

## BUDGET MANAGEMENT AND REVISION REQUESTS

Subgrantees are expected to follow the grant project budget as approved in the Grant Portal and monitor spending by line item. While the grant project budget is organized into groups of similar cost types, the Subgrantee must track costs by the specific line items approved within each budget category. It is important to understand the distinction between a budget category and a line item.

### Budget Categories

- Personnel
- Fringe Benefits
- Travel/Training
- Supplies and Communications
- Facility Costs
- Equipment
- Contractual Services
- Other

### Line Item Examples

- Family Advocate (within Personnel)
- FICA (within Fringe Benefits)
- Health Insurance (within Fringe)
- Laptops (within Supplies/Communications)
- Rent (within Facility Costs)
- Audit/Accounting (within Contractual)
- Membership Dues (within Other)
- Direct Victim Assistance (within Other)

The Subgrantee is allowed to reallocate (move) funds between existing approved line items as long as the total amount moved is **no more than 10 percent of the total grant award** and the overall scope of the project does not change.

### Example:

If the total grant award is \$500,000, the Subgrantee may reallocate up to \$50,000 across approved line items without needing prior approval. If \$40,000 has already been moved, the Subgrantee has \$10,000 left to move without asking for a formal budget revision. **The Subgrantee shall maintain and have readily available a clear, up-to-date general ledger showing all grant spending by line item and matching the amounts reported in the Financial Status Reports.**

Before spending funds that exceed approved line-item amounts, it is the Subgrantee's responsibility to:

- Review the Solicitation, Grant Assurances, and Reporting Requirements;
- Talk to the assigned Analyst if you are unsure whether a purchase is allowed;
- Consider if the budget reallocation will affect the purpose or scope of the grant project; and
- Consider if the change affects how this grant award is used as a match for a federal grant award.

### When the Subgrantee Must Request a Budget Revision

The Subgrantee must request approval from the KGGP before making any budget changes when:

- More than 10 percent of the total grant award amount is being moved between line items;
- A new line item is being added;
- The change affects the purpose or scope of the grant project; or
- The change directly impacts the use of funds as a match to a federal grant award.

The Subgrantee shall make every effort to request budget revisions prior to the effective date of the proposed changes. An approval of a budget revision, per the circumstances described above, is effective on the date of the approval message or the date specified in the Subgrantee's Budget Justification. If a budget revision request is made after the change has already happened, the Subgrantee must explain why it was necessary, when the change took effect, and why retroactive approval is needed.

Budget revision requests will not be considered where proposed changes in the affected budget lines are less than 10 percent of the total grant award amount. No budget revision requests will be accepted after May 31.

### **Submitting a Budget Revision Request (Grant Portal)**

The Subgrantee shall follow these steps to submit a budget revision request through the Grant Portal.

1. **Prepare a Budget Justification - [Budget Revision Requests Guide](#)** – Write a short justification on agency letterhead (Word or PDF format) and name the file “[current date] Revision.” This document should:
  - Explain **why** the budget change is needed and how it fits into the overall approved grant project;
  - Clearly state **how much money** is being reallocated (moved) between budget line items;
  - If *cumulatively* (in total) more than **10 percent of the total grant award amount** is being moved between existing line items, include the **total amount moved so far**; and
  - Include the **date and signature** of the person authorized to request the budget revision.

Upload this file under the **Attachments** tab in the Grant Portal.

Reminder: Grant funds **cannot** be used to reimburse travel-related mileage and meal expenses at a rate higher than the agency's approved policy rate or the current federal rates (IRS mileage / GSA per diem rates), **whichever is lower**. If the agency reimburses at a higher rate, per agency policy, the Subgrantee cannot use grant funds administered by the KGGP to make up the difference. [Check current federal rates here](#).

2. **Update the Budget of the Grant Portal - [Writing a Grant Project Budget Guide](#)** – Go to the **Budget section** of the Grant Portal and revise it based on the requested changes. The proposed budget revision should include the *cumulative* (total) reallocation of funds made to the grant project budget since the previous KGGP approval. Make sure all the numbers reflect the proposed budget revision updates.
3. Once the justification letter is uploaded and the Budget section is updated, go to the **Submit** tab and click on “**Submit Revision**.”

See **Appendix A** for detailed instructions on submitting a revised budget in the Grant Portal.