

Procedure: Expense Budget Overrides	Policy: Grant Budgeting	Number: GP0200.6
	() Complete Revision (X) Partial Revision () New	Supersedes: 4/20/2015

Overview of Procedure

It is the responsibility of schools, program offices, and Grant Program Managers (GPMs) to plan their activities throughout the year to ensure that expenses do not exceed established budgets. When activities are expected to exceed established budgets or plans change, schools and program offices must review their grant award requirements and budgets to determine if the anticipated activities or plans are grant compliant and within budget parameters. Regarding grant funds, GPM's are encouraged to seek guidance from their assigned Grant Compliance Monitor (GCM) and Grant Budget Analysts (GBA) as appropriate. *See Procedure GP0200.5 Budget Amendments.*

Instances may occur where obligations have been incurred that exceed the grant budget established in the Advantage Financial system. Such instances most commonly occur when the purchase amount is marginally different than the order amount because of shipping costs. The following expense budget control policy and procedure includes all funds of the District. Specific provisions of this policy and procedure only applicable to grant funds shall be indicated as such.

Procedure Steps

RESPONSIBLE POSITION	Step	ACTION TAKEN
		<i>Expense budget override authority in Advantage Financial has been removed from all program offices and schools. Any attempt to override at the initial point of data entry shall be rejected by the system with the following error message: "Override Level Not Increased" Any attempt to override the error message will be rejected by the system. School and program offices encountering such an error should contact their GBA.</i>
School / Program Office	1	Purchase orders (PDs, PDQs, RXs, RXQs) placed in the Advantage system should be for the correct amount, including shipping or other charges. If for any reason the final total dollar amount is in doubt, contact vendors for the full and complete cost prior to entering the purchase order (PDs, RXs, etc) into the Financial System.

RESPONSIBLE POSITION	Step	ACTION TAKEN
Accounts Payable (AP)	2	<p>AP will continue to have the authority to override payment vouchers in the Advantage system when the invoice amount exceeds the established Advantage purchase order in an amount not to exceed \$1,000 per transaction. Instances where the payment override exceeds \$1,000 per transaction, AP shall contact the school or program office to determine if an error occurred or some other issue needs resolution prior to processing the payment.</p> <p>AP shall <u>NOT</u> override payment vouchers when doing so will exceed the expense budget. In those instances, AP shall contact the appropriate GBA who will work with schools or program offices to transfer the appropriate budget authority in order to execute the transaction.</p>
School / GPM / AP	3	<p>Regarding grant budgets, a Budget Amendment may be required and should be initiated. The school or GPM shall authorize AP in writing (e-mail acceptable) to process the payment to the vendor given that the obligation has occurred and the vendor is demanding payment. <u>AP shall not process the payment without such authorization.</u> If the grantor refuses the budget amendment, the portion of the vendor payment that exceeds the grant budget shall be Journal Vouchered (JV) to a non-grant funding source identified by the GPM pursuant to the Journal Voucher Management (GP1500) policy and procedure.</p>
AP	4	<p>While AP will retain the ability to execute expense budget overrides without school or program office approval for extraordinary circumstances, that authority shall be restricted in the Advantage system to the senior managers in AP. AP shall notify the Principal Financial Analyst (PFA) in Grant Fiscal Services (GFS) or the Director of GFS within two business days stating in full the reason for the transaction. The GBA will contact the school / GPM to initiate the appropriate actions e.g., Budget Amendments, JV's etc.</p>
PFA	5	<p>The PFA will run a yearly crystal report to ensure that no other SDP entities have executed unapproved JVs into grants. That report will be run, reviewed and action taken if necessary, on August 1st of each year for the preceding year as part of the Annual Close process.</p>

Policy

- *GP0200: Grant Budgeting*

Forms

Definitions

Contacts

- *Grant Fiscal Services (GFS)*
- *Accounts Payable (Accounting Office)*
- *Grant Compliance Office (GCO)*

Frequently Asked Questions

Related Information

History

Amended:

- Amended on 3/13/2013 for renumbering.
- Amended on 4/20/2015 for technical corrections.
- Amended on 5/21/2018 for technical adjustments.

Issue Date: July 1, 2018	Effective Date: July 1, 2018	Approved by: Deputy Chief of Grant Development Compliance and Fiscal Services
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