**HOW TO PREPARE A BUDGET**

**by Simon Moss**

|  |
| --- |
| **Introduction** |

 When you complete your application, as well as when you complete your confirmation of candidature, you will need to prepare a budget. A budget is an estimate of the expenses your research project is likely to incur.

**Why do you need to estimate the expenses accurately?**

 After you submit a budget, your college—or school if you are enrolled in Menzies—will decide whether they can afford these expenses. If they accept your application, or approve your confirmation of candidature, the college, in essence, has pledged to pay these expenses. The following table outlines the problems that might unfold if you significantly underestimate or overestimate your budget.

|  |  |
| --- | --- |
| Problem | Consequence |
| Underestimated budget | * The college may not be able to fund the additional expenses you need, compromising your project
 |
| Overestimated budget | * The college may not accept your application or confirmation, because the budget is too steep
 |

|  |
| --- |
| **A typical budget** |

 The following table illustrates a typical budget. As this table shows, the budget should include

* all the items you might need to purchase—including equipment, consumables, stationery, software, travel, conferences, courses, research assistants, and incentives
* the approximate cost of these items
* the approximate date in which you might need to purchase these items
* some additional notes or justifications

The date is vital because you can spend only up to a certain amount each semester.

|  |  |  |  |
| --- | --- | --- | --- |
| Item | Cost | Approximate data of purchase | Notes |
| **Equipment** |   |  |  |
| Olympus voice recorder | $110.00 | June 2020 |  |
| **Consumables** |  |  |  |
| Methanol 2.5 L | $12.00 | Sept 2021 |  |
| Formic acid | $19.00 | Sept 2021 |  |
| **Stationary** |  |  |  |
| Stationary supplies  | $80.00 | Oct 2022 | Pens and paper to facilitate the focus groups |
| **Software** |  |  |  |
| Student licence for STATA | $140.00 | August 2020 | The scripts were written in Stata  |
| **Travel and conferences** |  |  |  |
| Flights to two locations | $1400.00 | February 2022 | Most likely Qantas |
| Taxi  | $300.00 | February 2022 | About 200 km |
| Accommodation for 5 nights | $600.00 | February 2022 |  |
| Living expenses during travel | $200.00  | February 2022 | For meals |
| Conference registration | $400.00 | February 2022 |  |
| **Courses** |  |  |  |
| Safety training course | $250.00 | November 2020 | Needed to complete the laboratory work |
| **Research assistants** |  |  |  |
| Transcription service | $500 | September 2022 |  |
| **Other** |  |  |  |
| Incentives to pay participants | $400.00 | June 2021 | For 400 surveysTypical rate for this website is $1 per 15 minutes |
| Approximate budget for each semester |  |  |  |
| Semester 1: Jan to June 2020 | $110 |  |  |
| Semester 2: July to Dec 2020 | $390 |  |  |
| Semester 1: Janto June 2021 | $400 |  |  |
| Semester 2: July to Dec 2021 | $31 |  |  |
| Semester 1: Jan to June 2022 | $2900 |  |  |
| Semester 2: July to Dec 2022 | $480 |  |  |
| **Total** | **$4311** |  |  |

|  |
| --- |
| **How to construct this budget** |

**Identify the items you might need**

To identify the items you might need, you could

* use the previous illustration to help you plan your research activities as carefully as possible
* seek advice or precedents from your supervisor or other candidates in your field

**Estimate the costs of these items**

 To estimate these expenses—such as the costs of equipment, stationary, and travel—you should visit the website, and scan the catalogue, of relevant suppliers. The following table presents some of these suppliers.

|  |  |
| --- | --- |
| Problem | Supplier and website |
| Equipment: Electronic | * JB hi fi: <https://www.jbhifi.com.au/features/current-catalogues/>
 |
| Equipment: Laboratory | * Interpath services: tinyurl.com/yymqlkcb
* Thermofisher: tinyurl.com/yxms3fb2
 |
| Consumables: Laboratory | * Interpath services: tinyurl.com/yymqlkcb
* Thermofisher: tinyurl.com/yxms3fb2
 |
| Stationary | * Officeworks: <http://catalogues.officeworks.com.au>
 |
| Software | * Visit the specific supplier, such as IBM
 |
| Travel | * Expedia, webjet, [www.travelmath.com](http://www.travelmath.com), or skyscanner.com.au
 |
| Accommodation | * Wotif or Tripadvisor
 |
| Payment of participants | * Usually about $5 per hour
 |

 Suppliers might specify the costs in other currencies. To convert to Australian dollars, visit www.xe.com/currencyconverter/

|  |
| --- |
| **What is maximum budget that can be allocated to my project?** |

 So, what is the maximum budget that colleges will allocate to each candidate? The answer primarily depends on whether the field is regarded as high cost or low cost.

**Which fields are high cost?**

The following table specifies which fields tend to be designated as high cost. All other fields tend to be designated as low cost. In general, engineering, natural sciences, and health sciences tend to be regarded as high cost.

|  |
| --- |
| High cost fields |
| Physics and Astronomy | Computer Engineering |
| Chemical Sciences | Communications Technologies |
| Earth Sciences | Aerospace Engineering |
| Biological Sciences | Aircraft Maintenance Engineering |
| Other Natural and Physical Sciences | Maritime Engineering |
| Manufacturing Engineering | Environmental Engineering |
| Process and Resources Engineering | Biomedical Engineering |
| Automotive Engineering | Agriculture, Environmental and Related Studies  |
| Mechanical Engineering | Medical Studies |
| Industrial Engineering | Pharmacy |
| Civil Engineering | Dentistry |
| Geomatic Engineering | Veterinary Studies |
| Electrical and Electronic Engineering and Technology | Human Movement |
| Electrical Engineering | Psychology |
| Electronic Engineering |   |

 **Budget allocated to high cost and low cost projects**

Roughly speaking, colleges will tend to allot

* $1800 per semester for high-cost projects
* $900 per semester for low-cost projects

However

* this figure is only approximate; colleges can adjust these limits to accommodate a range of considerations
* candidates may be able to apply for additional funds for specific purposes, such as the costs of publication, conferences, courses, or unforeseen expenses.
* for more information, contact the HDR administrator or convener of your college