



Cutting the Cake

5

Tips on dividing a project budget among partners.

Quick Intro.



What are we even talking about?

The project budget forms an integral part of every funding proposal and is subject to evaluation. Since most proposals are submitted by consortia consisting of multiple partners with different project roles, they need to agree on how to split the project budget among themselves.



Why does it matter for my proposal?

Budget discussions are typically the “hot potato” of every funding proposal preparation. Navigating budget discussions can be tricky, but there is a tried and tested roadmap to help you as the coordinator build a balanced budget without stepping on anybody’s toes.



“A good plan is everything”

THE
THOUGHT
BOX

No.1

Start by understanding what you want to do

Before crunching the numbers, you need to understand what is it that you want to do with the funding money. Start by working out with the partners a **project Work Plan** consisting of work packages and tasks. Allocate the work packages and tasks to individual partners.

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"You're the boss!"

THE
THOUGHT
BOX

No.2

Dare a first top-down cake division

Once the Work Plan is developed, try to assign high-level budget figures to each Work Package. Keep in mind the maximal funding amount the funding agency is willing to commit and always leave a 10-20% budget margin unassigned.

Going bottom-up may be a more “democratic” process, but it typically ends-up with the partners **exceeding** the maximal funding amount multiple times. That’s human nature!

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“You’re the boss, but: be open and transparent!”

THE
THOUGHT
BOX

No.3

Ask partners to take position

Confront partners with your top-down calculations and ask them to confirm/challenge you. Be prepared to justify how you arrived at the calculations. Also be prepared to **give in** on some figures (this is where your unassigned budget margin can help!).

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“Be like a diplomat!”

THE
THOUGHT
BOX

No.4

Refine by horse-trading

Rarely everybody will immediately agree with your original budget split and additional discussions to refine the budget will be needed. Identify the “hardest” cases and try to solve them in smaller groups rather than in one big consortium meeting. Get ready for **horse-trading**: in case one partner asks for an increased budget, he may have to take on additional responsibility in the project.

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“Only written word is the law”

THE
THOUGHT
BOX

No.5

Make it official!

Once you’ve managed to agree on a budget, **make it official** by communicating it to the partners and giving them a deadline to voice any protests. After the deadline, the budget gets “locked”.

Leaving the budget discussion open may result in **unpleasant surprises**, e.g., partners wanting to make last-minute changes to their budgets, that could torpedo the entire proposal submission days (or hours!) before the deadline

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THE THOUGHT BOX

THETHOUGHTBOX is an online collection of easy-to-digest tips, tricks, and tools for improving your next grant proposal application.

THETHOUGHTBOX content distils real-world experiences made by BOR&BAR consultant and guest contributors into bite-size actionable insights.

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From our Berlin office, our team of international consultants cover all major regional, national and European funding programmes.

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