1. **Purpose**

The regulation outlined here are designed to satisfy informational needs on setting up original budgets for sponsored projects and programs. Budget transfers and revisions are modifications made to the original budget of a project.

2. **Scope**

Applies to all grant expenditures.

3. **General Principles**

3.1 Budget transfers must be approved and allowable. Principal Investigators must seek agency approval if the award document does not make any reference to whether modifications are allowed.

3.2 Budget modifications are prepared when the needed changes are necessary to carry out the overall function of the grant. Usually, budget transfers are done to place more money in a line item and sometimes to establish a line item that does not exists.

3.3 Careful consideration is needed when moving money around. This activity must be approved by the granting agency. The vast majority of agencies do not mind transferring small amounts of money (10% or less) between line items; while other agencies may absolutely restrict any and all re-budgeting. Therefore, the general rule is to check the award letter to ensure that budget transfers or revisions are allowed. If the award does not state whether or not re-budgeting is allowed, then the default policy is to seek agency approval.

3.4 The Office of Sponsored Research and Programs will enter the original budget data into the financial accounting system based on the award and approved budget. The detailed budget for a
sponsored project should reflect the expenditure account code breakdown as submitted and approved by the sponsoring agency and correspond, where feasible, with the University's account code structure. If the sponsoring agency does not award the amount requested in the proposal, the principal investigator or designee must submit a revised budget that agrees with the awarded amount. The revised budget will then be forwarded to the Office of Sponsored Research and Programs for entry into the financial system. Absence of a budget agreeing in total to an awarded amount will delay set-up of projects and the unit's ability to expend funds.

3.5. Sponsored Projects all begin with a fund number of 55XXX. Entry code CD1 represents the original budget transactions in the financial system.

4. **Revised Budgets**

4.1 Points to consider when revising a budget

4.1.1 Understand the specific sponsor terms/conditions regarding revisions to the original budget.

4.1.2 Anticipate budget needs and obtain PRIOR approval rather than after the fact approval. After the fact requests have been denied.

4.1.3 Requests for a budget revision must follow the procedures established by the Office of Sponsored Research and Programs.

4.1.4 Written, detailed justification is required explaining the reason for the revision.

4.1.5 Facilities and administrative costs (account code 74800G) must be adjusted when increasing or decreasing the equipment, subcontracts (maximum recovery of F&A is up to $25K on each agreement) and/or student aid account codes unless the agency restricts the rebudgeting of F&A costs.

4.2 Budget Revision Requests

A budget revision should be requested using the Banner SSB (Self-Service Banner). This system and user instructions can be accessed on the Office of Sponsored Research and Programs website.

4.3 Budget Correction Request

4.3.1 The Office of Sponsored Research and Programs will accept written notification from the colleges in order to correct original budget entries made upon project set-up. These corrections only relate to cases wherein OSRP misinterpreted into which account code the budget should have been entered.

4.4 Entry Code - CD2 represents a revised budget transaction in the financial system.

5. **Checking your budget**

5.1 Always check your budget to ensure funds are available and the expense is allowable BEFORE initiating any transactions on your grant. The Office of Sponsored Research and Programs verifies ALL expenditures and approves only those that fall within the guidelines of the grant budget.

6. **Procedures**

6.1 Refer back to the original grant award to determine if the budget transfer is allowable. If the transfer requires prior approval from the agency, the Principal Investigator of the grant must obtain the approval needed for the transfer.
6.2 Check form “FGIBAVL” in Banner to ensure funds are available to cover the transfer. Accounts are restricted from going into the negative and budget overrides are not allowed. Therefore, funds must be available to cover all budget transfers.

6.3 Verify that the transfers “to” and “from” account codes are correct. Refer to the appropriate Banner chart of accounts if necessary.

6.4 Review form for completeness, checking to see that all sections of the form are completed and all signatures are present.

6.5 Enter the budget transfer into Banner SSB (Self-Service Banner). Submit original budget transfer form along with the approval, if applicable, to the Office of Sponsored Research (OSRP) for approval.

6.6 All budget transfers submitted without following proper procedures will be returned unprocessed to the respective department.