QUESTIONS TO ASK BEFORE BUDGET REVISIONS

Are Budget Revisions allowed on this project?

Always review the project's awarding documentation and sponsor guidelines to identify if budget revisions are allowed. Some changes may require sponsor prior approval. Those types of changes will require a different request process and a Prior Approval Request Form (available on the OSR Website).

Does the change net to zero?

A budget revision makes changes to an existing budgeted amount. It does not increase or decrease the total budget, so the total of all changes must equal to zero.

Total Change Equals Zero ✅

Current Budget	Budget Change	Revised Budget
$1,000.00	$500.00	$1,500.00
$3,000.00	($500.00)	$2,500.00
Total Change	$0.00	(must equal zero)

Total Change Not Zero ❌

Current Budget	Budget Change	Revised Budget
$1,000.00	$500.00	$1,500.00
$3,000.00	($1,500.00)	$1,500.00
Total Change	($1,000.00)	(must equal zero)

Will ConnectCarolina process the Budget Revision?

Certain system criteria must be met to be able to revise a budget.

a) **Project IDs must be active and open**. This means that the project has not ended or is otherwise inactive in ConnectCarolina.

b) **Project IDs must have a positive balance.** The total balance of the individual project ID(s) cannot have a negative balance.

c) **Account Codes used must have a positive balance**. Individual Account Codes (e.g., 530000 – Supplies and Materials) must have a positive balance.

Project ID	Account	Budget	Expense	Available Budget	
5101111	530000	1,000.00	874.00	126.00	✅
5101111	558900	8,750.00	10,365.00	(1,615.00)	❌

d) **Only Budget Account Codes can be used.** Not all Account Codes are used for budgeting. Some are for expenses. Some are for budgeting. Some are both. The Budget Revision Form includes a list of available budget Account Codes.

Will this change affect the Indirect Costs?

Changes to categories that do not charge indirect costs may affect how you calculate your budget revision.

Example 1. Moving Funds from Exempt Account Codes

Transferring $3,000 to Personnel from Equipment with an Indirect Cost Rate of 55.5%

1. Calculate the indirect costs that will be needed.

$$\$3,000 \ x \ 55.5\% = \$1,665$$

2. Add the additional amount of Indirect Costs ($1,665) to the $3,000 being removed from Equipment.

$$\$3,000 + \$1,665 = \$4,665$$

3. Enter the information into the Budget Revision Form.

Project ID	Dept No.	Account Code	Current Budget	Budget Change	Revised Budget
5100000	621100	545100 - Equipment Budget	$8,000.00	($4,665.00)	$3,335.00
5100000	621100	510000 - Personnel Budget	$15,000.00	$3,000.00	$18,000.00
5100000	621100	559000 - Indirect Cost Budget	$50,000.00	$1,665.00	$51,665.00
			Total Change	$0.00	(must equal zero)

Office of Sponsored Research
Budget Revision Form – Supplemental Training Materials

Example 2. Moving Funds to Exempt Account Codes
Transferring $3,000 from Materials and Supplies to Equipment with an Indirect Cost Rate of 55.5%.
1. Calculate the amount that will be needed removed from Supplies and Materials

$$\$3,000 \div 1.555 = \$1,929$$

2. Subtract that amount from the total for Equipment to get how much to remove from Indirect Costs.

$$\$3,000 - \$1,929 = \$1,071$$

3. Enter the information into the Budget Revision Form.

Project ID	Dept No.	Account Code	Current Budget	Budget Change	Revised Budget
5100000	621100	545100 - Equipment Budget ▾	$8,000.00	$3,000.00	$11,000.00
5100000	621100	530000 - Supplies and Materials Budget ▾	$15,000.00	($1,929.00)	$13,071.00
5100000	621100	559000 - Indirect Cost Budget	$50,000.00	($1,071.00)	$48,929.00
			Total Change	$0.00	(must equal zero)

Why does the budget need a revision?
The University is required to document a reason for all budget changes, so a justification is required. It should provide a programmatic explanation for the budget revision. The Budget Revision Form includes a justification field. The completed form with justification will serve as the Budget Revision explanation for auditing purposes.

Has the PD/PI approved this budget revision?
The Project Director/Principal Investigator is responsible for oversight of a sponsored project. Budget Revisions must be approved by the PD/PI before OSR can approve and entered them in ConnectCarolina. The Budget Revision Form requires a signature by the PD/PI or a known designate. Individuals authorized to sign on behalf of the PD/PI must have approval from the PD/PI in writing on file with OSR.