



11.2.5.4 Sponsored Operations

Policy Statement

Pursuant to the policies of the University System of Georgia, The University of Georgia shall prepare an operating budget for educational and general activities and an operating budget for auxiliary enterprises for the institution for each fiscal year within the limit of funds allocated plus estimated internal income of the institution.

Reason for policy

The University of Georgia budget is designed as a comprehensive fiscal plan for implementing its mission as a land-grant and sea-grant University with statewide commitments and responsibilities, as the State's oldest, most comprehensive, and most diversified institution of higher education. Our motto, "to teach, to serve, and to inquire into the nature of things," reflects the University's integral and unique role in the conservation and enhancement of the State's and Nation's intellectual, cultural, and environmental heritage. The implied values of the budget as a comprehensive fiscal plan for the institution include accountability, efficiency and efficacy.

Procedures

Sponsored Operations: Some units engage a project – classified as Instruction, Research, Public Service, or Cooperative Extension – funded by an external entity on the basis of a written proposal or scope of work. Restricted accounts are established based on the terms of the agreement and project-related expenses are paid out of the restricted accounts

Project budgeting: Reportable program income revenue may be allocated in one of four ways, depending on sponsor policy with the guidance of Post Award Accounting

- Matching – income is used to finance the non-sponsor or nonfederal share of the project.
- Addition – income is added to the amount allowable for project costs.
- Deduction – income is deducted from the amount reimbursed by the sponsor.
- Add/Deduct – the addition method is used, up to an agency dollar limit. After that point, the deduction method is used.

While Post Award Accounting receives and budgets project income initially, the principle investigator is responsible for the management of those funds once allocated. In general, sponsors require program income revenue to be used before sponsor funds. Department administrators must monitor expenses in the program income account to ensure that it is spent first. Program income must be spent following the terms and conditions of the sponsored award. Program income must be utilized in a manner that is allocable, allowable, and reasonable to the project. Expenses that are unallowable on the main project account are also unallowable on the program income account. These requirements may create the need for multiple budget amendments over the life of the project.

Forms/Instructions

There are no forms associated with this policy.

Additional contacts

Policy Contact: Budget Office

Phone Number: 706-542-2802

Email: budgets@uga.edu

Policy definitions

There are no definitions associated with this policy.

Responsibilities

Responsible University Senior Administrator: Vice President for Finance & Administration

Responsible University Administrator: Associate Vice President - Finance Division

Policy Owner: Budget Division

Policy Contact: University Budget Office

Phone Number: 706-542-2802

Email: budgets@uga.edu

Record Retention

Description: This series includes: operating budget expense by categories and functions report; estimated gifts, grants, contracts and clearing account summary report; student fee income and application of funds report; statewide public service source and application of funds; other reports specified by the Chancellor's Office; and institutional budget preparation instructions.

Retention: Annual operating budget: PERMANENT; All other records: 7 years.

Policy Appendices

There are no appendices associated with this policy.

FAQs

There are no FAQs associated with this policy.

Related information

See the University System of Georgia Board of Regents Business Procedures Manual for Original Budget:

http://www.usg.edu/business_procedures_manual/section8/manual/8.5_original_budget

See the University System of Georgia Board of Regents Policy Manual for additional details about operating budget policies and budget amendment policies:

BOR Policy Manual

See the University System of Georgia Board of Regents Business Procedures Manual for additional details about operating budget processes and budget amendment processes:

http://www.usg.edu/business_procedures_manual/

See the University System of Georgia Board of Regents Records Management and Archives for additional details about records retention:

http://www.usg.edu/records_management/

Policy Dates

Effective Date:

Date Last Updated: 04/18/2017

Date of Last Review:

Date of Approval:

Previous Version of Policy: