

Number: PPD - 0222
Subject: Budget Revisions for Sponsored Program/Project Awards

Office of Sponsored Programs

DEFINITIONS

Sponsored Program/Project (Grant, Cooperative Agreement, or Contract):

A **sponsored project** is externally funded research or activity that has a defined scope on which accountability and performance expectations can be determined. This activity is covered under an agreement representing the transfer of money from a sponsor or funding agency in exchange for a specified services or activities (e.g., research, data collection or analysis). These agreements include requirements for financial and/or scientific (technical) reporting; they are enforceable by law, performed under a specific timeline and subject to payment determination based on performance.

Direct costs are expenditures that can be identified and allocated to a specific sponsored program fund. For federal awards and sub-awards, these costs must meet the definitions and requirements outlined in 2 CFR 200, Subpart E which issues guidance on items of costs. For non-federal awards, expenditures must be compliant with award guidelines.

Indirect costs or Facilities and Administrative Costs (F&A) are those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

POLICY

It is the policy of the Virginia Institute of Marine Science that all budget revisions (reallocations) be coordinated with and approved by the Office of Sponsored Programs prior to seeking approval from the sponsor/funding agency. The Principal Investigator (PI) is responsible for contacting the appropriate Sponsored Programs Administrator to seek review and approval of the revised budget. The Sponsored Programs Administrator will review the budget and request approval from the sponsor/funding agency on behalf of the Institute. Budget revisions will follow the same guidelines and regulations as set forth in the award documents, standard and/or special terms and conditions of the award, and 2 CFR 200.

PROCEDURES

At any time during the performance period of an award the PI may identify the need for budget revisions. The PI should contact the Sponsored Programs Administrator to coordinate the budget revision. When the revision has been approved by the sponsor/funding agency the Sponsored Programs Administrator will communicate the approval with the PI and departmental Business Manager and update the budget in Banner.

Effective Date: 1 July 2015