SUBJECT:	Effective date:		Policy Number:	
Standard Operating Procedure for	02/25/2019			
Budget Transfers	**Supersedes:**		**Page**	**of**
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	Responsible Authorities:			
	Associate Vice President of Research			
	Director of Sponsored Programs			

Purpose: The purpose of this policy is to provide guidance for submitting a budget transfer request to the Office of Research.

Policy: The Office of Research will review, approve, and process budget transfer requests that fall within the applicable guidelines and meet the internal/external documentation requirements.

Definitions *(in alphabetical order by term)*:

- **Budget Category** – Types of budget expenses, including direct and indirect costs on a general level and more specific groupings like salary, OPS, travel, expense, OCO (equipment), consultants, subcontracts, stipends, and tuition.
- **Budget Transfer** – Act of moving funds from one budget category to another, after award/account setup.
- **Business Unit** – College, department, institute or center that may choose to request a budget transfer.
- **Prior Approval** – Consent required in advance of the action (with such authorization subject to the sponsor's specific procedures and timelines).

Background: Development of the project budget typically occurs several months or more in advance of the award issuance, item costs frequently fluctuate, and implementation plans may change, thus budget transfers may become necessary to adjust the budget accordingly. A Budget Transfer (also known as a budget reallocation) moves funds between established budget categories. The flexibility to perform budget transfers varies by sponsor. Certain sponsors require prior approval of all budget transfers, while other sponsors (e.g. particular federal agencies) waive prior approval if the amount does not exceed a stipulated percentage of the approved budget. Transfer of funds from certain budget categories, like participant support costs from NSF for instance, will always require specific written prior approval from the sponsor.

Considerations: The Office of Research will process budget transfers upon request under the following conditions:
- The PI must initiate and/or authorize the budget transfer request.
- A budget transfer request form is initiated or authorized by the PI, the PI's/project's business unit submits the complete budget transfer request.
- The requested budget transfer is allowable, and the request complies with the applicable sponsor guidelines.
- The request meets the internal/external documentation requirements.
- Appropriate justification appears within the request and explains the necessity, specific purpose, and justifies the allocability to the project.

The following examples provide information that is insufficient to approve the transfer: "To cover anticipated expenditures" or "To cover budget deficits incurred." An acceptable description appears in the following sample statement: "The actual cost of the gas chromatograph is $3,300, which is $300 above the original proposed cost. To cover this increase, one less person will be traveling to the agency meeting in Golden, Colorado."

Transferring budget amounts from budget categories exempt from indirect costs (e.g., equipment, tuition waivers, and stipends) into indirect cost-bearing cost categories will also necessitate adjustments to the indirect costs.

On average, the Office of Research will complete budget transfers that do not require agency approval within 3 days.

Procedures:
1. The business unit will coordinate with the PI to compile a budget transfer request that includes the identifiers (account number, PI name, etc.); the categories to and from which funds will move; the exact amount or amounts of funding to move; and clear justification explaining the necessity, specific purpose, and effect on the project.
2. The business unit will submit the budget transfer request to osp@ucf.edu for review and processing.
3. The Office of Research will review and respond to the request within five business days of receipt.
    3a. If sponsor approval is required, the Office of Research will confirm with the PI before moving forward.
    3b. If the PI elects to seek external approval, the Office of Research will submit the budget transfer request to the sponsor.
4. Award Management will process approved requests by making the requested transfer in the system and then disseminating the Awarded Funding Report (also known as the Form 650) that reflects the budget changes to the business unit/PI.

Process metrics:
- OSP Inbox Moderator will forward request for assignment within one business day of receipt.
- The Office of Research will review and respond within three business days of original receipt.
- Requests to sponsors for agency approval (when required) will be submitted within three business days of receipt of complete information from PI/Business Unit.
- Requests will be submitted for final processing within two business days of receipt of approval from sponsoring agency.

POLICY APPROVAL
Initiating Authority

Signature: _____ Date: 2/25/19

Dorothy Yates, Associate Vice President for Research