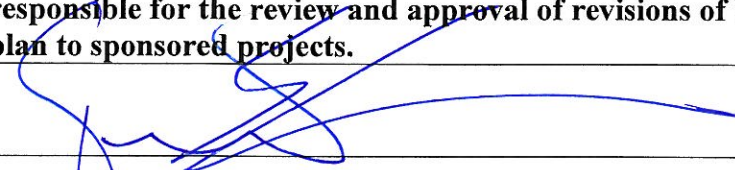




Florida Agricultural and Mechanical University
Division of Research
Office of Sponsored Programs

INTERNAL OPERATING MEMORANDUM

Memorandum No. 16A.016

Subject:	Review and Approval of Revisions of Budget and Program Plan to Sponsored Projects	
Authority:	Sections 1001.74 and 1001.75, Florida Statutes, FAMU Policies entitled: “Expenditure Review of Non-Payroll Charges,” “Payroll Charges,” “Consultant Services,” and “Subrecipient Procurement, Management and Monitoring”	Date <i>01/06/2015</i>
Related References	2 CFR Part 200, Uniform Guidance (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), FAMU Office of Sponsored Programs Manuals (Pre and Post Award Units)	
Purpose	The purpose of this procedure is to provide guidance to University staff responsible for the review and approval of revisions of budget and program plan to sponsored projects.	
Signature of Approving Authority		

1.0 GENERAL INFORMATION

In accordance with CFR 200.308 the approved budget for the federal award is the financial expression of the sponsored project or program as approved during the federal award process. It may include either the Federal and non-Federal share or only the Federal share depending upon the Federal awarding agency requirements (See CFR 200.43). It shall be related to performance for program evaluation purposes whenever appropriate. FAMU is required to report deviations from budget and program plans, and request prior approvals for budget and program plan revisions in accordance with contract terms and conditions of the federal agreement. All revisions of budget and program plans for sponsored projects have to be reviewed and approved by the Office of Sponsored Programs (OSP).

2.0 DEFINITIONS

- 2.1 **Budget revisions** are modifications to the budget as approved during the award process.
- 2.2 **Program Plan Revisions** are modifications to the scope of work, key personnel and contracting of part of the work as approved during the award process.
- 2.3 **Federal Demonstration Partnership (FDP)** is a cooperative initiative among federal agencies and institutional recipients of federal funds. The purpose of FDP is to reduce the administrative burdens associated with research grants and contracts.
- 2.4 **Expanded Authority** provides flexibility to institutions in the administration of grants. Federal agencies are authorized, at their option, to waive administrative prior written approvals in accordance to the Uniform Guidance (UG). This includes:
 - Incur pre-award cost 90 calendar days prior to award.
 - Initiate a one-time extension of the period of performance by up to 12 months unless one or more of the conditions outlined below occurs:
 - The terms and conditions of the Federal award prohibit the extension.

- The extension requires additional Federal funds.
 - The extension involves any change in the approved objectives or scope of the project.
- 2.5 **Amendment** is a term commonly used for revisions to budget and program plans. For nonconstruction awards, PI/PD shall request prior approvals from Federal awarding agencies for one or more of the following program or budget related reasons:
- Change in the scope or objectives of the project or program (even if there is no associated budget revision requiring prior written approval).
 - Change in a key person specified in the application or award document.
 - The absence of the PI/PD for more than three months, or a 25% reduction in time devoted to the project or key personnel.
 - The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.
 - The subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards, unless described in the application and funded in the approved Federal awards.
 - Changes in the approved cost-sharing or matching requirements.
 - Request for additional Federal funds to complete the project.

3.0 **RESPONSIBILITIES**

- 3.1 **Principal Investigator/Program Director (PI/PD)** is responsible for identifying a need to revise the approved budget and program plans within the sponsored project and preparing the appropriate documents by routing through the OSP.
- 3.2 **Departments/Division/Colleges/Schools (DDCS)** administrators are responsible for review and approval of all professional consultant charges within the **DDCS** and proper management and retention of documents.
- 3.3 **Office of Sponsored Programs (OSP)** is responsible for reviewing and approving revisions of budget and program plans, ensuring compliance with applicable institutional, state and other federal regulations and laws, obtaining all required prior approvals, and ensuring proper management and retention of documents.
- 3.4 **Contracts and Grants (C&G)** is responsible for invoicing the sponsoring agency and preparing/submitting all fiscal reports to the funding agency. The C&G office prepares cost transfer documents.
- 3.5 **Organizational Development and Training (ODT)** is responsible for the advancement and coordination of training on regulatory requirements for all individuals with responsibilities in the review and approval of revisions of budget and program plan to sponsored projects, including but not limited to PIs, OSP and C&G staff and grants administrators.

4.0 **GENERAL PROCEDURES**

- 4.1 **Principal Investigator/Program Director (PI/PD)** is responsible for determining a need for revisions to budget and program plans, and requesting prior approval from the sponsoring agency, through the OSP. Justification must be provided along with any other required documents. The PI/PD responsibilities also include but not limited to:
- Identifying a need to revise the approved budget and program plan within the sponsored project and route request to OSP.
 - Initiate, complete and sign Request for Budget Amendment Form (RfBAF) or request assistance from DDCS administrators. PI/PD may also submit a memorandum and/or email requesting revisions to budget in line with the terms and conditions of the award.

- Provide justification with any appropriate supporting documents for submission to the OSP.
- Projects awarded under FDP and Expanded Authorities require notification to the agency for the no-cost extensions beyond 12-months and carry forward funds. The notification must be sent to the sponsoring agency through the OSP and must include a justification. Notifications to the sponsoring agencies. Request must be received in the OSP 30-45 days prior to the expiration date of the project.
- Provide the OSP no-cost extension and carry forward requests from subrecipients under Expanded Authority timely. Request from the subrecipients must be received in the OSP 45 days prior to the expiration date of the subagreement.

4.2 **DEPARTMENTS/DIVISION/COLLEGES/SCHOOLS (DDCS)**

- Departmental administrator(s) should review sponsored project proposal budget to determine if costs are allowable prior to initiating budget amendment requests.
- Provide PI/PD assistances with the completion of Request for Budget Amendment Form (RfBAF), memorandum and or email.
- Ensuring PI/PD has approved and signs RfBAF before routing to the OSP.

4.3 **OFFICE OF SPONSORED PROGRAMS (OSP)**

- The OSP is responsible for the review and approval of revision of budget and program plan to sponsored contract and grant project according to the terms and condition of the award.
- The OSP reports deviations from budget plans, and requests prior approvals for budget revisions as necessary. Prior approval from the sponsor is required for the following:
 - Change in the scope or objectives of the project or program (even if there is no associated budget revision requiring prior written approval).
 - Change in a key person specified in the application or award document.
 - The absence of the PI/PD for more than three months, or a 25% reduction in time devoted to the project or key personnel.
 - The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.
 - The subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards, unless described in the application and funded in the approved Federal awards.
 - Changes in the approved cost-sharing or matching requirements.
 - Request for additional Federal funds to complete the project.
- OSP Coordinator reviews the RfBAF and compares against the approved budget and requirements to determine whether the revision requires prior approval from the sponsoring agency and whether the revision is in accordance with contract terms and conditions and UG.
- OSP Coordinator reviews award terms and conditions of specific sponsored project or Federal Demonstration Partnership (FDP) requirements to determine if the budget revision/transfer of funds are allowable or require the funding agency's prior approval.
- If prior approval is required, a written request with supporting documentation is prepared by the PI for review and approval by the VP. Prior approval letter(s) are submitted to the agency or processed electronically through the authorized organizational representative as indicated on the notice of grant award.

- At the receipt of the approved budget or program plan revision from the sponsoring agency, the OSP Coordinator prepares an internal amendment.
- If prior approval is not required and the request meets UG 2 CFR 200 guidelines or sponsor guidelines, then the OSP coordinator can approve the Request for Budget Amendment Form.
- If disapproved, the OSP returns the request to the PI with an explanation on why the amendment was not approved.
- OSP Coordinator enters and posts budget adjustments into FAMU's iRattler financial system as indicated on the RfBAF and prepares an internal amendment.
- Processed RfBAF are submitted to the Post-Award Associate Director (PAAD) for review.
- The PAAD provides a secondary review of all requests for budget revisions/transfer of funds prior.
- PAAD Approve and sign the routing document indicating approval of RfBAF, if complete and accurate and route amendment letter to the Director for signature.
- The Coordinator notifies the PI/PD and/or preparer when the amendment is complete.
- OSP grants specialist is responsible for scanning amendment documentations into project file and routing to C&G and the PI.

4.4 **OFFICE OF CONTRACTS AND GRANTS (C&G)**

- C&G is responsible for invoicing agency for allowable expenditures charged on sponsored projects.
- Prepare fiscal reports according to the terms and conditions of the award.
- Maintain financial reporting information for proper management and document retention.

4.5 **ORGANIZATIONAL DEVELOPMENT AND TRAINING (ODT)**

The training team is responsible for the development and coordination of training on regulatory requirements for all individuals with responsibilities in the review and approval of revision of budget and program plan to sponsored projects, including but not limited to PIs, OSP staff, C&G staff and grants administrators.

5.0 **DISTRIBUTION OF DOCUMENT**

To return documents, the OSP staff will place them in the pick-up tray at the front desk, return via email, ImageNow (if applicable) or mail them back to the PI.

6.0 **RECORDS**

Copies of the amendment(s) are kept in the sponsored project file. The appropriate record retention guidelines should be followed for the retention and disposition of documents. Generally, documentation should be maintained for three years following the submission of the final financial report unless sponsoring agency requires it to be maintained for a longer time period.