



POLICY & PROCEDURE DOCUMENT

NUMBER: 3.2671
2.2671

DIVISION: Finance and Administration
Research

TITLE: Grants and Contracts Accounting - Modifying an Award

DATE: June 30, 2014

REVISED: May 16, 2016

REVIEWED: April 20, 2021

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I. Purpose and Scope

The budget is seen as the financial expression of an approved project. If the sponsoring agency has approved a budget then it can be assumed they would have identified those aspects deemed unnecessary or unallowable. Modifications to an approved budget may require a formal modification depending on the requirements of the funding agency but will always require the approval of the Office of Sponsored Programs (OSP).

II. Policy

1. It is the Principal Investigator's (PI) responsibility to become familiar with the specifics for each grant/contract awarded to them. The Grants and Contracts Accounting (GCA) office and the Office of Sponsored Programs (OSP) are always willing to help answer any financial or programmatic questions posed by a PI or their staff regarding the conduct of an award.
2. Office of Management and Budget (OMB), 2 CFR 200.308, lists the following types of changes that generally require official modification and approval:
 - a. Change in the scope or objective of the project; even if no associated budget modification would be required;

- b. Change in key personnel on an award ;
- c. Absence of the project director for more than three months, or a 25% reduction in time devoted to the project by the director;
- d. Transfer of participant support costs to other categories of expense;
- e. Sub-awarding or contracting out work;
- f. Changes in the approved cost-sharing or matching provided by the non-Federal entity (Western Kentucky University);
- g. Need for additional Federal funding;
- h. Extensions or early termination of the project; and
- i. Other actions cited by the federal or state authorities

III. Procedure

1. The PI will communicate and work closely with OSP in the modification of an award.
2. OSP shall be the primary point of contact for communication with the sponsor.
3. OSP will relay to GCA any communication with a sponsor which alters the original award agreement; such as, modifications to the original budget, change in PI or an extension of the end date of an award. GCA will adjust Banner accordingly.

IV. Reason for Revision

May 2016

Revised to reflect re-organization of the Office of Research and Creative Activity and amended for 2 CFR 200

April 2021

Five-year policy review as per policy 0.000V – no changes made other than updating the 'Authorized By' parties, adding the 'Reviewed' date and spelling out 'Western Kentucky University' in Section II.

V. Related Policies

All 3.25xx, 3.26xx and 3.27xx policies