



UNIVERSITY OF MIAMI POLICY AND PROCEDURE MANUAL

TITLE:	Rebudgeting Policy	REFERENCE:	New
CATEGORY:	Office of Research Administration	PAGE:	1 of 2
		SUPERSEDES:	New
APPROVER:	Barbara A. Cole	VERSION:	New
	Associate Vice President	EFFECTIVE:	03/31/2016
	Office of Research Administration		

PURPOSE:

The purpose of this policy is to establish uniform procedures for re-budgeting on sponsored projects in a manner consistent with requirements set forth in 2 CFR 200, Federal and State regulations, as well as agency specific guidelines. Failure to comply with UM's policies and procedures may result in audit findings, suspension of sponsored activities, closer monitoring by the sponsor, delays in final payments, and/or other enforcement actions imposed by the sponsor. This policy applies to all Federal and non-Federal sponsored activities, including all externally funded clinical trials.

SCOPE:

All UM personnel must be aware of the complex and detailed rules provided under Federal and non-Federal regulations as well as the terms and conditions of the individual sponsored activity. While compliance with all applicable requirements is essential, it is equally important to maintain an open research environment that welcomes the participation of researchers from around the world as part of UM's mission. To maintain this balance, UM personnel must be familiar with this policy in addition to the Federal and non-Federal regulations on restricted sponsored activities.

This policy applies to all UM personnel, namely:

- Faculty, including voluntary faculty.
- Faculty emeriti engaged as active researchers on UM research activities.
- Researchers, including research staff, postdoctoral fellows, and research associates.
- Graduate students, undergraduate students, and interns involved in research programs.
- Staff in departments, centers, institutes, and administrative offices charged with responsibilities under this policy.
- Consultants, agents, and volunteers associated with research and scholarly activities, as well as in departments and offices charged with responsibilities under this policy.

POLICY:

It is the policy of the University of Miami (UM) to account for budget revisions in accordance with 2 CFR 200, Federal and State regulations and other agency specific requirements.

The budget for a sponsored project is the financial expression of the project or program as approved during the award process. After a grant or contract has been awarded, the Principal

Investigator (PI) may determine that the approved budget allocations are not consistent with the actual needs of the project or program. In such cases, a reallocation of funds from one spending category to another category must occur. This process is called budget revision or re-budgeting. Sponsors may or may not require prior approval for budget revisions, or may provide thresholds that require prior approval either by percentage or amount of deviation by budget category or line item. Most agencies will allow the university to depart from the original budget provided that:

- Expenditures are necessary for the successful completion of the project,
- Expenditures are allowable under the governing cost principles and agency specific requirements, and
- Prior written approval is obtained, when required.

Significant changes to a budget almost always require prior approval by the sponsor, as do changes in the objectives or scope that significantly alter an original statement of work. However, some grant awards allow budget changes to be managed at the institutional level. The Principal Investigator must fill out the Re-budgeting Request form and forward to ORA, who will obtain prior approval, if required. Once the request is approved, ORA will revise the budget. Failure to obtain prior approval from the sponsoring agency (when required) may result in the disallowance of costs. Prior approval requirements for the various sponsoring agencies are subject to change; the principal investigator should contact the ORA for guidance.

Special care must be taken when rebudgeting amounts into or out of: equipment, patient care, tuition and subcontracting, as those cost categories do not bear F&A costs in many agreements. The University requires prior written sponsor approval for budget revisions to buy equipment within six months of project end date.

Budget revisions are not allowed for the purpose of relieving financial pressure on a department's unrestricted budget, or on other sponsored projects in order to charge costs that are not necessary for the completion of the project, or are not allowable.

DEFINITIONS:

Please refer to UM's ORA website for a list of acronyms and terms commonly used in sponsored/ research administration grants, contracts, and cooperative agreements: <http://ora.miami.edu/assets/pdf/ora-policies/glossary.pdf>

PROCEDURE:

UM personnel are to use [UM's ORA website](#) for guidance on matters pertaining to sponsored activities.

UM personnel are to follow the Standard Operating Procedures (SOP) outlined, as well as utilize the various required forms and templates that have been implemented for the activities related to this policy.

UM personnel should contact the Pre or Post Award staff for consultation if additional information is needed. Contact information can be found on [UM's ORA Contacts Webpage](#).