



Assistance Document - Budget Revisions

The budget plan is the financial expression of the project or program as approved by the sponsor during the award process. During the conduct of a project, the principal investigator may determine that budget changes are necessary to carry-out the project work.

Many sponsors allow flexibility in how project funds are expended and permit budget changes needed to meet project requirements. Principal investigators need to be aware of the specific requirements for their awards and to request prior approval for budget changes when the terms and conditions of the sponsor or particular award require it.

Brandeis University complies with the Federal Office of Management and Budget (OMB) Uniform Guidance (2 CFR § 200.308 - Revision of budget and program plans) standards regarding post-award budget revisions on projects funded by agencies of the federal government.

Revisions for sponsored project budgets that require sponsor prior approval must be reviewed and approved by Brandeis' Office of Research Administration (ORA).

Budget Revisions that Require Sponsor Approval

The "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule" (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.”

Note: It is Brandeis University’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).

If the sponsor requires prior approval for budget revisions that exceeds a certain percentage of the budget, care must be taken to ensure this limit is not exceeded when multiple budget revisions requests occur in a single budget period.

For example, per the NIH Grants Policy Statement (8.1.2 Prior Approval Requirements):

"Significant rebudgeting occurs when expenditures in a single direct cost budget category deviate (increase or decrease) from the categorical commitment level established for the budget period by 25 percent or more of the total costs awarded." The base used for determining significant rebudgeting excludes the effects of prior year carryover balances but includes competing and non-competing supplements.

Requesting and documenting prior approval when it is required helps ensure that costs are not subsequently disallowed.

Reason for Budget Revisions

A budget adjustment may be required for different reasons:

- A major budget deviation is identified (example: total salary costs exceeding budget plan line).
- A principal investigator or department staff may determine a project change necessitates a revision at the time of the award, during the current budget period, or for a no-cost extension.

- SPA may identify and communicate to department staff or principle investigators that a budget revision is required (while preparing a report, during project close out, etc.).

Process Summary

SPA may receive a budget revision request from a principal investigator, department staff, or ORA. If the request is received from a principal investigator or department staff, but is determined to require sponsor approval then it will not be processed until it has received all appropriate approvals. If a transfer does not require sponsor approval or if ORA has received approval SPA will amend the Workday record to reflect the change.

Questions?

If you need help determining if a budget revision is necessary and/or if it requires sponsor approval contact the [Sponsored Programs Accounting](#) office.

Reference Material

1. Brandeis University's unallowable cost policy.
 - a. <https://www.brandeis.edu/business-finance/sponsored-accounting/policies/Unallowable%20Costs%20Policy.pdf>
2. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) and Office of Management and Budget (OMB) Circulars.
 - a. §200.308 Revision of budget and program plans
<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/section-200.308>
 - b. § 200.75 Participant support costs
<https://www.ecfr.gov/on/2017-01-03/title-2/subtitle-A/chapter-II/part-200/subpart-A/subject-group-ECFR2a6a0087862fd2c/section-200.75>
 - c. § 200.332 Requirements for pass-through entities
<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR031321e29ac5bbd/section-200.332>
 - d. §200.102 Exceptions
<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-B/section-200.102>
 - e. § 200.407 Prior written approval (prior approval)
<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRa20080eff2ea53/section-200.407>
3. The [NIH Grants Policy Statement \(NIHGPS\)](#) (Rev. 11/16) Part 7.5)

- a. https://grants.nih.gov/grants/policy/nihgps/html5/section_7/7.5_cost_transfers_o_verruns_and_accelerated_and_delayed_expenditures.htm
4. The NSF's Grant Policy Manual NSF 05-131_III. Grant Administration
- a. https://www.nsf.gov/pubs/manuals/gpm05_131/gpm6.jsp