I. Purpose & Overview

To describe the Office of Research and Sponsored Projects’ (ORSP) process for accepting award terms and conditions, and clarify the situations when ORSP will seek additional approvals prior to accepting an award.

II. Procedure / Policy

A. Sponsor Award Changes of Less than 20%

When ORSP receives a notice of award or draft award document that changes the sponsor’s total funding commitment by less than 20% of the amount requested in the Proposal Approval Form (PAF), ORSP may require that a revised budget and a revised statement of work (or an attestation from the Principal Investigator (PI) that the budget change will not impact the scope of work) be posted to the PAF prior to accepting the award on behalf of the institution, if they are deemed necessary for audit purposes by the responsible ORSP Project Representative (PR). Note that a revised scope of work may require prior sponsor approval before U-M can accept the award. If the PR deems that a revised budget or statement work is not necessary, the PR will accept the award on behalf of the institution without requiring further action on the part of the participating PI’s, Units/Departments, and Schools/Colleges/Institutes/Centers.

B. Sponsor Award Changes of 20% or More, Indirect Cost Rate Changes, Cost Sharing Changes

When ORSP receives a notice of award or a draft award document that changes the indirect cost rate, changes the U-M cost sharing commitment, and/or changes the sponsor’s total funding by 20% or more from the amount requested in PAF, ORSP will obtain the appropriate approvals prior to processing the award, as follows:

i. The ORSP Project Representative shall notify each participating PI, Unit/Department, and School/College/Institute/Center via "Post a Comment to the Entire Project" using the following language:

ACTION REQUIRED: ORSP has received an award that changes the indirect cost rate, changes the U-M cost sharing commitment, and/or changes the total amount awarded by 20% or more than the amount proposed. Note that a reduced award will likely require a reduction in the scope of work, which may in turn require prior sponsor approval. Please work with your Project Representative on any scope changes prior to posting your award acceptance. To advance the award acceptance process, the U-M Principal Investigator(s), the Department/Unit, and the School/College/Institute/Center of the PAF’s administrative home must indicate their acceptance of the award by uploading the following via “Posted Comment”: (1) a revised statement of work or an attestation from the U-M Principal Investigator that the scope of work will not change, [the next phrase should be included if a revised budget is required by the sponsor or ORSP] and (2) a revised budget. ORSP advises that all participating investigators and their units be included on the posted comment. Once ORSP receives all necessary documentation and approvals, possibly including that of the sponsor, ORSP will issue the PAN.
The next sentence should be included in the PR’s comment when more than one Department/Unit/School/College/Institute/Center is involved] Note that by accepting the award, the PI(s), Department/Unit, and School/College/Institute/Center of the PAF’s administrative home are indicating they will share with ALL participating investigators/units the impact of changes and confirm participation, making them aware of the terms of the award, including but not limited to any changes in indirect cost rate, cost sharing commitments, and project scope.

ii. The ORSP PR shall obtain the revised budget, the revised scope or attestation that the scope has not changed, the approval of the PI, Department/Unit and School/College/Institute/Center of the administrative home listed on the PAF, and the approval of the sponsor if necessary, before releasing the award document. If there is more than one Department/Unit or School/College/Institute/Center listed on the PAF, the administrative home shall accept the award on behalf of all participants in the awarded project.

III. Frequently Asked Questions

Q: What if the sponsor requires changes, but the resulting award document changes do not meet the threshold for obtaining re-approvals via posted comment? What should I do to update the eRPM record?

A: Any changes required by a sponsor that do not reflect the changes listed in this policy should be uploaded to the applicable eRPM PAF record via a Posted Comment, and you should include your ORSP PR as a Posted Comment recipient.

Q: What if a participating unit disagrees with the acceptance of an award or has concerns with how the change to the award will affect their participation?

A: The concerned unit is advised to contact the PI, Primary Research Administrator, or administrative home unit. (All contact information is in the record in eRPM.) This discussion should take place prior to the award being accepted. It is the responsibility of the PI and administrative home to address the concerns of participating units before accepting an award on their behalf.

Q: Under Section II.B., can a U-M Medical School division within a department accept an award on behalf of the Project Team?

A: No. An authorized individual at the departmental level must accept the award.

IV. Resources

ORSP Website: [http://www.orsp.umich.edu/](http://www.orsp.umich.edu/)

ORSP Standard Operating Procedures and Policies: [No. 300.01 “Revised Proposal Approval Forms”](#)

See also Revised PAF versus Award Acceptance Chart:
## Standard Operating Procedures & Policies

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