

BUDGET VARIANCE POLICY**Overview**

This policy pertains to budget variances in both the CNCS Share and Grantee Share of an AmeriCorps budget. It includes information on how variances are monitored, when prior approval is needed, and what documents are required.

The General, Specific, and OneStar Terms and Conditions outline requirements and references for when a subrecipient must seek prior approval from OneStar for a budget variance.

2018 General Terms and Conditions:**III. C. CHANGES IN BUDGET OR KEY PERSONNEL**

All budget and programmatic changes must comply with 2 CFR §200.308 – Revision of budget and program plans. 2 CFR §200.407 Prior written approval (prior approval) – provides an exhaustive list of those other items requiring OneStar and/or CNCS’s advance approval. CNCS does not waive any of the prior written approvals required under that section. In addition to the required prior approval for changes in key personnel identified in the budget, the recipient must also notify OneStar of any changes in any positions which are not included in the approved budget, but which involve leadership oversight of the activity under this award. The recipient must also notify OneStar of any change in the senior leadership of the recipient.

2018 Specific Terms and Conditions:

X. C. Budgetary Changes. The recipient must obtain the prior written approval of the OneStar Foundation Grants Officer and CNCS’s Office of Grants Management before deviating from the approved budget in any of the following ways:

- 1. Specific Costs Requiring Prior Approval before Incurrence under the uniform administrative requirement, cost principles, and audit requirements for Federal awards at 2 CFR Parts 200 , and 2205. Certain cost items in 2 CFR parts 200 and 2205 require approval of the awarding agency for the cost to be allowable such as pre-award costs. Please ensure you consult the regulations prior to incurring costs to ensure allowability.*
- 2. Purchase of Equipment over \$5,000 using award funds, unless specified in the approved application and budget.*
- 3. Unless the CNCS share of the award is \$100,000 or less, changes to cumulative and/or aggregate budget line items that amount to 10 percent or more of the total budget must be approved in writing in advance by OneStar Foundation and CNCS. The total budget includes both the CNCS and recipient shares. Recipients may transfer funds among approved direct cost categories when the cumulative amount of such transfers does not exceed 10 percent of the total budget.*

2018 OneStar Terms and Conditions

VII.G. The subrecipient must obtain approval from the Commission prior to incurring costs for budget line items not initially included in the approved budget. Submission of a budget change request alone does not guarantee approval. See also Section X of this grant award’s 2018 Specific Terms and Conditions additional requirements surrounding Budget and Programmatic Changes.

Specific Costs that Require Prior Approval

All requirements from the General, Specific, and OneStar Terms and Conditions regarding costs that require prior approval, apply to both the CNCS and the Grantee Share of a subrecipient's budget.

The following items require prior approval from OneStar Foundation:

1. Expenses not included in the original budget
2. Changes to staff positions, compensation and job titles
3. New member types and living allowance schedule
4. Significant changes to the budget and program design
5. Equipment*
6. Real Property*
7. Pre-Award Costs*
8. Variances over 10% of the total approved budget*

*These items also require prior approval from CNCS.

To obtain approval, please submit a [Budget Reallocation Request Form](#). Submitting a request does not guarantee approval. Failure to obtain prior approval may result in disallowance of costs.

Variances

OneStar tracks subrecipient budget variances to ensure compliance with the required Terms and Conditions of the grant. This is tracked through analysis of subrecipients' Periodic Expense Reimbursement Requests (PER), approved budgets, and OnCorps Reports cumulative expenditures.

Subrecipients may have budget changes without formal approval as long as the cumulative overages do not exceed 10% of the total budget, and the changes do not include a budget adjustment requiring prior approval as outlined above and in the Terms and Conditions.

OneStar monitors budget variances with each submitted Periodic Expense Report (PER) to ensure adherence to the ; however, it is the responsibility of the grantee to ensure management of their budget and compliance with all requirements.

Required Forms and Documents

If a subrecipient would like to request a budget reallocation, the following Budget Reallocation Request Form should be completed:

https://docs.google.com/forms/d/e/1FAIpQLScSoxPO36KhkVYj_Y3c96Wds4H7xk8Cx902Zyo7LbEmBtRggw/viewform

When completing the Budget Reallocation Request Form, subrecipients must provide the following information:

1. Reason for reallocation request
2. Description of reallocation request
3. Explanation and justification for proposed reallocation increases

If there are proposed changes to Personnel, please email new position descriptions to your Grants Officer, in addition to completing the Budget Reallocation Request Form

If a subrecipient is proposing new member types and living allowance schedules, the following Slot Conversion Request Form should be completed: <https://www.tfaforms.com/4651835>