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Sponsored Award Administration Management	Expenditures	5.100.11	12/26/2014	Page 1 of 2

Purpose: Sometimes it becomes necessary to rebudget funds. The reasons may include a need to accommodate unexpected expenses, a personnel change, etc. Many sponsors, particularly the federal government, have rules concerning the approval and allowability of re-budgeting of costs between categories of expense and sources of funding. Sponsors vary in the degree to which they allow funds to be moved between budget categories. Most agencies approve this type of action as long as the project's scope is not altered. In other instances, such as most federal agencies, BTI can grant approval under the sponsor's "Expanded Authorities." This policy provides guidance for the appropriate procedures to be utilized for sponsored award rebudgeting.

Policy:

1. The following is the policy of the Boyce Thomson Institute for Plant Research (BTI) on Re-budgeting sponsored awards.
2. Many sponsors, particularly the federal government, have rules concerning the approval and allowability of re-budgeting costs between categories of expense and sources of funding. Sponsors vary in the degree to which they allow funds to be moved between budget categories. Most agencies approve this type of action as long as the project's scope is not altered. In other instances, such as most federal agencies, BTI can grant approval under the sponsor's "Expanded Authorities." This policy provides guidance for the appropriate procedures to be utilized for sponsored award re-budgeting.
3. Expanded authorities generally allow considerable latitude in how funds are expended, so long as the expenditures are reasonable, allocable to the project and allowable. The level at which prior approval may be granted depends upon the type of sponsored award and the sponsor's specific policies for that type of sponsored award.
4. The following are examples of changes not covered under expanded authority in which principal investigators / project directors are required to obtain written agency approval to do any of the following listed in the Uniform Guidance CFR Part 200:
 - Obtaining additional federal funding.
 - Carryover of unobligated funds from one budget period to another within an approved project period.
 - Extension of the budget or award period with or without additional funds
 - Equipment purchases and capital expenditures.
 - Equipment purchased with federal funds must be used for technical or scientific purposes and solely or primarily for the sponsored project.
 - Writing subcontracts greater than \$25,000.
 - Building construction changes.
 - Changes in the F & A (indirect) rate.
 - Changes in the scope of work.
 - Change in objective or emphasis of the project.
 - Applying a new technology.

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- Transferring substantive programmatic work to a third party.
 - Absence of the approved principal investigator / project director for more than three months or a 25 percent reduction in time devoted to the project.
 - Change of principal investigator / project director (see SAAM 120.02 Change of Principal Investigator Policy).
 - Change of key personnel.
 - Change of grantee institution or recipient institution name.
 - Alternative use of salary support due to receipt of research development award.
 - Indemnification against third parties.
 - Applicable restrictions on the Notice of Grant Award.
 - Before considering a change to the approved budget, principal investigators / project directors are required to review the agency's rebudget guidelines and the terms and conditions of the sponsored award.
 - Many sponsors require that prior approval be obtained before making changes to the original budget, while other sponsors allow BTI prior approval authority.
 - Principal investigators / project directors are to review any instances of monetary limits imposed by the sponsor, such as for travel or equipment.
 - Modification of the project budget is required when expending for a new direct cost line item that was not in the original budget, or to modify the objectives, increase funding levels, or extend the time frame of the award.
 - Significant re-budgeting (25% of total grant award or \$250,000 whichever is less; or changes that affect indirect costs and/or release time) requires the approval of the Vice President of Research Administration.
5. Re-budgeting between budget categories within the total costs awarded to meet unanticipated requirements is permitted provided that:
- The expenditures enhance and do not impede the successful completion of the project.
 - The expenditures are allowable under governing regulations and policies
6. Under federally sponsored awards, most federal agencies grant expanded authority to BTI which waives the prior approval requirements by a sponsoring agency.
7. If there is a need to move significant funds among categories, the Principal Investigator (PI) should contact the Business Office to determine whether or not re-budgeting requires sponsor approval.
8. Unauthorized transfer of funds between budget categories may result in costs being disallowed.