



Research Administration 101

Budget Reallocation



Step 1

- Meet with Faculty Member to forecast needs
- Make sure you are reviewing the “Grant Detail Balance” report in Workday.
- Enter the GRXX number or legacy account number into “Organization”

Grant Detail Balances

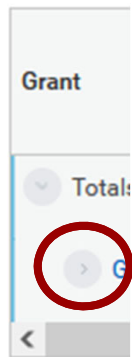
Instructions Returns grant balances based off organization and period. Financials can be drilled. Financials includes budget, actuals, FYTD actuals, inception to date actuals, obligati

Period and Organization are required prompts. Organization prompt can have value

Period	*	<input type="text" value="× FY 2021 - 2022 - 02-Aug"/>	☰
Organization	*	<input type="text" value="Search"/>	☰



- Make sure to drill down once the report runs



- Be sure you drill down to the spend category





Step 2

- Review the Award in TARA to see if there are agency restrictions
 - If there are, you need to work with the Department of Contracts and Grants (DCG) to obtain any needed approvals

The screenshot shows the TARA system interface. At the top, there is a navigation bar with tabs: Award, Contacts, Commitments, Budget Versions, Payment, Reports & Terms, Special Review, Custom Data, Comments, Notes & Attachments (highlighted with a red box), and Award Actions. Below the navigation bar, there is a message: "Document was successfully reloaded." To the right of the message are buttons: "return to search", "account balances", "time & money", "expand all", and "collapse all". Below the message is a section for "Comments, Notes & Attachments". The "Attachments (2)" section is highlighted with a red box. The "Attachments (2)" section has a "show" button next to it.

The following is the Federal restriction for budget changes from OMB Circular A-110:

Under Federal Demonstration Partnership (FDP), there are minimal restrictions – however on many grants there are specific restrictions. It is always advisable to review your award terms

OMB A-110

OMB Circular A-110

<http://www.whitehouse.gov/omb/circulars/a110/a110.html#25>

.25 Revision of budget and program plans.

- (a) The budget plan is the financial expression of the project or program as approved during the award process. It may include either the Federal and non-Federal share, or only the Federal share, depending upon Federal awarding agency requirements. It shall be related to performance for program evaluation purposes whenever appropriate.
- (b) Recipients are required to report deviations from budget and program plans, and request prior approvals for budget and program plan revisions, in accordance with this section.
- (c) For nonconstruction awards, recipients shall 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 award document.
 - (3) **The absence 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 need for additional Federal funding.
 - (5) The transfer of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa, if approval is required by the Federal awarding agency.
 - (6) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with OMB Circular A-21, "Cost Principles for Educational Institutions," OMB Circular A-122, "Cost Principles for Non-Profit Organizations," or 45 CFR part 74 Appendix E, "Principles for Determining Costs Applicable to Research and Development under Grants and Contracts with Hospitals," or 48 CFR part 31, "Contract Cost Principles and Procedures," as applicable.
 - (7) The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense.
 - (8) Unless described in the application and funded in the approved awards, the subaward, transfer or contracting out of any work under an award. This provision does not apply to the purchase of supplies, material, equipment or general support services.
- (d) No other prior approval requirements for specific items may be imposed unless a deviation has been approved by OMB.

OMB A-110 cont

(e) Except for requirements listed in paragraphs (c)(1) and (c)(4) of this section, Federal awarding agencies are authorized, at their option, to waive cost-related and administrative prior written approvals required by this Circular and OMB Circulars A-21 and A-122. Such waivers may include authorizing recipients to do any one or more of the following.

(1) Incur pre-award costs 90 calendar days prior to award or more than 90 calendar days with the prior approval of the Federal awarding agency. All pre-award costs are incurred at the recipient's risk (i.e., the Federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive an award or if the award is less than anticipated and inadequate to cover such costs).

(2) Initiate a one-time extension of the expiration date of the award of up to 12 months unless one or more of the following conditions apply. For one-time extensions, the recipient must notify the Federal awarding agency in writing with the supporting reasons and revised expiration date at least 10 days before the expiration date specified in the award. This one-time extension may not be exercised merely for the purpose of using unobligated balances.

(i) The terms and conditions of award prohibit the extension.

(ii) The extension requires additional Federal funds.

(iii) The extension involves any change in the approved objectives or scope of the project.

(3) Carry forward unobligated balances to subsequent funding periods.

(4) For awards that support research, unless the Federal awarding agency provides otherwise in the award or in the agency's regulations, the prior approval requirements described in paragraph (e) are automatically waived (i.e., recipients need not obtain such prior approvals) unless one of the conditions included in paragraph (e)(2) applies.

(f) The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for awards in which the Federal share of the project exceeds \$100,000 and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency. No Federal awarding agency shall permit a transfer that would cause any Federal appropriation or part thereof to be used for purposes other than those consistent with the original intent of the appropriation.

(g) All other changes to nonconstruction budgets, except for the changes described in paragraph

(j), do not require prior approval.

(h) For construction awards, recipients shall request prior written approval promptly from Federal awarding agencies for budget revisions whenever (1), (2) or (3) apply.

OMB A-110 cont

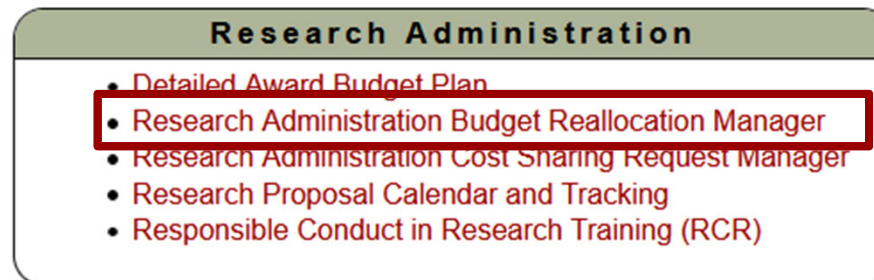


- (1) The revision results from changes in the scope or the objective of the project or program.
- (2) The need arises for additional Federal funds to complete the project.
- (3) A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in Section __.27.
 - (i) No other prior approval requirements for specific items may be imposed unless a deviation has been approved by OMB.
 - (j) When a Federal awarding agency makes an award that provides support for both construction and nonconstruction work, the Federal awarding agency may require the recipient to request prior approval from the Federal awarding agency before making any fund or budget transfers between the two types of work supported.
 - (k) For both construction and nonconstruction awards, Federal awarding agencies shall require recipients to notify the Federal awarding agency in writing promptly whenever the amount of Federal authorized funds is expected to exceed the needs of the recipient for the project period by more than \$5000 or five percent of the Federal award, whichever is greater. This notification shall not be required if an application for additional funding is submitted for a continuation award.
 - (l) When requesting approval for budget revisions, recipients shall use the budget forms that were used in the application unless the Federal awarding agency indicates a letter of request suffices.
 - (m) Within 30 calendar days from the date of receipt of the request for budget revisions, Federal awarding agencies shall review the request and notify the recipient whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the Federal awarding agency shall inform the recipient in writing of the date when the recipient may expect the decision.



Step 3

- Prepare the Viterbi Research Administration Budget Reallocation form in [myViterbi](#)



Attach any back-up documentation as a PDF.

For example:

Agency approvals

Communication from the PI regarding the request

- Upon receipt, VBA will review the awarding documents to determine if it is under FDP or if there are other agency restrictions
- Provided everything is accurate and correct, the budget change is processed usually within 5 business days from receipt



Common Issues

- Checking or failing to check Irregular Fringe Box based on the needed fringe rate calculation/adjustment needed
- Clearing all current overdrafts
It will be rejected if upon review, we notice there are additional object classes that are overdrawn that are not being corrected (i.e., negative values)
- Correct IDC rate is not used
Make sure you are using what the awarded rate is
- No reason given for the budget reallocation
There needs to be a “why” the request is being made and/or how the project is benefitting from the requested reallocation





Samples

The following are four samples of the most common budget reallocation requests:

Sample 1

Budget Reallocation Request

Date: Aug 24, 2021 8:58:37 AM
 Contact: Nichole Phillips
 Email: nicholep@usc.edu
 Phone: (213)-740-3237
 PI: Nichole Suzanne Phillips
 PI Emp. No.: 0026078
 PI Email: nicholep@usc.edu
 KFS Account Number:
 Workday Grant Number: GR1234567

Fringe Benefit Type: Federal / 28.6%
 Standard Overhead: Yes / 65%

	Increase	Decrease
F & A Overhead	\$0.00	\$0.00
Faculty Salary	\$0.00	\$10,000.00
Staff Salary	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$2,860.00
RA and /or Student Wages	\$12,860.00	\$0.00
M & S	\$0.00	\$0.00
Tuition	\$0.00	\$0.00
Equipment	\$0.00	\$0.00
Domestic Travel	\$0.00	\$0.00
International Travel	\$0.00	\$0.00
Other, please change to proper spend category	\$0.00	\$0.00
Totals	\$12,860.00	\$12,860.00

Domestic Air: N/A
 Domestic Air Notes:

Agency Restrictions: Yes
 Agency Restrictions Notes: Sponsor approval attached for the reductions of PI effort by more than 25% of the approved budget amount.

Reason for Budget Reallocation: PI is reducing his effort per attached as additional GRA effort is needed for the project.

Remarks to User:

Internal Notes:



Sample 2

Budget Reallocation Request

Date: Sep 1, 2021 9:59:37 AM
 Contact: Nichole Phillips
 Email: nicholep@usc.edu
 Phone: (213)-740-3237
 PI: Nichole Suzanne Phillips
 PI Emp. No.: 0026078
 PI Email: nicholep@usc.edu
 KFS Account Number:
 Workday Grant Number: GR1456789
 Fringe Benefit Type: Federal / 28.6%
 Standard Overhead: Yes / 65%

	Increase	Decrease
F & A Overhead	\$3,939.39	\$0.00
Faculty Salary	\$0.00	\$0.00
Staff Salary	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00
RA and /or Student Wages	\$0.00	\$0.00
M & S	\$4,560.61	\$0.00
Tuition	\$0.00	\$10,000.00
Equipment	\$0.00	\$0.00
Domestic Travel	\$1,500.00	\$0.00
International Travel	\$0.00	\$0.00
Other, please change to proper spend category	\$0.00	\$0.00
Totals	\$10,000.00	\$10,000.00

Domestic Air: N/A
 Domestic Air Notes:

Agency Restrictions: No
 Agency Restrictions Notes:

Reason for Budget Reallocation: Reducing unused tuition as the GRA working on the project took fewer units than anticipated. Increasing M&S for additional research supplies needed for the project. Along with travel to attend a conference to present the results from the project.

Remarks to User:

Internal Notes:



Sample 3

Budget Reallocation Request

Date: Aug 27, 2021 3:55:55 PM
 Contact: Nichole Phillips
 Email: nicholep@usc.edu
 Phone: (213)-740-3237
 PI: Nichole Suzanne Phillips
 PI Emp. No.: 0026078
 PI Email: nicholep@usc.edu
 KFS Account Number:
 Workday Grant Number: GR3456789
 Fringe Benefit Type: Federal / 28.6%
 Standard Overhead: Yes / 65%

	Increase	Decrease
F & A Overhead	\$0.00	\$0.00
Faculty Salary	\$0.00	\$0.00
Staff Salary	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00
RA and /or Student Wages	\$0.00	\$0.00
M & S	\$0.00	\$5,000.00
Tuition	\$0.00	\$0.00
Equipment	\$0.00	\$0.00
Domestic Travel	\$1,000.00	\$0.00
International Travel	\$4,000.00	\$0.00
Other, please change to proper spend category	\$0.00	\$0.00
Totals	\$5,000.00	\$5,000.00

Domestic Air Yes
 Domestic Air Notes

Agency Restrictions: No
 Agency Restrictions Notes:

Reason for Budget Reallocation: Reducing the M&S as no longer needed. Additional travel need to attached conference in Washington, DC in October and foreign travel to a conference in Munich Germany in November to present research results.

Remarks to User:

Internal Notes:



Sample 4

Budget Reallocation Request

Date: Sep 1, 2021 10:59:57 AM
 Contact: Nichole Phillips
 Email: nicholep@usc.edu
 Phone: (213)-740-3237
 PI: Nichole Suzanne Phillips
 PI Emp. No.: 0026078
 PI Email: nicholep@usc.edu
 KFS Account Number:
 Workday Grant Number: GR1567892
 Fringe Benefit Type: Federal / 28.6%
 Standard Overhead: Yes / 65%

	Increase	Decrease
F & A Overhead	\$393.94	\$0.00
Faculty Salary	\$4,359.30	\$0.00
Staff Salary	\$0.00	\$0.00
Fringe Benefits	\$1,246.76	\$0.00
RA and /or Student Wages	\$0.00	\$5,000.00
M & S	\$0.00	\$0.00
Tuition	\$0.00	\$1,000.00
Equipment	\$0.00	\$0.00
Domestic Travel	\$0.00	\$0.00
International Travel	\$0.00	\$0.00
Other, please change to proper spend category	\$0.00	\$0.00
Totals	\$6,000.00	\$6,000.00

Domestic Air: N/A
 Domestic Air Notes:

Agency Restrictions: No
 Agency Restrictions Notes:

Reason for Budget Reallocation: Increasing the PI's effort for the Fall semesters as the GRA graduated and additional PI effort is needed for work on the project.

Remarks to User:

Internal Notes:





Need Additional Assistance?

If you still need help or have questions after going through this training, please utilize the following resources:



CHECK THE WEBSITE

<https://viterbibusinessaffairs.usc.edu/research-administration/>

The website has additional information/resources that can help guide you in the right direction and is regularly updated



ASK YOUR DEPARTMENT BUSINESS MANAGER

Contact your DBM or fellow colleagues who may be able to answer your question



CONTACT VBA

Nicole Burelli | burelli@usc.edu

Isabel Rodriguez | isabel.rodriguez@usc.edu

Nichole Phillips | nicholep@usc.edu



THANK YOU
& FIGHT ON!



USC Viterbi
School of Engineering

University of Southern California