



POLICY AND PROCEDURE NOTICE: PPPN-022 REALLOCATION AND REDISTRIBUTION OF FUNDS

Summary and Purpose of PPN: To guide the administration of the Ryan White Part A Program with regard to reallocation and redistribution of grant funds.

Authority:

- Title XXVI of the PHS Act as amended by the Ryan White HIV/AIDS Treatment Modernization Act of 2009 (Public Law 111-87)
- 45 CFR 75
- Fulton County Ryan White Part A Contract/Agreement

Policy and Procedure:

All funds must be expensed within the appropriate contract/funding year, budget categories, and line items. Unexpended funds, including funds projected to be unexpended, will be reallocated/redistributed to subrecipients who can utilize those funds within the contract/funding year.

- **Reallocation** refers to the transfer of funds within an individual priority category. Funds may not be moved **between** service categories without approval of the Metropolitan Atlanta HIV Health Services Planning Council. Reallocation of funds between priority categories typically occur **within** a subrecipient's budget, but **may** be accomplished through redistribution of funds.
- **Redistribution** refers to the transfer of funds between subrecipients.

The recipient will evaluate the subrecipient's contract performance status of expenditures and services provided. ([See: FPPN-002 Budget Spend Plan](#))

BUDGET REVISIONS

Generally, appropriate requests are those which propose using different means to accomplish the specific program features which were approved and detailed in the original Scope of Services. In general, adding new line items is not an acceptable request. With prior approval, agencies are allowed to shift funds between existing line items due to evolving service needs.

The budget total may not be exceeded; however, a plus or minus deviation of 10% within budget categories (i.e. personnel, supplies) and within Priority Category is authorized. The agency spreadsheet must be modified to reflect the plus or minus deviation.

Any request for reallocation of funds within a subrecipient's budget requires submission of the required budget revision form: **Subrecipient Budget Reallocation Request Form**. The form is available on the Fulton County Ryan White Part A website: www.ryanwhiteatl.org Instructions for completing the form are included with the form.

Administrative Revisions

1. Ryan White Program staff may administratively approve budget revisions if the revision **remains within the original priority category**, program scope and intent of the original award.
2. Budget revisions within priority category may be submitted one time per month.
3. Within five (5) working days after receipt of a budget revision request, the agency will be notified in writing if additional information is needed. If additional information is requested, the agency must provide the information within 15 working days or the revision is considered denied.
4. The agency will be notified of the approval/denial of the Budget Revision in writing within fifteen (15) working days of the receipt date from the Project Officer of the complete Budget Revision request. However, processing may be delayed if errors are identified by staff and until such time that the errors have been corrected to the County's satisfaction.
 - a) Subrecipients must complete and submit to the RWHAP Project Officer a signed budget revision request on the required budget revision form. Please see sample budget revision form on the next page.

Subrecipient Budget Reallocation Request Form

Subrecipient (Agency) _____
 Programmatic Designee Signature _____

Funding Source Non-MAI MAI

Fiscal Designee Signature _____

Date Submitted _____

Enter the requested REDUCTION in allocation by service category below. Insert additional rows as needed.

#	Service Category	Subcategory	Line Item	Current Allocation	Expenditure as of:	Requested Reduction	New Requested Allocation	Clients Served To Date	Corresponds to Goal # & Objective #	Current Client Goal	New Client Goal	Change in Client Goal	Units Provided to Date	Current Units Goal	New Units Goal	Change in Unit Goal	Percent Administrative
1				\$ -	\$ -	\$ -	\$ -					0				0	
2				\$ -	\$ -	\$ -	\$ -					0				0	
3				\$ -	\$ -	\$ -	\$ -					0				0	
Total Reduction (Must match total increase below)						\$ -	\$ -										

Enter the requested INCREASE in allocation by service category below. Insert additional rows as needed.

#	Service Category	Subcategory	Line Item	Current Allocation	Expenditure as of:	Requested Increase	New Requested Allocation	Clients Served To Date	Corresponds to Goal # & Objective #	Current Client Goal	New Client Goal	Change in Client Goal	Units Provided to Date	Current Units Goal	New Units Goal	Change in Unit Goal	Percent Administrative
1				\$ -	\$ -	\$ -	\$ -					0				0	
2				\$ -	\$ -	\$ -	\$ -					0				0	
3				\$ -	\$ -	\$ -	\$ -					0				0	
Total Increase (Must match total reduction above)						\$ -	\$ -										

Please provide a justification for each **reduction** request (by number)

1	
2	
3	

Please provide a justification for each **increase** request (by number)

1	
2	
3	

Please indicate the impact on the health impact of clients which would result from this action (by number).

1	
2	
3	

Any additional comments to support requests

1	
2	

Once the budget revision is received by the Project Officer, the signed budget revision form must be time/date stamped by RW Part A Recipient staff. Secondly, the Project Officer will review and evaluate the budget revision request using current utilization and expenditure data, as appropriate. If corrections are warranted to move forward

with the budget revision request, the subrecipient will be contacted via email advising of the necessary modifications needed prior to being presented to the RW Part A Recipient staff.

- b) **Administrative Budget Revision Request:** The Project Officer may administratively approve budget revisions if the revision **remains within the original priority category**, program scope and intent of the original award.

Planning Council Revisions

- c) **Planning Council Budget Revision Request:** Moving funds between priority categories that require approval and/or a vote from the planning Council. Subrecipients requesting a revision must follow the procedure that includes steps designed for processing the budget revision request.

If corrections are warranted to move forward with the budget revision request, the subrecipient will be contacted via email advising of the necessary modifications needed prior to being presented to the RW Part A Recipient staff.

- (1) The **deadline** for submission of a Planning Council Revision is **fifteen (15)** working days prior to the regularly scheduled Executive Committee meeting.
- (2) Once determined that the budget revision is adequate, the assigned Project Officer will prepare the budget revision to be discussed and/or approved by RWPA Management.
- (3) The evaluation process is complex. Determination of trend analysis, prior budget revisions, timing of the request, money spent, etc. are all part of the analysis in the evaluation. ***Each request is handled individually.***
- (4) After the approval/denial, the project officer will email the subrecipient informing them of the decision within 5 to 10 business days.

- d) Once the RW Part A recipient staff has approved the consideration of the budget revision request, it is then placed on the Planning Council's Executive Committee agenda as an action item for a vote, after the Executive Committee vote, the following week the Budget Revision will be placed on the Planning Council's agenda as an action item, for a vote from the planning body. Project Officer's will have 5 business days to follow up with the sub recipients to inform them of the decision made by the Planning Council to approve or deny the budget revision request.

- e) Once approved either by the Planning Council for cross category requests or internally for requests within the same category, the Project Officers are required to update the subrecipient's electronic spreadsheet to reflect the approved change

and email the revised spreadsheet to the Programmatic and Fiscal designee within 5 to 10 business days.

5. No revisions requiring Planning Council approval will be processed after the January meeting of the Planning Council unless provisions are made by the Council.
6. Ryan White Program staff will provide the subrecipient with written notification of the approval or denial of the budget revision request and the effective date for the revision. **CAUTION:** If funds are expended as proposed in the budget revision request **prior** to receipt of written notification, subrecipient proceeds at its own risk.
7. If any portion of the budget revision is approved, the subrecipient's budget will be modified to reflect the approved revision which will then be reflected in the Cumulative Contract Expenditure Report.
8. The subrecipient will be expected to report on the revised budgeted activities in future site visits and in future reporting activities.

Redistribution of Funds

9. Should the spending plan or recipient evaluation of spending patterns indicate funds that will not be expended as authorized, and which have not been approved for a redirect through the required revision process, the County may, at its discretion reduce the subrecipient's purchase order by the identified amount and reallocate or redistribute these funds.
10. The overall grant budget will be reviewed to determine which funding source(s) will be impacted by the change in allocation or distribution.
11. The subrecipient's Programmatic and Fiscal Designees will be notified by the Ryan White Part A Project Officer of the amount and service categories/line items affected by the decrease in award and the agency's contract and budget spreadsheet will be updated with the reduction in amount.
12. Purchase order(s) will be modified by the decrease in the unexpended amount identified by the recipient staff. This releases the encumbrance to unobligated funds of the line item in AMS Financials.
13. A budget transfer in AMS Financials will be completed to move the unobligated balance to the subrecipient object code and/or line item that will utilize the unobligated funds. Funds will then be redirected to agencies by increasing/modifying the purchase order(s) for the amount predetermined to be utilized. Contracts will be amended as necessary.

Verification:

- Review of expenditures.
- Review of quarterly and monthly spend plans.
- Review of budget revisions.
- Review of expenditure reports.
- Review of Implementation Plans.

Approved October 2016

Reviewed: December 2020