**Policy on Budget Revision Approval Process for Federal Grants**

**Purpose**

This policy establishes uniform procedures for initializing, approving and processing budget revision requests on sponsored projects.

**Policy and Procedures**

Grant budgets are reviewed internally and by sponsors for compliance with governing cost principles and policies, many of which are unique to the funding agency or award type. Approved budgets are consistent with sponsor requirements, and many post-award budget revisions require prior approval from federal sponsors.

Some sponsors allow Principal Investigators (PIs) to revise budgets without prior approval while others require approval when re-budgeting across spending categories or when changes exceed a specified percentage of the award amount. Even if sponsor approval is not required, Barnard College requires PIs to complete a Budget Revision Request Form in order to ensure effective budget administration.

The “[Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule](http://www.ecfr.gov/cgi-bin/text-idx?SID=ed90f54836feb6a994f657188eb05e33&node=2%3A1.1.2.2.1&rgn=div5)” (Uniform Guidance), published by the Office of Management and Budget (OMB) sets forth standards for grants administration.

Per the Uniform Guidance:

“For non-construction Federal awards, recipients must request prior approvals from Federal awarding agencies for one or more of the following program or budget-related reasons:

(1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(2) Change in a key person specified in the application or the Federal award.

(3) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(4) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with Subpart E—Cost Principles of this part or 45 CFR part 75 Appendix IX, “Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals,” or 48 CFR part 31, “Contract Cost Principles and Procedures,” as applicable.

(5) The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.

(6) Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in §200.332 Fixed amount subawards. This provision does not apply to the acquisition of supplies, material, equipment or general support services.

(7) Changes in the approved cost-sharing or matching provided by the non-Federal entity. No other prior approval requirements for specific items may be imposed unless an exception has been approved by OMB. See also §§200.102 Exceptions and 200.407 Prior written approval (prior approval).

(8) The need arises for additional Federal funds to complete the project.”

It is Barnard College’s policy to segregate participant support costs when required by funding sources. No budget modifications can be made that decrease participant support without written approval from the funding source.

There are additional instances in which individual sponsoring agencies may require approvals for revisions, including requests for no-cost extensions or changes within the same line item that may need to be considered within agency regulations (such as proposing international travel versus domestic travel). Requesting and documenting prior approval when it is required helps ensure that costs are not subsequently disallowed.

For those instances included above and/or for which individual agencies require prior approval, a PI who wants to spend grant funds in ways that differ from the original/approved budget should prepare a written budget revision and justification letter.

The revision should provide a line item increase and/or decrease of funds and the justification must adequately support the need for the revision. The Director of Sponsored Research will review the request and justification. At this stage, a request for a budget revision may be denied for the following reasons unless additional information can be provided by the PI:

* Inaccurate or incomplete budget information.
* Insufficient back-up documentation or justification.
* Need for additional College approvals.
* Insufficient lead time per sponsor requirements.

If the request is sufficiently documented and justified, the Director of Sponsored Research (the “Director”) will forward it to the Provost for review and approval. After internal approval, the Director will forward the request to the sponsoring agency, as required, and request written authorization. Once sponsor notification is received, the Director will forward the decision to the PI and Associate Controller of Financial Reporting.

For budget revisions that do not require sponsor approval, the PI should prepare a written summary of the revision(s) and justification and send all documents to the Director for review and guidance as to next steps. If allowable, the budget revision will be processed by the Associate Controller of Financial Reporting.