



## **Budget Revisions** *Guidelines and Procedures*

### **Grants or Contracts:**

Budget Revisions may be necessary if the current planned expenditures differ from the original or most recent budget approved by the sponsor. Approval of a Budget Revision for a grant or contract is the prerogative of the funding agency. Since policies differ from agency to agency, it is important that the Project Director obtain a copy of the Budget Revision policy of the granting agency.

Most granting agencies permit variances within budget categories without prior approval. As a rule of thumb, Budget Revisions involving, in the aggregate, less than 25% of the direct costs of a project or a reduction of key personnel time devoted to the project of less than 25% of the time promised in the application will not require agency approval. However, certain budget categories and/or agencies have more stringent requirements (e.g., budget adjustments of Participant Support Costs require prior approval from the NSF Project Monitor); accordingly, it is important that the manager and/or administrative support staff be familiar with the particular limitations of the grant or contract. Directors should contact the Grants Office in respect to any questions on Budget Revisions for grants.

If the granting agency requires prior approval of the Budget Revision, or the Budget Revision might be considered to have a programmatic impact, the Project Director should prepare a letter or a notice, including the revised budget to the sponsoring agency, which will be reviewed and approved by the Grants Office. The Grants Office will process the request and/or forward it to the granting agency for approval. In general, all requests for Budget Revisions, for a grant or contract, have to be made to the agency prior to being submitted to Fiscal Services to process the budget revision internally.

### **All Budget Revisions:**

The budget revision approval rests with the institution; and therefore, the Budget Revision form should be filled out, signed by the responsibility code manager and approved by the campus budget office prior to being forwarded to Fiscal Services for approval and entry. The Budget Revision should indicate:

- which category to withdraw funds from;
- which category to add funds to;
- why the transfer of funds is needed (indicated in the notes field);
- why the funds can be taken from that particular category; and,

- how the need relates to the project.

If there is an increase to revenue, be sure to include backup verifying for the increase. This could include, but is not limited to, a letter from the granting agency augmenting the grant or justification for the increased amount.

All Budget Revisions will be dated and posted as of the date received and approved by Fiscal Services.

**The budget revision form is located on the Fiscal Services Accounting website at:**  
<http://www.yosemite.edu/accounting/default.htm>

**For further information and training on how to process a Budget Revision, go to the Fiscal Services Classroom:** <http://www.yosemite.edu/fiscalclassroom/>

<b>Effective Date: 10/2013</b>
--------------------------------

<b>Questions:</b>	<u>Grants Office</u>	Grant Support Specialist (X6576)
	<u>Accounting</u>	Senior Accountant (X6932)