**AVC OVERVIEW**

The Availability Control (AVC) is used for sponsored projects at the University of Kentucky that allows some flexibility in direct cost budgeting as initially budgeted, while retaining the ability to limit postings to unbudgeted and unallowable expenses.  The University uses a budget rule (Bud Rule) system for sponsored classes to determine the level of flexibility of the posting of expenses related to the type of expense.

Bud Rule 4 – Federal or federal flow through funded projects

Bud Rule 5 – State, Foundation or other restrictively funded projects

Bud Rule 9 – Industry, clinical trials or less restrictively funded projects

​​​​​​​The total direct cost budget of the grant will be allowed to be overspent by the lesser of 10% or $1,000 without receiving error messages upon transaction entry. Error messages will result once the grant budget has been overrun by the lesser of these two amounts.

**Things to consider:**

When reviewing the AVC Overview balances, a review of any sponsored classes that have a special budgeting restriction (Tuition, Equipment, Participant Support etc.) needs to be done regularly to determine whether the remaining budget will be used.  If that remaining budget is not expected to be used, a budget revision would need to be processed to move to a sponsored class that would allow expenses to post.

**Helpful Links:**

[AVC Update from OSPA website](https://www.google.com/url?client=internal-element-cse&cx=013669986465570760159:g1z1pzr-kjq&q=https://www.research.uky.edu/uploads/avcupdate&sa=U&ved=2ahUKEwjsl_-_mODyAhXQvJ4KHQrlBQwQFjAAegQIBxAB&usg=AOvVaw0XSj3tcpccqcI-325Y5V9p)

[QRC - How to Run AVC Overview in SAP](https://www.google.com/url?client=internal-element-cse&cx=013669986465570760159:g1z1pzr-kjq&q=http://www.uky.edu/ufs/sites/www.uky.edu.ufs/files/QRC%2520AVC%2520Overview.pdf&sa=U&ved=2ahUKEwjsl_-_mODyAhXQvJ4KHQrlBQwQFjABegQIBRAB&usg=AOvVaw31tx8geTg7cVODAeuRtU9g)

[Grants Management Refresher GM310 - SAP Training](https://nam04.safelinks.protection.outlook.com/?url=http://myhelp.uky.edu/rwd/HTML/GM/FI_GM_310.pdf&data=04%7c01%7cscott.lutin%40uky.edu%7cd38e059ac64042f43a2608d96edd033b%7c2b30530b69b64457b818481cb53d42ae%7c0%7c0%7c637662717786301178%7cUnknown%7cTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7c1000&sdata=vaZi1joplgCiNqO5u6w29KJf8Z5S8D3arDiTmtGRdD8%3D&reserved=0)

**Processing Steps:**

If a budget revision is processed moving expenses to or from a sponsored class that is excluded from F&A, the F&A rate would need to be taken into consideration when processing the revision.  This would either mean more or less in direct expenses being moved for the budget revision.

**Workflow or timelines:**

**​​​​​​​**The Business Officer should be reviewing the AVC overview screen on their monthly account review and taking a course of action with any current issues.  RFS will process a pre-closeout review around 60 days left in the current budget period to address any AVC issues that they may have identified and will reach out to the Business Officer for updates.

**Examples:**​​​​​​​

Budget Rule Rollup for AVC checking

# Tableau budget vs. AVC Overview rollup:

# Tableau Grant Ledger - PI Sponsored Class Detail shows the budget with all the budgeted categories (E511000 – Salary, E530300 – Direct Current Expenses, etc.) AVC Overview will rollup based on the bud rule. E510000 will contain the budget and expenses for E511000, E530011, and E530300.

**Additional information:**

* The Bud Rule Crosswalk [BudRule CrossWalk](https://www.research.uky.edu/uploads/budrule-crosswalk-2-3-23) will be explained in greater detail in another training topic.
* Grant Type of Contract does not use the AVC rollup for posting and would need budget availability in each sponsored class for expenses to post.
* Payroll will always post to budgeted and unbudgeted salary sponsored classes.
  + The override of availability control checking for the payroll preliminary documents has been removed and is subject to the same 10% or $1,000 limit denoted above. Departments with personnel being paid on grants that are overspent will need to update the info-types in HR for staff to remove these grants prior to the payroll final.
  + CDEM has AVC Overview checking when cost distributions are updated.
  + Position Budget Control Payroll document will be allowed to post, encumbrances for payroll will kick out if budget unavailable