

ATLANTA REGIONAL YOUTH FORUM

*“INCREASING ACCESS TO JOB-DRIVEN
TRAINING AND CAREER PATHWAYS”*

JUNE 17-19, 2014

Grant Modification Process

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THE GRANT MODIFICATION PROCESS

Purpose – Provide guidance on modifying grants and outline the modification process

Objective – Enable staff to develop and submit approvable modification requests

Grantees are required to report changes to grant

Reference: 29CFR 95.25 and 97.30



WHAT IS A MODIFICATION ???

- A modification is the formal process used to make changes to a grant agreement or to request permission to purchase equipment.
- Regional FPOs submit modification requests for Regional or National Office processing via the Acquisition Management System (AMS)

TYPES OF MODIFICATIONS

REGIONAL OFFICE APPROVAL

No-Cost Extension

Change of FPO

Budget Realignment
(providing it does not change SOW)

Administrative Corrections

Equipment Request

NATIONAL OFFICE APPROVAL

Change in Scope of Work

Change of Signature

Change of Address

In-Direct Cost Rate

CHANGE TO THE SCOPE OF WORK

Any change to the products/deliverables, number of participants to be trained, occupations for training, or other performance criteria. Discuss all significant changes with Grantee to determine the need for a modification

CHANGE TO THE SCOPE OF WORK

Must have concurrence of the Program Office:

Supporting Documentation

Compelling narrative justification

Timeline

Common Errors

Signed by other than Signatory

Justification could be strengthened

Does not anticipate/address follow up questions

BUDGET MODIFICATION

- Realign funds
 - In-Direct Cost Rate Agreement
 - Budget Line Item Flexibility - 20%
 - Changes in mix or match within wages
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BUDGET MODIFICATION

Supporting Documentation

Revised 424A (pages 1 and 2)

Narrative Justification

Budget Worksheet [spreadsheet, plus or minus]

Common Errors

Match requirement omitted from 424A

(Section A *and* C)

Amounts in Section D of original 424A, if any, are omitted

BUDGET MODIFICATION

Math calculations

Not based on current budget

Inconsistent information between 424A and Budget Narrative

Cover Letter

Signed by other than the Signatory

EQUIPMENT APPROVAL

DOL threshold – Item of equipment with a per unit *acquisition cost of \$5,000* or more, and a useful life of more than one year

Grant Officer approval to purchase equipment, is required before purchasing, even though it was included in the grant budget

Approval in the proposal addresses allowable costs, not acquisition

EQUIPMENT APPROVAL-*SUPPORTING* ***DOCUMENTATION***

Request Letter sign by signatory must include:

How the procurement will integrate with the statement of work (include a reference to the appropriate page of pages of the SOW. (Use Equipment List attached to Modification Tool.)

A self attestation that the procurement process for the requested equipment will follow procedures consistent with the requirements of 29 CFR 95 (Educational/nonprofit/commercial) or 29 CFR 97 (State/Local)

COMMON ERRORS

When equipment is not in the original proposal, the request does not provide sufficient need for the equipment

Request letter does not reference compliance with grantee's procurement policies.

Insufficient funds available in equipment budget line item



NO-COST EXTENSION

When the period-of-performance is extended to allow time to complete the project/program and/or utilize funding to achieve increased benefits.



NO-COST EXTENSION

Requests should not occur during the first two thirds of the original operating period. No earlier than 6 months and no later than 1 month before expiration of the grant.

Total life cycle of grant can not exceed 4 years.

NOTE: Discuss with FPO

NO-COST EXTENSION

Justification

Circumstances, challenges, or problems that created the need to extend the period of performance and listing the remaining funds to be expended;

Efforts to address the challenges and the corrective actions or changes that have or are being made to assure grant success;



NO-COST EXTENSION-CONTINUED

Justification

What can be accomplished by the original grant period of performance;

The specific activities that will be accomplished in the extended period, including an updated timeline of activities, outcomes and deliverables that will be achieved; and

An updated budget (SF424a) with a detailed budget narrative.



NO-COST EXTENSION

Supporting Documentation

Justification clearly addressing required info

Revised Timeline

Revised Budget(424A and Budget Narrative if applicable)

Common Errors

Signed by other than Signatory

Timely submission/Revised timeline

Not enough funds to last through the new period of performance date requested.

Request letter does not provide enough justification as to why more time is needed

CHANGE OF SIGNATORY OFFICIAL CHANGE OF ADDRESS

Letter notifying FPO of change - Letterhead

Effective date of change



Signed by appropriate level of authority

Provide details on new contact information

COMMON ERRORS

Pay attention to line of authority. May require Board of Directors to submit the request letter when the signatory leaves unexpectedly.

WHAT SHOULD GRANTEES INCLUDE IN A MODIFICATION REQUEST?

A well-constructed modification request identifies:

- A compelling justification and rationale

- Letter signed by the signatory

- Backup documents (Revised 424A, budget narrative, and worksheet)

- Date of Request Letter from grantee should not be more than 30 days old



THE GRANT MODIFICATION PROCESS

SUMMARY

Modification is ...

Narrative justification is KEY

Required documentation

Types of modifications

Prior approval to purchase
equipment

Typically 30 days to complete



THE GRANT MODIFICATION PROCESS

Changes to the grant agreement may NOT be implemented until official written notification of approval is received from the Grant Officer.

QUESTIONS?

