

Grants Management Guidance 2015-005

SUBJECT: Budget Revision Requirements

DATE ISSUED: July 15, 2015

Revised: January 23, 2019

August 29, 2019 (Formatting Only)

February 8, 2022

The purpose of this guidance is to outline budget revision requirements in accordance with the Ohio Department of Education and Federal requirements.

Per Uniform Guidance [2 CFR §200.308](#) Revision of budget and program plans (b) Recipients are required to report deviations from budget or project scope or objective and request **prior** approvals from Federal awarding agencies for budget and program plan revisions, in accordance with this section.

(f) The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency. The Federal awarding agency cannot permit a transfer that would cause any Federal appropriation to be used for purposes other than those consistent with the appropriation.

The final guidance provided in Uniform Guidance does not broaden the scope of applicability from existing government-wide requirements, affecting Federal awards to non-Federal entities including state and local governments, Indian tribes, institutions of higher education, and nonprofit organizations. States have authority and responsibility over how federal education programs are implemented and must repay federal money if subgrantees spend funds incorrectly; thus, states often impose more restrictive rules than federal law requires.

In the past, it has been ODE's policy to require budget revisions prior to obligations in an object/function category exceeding 10 percent of the most current approved budget cell. This policy will remain in effect, so ODE staff can continue to monitor the use of funds and assist subgrantees with budgeting and expending grant funds appropriately.

A budget revision is **REQUIRED** to add a function/object code not previously budgeted and when **obligations** are expected to exceed the approved budgeted amount in any object/function category by more than 10%. Budget revisions must be completed when the activity is *contemplated – prior to obligating funds*. Retroactive approval of budget amendments to bring the project into compliance with Department policies, regulations or laws **will not be considered by Department personnel**. Failure to adhere to this provision may subject grantees and subgrantees to findings, questioned costs and repayments of project funding.

The amendment is effective on the day it is received by ODE in substantially approvable form. All amendments are subject to negotiation and approval by ODE. ODE does not guarantee that the requested revisions will be approved. No budget amendments will be accepted after June 30th of the grant year.

Example:

Original Budget (Revision 0) with Substantially Approved date of July 1, 2014

	Salaries (100)	Fringe (200)	Purchased Services (400)*	Supplies (500)**	Capital Outlay	Other (800)	Total
Instruction	\$10,000	\$2,000	\$500	\$0	\$0	\$0	\$12,500

Revised Budget (Revision 1) with Substantially Approved Date of October 15, 2014

	Salaries (100)	Fringe (200)	Purchased Services (400)*	Supplies (500)**	Capital Outlay	Other (800)	Total
Instruction	\$8,000	\$2,000	\$2000	\$500	\$0	\$0	\$12,500

*Purchased service obligations prior to 10/15/14 cannot exceed \$500 plus 10% or \$550. This is the amount approved in the budget prior to the budget revision being submitted. You may begin to obligate funds in excess of \$550 as of October 15, 2014 up to the maximum allowable amount of \$2,200. Note that spending \$2,200 would reduce the amount that can be claimed in another object by \$200 as the total grant award amount of \$12,500 cannot be exceeded.

**Supply orders that were placed prior to 10/15/14 would be unallowable. Funds in object 500 (supplies) can be obligated as of October 15, 2014.

Please email questions regarding budget revisions to: Grants.Management@education.ohio.gov