

East Tennessee State University

Policy Title: Request to Rebudget a Sponsored Project

Issued: 4/30/14

Responsible Official: Vice Provost for Research and Sponsored Programs

Responsible Office: Office of Research and Sponsored Programs

Policy Statement

The terms and conditions of an award generally determine the allowability and/or procedure for rebudgeting sponsored project funds. Rebudgeting of sponsored projects will only be allowed when the request to rebudget falls within the guidelines of sponsor and is reviewed and approved by the Office of Research and Sponsored Programs Administration. Requests to rebudget sponsored project funds that represent a change in project scope and/or key personnel may need additional approvals.

Purpose

To ensure that requests for rebudgeting sponsored project funds are processed in accordance with sponsor guidelines and ETSU's financial policies.

Definitions

Direct Costs	Costs that can be identified specifically with a particular sponsored project, an instructional activity or any other institutional activity, or that can be directly assigned to activities relatively easily with a high degree of accuracy. (2 CFR 200.413)
Indirect Costs (Facilities and Administrative Costs)	Costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. (2 CFR 200.414)
Rebudgeting	The process of transferring funds from one account within a Banner index to another account within the same index (e.g., from supplies to equipment.).
Significant Rebudgeting	Significant rebudgeting occurs when expenditures in a single direct cost budget category (Banner account) deviate (increase or decrease) from the categorical commitment level established for the budget period by 25 percent or more of the total costs awarded. For example, if the award budget for total costs is \$200,000, any rebudgeting that would result in an increase or decrease of more than \$50,000 in a budget category is considered significant rebudgeting. The base used for determining significant rebudgeting excludes the effects of prior-year carryover balances but includes competing and non-competing supplements. Significant rebudgeting does not apply to modular grants (see NIH Significant Rebudgeting Statement linked below). ETSU applies the principle of significant rebudgeting to all sponsored projects.

Procedures

	The Project Director/Principal Investigator (PD/PI) initiates any request to rebudget sponsored project funds by completing a Rebudget Request Form, obtaining the required signatures, and submitting it to ORSPA for review and approval. Additional information to substantiate the rebudget may be requested.
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	Upon obtaining all necessary approvals, ORSPA will forward the approved request to Grant Accounting for implementation.
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Roles and Responsibilities

Principal Investigator/Project Director (PD/PI)	The PD/PI is responsible for reviewing the sponsor guidelines on rebudgeting prior to developing an internal Rebudget Request. The PD/PI is responsible for initiating the request by completing the Rebudget Request Form - including providing a legitimate justification for the request - and routing it for the necessary signatures prior to submitting it to ORSPA for review and approval. The PD/PI's signature on the Rebudget Request Form certifies that the requested budget revisions are consistent with the originally approved project scope. If the request represents a substantive change in project scope or change in key personnel, the PD/PI may be required to provide additional information and seek prior programmatic approval from the sponsor before processing the Rebudget Request.
Department and College	Department Chairs and Deans are responsible for reviewing the Rebudget Request prior to submission to ORSPA. Their signature on the Request signifies that the prior charges on the sponsored project and the Rebudget Request have been reviewed by the department and college budget support staff and that the request is justifiable and appropriate to the project.
Office of Research and Sponsored Programs Administration (ORSPA)	ORSPA is responsible for reviewing the Rebudget Request against the sponsor's guidelines and the terms of the Notice of Award (NoA). ORSPA will evaluate whether the request represents a substantive change in project scope and determine if the request requires prior approval from the sponsor. ORSPA will consider the justification for the Rebudget Request and the unobligated balance of the award and allow or disallow the request. If the request requires prior approval from the sponsor, ORSPA is responsible for forwarding the request and the supporting information to the sponsor as soon as possible. If approved, ORSPA will notify the PD/PI, the sponsor, and Grant Accounting of the revised budget.
Grant Accounting	Applies changes to Banner as requested and approved on the Rebudget Request Form.

Related Forms

[Rebudget Request Form](#)

Links

[2 CFR 200.413-200.414](#)

[2 CFR 200.308](#)

Revision Dates

3/9/15

Subject Areas

Academic	Research	Finance	Human Resources
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