

WHEN A BUDGET AMENDMENT IS REQUIRED

Effective June 1, 2009

The application budget and Exhibit A of the grant agreement are the Grantee's and fiscal agent's statement of how OWEB funds will be spent on the project. The application budget shows budget categories and the various line items under each budget category; Exhibit A shows only the budget categories, which mirror those in the final, approved application budget.

OWEB recognizes that projects can undergo change during the course of implementation, which in turn, might impact the budget. In such cases, Grantees may change the budget as necessary. However, you must seek *prior* permission from OWEB to change either line items or budget categories by doing the following:

- 1. Line Item Changes Having No Impact to the Budget Category Amount.** Line item changes that have no impact to the overall amount of their budget category require *prior* approval from the OWEB Project Manager in the form of a written justification (email will suffice). The written justification must address all of the following:
 - What needs to be changed and why the change is necessary;
 - How the change enhances (or at least, does not detract from) the original intent of the project as funded by the Board; and
 - How you are able to accomplish the line item from which funds are being shifted.

- 2. Budget Category Changes.** Changes to budget category amounts require prior approval from the OWEB Project Manager in the form of a Budget Change Request form (available at http://www.oregon.gov/OWEB/forms/Budget_Adjust_09.xls) whenever a Grantee seeks to make either of the following changes to the final approved application budget/Exhibit A:
 - a) Add funds to an OWEB budget category that had none in the final approved application budget/Exhibit A;

OR

 - b) Increase any OWEB budget category total amount by:
 - More than \$5,000, OR
 - Less than \$5,000, but more than 25% of the current budget category for which an increase is sought (e.g., You wish to shift \$1,500 from In-House Personnel to Travel, which has just \$500 allocated. Since the proposed shift is less than \$5,000 but more than 25% of the current Travel budget category, a budget amendment is required.)

If the proposed budget category change does not involve a) or b) above, the Grantee still needs to send an email to the OWEB Project Manager informing them of the change to the Budget Category. In such cases, the Grantee should provide the information requested in #1 above. In all cases, Grantees should be sure to copy their fiscal agent, if different from the Grantee.

Budget change amendments between Capital Lottery funds and Non-Capital funds are not allowed.

This policy is effective as of the above date, and applies to all regular grants (different conditions apply to the Small Grant Program). Changes to the policy will be considered by staff as issues arise.