

# ***Accountability and Grants Management: Connecting the Dots***



# **Grant Modifications**



**U.S. Department of Labor**  
Employment and Training  
Administration

***U.S. Department of Labor, ETA, Region 4  
Discretionary Grantee Training Conference  
March 1-2, 2011***

# Presentation Overview



- What is a modification
- Determining if a modification is needed
- When to request a modification
- How to request a modification
- Most common modifications
- Sample modification requests
- Regional review and approval process
- Quiz and Q & As

# Grant Modifications



- **Modifications are changes or deviations from your original statement of work (SOW) or budget**
- **Grantees are allowed some flexibility to modify grants**
- **See Part IV – Special Clauses and Conditions**

# How to Determine if a Modification is Needed



- Equipment needs to be purchased
- Project's internal budget changes
- Need to expand target area
- Need additional time to meet training goals and objectives
- Authorized official/Signature authority changes

# When to Request a Modification



- Depends on type of modification
- May request multiple modifications

# How to Request a Modification



- Contact FPO
- Submit draft request to FPO
- Provide complete justification
- Include all attachments
- Submit final request to FPO

# General Requirements for All Modification Requests



- Must be from direct grant recipient
- Must identify type of request
- Must include date, grant name, grant number
- Must be on organization's letterhead
- Must be signed by signature authority
- Must include complete justification

# Most Common Modifications



- Signature authority changes
- Equipment purchase
- Budget realignment
- No cost extension
- Statement of work changes

# Signature Authority Modification



## Must include:

- Name of current signature authority, and
- Name of new signature authority and their contact information
- Effective date of change
- Current signature authority or higher level official

# Sample of Signature Authority Modification



Dr. John Doe, current president of ABC Community College and signature authority for the Department of Labor Community-Based Job Training grant will retire on June 15, 2011. Ms. Jane Doe, vice president of financial services, will assume the position as signature authority for the DOL CBJT grant on an interim basis, June 1, 2011. We anticipate the vacancy will be filled on a permanent basis on or before December 31, 2011, at which time a new request will be forwarded to your office.

# Equipment Purchase Modification



- **Definition**

***Equipment* means tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. However, consistent with recipient policy, lower limits may be established. Equipment includes, but is not limited to, equipment acquired before the publication of these regulations and equipment transferred from prior years”.**

- **Part IV – Special Condition**

**Awardees must receive prior approval from the DOL/ETA grant officer for the purchase and/or lease of any equipment with a per unit acquisition costs of 5,000 or more, and useful life of more than one year**

# Equipment Purchase Modification



## Must include:

- Name of equipment and model
- Approximate cost
- Who will purchase, grantee or sub recipient
- Location of equipment
- Justification and benefit
- FPO may require additional documentation

# Sample of Equipment Purchase Modification



ABC Community College requests grant officer approval to purchase a..... on behalf of its sub recipient .....The approximate cost of the equipment is.....The equipment will be used in the college's.....training program. The equipment is necessary to allow students the opportunity to .....Enclosed are copies of .....to further illustrate the equipment need. The sub recipient has funds available in their budget to purchase equipment. The equipment will be inventoried and housed at.....Approval from the purchasing office has been obtained and appropriate procurement procedures will be followed.

# Budget Realignment Modification



- Part IV – Special clauses of grant packet

Flexibility is allowed within the grant's budget (except wages, salaries and fringe benefits, indirect cost rates) provided no single line item is increased or decreased more than 20%. Changes in excess of 20% and any changes in wages, salaries and fringe benefits, and indirect cost rates **MUST** receive prior **WRITTEN** approval from the grant officer.

# Budget Realignment Modification



## Must include:

- Revised SF-424A
- Revised budget narrative
- Complete justification
- Current indirect cost rate agreement if applicable
- FPO may require additional documentation

**BUDGET INFORMATION - Non-Construction Programs**

**SECTION A - BUDGET SUMMARY**

	Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
			Federal (c)	Non-Federal (d)	Federal	Non-Federal (f)	Total (g)
1.			\$	\$	\$	\$	\$ -
2.							-
3.							-
4.							-
5. Totals			\$	\$	\$ -	\$ -	\$ -

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				
	(1)	(2)	(3)	(4)	(5)
a. Personnel	\$		\$	\$ -	\$
b. Fringe Benefits				-	
c. Travel				-	
d. Equipment					
e. Supplies					
f. Contractual				-	
g. Construction					
h. Other				-	
i. Total Direct Charges (sum of 6a - 6h)			-	-	
j. Indirect Charges			-	-	
k. TOTALS (sum of 6i and 6j)	\$	\$	\$ -	\$ -	\$

7. Program Income	\$	\$	\$	\$	\$
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Standard Form 424A (Rev.7-97)  
Prescribed by OMB Circular A-102

SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS	
8.	\$ -	\$ -	\$	\$ -	
9.					
10.				-	
11.				-	
12. TOTAL (sum of lines 8 - 11)	\$ -	\$ -	\$ -	\$ -	
SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	#	\$	\$
14. NonFederal	-	-	-	-	-
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$
SECTION E - BUDGET ESTIMATES FOR FEDERAL FUNDS FOR BALANCE OF THE PROJECT					
(a) Grant Program	FUTURE FUNDING PERIODS (Years)				
	(b) First	(c) Second	(d) Third	(e) Fourth	
16. Earmark Pilot & Demonstration	\$	\$ -	\$ -	\$ -	
17.					
18.					
19.					
20. TOTAL (sum of lines 16 - 19)	\$	\$ -	\$ -	\$ -	
SECTION F - OTHER BUDGET INFORMATION					
21. Direct Charges	22. Indirect Charges			#REF!	
23. Remarks					

Reviewing Proposed Changes.

	Approved	Difference	Proposed
Personnel		\$0	
Fringe		\$0	
Travel		\$0	
Equipment		\$0	
Supplies		\$0	
Contractual		\$0	
Construction		\$0	
Other		\$0	
Total Direct	\$0	\$0	\$0
Indirect		\$0	
Totals	\$0	\$0	\$0
Cost Sharing/Match Summary (if applicable)			
Cash	\$0	\$0	\$0
In-Kind	\$0	\$0	\$0
% Rate	0.00%		0.00%

**Approved:** Enter each line item amount for the budget either from the original grant proposal or the most recently approved budget modification.

**Proposed:** Enter each line item amount for the budget from the budget submitted with the grantee's modification request.

**Difference:** On each line item, compare the calculated difference with the proposed narrative to make sure it matches the proposed changes described in the grantee's request. Also, make sure proposed totals correctly adds up to the approved grant funding amount.

# Sample Budget Realignment Modification



ABC Community College requests grant officer approval to modify our current budget. The revisions are necessary because our proposal's original budget lists 10 laptops priced at \$2,000 each. These items were inappropriately placed in the budget's equipment line item based on the college's definition of equipment. In order to correct our budget so that we may ensure adequate funds are in the correct line item, we are requesting to move \$20,000 from the equipment line item to the supply line item.

# No Cost Extension Modification



## Must include:

- Current and requested period of performance
- Projected goals and training outcomes
- Current goals and training outcomes
- Current expenditures
- Complete justification
- Revised timeline of activity
- Address current budget (Is it sufficient?)
- FPO may require additional documentation

# Sample of No Cost Extension Modification



ABC Community College requests grant officer approval to extend its DOL training program to .....Our current period of performance is .....The primary reason for the request is .....Secondly, we were not able to implement our program until Fall 2008 because.....We have addressed the issues that caused the delays. We have trained 750 students and expended 75% of grant funds. The no cost extension will allow us to train 250 students per semester, which would allow us to meet all training goals. The extension will necessitate a budget realignment. Attachment A-1 provides further information regarding the budget realignment.

# Statement of Work Modification



Must include:

- Proposed changes to statement of work
- Reason for changes
- Remedies/Methods to overcome obstacles
- Proposed outcomes
- Source documentation
- Changes to budget, if applicable
- Revised timeline of activity, if applicable
- FPO may require additional documentation

# Sample of Statement of Work Modification



ABC Community College requests grant officer approval to modify our current statement of work to..... The current SOW .....The reason for the change is..... We now plan to.....,which will result in .....We have included.....to substantiate our request. These changes will not affect our current budget or timeline of activities. Training outcomes will not be affected.

# Presenters



**Patricia Evans**  
Federal Project Officer

**Terry Moore**  
Federal Project Officer

U.S. Department of Labor  
Office of Special Initiatives and Demonstration  
Region 4  
Dallas, Texas  
March 1-2, 2011

# *Grant Modifications*



# ***THANKS!***

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