NORTHERN KENTUCKY UNIVERSITY

COMPTROLLER'S OFFICE
PROCESS FOR GRANT BUDGET SET UP AND TRANSFERS

Grant Budgeting

During grant set up, the Director of Research Foundation Accounting Manager & Grant Administration (Director) determines what grant ADR (budget rule) most closely resembles the sponsor's approved budget. This ADR will be set up in the grant master data and it determines what sponsored classes will be used to set up the budget. A grant accountant will then enter the original budget in SAP. Thru SAP workflow, the Director will review & approve the budget entry in SAP. Once the budget entry is approved, the Director will change the grant status in SAP to award/awarded and grant budget checking will begin.

SAP is set up to automatically check purchase requisitions, travel authorizations, travel vouchers, journal entries, and interdepartmental bill charges against available grant/match budgets. In the GM module, the budget checking is done against the sponsored classes. If there is insufficient funding available to cover the particular item being entered, the initiator will get an error and the entry cannot proceed. Budget checking is turned off for payroll and fringe benefit sponsored classes.

A credit balance report is run monthly that will list all credit balances by grant. Credit balances will only be found in payroll or fringe benefit lines, or in grants that are in preaward spending statuses. The grant accountant uses this SAP report to create a report of credit balances by grant and sponsored class. This report is reviewed by the Director and then given to the appropriate grant accountant to research each credit balance and correct budget or actual expenditures as necessary.

Budget Transfers

When reviewing the credit balance report or expenditure errors that will not post to the grant because of insufficient budget, the Director will determine if a budget transfer would be an allowable internal revision which can be made by the Comptroller's Office. These rare occasions would include:

- A budget revision needed, in a privately funded grant (which did not have a sponsor required budget) to allow expenditures already incurred by the grant PI (ex. Credit card purchases, interdepartmental charges, travel) to post.
- Budget revisions needed in match funds to allow expenditures, already incurred by the grant PI, to post.

To initiate a budget revision, a Principal Investigator sends an email to the Director requesting the revision. This email must come from or be approved by the PI. The email should include the grant number, cost center, sponsored classes, amount, and an explanation of the need for the budget transfer. The Director reviews the revision request and determines if the transfer is an allowable internal revision per University policy, grant sponsor regulations or federal regulations, or if the transfer requires sponsor approval.

If the revision requires sponsor approval, the PI will draft the request to send to the sponsoring agency. Once the sponsor approval is received by the Director, the budget transfer can be completed. The PI must work with the Office of Research, Grants and Contracts to draft the request to the sponsoring agency for more complicated budget revisions or sponsor system required budget revisions.

After the budget revision is determined to be allowable and all required approvals are received, the budget entry is sent to a grant accountant in the Office of the Comptroller. The grant accountant makes the budget transfer entry in SAP. Thru SAP workflow, the Director will review & approve the budget entry in SAP. Any emails in regards to the budget transfer will be attached to the budget entry in SAP. A copy of sponsor approvals will also be placed in the grant folder.

Any budget transfers will be reflected in the revised budget column within the grant.

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