

SAPCS - FEDERAL GRANT BUDGET ADJUSTMENTS AND CHANGES

When a grantee intends to make a change to their grant budget or program, the grantee should contact their Grant Manager at the Office of the Attorney General (OAG). Budget adjustments and other budget changes **cannot** increase or decrease the contract award amount and generally do not require a contract amendment. Some adjustments require the prior approval of the OAG.

Definitions

Approved Budget Category: A budget category previously approved by the OAG found in the grantee's Detailed Budget, broken down on Tab A through E (salary, fringe, professional & consultant, travel, equipment, supplies, and other direct operating expenses). If the budget category is awarded an amount greater than \$0 will show for that category in the Detailed Budget Summary (Tab E).

Approval Process: The grantee must request the adjustment or changes using the required forms and wait for the OAG to respond in writing before the new revised budget can be finalized by the grantee.

Detailed Budget Summary: Is a compilation of the information entered under Tabs A-D and summarized in Tab E.

Grant Budget Adjustment and Changes Request Form: A form the grantee must use to request certain adjustments to their approved budget.

Marked up Copy: Either manually or electronically strikeout the approved line item amount, also indicate the new proposed amount for each line item you are adjusting.

Notification: The grantee must notify the grant manager via e-mail or by phone of their intent to submit a budget adjustment or modification.

Types of Budget Changes

1. Budget Adjustments: Requires prior approval by OAG.

- Adjustment of 10% or More – 10% or more of the awarded funds are moved from one approved budget category to another approved budget category within line items. Funds are reallocated between line items in an approved budget category.
- Adding New Budget Category – Awarded funds are moved from an existing approved budget category to a **new** budget category (one that previously had \$0 awarded).
- Adding New Line Items – Requesting a new line item for a pre-approved category.
- Personnel Changes – Any change (increase or decrease) in hours worked or annual salary adjustments for awarded positions. Eliminating an awarded position or changing the job function. Requesting to add new positions to the grant award.
 - These personnel changes require prior approval, even if award amounts are less

- than 10% of the awarded funds.
- Include justification for change and job description if applicable.

2. Other Budget Changes (Modifications): Requires notification to the OAG before implementation.

- Less than 10% Budget Modification - Less than 10% of the awarded funds are moved within or between approved budget categories and approved line items.
- Budget Category Modification – Funds are reallocated between approved line items within an approved budget category in an amount that is less than 10% of the total budget for that fiscal year.
- Personnel Modifications – Change in job title only; job function and job description does not change. One time merits for job performance due to lapse salaries. Lapse salaries are funds available from termination/resignation. Submit revised job description with new job title to your grant manager.

Note:

- Generally, only one budget adjustment per state fiscal year is allowed. The grantee may request an additional budget adjustment if they demonstrate circumstances that the OAG deems extenuating.
- If the grantee requires a **second budget adjustment request**, the request must be submitted in writing outlining the extenuating circumstances. The request must include the documents listed above **PLUS** a cover letter explaining the extenuating circumstances that necessitated the request.

Procedures

For **Budget Adjustment** requests:

1. Notify your Grant manager via e-mail or by phone that you plan to submit a budget adjustment and discuss any questions about the changes you plan to request.
2. Complete a Grant Budget Adjustment and Changes Request Form.
3. Make your budget changes in Tab A-D. The changes will auto populate Tab E – Detailed Budget Summary
4. Save your current Detailed Budget (Tabs A-E) with proposed changes detailed by line item.
5. E-mail a copy of the Grant Budget Adjustment and Changes Request Form and the changed Detailed Budget to your grant manager. Submit the original Grant Budget Adjustment and Change Request form by mail.
6. The Authorized Official or designee must sign and date the form.

For **Other Budget Changes (Modifications):**

1. Contact your Grant manager if you have any questions about the changes you plan to make.
2. Mark up a copy of the Detailed Budget with proposed changes detailed by line item on the corresponding Tab (Tab A-D) as well as Tab E – Detailed Budget Summary.
3. Submit a marked-up copy of the complete budget (Tab A-E) (**may be submitted by hard copy, e-mail or fax**) to your Grant manager with a note explaining the requested changes.

Instructions for Required Forms

1. Grant Budget Adjustment and Changes Request Form:

- Complete the top section. For Grant Type, click the down arrow button and select grant type from the pull down menu.
- **Budget Information:**
 - List the current approved budget amounts from grantee's Detailed Budget in Column - 1 *Original Budget FY 2011* column.
 - List the requested change in dollars by budget category (indicate whether it is a positive or negative amount) in Column - 2 *Requested Change* column.
 - Column - 3 *Proposed Operating Budget* will auto-calculate the proposed new amount for each category.
 - The total for each column is auto-calculated in this worksheet.
 - The awarded totals at the bottom of Column 1 and Column 3 **must be equal**.

Note: The total awarded amount for FY 2011 cannot change without a contract amendment.

Reason for Request: Give a short justification for the change in each budget category.

- **Requested By:** The Authorized Official or designee must sign and date the form.

Note: The Authorized Official is the individual given the authority to sign all grant adjustment requests, inventory reports, progress reports and financial reports or any other official documents related to the grant on behalf of the grantee.

- **Approved By:** *For OAG use only.*

2. Copy of Current Approved Budget:

- **Proposed changes:** Please save a copy of your budget changes as a draft of your current budget
 - Provide justification for each budget category. Although the format may vary by budget category, the description of responsibilities should be directly related to specific program objectives.
 - If you are adding a new budget line item, list it under the appropriate Tab (A-D), add the proposed amount and justification.
- **Total columns and rows:** Totals for all columns and rows affected by the proposed changes will auto-calculate.

Note: The total FY 2011 awarded amount **cannot** change without a contract amendment.

Review and Approval

Budget Adjustments: The OAG will review the request and make a determination. The review process typically takes 30-45 days. If the budget adjustment is approved, a revised Detailed Budget will be sent to the grantee via e-mail, including the budget approval date. The e-mail will also include a revised Combined Reimbursement Request Form. Approved budgets are retroactive to the beginning of the month in which the request was submitted.

Note: Submission of incomplete budget adjustments and other budget changes will **not** be processed. (i.e. form not signed by the Authorized Official or designee; missing brief description for requested change, numbers do not add up).

Other Budget Changes: The OAG will review the changes planned and contact the organization if any questions or concerns are identified. The review process typically takes 15-30 days. Upon approval, an updated Detailed Budget will still be sent to the organization electronically. The e-mail will also include a revised Combined Reimbursement Request Form. Approved budgets are retroactive to the beginning of the month in which the request was submitted.

Retention

Detailed supporting documentation for this form must be kept for four (4) years or longer in accordance with the OMB Circulars (OMB) and Uniform Grant Management Standards (UGMS). All documents must be available upon request of the OAG or OAG's designee.

Corrections/Questions

If you have any questions, or discover an error after sending the Grant Budget Adjustment and Changes Request Form, immediately contact your grant manager or the financial specialist, as stated on the invoice.

Comparison Chart

Budget Adjustment	Other Budget Changes (Modifications)
<ul style="list-style-type: none"> • Does not change the total award amount. 	<ul style="list-style-type: none"> • Does not change the total award amount.
<ul style="list-style-type: none"> • Requires written request (hardcopy, e-mail or fax) and OAG prior approval before implementation. 	<ul style="list-style-type: none"> • Requires prior notification and the OAG reserves the right to request additional information or disallow the change. • Requires a notification (hard copy, e-mail or fax) and submission of changes to the OAG.
<ul style="list-style-type: none"> • May request approval of new budget category. 	<ul style="list-style-type: none"> • Move funds between approved budget categories or approved line items.
<ul style="list-style-type: none"> • May request a change to one or more approved budget categories in an amount that is 10% or more of the total budget for that fiscal year. • May request adding a new line item within an already approved category. 	<ul style="list-style-type: none"> • Move funds within an approved budget category or request changes to one or more approved budget categories in an amount that is less than 10% of the total budget for that fiscal year.
<ul style="list-style-type: none"> • Any change (increase or decrease) in hours worked or annual salary adjustments for awarded positions. Eliminating an awarded position or changing the job function. Requesting to add new positions to the grant award. 	<ul style="list-style-type: none"> • Change in job title only, job function and job description does not change. • One time merit for job performance due to lapse salaries.
<ul style="list-style-type: none"> • Generally, only one budget adjustment per state fiscal year is allowed. • The grantee may request an additional budget adjustment if they demonstrate circumstances that the OAG deems extenuating. 	<ul style="list-style-type: none"> • More than one budget change may be submitted as long as the total of the different changes does not exceed 10% of the total budget for that fiscal year.
<ul style="list-style-type: none"> • Budget adjustments will not be accepted after June 17, 2011. 	<ul style="list-style-type: none"> • May be submitted as changes are identified as needed by the grantee. • Note: The OAG may require a Budget Change from the grantee to close-out the fiscal year.