, the resource availability and the assumptions about external responses. The dates can then be translated into an actual calendar, including holidays, local working patterns and known absences. The fictional twelve-week model does not perform that local calendar check for a real assignment.

5 Build Costs from Quantities and Rates

A cost line should explain what is being purchased or consumed. The amount becomes understandable when the reader can see the quantity, the unit and the rate. An unexplained total may be correct, but it is difficult to test or update. If the activity changes, the team needs to know which part of the calculation should move.

Cedar now has role hours, event counts, participant counts and a twelve-week calendar. Those quantities provide the direct-cost structure. The next task is to establish an appropriate cost basis for each resource and make sure it covers the intended work once.

Give every rate a boundary

A rate is a statement about what is included. An employee cost rate may include salary and employer charges. A consultant's rate may include the consultant's own equipment but exclude travel. A venue quotation may cover a room while charging separately for setup time or audiovisual equipment. Comparing rates without those boundaries can make the apparently cheaper option more expensive in use.

Cedar's illustrative staff rates are total hourly employment costs to the organisation. They include assumed pay and employer employment charges; they do not represent take-home pay. Office costs remain outside those rates and are allocated separately. No additional payroll percentage is applied later.

Table 2 converts the original effort into staff cost. The calculation uses hours directly. Planning-day equivalents can be displayed for explanation, but a rounded day count should never replace the underlying hours when calculating the amount.

Table 2 Original staff cost in CU

Role	Hours	CU per hour	Cost CU
Project lead	72	36	2,592
Trainer	162	30	4,860
Coordinator	120	18	2,160
Monitoring and records officer	60	25	1,500
Finance administrator	18	20	360
Total	432		11,472

The rates are teaching assumptions. They say nothing about a fair salary or a typical consultant charge in any country. In a live estimate, identify the evidence for the rate, the period it covers and any condition that could change it. A payroll calculation, a current supplier quotation and a rough preliminary allowance have different strengths. The record should show which one is being used.

The GAO cost guide supports documenting assumptions, source data, methods and calculations so another person can understand the estimate. The same discipline is useful here without giving a small organisation an unnecessarily elaborate estimating process. [1]

Match the unit to the activity

Cedar needs twelve venue bookings at CU 80 per event, giving CU 960. Equipment rental costs CU 25 for each event, giving CU 300. In this case, a half-day booking is a supplier unit that accommodates the three-hour event and necessary setup and clear-up. It does not mean that exactly half of the six-hour staff planning day has been rented.

Participant materials are different. Each unique enrollee receives one pack, so sixty packs at CU 10 cost CU 600. Multiplying the materials rate by 240 attendances would buy four packs per person even though the design requires only one. Travel support and refreshments, by contrast, are tied to attendance opportunities: 240 at CU 6 and 240 at CU 4, producing CU 1,440 and CU 960 respectively.

The model provides the maximum planned quantity for those attendance-related costs. During delivery, the organisation must distinguish planned capacity from actual eligible payments or purchases. Some supplies can be ordered after confirmation; some bookings may be committed in advance. Record those commercial conditions rather than assuming that every absence creates the same saving.

An outreach package costs CU 240 for the project. Calls and data cost CU 60 in each four-week period, totalling CU 180. The latter covers the project's communication activity, including the organisation-initiated support calls. It is distinct from the office's shared connectivity service. The case assumes participant access has been checked and no separate participant data payment is needed.

These nonstaff direct costs total CU 4,680. Added to CU 11,472 in staff cost, they produce CU 16,152 in direct cost. The project also benefits from shared office resources, which the next chapter adds on an explicit basis.

Record evidence that can survive a question

For a real supplier quote, retain the date, scope, unit, currency, validity period and material exclusions. Check whether delivery, taxes, required accessories and setup are included. If the quote is conditional on a minimum order or an early booking, the estimate should carry that condition. A remembered price from an earlier project is weaker evidence than a current comparable quotation.

For an internal rate, retain the calculation and the period for which it is valid. Protect confidential payroll information appropriately; the external budget justification may need a role and cost basis without exposing individual pay records. Internal support and external disclosure are different decisions. The purpose of traceability is to make the figure defensible to the authorised reviewer, not to circulate every underlying record widely.

Where a rate is uncertain, use a clearly identified assumption and test its importance. Do not decorate an assumed amount with false precision. A figure expressed to several decimal places can still be a guess. Conversely, sensible rounding in a presentation should not alter the calculation beneath it. Keep the exact working values and reconcile the displayed total.

A useful cost note explains both the quantity and the reason for it. Cedar's trainer line can state that the assignment covers material development, group preparation and delivery, individual support and final synthesis. The detailed activity record explains the hours. The application may not have room for every calculation, but the team should be able to provide the relevant support when required.

Check completeness in both directions

First, follow each activity into the cost model. Does it use staff, supplies, premises or another resource? If it appears to cost nothing, identify why. Existing equipment, donated time or support from a partner may reduce the amount requested, but those resources still need to be available on the stated terms.

Then follow each cost line back to work. If a line has no clear purpose, ask whether it belongs in the project. A customary percentage or a familiar budget heading is not enough. The need may be real, but it should be explained before the amount is accepted.

Check multiplication, addition and units separately. A spreadsheet can contain a correct formula applied to the wrong driver. The participant-materials example shows why a numerical audit must also read the service design. A second reviewer should reconstruct important calculations from the activity description, not merely confirm that the total cell adds the visible rows.

Finally, distinguish omissions from uncertainty. Forgetting a necessary activity calls for adding it to the model. Uncertainty about how much work an included activity will require calls for better evidence or a scenario test. Adding a general cushion without identifying the omitted work can leave both the design and the estimate unclear.

6 Pay for the Work Between Deliverables

Visible delivery often receives the most careful estimate. The work that makes delivery possible is easier to lose. Someone answers participant questions, confirms arrangements, checks records, resolves an exception and prepares the information needed for payment. If these tasks remain necessary, removing them from the budget transfers their cost to somebody rather than removing the work.

Cedar has already included much of this effort in its activity model. Coordination, payment processing and reporting are attached to named roles and periods. This chapter completes the cost by examining the resources the project shares with the rest of the organisation, then checks when the resulting costs occur.

Distinguish direct support from shared support

An administrative task can be directly attributable to a project. Cedar's finance administrator spends eighteen hours processing project payments and financial records. Those hours are part of direct staff cost because the example identifies them with Cedar's work. Calling the role administrative does not automatically turn the hours into a general overhead charge.

Shared office resources have a different pattern. The office supports more than one programme. Cedar benefits from premises and office connectivity, but it does not consume the whole organisation's office cost. A reasoned share should enter its full project cost, subject to the relevant accounting and funding treatment.

The National Lottery Community Fund's full-cost-recovery guidance offers a useful example of this distinction: a project can include its direct costs and a proportionate share of support costs. That is the Fund's guidance. A reasonable internal allocation does not establish eligibility under every funding call. [5]

A classification should follow the nature of the resource and its use. Avoid deciding that a cost is direct merely because the funder accepts direct costs more readily. Equally, do not exclude a necessary project-specific activity because its name sounds administrative. The internal estimate should explain the work first, then apply the relevant classification and presentation.

Allocate the shared resource once

Cedar's fictional office pool contains CU 3,600 of rent and utilities and CU 720 of office connectivity for the twelve weeks, totalling CU 4,320. The organisation has 144

reserved desk-equivalent weeks across its programmes. Cedar reserves thirty-six of those, representing three equivalent desks over twelve weeks. Its share is therefore one quarter, or CU 1,080.

The basis is reserved usable space over time, not the number of names on a staffing list. Five people contribute to Cedar, but they do not each require an exclusive desk throughout the project. The equivalent-desk convention describes the space and connectivity capacity the organisation reserves for the pattern of use. In a live organisation, the allocation basis would need to be supportable, consistent and suitable for the resources in the pool.

This is one pool with a stated boundary. It excludes the project's separate calls and data package, the training equipment rental and the direct finance-administration hours. Those resources already appear elsewhere. Adding them to the pool would charge the project twice for the same cost.

The other programmes must also be treated consistently. If their allocations already recover the entire office pool, adding Cedar's share without revising the allocation would over-recover it. The full allocation should reconcile to the pool and explain any unallocated portion. An allocation is a distribution of identified cost, not a way to create extra cost because several funders have room in their budgets.

The shared office cost does not necessarily disappear when the project becomes smaller. In the later redesign, Cedar retains the same twelve-week duration and reserved office capacity. The CU 1,080 allocation therefore remains. A smaller headcount in the classroom alone does not justify claiming a reduction in office use that has not occurred.

Put the full cost into the delivery periods

Adding the shared allocation to direct cost produces an original project cost of CU 17,232. The office share is CU 360 in each four-week period. Staff and other direct costs are placed in the periods where the model expects the resources to be used.

Table 3 Original cost by four-week period in CU

Cost	Period 1	Period 2	Period 3	Total
Staff	3,162	3,801	4,509	11,472
Other direct costs	900	3,720	60	4,680
Shared office allocation	360	360	360	1,080
Total	4,422	7,881	4,929	17,232

This view explains why an even split of the total across the project would be misleading. Group delivery concentrates venue, travel support, refreshments and equipment in the second period. Staff effort is highest in the third period because individual support and closeout require substantial time. The spending pattern follows the design rather than an arbitrary share assigned to each month.

An expense period and a payment date may differ. A venue may require a deposit before use. An employee may be paid on a regular payroll date. An office bill may cover a longer period than the project's allocation. The cost model should retain when the resource is used, while the cash forecast records when money must move. Mixing the two makes both harder to interpret.

Check financing without confusing it with cost

For a short cash illustration, assume Cedar contributes CU 1,232 in organisational cash at the start and seeks CU 16,000 from the fictional funder. Assume the grant pays CU 6,400 at the start, CU 6,400 at the start of the third period and CU 3,200 after closeout. These are teaching assumptions, not standard grant payment terms.

Also assume that all attributable staff, supplier and allocated office amounts are paid in their corresponding periods. Under that simplified financing view, the initial CU 7,632 leaves CU 3,210 after the first period. After the second period's CU 7,881 outflow, the cumulative position is CU 4,671 below zero before financing. The second grant payment reduces the pressure, but CU 3,200 remains unrecovered at the end of delivery until the final payment arrives.

The largest period-end gap is therefore CU 4,671. It is not necessarily the maximum cash requirement within a period. Deposits or payroll dates could produce a different peak. Cedar would need a sufficiently detailed payment calendar and an authorised way to cover the gap before starting. Full funding of total cost does not provide the money on every required date.

This calculation is a project-financing view. It does not prove that all allocated costs are additional cash outflows for the organisation. Existing payroll and rent may continue regardless of Cedar's work. That distinction becomes especially important when the project is reduced: releasing staff hours can lower the cost attributed to this assignment without lowering the total payroll bill. The organisation must understand both consequences before accepting a smaller budget.

7 Align the Budget with Funding and Price Rules

The internal cost model answers what resources the proposed work requires. A funding application must also answer which costs the funder will support, how they should be presented and what contribution the applicant must provide. These are connected questions, but they should remain distinguishable. A disallowed cost does not stop being a cost if the activity is still necessary.

Keep a full internal view before translating the figures into an application. The funder may ask for broad categories, annual totals or a particular treatment of support costs. The internal model can preserve the detailed quantities and timing even when the submission is shorter. This makes it possible to explain the request and to manage the work after an award.

Reconcile cost with the amount requested

Cedar's original total cost is CU 17,232. The fictional organisation commits CU 1,232 of its own cash, leaving a grant request of CU 16,000. The contribution is an explicit teaching assumption about cash support. It is not an unpaid staff allowance or an unconfirmed promise from a partner.

Table 4 Original funding reconciliation in CU

Funding source	Amount CU
Grant request	16,000
Organisational cash contribution	1,232
Total funding	17,232
Total estimated project cost	17,232
Unfunded difference	0

The zero difference establishes balance under the assumptions. It does not establish eligibility, approval or the availability of cash on time. For the teaching calculation, assume the fictional funder permits the presented direct costs and the stated office allocation. A live application must check that position rather than treating the balanced table as evidence of permission.

If a real funder will support only part of a necessary cost, identify the source for the rest. It may be unrestricted organisational funding, a permitted contribution from another source or a redesign that removes the need. Do not leave the difference unnamed. An unfunded obligation remains with the organisation even when the application form no longer displays it.

Contributions need a usable basis. Cash must be available when required. Donated work must come from people who are willing and able to provide it. In-kind contributions may be valued or reported differently under different arrangements. If the application requires a particular contribution, check both the eligible form and the evidence needed. The case uses cash precisely to keep that separate issue out of its arithmetic.

Translate categories without losing the calculation

A funder may combine several of Cedar's activity lines under personnel. Another may distinguish programme delivery from management. Either presentation can still reconcile to the same hours and resources. Keep a mapping from the submitted total to the internal calculation so a change can be applied once and reflected wherever necessary.

Avoid forcing costs into an accepted category by changing their description. A venue remains a venue even if the form's equipment heading has unused space. Where a category is unclear, use the funder's instructions or seek clarification through the permitted route. An internal label cannot determine the funder's treatment.

Different funders also treat full cost and their contribution differently. UK Research and Innovation's guidance distinguishes project costing from the contribution it funds and has specific approaches to items such as indirect costs and indexation. That guidance excludes Innovate UK grants. Its arrangements are a reason to check the applicable method, not a template to apply to every organisation or country. [6]

Inflation provides a practical example. If a funding method already applies an adjustment, adding another adjustment internally and carrying both into the request can duplicate it. If no adjustment applies, assuming future rates remain unchanged may understate cost. Establish which method governs the actual application, which period the base rate describes and where any adjustment enters the model.

Explain the need behind the line

A budget justification should help the reader understand why the resource is needed and why the quantity is appropriate. Cedar's venue line can explain the number of

cohorts, the sessions each receives and the booking required for each event. Its trainer line can connect the role with preparation, group delivery, individual support and final synthesis. Those explanations make the figures assessable without retelling the entire programme.

The National Institutes of Health advises applicants to connect resources and effort with the proposed work, explain personnel roles and address meaningful changes between years. The National Science Foundation requires a justification of requested budget lines within its own application process. These are named funder examples; their forms, limits and other numerical rules are not general requirements for every proposal. [3, 4]

Choose the level of detail the reader needs. A short application narrative may state the method and major drivers while the organisation retains the full calculation. An application that explicitly requests a detailed breakdown needs that detail in the required place. A reviewer should not have to guess whether a total covers one event or the entire project.

Explanations must match the submitted figures. If the budget supports forty people after a change, an old paragraph describing sixty people is a substantive error. Likewise, a sentence promising individual support must agree with the support hours. A readable narrative cannot repair a funding table that pays for a different service.

Keep rule examples within their scope

For U.S. federal financial assistance where the relevant provisions apply, 2 CFR Part 200 includes conditions concerning allowability, reasonableness, allocation, consistent treatment and documentation. It also addresses personnel records and the distinction between direct and indirect costs. Inclusion in an approved-looking budget is not, by itself, sufficient support for every eventual charge. These are U.S. federal-award examples, subject to applicability and award conditions. They should not be presented as the rules for all grants or procurement contracts. [7]

The practical question for a team is narrower than mastering every possible regime. Identify the rules that govern this opportunity and test the proposed cost treatment against them. Where specialist interpretation is required, resolve it before the assumption becomes a firm request. Keep the decision and its basis with the estimate.

For a commercial assignment, the internal delivery cost also remains distinct from the offered price. The business must decide its commercial terms and return within the opportunity's conditions. That pricing decision is outside this book's main method. Whatever price is chosen, the work plan still needs to reveal the resources required to deliver the promised service.

Cedar now has a defined service, a resource-feasible calendar under stated assumptions, a full cost and a funding reconciliation. The next step is to challenge the assumptions that matter most. Agreement among documents is valuable only if the plan can tolerate the conditions it is likely to encounter or can identify when a different decision is needed.

8 Test the Plan When Assumptions Change

A completed estimate describes one set of assumptions. Testing it means asking which plausible changes would alter the decision. The useful result may be a higher cost, a capacity conflict, a later finish or evidence that the proposed service needs a different boundary. A scenario is valuable when it changes what the team will investigate or prepare.

Begin with assumptions that have both uncertainty and consequence. Cedar's trainer rate affects a large cost line. The individual support allowance affects a large block of work in a tightly scheduled phase. Both deserve attention. A minor supply estimate may be uncertain too, but resolving it first would do less to establish whether the project can be delivered.

Change one input to see its effect

In the original case, the trainer costs CU 30 per hour for 162 hours. Suppose the rate is ten per cent higher, at CU 33, while the work remains unchanged. Trainer cost becomes CU 5,346, an increase of CU 486. Total project cost becomes CU 17,718.

This is a single-input sensitivity test. It shows how the total responds to a defined change in the rate. It does not predict that the rate will rise, and it does not attach a probability to that outcome. In a live estimate, the range used for the test should have a reason, such as quotation validity, employment assumptions or observed variation in relevant evidence.

A percentage chosen only because it produces a convenient table has limited value. Ask whether the tested change is large enough to affect the decision and plausible enough to merit attention. For Cedar, the teaching change is deliberately stated as an assumption. The source guidance does not supply or validate the rate or the percentage.

The GAO cost guide distinguishes sensitivity testing from broader quantitative risk and uncertainty analysis. Varying an input while holding the others constant helps identify influential assumptions. A few low, central and high scenarios do not, on their own, establish a probability distribution or a confidence interval. [1]

Test the resource consequence as well as the amount

Now suppose every individual support appointment needs thirty additional trainer minutes. Across sixty people, this adds thirty trainer hours. At the original rate, the

additional cost is CU 900. Trainer effort rises to 192 hours and total project cost to CU 18,132.

The cost calculation is simple. The calendar consequence is more demanding. The additional work occurs in the final period, where trainer demand rises from seventy-two to 102 hours. Reserved availability remains seventy-eight hours. The plan is twenty-four hours short.

At the weekly level, the twenty appointments in each of weeks nine to eleven now require thirty trainer hours rather than twenty. The trainer has twenty-two available each week, so each appointment week is eight hours short. The final week's synthesis and handover allowance remains unchanged. Moving the shortfall into that week would displace work already using its full trainer allocation.

The difference between additional effort and the availability shortfall matters. The project needs thirty more hours of work and should cost all thirty. Six of those hours fit within the originally reserved spare capacity, leaving twenty-four hours that require an availability decision. Costing only the shortfall would omit the extra work that happens to fit inside the existing reservation.

Cedar must now change something operational. It could reserve more of the trainer's time if that time truly exists, bring in a suitably prepared second person, extend the support window or restrict the support offer through an agreed redesign. Each option needs examination. Paying for thirty more hours does not establish that the required trainer can supply them on the planned dates.

Combine assumptions when they can move together

The two preceding tests hold other inputs constant. In practice, the higher rate and longer appointments could occur together. The combined case needs 192 trainer hours at CU 33, costing CU 6,336. Total project cost becomes CU 18,708, or CU 1,476 above the original estimate.

Simply adding the two isolated increases would give CU 1,386. The combined increase is CU 90 higher because the thirty additional hours are also paid at the higher rate. This small interaction illustrates why related changes should be recalculated through the model rather than added as disconnected allowances.

Table 5 Teaching stress tests in CU

Scenario	Trainer hours	Trainer cost CU	Project cost CU
Original assumptions	162	4,860	17,232
Higher trainer rate only	162	5,346	17,718
Longer individual support only	192	5,760	18,132
Both changes together	192	6,336	18,708

Both scenarios with longer support retain the same twenty-four-hour capacity shortfall unless the resource plan changes. The table is therefore a cost comparison of defined scenarios, not a menu of equally feasible delivery plans. The model must carry that distinction wherever the figures are used.

Other combinations may matter in a live project. A delay can expose the work to a new rate period. A change in location can affect both travel and staff time. A larger group can reduce the number of events while increasing the effort needed for individual help. Test combinations where there is a reason for the relationship. An exhaustive collection of arbitrary permutations can consume time without improving the decision.

Turn the test into a management response

For an influential assumption, identify what evidence could narrow the uncertainty and when it can be obtained. Cedar can test a representative support exercise during preparation and ask the trainer to assess whether the original appointment allowance is credible. That test will not establish every participant's need, but it can reveal an obvious mismatch before the service is promised.

Also decide what finding would trigger a change. If support routinely requires more time than the reserved window can hold, the lead should revisit the design before enrolment commitments become difficult to change. A trigger is useful only if somebody has authority to act on it. Merely adding an uncertainty to a risk list leaves the original promise intact.

An organisation may choose to retain financial capacity for uncertainty. The amount, source and authority to use it should be clear. Whether a funding application may include a particular provision is a separate question governed by that opportunity's rules. A general statement that all contingencies are permitted, or that none are permitted, would be unreliable across funding regimes.

Do not treat money held back as a substitute for a response. A reserve cannot create a qualified trainer on an unavailable date. It can support a feasible response when the required resource or alternative method exists. Cedar's most important result from the support test is therefore the capacity problem, even though the cost increase is easier to display.

An estimate becomes stronger when uncertainty is connected to a decision. The team can then explain what it believes, what could change and what it will do if the evidence moves. It need not pretend that a single approved total has removed the uncertainty from the work.

9 Rebuild the Plan After a Cut or Change

A funding reduction changes the resources available to support the work. It does not automatically reduce the work itself. The responsible response is to reconsider the design, identify an acceptable service within the new limit and recalculate its consequences. Reducing every budget line by the same percentage can leave the original promises without enough capacity behind them.

Cedar's fictional funder lowers the grant ceiling from CU 16,000 to CU 12,800, a twenty per cent reduction. The organisation's committed cash contribution remains CU 1,232. The maximum available funding is therefore CU 14,032. The original project cost of CU 17,232 no longer fits.

This is a pre-start redesign, made before project work, participant admissions or supplier commitments begin. No project effort has yet been incurred. The event bookings and participant-material orders are still uncommitted. The example therefore assumes the relevant nonstaff quantities can be reduced without cancellation charges or stranded supplies. A change after commitment would need a different calculation. The amount removed from a budget is not evidence that a supplier obligation has been released.

Choose the service that the smaller budget will buy

Cedar could examine several designs. It might keep the original reach with less individual support, use larger cohorts or reduce the number of people admitted while retaining the course. These choices affect different aspects of the service. They should be discussed in terms of participant need and delivery quality before one is selected for its arithmetic.

The revised teaching design admits forty adults in two cohorts of twenty. Each cohort still receives four group sessions and every admitted participant retains the individual support offer. The project now delivers eight group events and provides 160 group attendance opportunities. It offers forty individual support appointments. Twenty people who would have been included in the original design are no longer within the funded scope.

This is a reduction in reach. It preserves the class size and support offered to each admitted participant, but it cannot be described as the same programme outcome for less money. The team must explain who can be admitted under the smaller scope and

how selection will remain appropriate to the programme's purpose. It should not quietly convert the excluded group into an unfunded future commitment.

Retaining the original sixty people in larger classes would be a different design. It would require a fresh assessment of facilitation, exercises and support. The model's cohort size reflects the chosen teaching method; changing it cannot be justified solely by observing that a larger room exists. Similarly, removing individual support would save resources while removing a service intended to help participants apply the material.

Recalculate the work that actually changes

Course development remains thirty-six trainer hours because the curriculum is unchanged. Group preparation and delivery fall from fifty-four to thirty-six trainer hours because there are fewer events. Individual support falls from sixty to forty hours, while synthesis and handover remain twelve hours. The redesigned trainer total is 124 hours.

Coordinator effort falls from 120 to eighty-four hours. Enrolment and participant arrangements reduce with the smaller number of people, and event arrangements reduce with the smaller event count. Record closeout retains its twelve-hour allowance. The revised schedule arranges fourteen support appointments in week nine and thirteen in each of weeks ten and eleven. At the existing scheduling allowance, that requires 4.2, 3.9 and 3.9 coordinator hours respectively.

The monitoring and records officer's effort falls from sixty to fifty hours. Starting records, attendance checks and follow-up contacts reduce with their respective quantities. Preparing the tools and analysing and reporting the results retain their existing allowances. A smaller dataset does not remove the need to define the measures, check the account and explain the findings.

The project lead's assignment falls from seventy-two to sixty hours. Initial preparation remains unchanged, while coordination and closeout oversight each reduce from twenty-four to eighteen hours. Finance administration remains eighteen hours because the required project payment and financial-record process remains in place. These are explicit revised estimates, not a claim that every management task changes in direct proportion to participant numbers.

Together, the redesign uses 336 staff hours instead of 432. It releases ninety-six hours of assigned project effort. When those hours are reassigned to other work, Cedar's reserved availability must fall by the same hours in the same weeks; they

cannot remain spare capacity in both projects. Applying the same role rates produces staff cost of CU 9,002, compared with CU 11,472 originally. The reduction is CU 2,470.

Separate avoidable expenditure from released capacity

The nonstaff changes follow identifiable quantities. Fewer events reduce venue cost by CU 320 and equipment rental by CU 100. Fewer planned attendances reduce travel support by CU 480 and refreshments by CU 320. Fewer participant packs reduce materials by CU 200. Outreach and project calls and data remain unchanged. The nonstaff reduction is CU 1,420, giving revised nonstaff direct cost of CU 3,260.

Those amounts are avoidable under the stated pre-commitment timing. The staff reduction has a different meaning. The organisation may still owe the same salaries. It now assigns ninety-six fewer hours to Cedar, but that does not prove a CU 2,470 reduction in total payroll cash.

For the redesigned case, assume the released hours can be used for genuinely needed, already funded work elsewhere in the organisation. That assumption must be tested in a live decision. It is not permission to charge another award merely because Cedar's grant became smaller. If suitable funded work is unavailable and the payroll obligation remains, Cedar's organisation must finance the stranded cost or reconsider the design again.

Shared office cost also remains. Cedar retains the same twelve-week duration and reserved office capacity, so the project continues to carry CU 1,080. The smaller classroom population does not release the office reservation. This unchanged cost is one reason total project cost does not fall in direct proportion to participant numbers.

Table 6 Cost of the redesigned service in CU

Cost	Original	Redesigned	Reduction
Staff	11,472	9,002	2,470
Other direct costs	4,680	3,260	1,420
Shared office allocation	1,080	1,080	0
Total	17,232	13,342	3,890

Reconcile the new funding request

The revised cost is CU 13,342. After the unchanged organisational cash contribution of CU 1,232, the grant request becomes CU 12,110. This is CU 690 below the funder's new ceiling of CU 12,800.

A ceiling is a maximum, not a requirement to spend the whole amount. Cedar should not insert a vague line to absorb the CU 690. If another necessary and permitted activity would improve the redesigned service, the team can specify and cost it, then seek the appropriate agreement. The present example makes no such addition. It retains the lower request.

The funding table is now balanced for the revised scope. Organisational viability still depends on the stated treatment of released staff capacity, continuing office obligations and cash timing. The original cash forecast cannot simply be relabelled with the new total. Payment terms and the revised period costs would need to be checked before the smaller project starts.

Make the changed promise explicit

Record the original service, the revised service and the reason for the change. The comparison should include participant numbers, events, support, effort, schedule and funding. It should also state what remains unchanged and why those resources are still needed. That explanation allows a reviewer to distinguish a deliberate design from an indiscriminate reduction.

Update the places where the promise appears. The enrolment plan must admit forty people, the event plan must contain two cohorts, and the staff reservations must match the revised effort. The completion definition remains the same for admitted participants. Actual attendance and completion will still be reported as actual results rather than assumed from the smaller funded target.

A scope change may need permission even when the new total is lower. As one bounded example, applicable U.S. federal-assistance rules can require prior written approval for a change in scope or objective, independently of whether the corresponding budget revision would otherwise require approval. The applicable rules and award terms determine the actual process for a real project. [7]

Preserve the original calculation alongside the revised one. GAO's estimating and scheduling guidance supports documented updates and comparison with the prior baseline. Here, the value is practical: another person can see that the lower cost comes partly from fewer services and partly from released staff effort, while the office allocation remains. [1, 2]

The redesign is a different offer that fits a smaller funding envelope under explicit conditions. Approving it means accepting the reduced reach and the remaining organisational commitments. That decision should be made while the quantities can still be changed responsibly, before people and suppliers are relying on the original promise.

10 Approve and Hand Over the Same Baseline

The plan is ready to approve when the people responsible for delivery and finance are considering the same service, quantities, resource reservations and funding basis. A signature on the total alone leaves too much unresolved. The amount may be correct while the delivery team still expects a different number of people or a different support offer.

For Cedar's redesign, approval concerns forty adults, two cohorts, eight group events and forty individual support offers. It concerns 336 staff hours and a twelve-week sequence with a defined final review. It also concerns CU 13,342 of project cost, CU 1,232 of organisational cash and a CU 12,110 grant request. These figures belong together because they describe one design.

State the basis that the approver is accepting

Keep a short baseline record with the service description, activity estimate, resource calendar, cost calculation and funding reconciliation. A baseline is the agreed reference against which progress and later changes will be assessed. It should identify the version approved and the assumptions that materially affect delivery.

For Cedar, those assumptions include suitable participant access to the support calls, the reserved staff time, the office allocation, the absence of cancellation costs before the redesign and the organisation's ability to use released staff time for genuinely needed, already funded work. The smaller budget is conditional on those assumptions. If one is unresolved, the approver should see the issue and the action required before work starts.

The delivery lead should be able to explain what the team will do when demand exceeds the support allowance. Finance should be able to explain the cost basis and how continuing payroll and office commitments are covered. The person controlling staff assignments should confirm that the reserved hours have not also been promised elsewhere. These are distinct responsibilities even when a small organisation assigns more than one to the same person.

Keep the supporting detail proportionate. A concise record can point to a working calculation without reproducing every row. What matters is that another authorised person can recover the basis of the decision. A total copied into an email without its service assumptions is difficult to manage once somebody asks for a change.

Hand over the quantities that control the work

Give the delivery team the practical limits it needs. Cedar's coordinator needs the admitted participant count, the cohort pattern, the event dates, the communication arrangements and the support-slot plan. The trainer needs the preparation, contact and closeout allowances, along with the exercise and service boundary. The records officer needs the definitions of attendance and completion and the sequence for obtaining final information.

Finance needs the same quantities, expressed through the cost model. The materials allowance applies to unique enrollee packs. The travel and refreshment allowances relate to group attendance opportunities. The office share covers the reserved capacity described in the allocation. These distinctions should survive handover; otherwise, delivery can use one interpretation while financial reporting uses another.

Make changes in the working records that people actually use. A revised budget stored centrally will not prevent an old enrolment form from admitting the original number of participants. Update the event booking instructions, staff reservations and participant communication before those records create fresh commitments. Confirm that the team has received the revised basis rather than assuming a shared folder establishes common understanding.

Compare actual work with remaining work

Once delivery begins, the original estimate becomes a reference. Actual hours and costs provide evidence, but they need to be interpreted alongside what has been completed. Low expenditure may indicate efficiency, delayed activity, missing records or work transferred elsewhere. It is not enough to compare the bank balance with the budget and declare the project healthy.

Track the drivers that matter. Cedar needs actual events held, attendance, support appointments offered and used, completed records, and effort consumed by the main activities. Keep those measures distinct. A participant who attends repeatedly remains one unique person. An unused support slot may release time, but it does not establish that a participant received the service or completed the course.

Estimate the remaining work from the current situation. If material preparation took longer than expected, the team should ask whether the extra effort has solved a problem or signals that later sessions will also need more preparation. The remaining estimate should reflect the answer. Subtracting expenditure from the original budget produces an amount left to spend; it does not establish what the unfinished work will cost.

A useful forecast combines cost already incurred with a current estimate of cost still to come. Account for commitments that are already made but not yet paid, and avoid counting them again as new purchases. Keep payment timing separate so finance can see the cash requirement. The degree of detail should reflect the project's size and exposure, but the distinction between past cost and remaining work is useful at any scale.

For U.S. federal awards where the relevant rule applies, personnel charging requires records reflecting the work performed; original budget estimates alone do not establish the final charges. That is a bounded regulatory example of a broader management need to compare planned effort with reliable delivery information. [7]

Preserve the reason for a change

When a material assumption changes, record the cause before editing the total. Was the scope different, the original quantity wrong, the rate outdated or the resource unavailable? These causes call for different responses and teach different lessons for the next estimate.

Keep an approved baseline and a current forecast as distinct records. The baseline shows what was authorised. The forecast shows what is now expected under the latest evidence. A later approved change can establish a revised baseline, with the earlier version retained. Rewriting the original plan to match current performance would make it harder to understand what actually changed.

The record need not be lengthy. Describe the changed condition, the affected activities and quantities, the cost and schedule effects, the funding consequence and the decision. Where the agreement requires external permission, obtain it through the appropriate process. Internal approval does not replace that requirement.

At closeout, return useful evidence to the next estimate. Compare actual preparation and support effort with the allowances, note the conditions that explain differences and retain reliable rate information with its date and scope. Avoid turning one unusual project into a universal benchmark. The value lies in understanding which features made the work easier or harder and whether they are likely to recur.

Cedar's calculation has now become a working basis for delivery rather than a submission-only budget. It tells the team what it is trying to provide, what resources have been assigned and what must be reconsidered when reality differs. That is the practical purpose of bringing the work plan and budget into agreement.

Conclusion

The original Cedar programme required more than classroom time. Its cost came from preparation, events, individual support, coordination, records, financial administration and a stated share of office resources. Its schedule depended on the order of those activities and on people who could actually perform them in the available time.

When the funding ceiling fell, the team could identify a smaller service because it understood those relationships. Some quantities reduced. Some activities remained. Staff capacity was released without an automatic reduction in payroll cash. The revised design would serve fewer people, and the cost model made that consequence visible.

Use the same discipline on the next assignment. Start with a service someone can describe clearly. Break it into work that can be estimated. Give quantities their proper units and rates their proper boundaries. Test the busy periods and the assumptions that could change the decision. When funding or scope changes, rebuild the affected parts and explain the resulting service.

A budget does not have to be elaborate to be useful. It has to contain enough reasoning that another person can understand it and enough structure that the team can change it honestly. When the numbers remain connected to the work, they support decisions before the project begins and remain useful when delivery becomes less predictable than the first plan suggested.

Appendix A The Complete Case Budget

All quantities, rates, arrangements and figures in this appendix are fictional teaching assumptions. Amounts are in CU. Original means the sixty-participant design; redesigned means the forty-participant design. Hourly staff rates include the assumed pay and employer employment charges, while the stated shared office costs sit outside them. Costs are calculated from hours without rounding day equivalents.

Activity effort behind the role totals

These are the complete activity-hour inputs. A project allowance is a bounded estimate for the described task, rather than a per-person formula. The revised lead allowances are explicit judgments for the smaller design. Repeated quantities use unique enrollees or group events as stated; each activity appears in one role total only.

Table A1 Complete activity build-up in hours

Role and activity basis	Original hours	Redesigned hours
Lead scope and preparation, project allowance	24	24
Lead group-delivery coordination, phase allowance	24	18
Lead support and closeout oversight, phase allowance	24	18
Trainer course preparation and walk-through, project allowance	36	36
Trainer group preparation, 1.5 hours per event	18	12
Trainer group facilitation, 3 hours per event	36	24
Trainer individual support and record, 1 hour per enrollee	60	40
Trainer synthesis and handover, project allowance	12	12
Coordinator recruitment and enrolment, 0.6 hour per enrollee	36	24
Coordinator group-event support, 3 hours per event	36	24
Coordinator event arrangements, 1.5 hours per event	18	12
Coordinator individual-support arrangements, 0.3 hour per enrollee	18	12

Role and activity basis	Original hours	Redesigned hours
Coordinator record closeout, project allowance	12	12
Records officer tools, project allowance	12	12
Records officer starting records, 0.1 hour per enrollee	6	4
Records officer attendance checks, 0.75 hour per event	9	6
Records officer follow-up attempts and records, 0.25 hour per enrollee	15	10
Records officer analysis and report, project allowance	18	18
Finance administrator payments and records, 6 hours per four-week period	18	18
Total hours	432	336

The support hour comprises forty-five contact minutes and fifteen minutes for brief exercise review, preparation and the record. The records-officer reporting allowance includes six hours on settled group records in week ten and twelve in the final week. Its final-week work includes the ordinary correction time described in Chapter 4. The finance allocation covers all three four-week periods in both designs.

Staff quantities and costs

Table A2 Staff effort and hourly cost basis

Role	Original hours	Redesigned hours	CU per hour
Project lead	72	60	36
Trainer	162	124	30
Coordinator	120	84	18
Monitoring and records officer	60	50	25
Finance administrator	18	18	20
Total hours	432	336	

Table A3 Staff costs in CU

Role	Original cost	Redesigned cost
Project lead	2,592	2,160
Trainer	4,860	3,720
Coordinator	2,160	1,512
Monitoring and records officer	1,500	1,250
Finance administrator	360	360
Total staff cost	11,472	9,002

Other direct costs

Each expression below is quantity multiplied by CU rate, followed by CU cost. Venue and equipment quantities are event booking blocks that accommodate the three-hour session and necessary setup and clear-up. Attendance quantities are planned opportunities, not a claim about actual attendance. Material quantities are unique enrollee packs.

Table A4 Other direct-cost calculations in CU

Resource and unit	Original calculation	Redesigned calculation
Venue per event	$12 \times 80 = 960$	$8 \times 80 = 640$
Travel support per attendance	$240 \times 6 = 1,440$	$160 \times 6 = 960$
Refreshments per attendance	$240 \times 4 = 960$	$160 \times 4 = 640$
Materials per enrollee	$60 \times 10 = 600$	$40 \times 10 = 400$
Outreach per project	$1 \times 240 = 240$	$1 \times 240 = 240$
Equipment rental per event	$12 \times 25 = 300$	$8 \times 25 = 200$
Calls and data per four-week period	$3 \times 60 = 180$	$3 \times 60 = 180$
Total other direct cost	4,680	3,260

Reserved capacity and revised effort

Each role belongs to a separate suitably skilled person. Availability is the time reserved for this project after other commitments, not the person's entire payroll calendar. Period totals require the weekly and event-block checks described in the chapters.

Table A5 Original reserved project availability in hours

Role	Period 1	Period 2	Period 3
Project lead	30	30	30
Trainer	42	60	78
Coordinator	42	54	36
Monitoring and records officer	24	18	36
Finance administrator	6	6	6

The redesigned case reassigns the ninety-six released hours to other funded work in the same weeks. Its project reservation falls accordingly. The following availability cannot also be claimed by another project.

Table A6 Redesigned reserved project availability in hours

Role	Period 1	Period 2	Period 3
Project lead	30	24	24
Trainer	42	42	58
Coordinator	30	36	30
Monitoring and records officer	22	15	31
Finance administrator	6	6	6

Table A7 Redesigned effort in hours

Role	Period 1	Period 2	Period 3
Project lead	24	18	18
Trainer	36	36	52
Coordinator	24	36	24
Monitoring and records officer	16	6	28
Finance administrator	6	6	6
Total	106	102	128

The twelve-week sequence remains preparation in weeks one to four, group delivery in weeks five to eight, and support and closeout in weeks nine to twelve. The redesigned group calendar retains the Monday and Wednesday cohorts. Support is arranged as fourteen, thirteen and thirteen appointments in weeks nine to eleven. Final records and course synthesis precede the report draft; ordinary correction time is reserved before release, as described in Chapter 4.

Shared costs and the fictional application headings

The shared office pool contains CU 3,600 for rent and utilities and CU 720 for office connectivity. Cedar's thirty-six reserved desk-equivalent weeks are one quarter of the 144 reserved across the organisation. The allocation is CU 1,080 in both designs. It excludes every direct cost above and the direct finance-administration hours.

The following mapping illustrates a fictional application that asks for three headings. Personnel contains the five staff roles. Delivery supplies and services contains the seven other direct-cost lines in Table A4. Shared office costs contains only the defined office allocation. These are full-project-cost columns before the cost is divided between the grant and organisational cash. A real funder's categories may differ.

Table A8 Mapping to fictional application categories in CU

Application heading	Original	Redesigned
Personnel	11,472	9,002
Delivery supplies and services	4,680	3,260
Shared office costs	1,080	1,080
Total project cost	17,232	13,342

Table A9 Funding reconciliation in CU

Funding item	Original	Redesigned
Grant request	16,000	12,110
Organisational cash	1,232	1,232
Total funding	17,232	13,342
Total project cost	17,232	13,342
Unfunded difference	0	0

The redesigned request is CU 690 below the revised ceiling of CU 12,800. The calculation assumes the redesign occurs before any project work, admissions or supplier commitments and that released staff hours can perform genuinely needed, already funded work elsewhere. Continuing salary and office obligations remain in the organisation's wider plan. Neither the funding balance nor this category mapping establishes eligibility under a real award.

Appendix B A Worksheet for Building an Estimate

Use these prompts in a working document or spreadsheet. Complete one deliverable first, then extend the structure. Keep evidence and calculations close enough that a colleague can follow the reasoning. The worksheet is an internal planning aid; adapt the final presentation to the opportunity's instructions.

Describe the service

Name the intended recipient and what that person or organisation will receive. State the quantity, frequency, duration and completion test. Define any term that could be counted in more than one way, such as participant, visit, output or completed case. Identify boundaries that materially affect the work.

Record the result the service is intended to support separately from the output the team controls. State what will be measured and what the evidence cannot establish. Decide which records are necessary before estimating their collection and analysis.

Build one activity record

For each meaningful activity, record the work to be performed, its responsible role, its input and its output. Identify whether the quantity is driven by people, events, units, time or the existence of the project. Include preparation, checking, communication and approval where they are required.

Show the effort calculation and the evidence or judgment behind it. State what the allowance includes so adjacent activities do not charge the same work twice. If a quantity remains uncertain, identify the condition that would change it and the evidence needed to improve the estimate.

Test people and dates together

Place the activity in its necessary sequence. Identify the person or resource required, the usable availability and any fixed event or response window. Check the busiest period, then the busiest week or time block where simultaneous work could create a conflict.

Separate active effort from elapsed duration. Identify what can move and what must remain fixed. If the work does not fit, record the real change in method, resource, scope or date that would resolve the problem, including its cost and quality consequences.

Give the cost a reproducible basis

Record the quantity, unit, rate, currency, rate date and rate boundary. Identify whether the figure comes from a quotation, internal calculation, comparable actual work or an assumption. Check taxes, delivery, employment charges and other components according to the applicable context, without adding the same component twice.

For shared resources, record the pool, its exclusions, the allocation basis, the project's share and the reconciliation across users. Keep the internal full cost visible even where the application accepts only part of it. Name the funding source for every necessary cost that will remain with the organisation.

Challenge and release the estimate

Test the assumptions that could change the decision. Recalculate both cost and capacity. Label single-input tests and combined scenarios accurately; do not imply probabilities that have not been established.

Ask an independent colleague to reconstruct significant calculations from the work description. Resolve omissions, duplicated costs and unit errors. Record the version, assumptions, outstanding conditions and authorities approving the service, resource reservations and funding basis. Give the delivery team the same quantities and limits that the budget supports.

Practise the unit check

Before looking at the answer, calculate the trainer's hours for Cedar's original group phase. There are three cohorts, each receiving four sessions. A session contains three contact hours and requires one and a half preparation hours. Then calculate the number and cost of participant packs if sixty unique enrollees can attend four times and each needs one CU 10 pack. Explain why the same multiplying quantity should not be used for both calculations. Finally, compare the group-phase demand with sixty reserved trainer hours and fifty-four reserved coordinator hours. The coordinator needs fifty-four hours. Which role has less room for additional work?

The answer is twelve group events, requiring thirty-six contact hours and eighteen preparation hours, for fifty-four trainer hours in the group phase. Counting only classroom time would omit the eighteen preparation hours. The materials requirement is sixty packs costing CU 600. The 240 attendance opportunities describe repeated visits by the same people; they do not create 240 unique pack recipients.

The trainer has six reserved hours beyond the planned group work, while the coordinator has none. That makes coordinator availability the tighter constraint in this phase. The trainer's remaining hours occur in particular weekly blocks and cannot automatically replace the coordinator's work or attendance at events. A new task needs a resource decision as well as a cost calculation.

The check is successful when the units explain the result. A correct multiplication using attendance where unique people are required would still give the wrong budget. Apply the same question to your own estimate before relying on a total.

Appendix C A Worksheet for Changing the Plan

Use this record when a material assumption, funding amount or service requirement changes. Preserve the previous version so the effect remains visible. A change is complete when the revised service, calendar, resources and funding agree, and the required approvals have been obtained.

Establish what changed

Describe the new condition and when it became known. Identify the affected service, the current commitments and the point beyond which a cost can no longer be avoided. Separate confirmed information from a request, an assumption or a possibility.

Describe the available choices

Write the practical alternatives and the service trade-off in each. Explain who receives less, later or differently. If an option claims to preserve the same service at lower cost, identify the changed method or evidence that makes the saving credible.

Rebuild the affected calculations

Recalculate quantities and effort from the chosen design. Retain fixed work that remains necessary. Recheck weekly capacity and the final sequence. Identify additional coordination, transition or cancellation work created by the change itself.

Separate reduced expenditure from released staff capacity and redistributed shared cost. Confirm how continuing payroll, premises and other obligations remain funded. Do not treat a lower project allocation as proof that the organisation's cash commitment has fallen.

Reconcile and authorise the new basis

Compare original and revised scope, resource quantities, cost, schedule and funding. Explain the difference in ordinary language. Check the new cash timing, required permissions and the validity of any contribution. A lower total does not automatically permit a scope change.

Record the decision, the version approved, any condition that must be met before starting and the person responsible for it. Update the operational records that can create commitments, including enrolment, staff reservations and supplier instructions. Keep the earlier baseline and make the new one easy for the delivery team to identify.

Sources and Notes

The references support the particular concepts or funder examples identified in the chapters. The teaching case, calculations and worksheets are original illustrative material. Sources were checked on 3 October 2026. Page references below are the reports' printed page numbers. Check the version applicable to an actual opportunity; guidance and award conditions can change.

1. U.S. Government Accountability Office. Cost Estimating and Assessment Guide: Best Practices for Developing and Managing Program Costs. GAO-20-195G, March 2020. Chapters 7 and 10 support work breakdown and detailed estimation; Chapter 8 covers assumptions; Chapter 13 covers documentation. See pages 130–140 for sensitivity and the distinction from broader risk and uncertainty analysis, and pages 180–183 for updating estimates. The book adapts these concepts to a small service project; the guide does not establish grant eligibility.

GAO cost estimating guide

2. U.S. Government Accountability Office. Schedule Assessment Guide: Best Practices for Project Schedules. GAO-16-89G, December 2015. See pages 49–50 for effort and duration, pages 57–61 for resource availability and conflicts, pages 65–68 for durations and calendars, and pages 138–139 for preserving and changing a baseline. The book's weekly capacity checks are a proportionate teaching adaptation.

GAO schedule assessment guide

3. National Institutes of Health. Develop Your Budget. Page updated 3 December 2025. The cited advice concerns connecting resources with proposed work, explaining personnel roles and addressing changes between years. See Budgets Getting Started, Detailed Budget Personnel, and Understanding the Out Years. This book does not rely on the page's numerical thresholds or historical policy references. Current application instructions govern an actual NIH submission.

NIH budget development advice

4. U.S. National Science Foundation. Preparing Your Proposal Budget. Undated overview, section Budget justification. Cited for NSF's requirement to explain and justify requested budget lines. Its submission limits and other rules are specific to the applicable NSF process and are not imported into the teaching method.

NSF proposal budget guidance

5. The National Lottery Community Fund. What is full cost recovery. Undated guidance. Cited for the distinction between project-specific costs and a proportionate share of organisational support costs. Eligibility must still be checked against the particular funding opportunity.

National Lottery Community Fund cost guidance

6. UK Research and Innovation. How to include costs in your application. Updated 17 July 2026. See Costing your project, VAT and inflation, and Indirect costs. Cited as an example of funder-specific costing and contribution arrangements. The guidance expressly excludes Innovate UK grants; its numerical policies are not presented as general rules here.

UKRI application cost guidance

7. U.S. Office of Management and Budget. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 2 CFR Part 200, current eCFR text checked 3 October 2026. Relevant provisions are sections 200.403–200.405 on allowability, reasonableness and allocation; section 200.412 on classification; section 200.430(g)(1) on personnel records; and section 200.308(f)(1) on changes in scope or objective. These are bounded U.S. federal financial-assistance examples, subject to applicability and award terms.

Current 2 CFR Part 200



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