

Department of Children and Families

Budget Revision Guidelines / Instructions

Revised June 2014

General Instructions for Filing a Budget Revision Request

- A budget revision is required when there are proposed changes to expenditures in the current approved budgeted line items that **exceed** the allowable variance as stated in the DCF Human Services Contract.
- A budget revision request may be submitted at anytime throughout the fiscal year. Budget revision requests for period July – February must be submitted to DCF no later than March 31 along with the interim financial report. If budget modifications are required beyond March 31, a final revision must be submitted by May 15th of the budgeted state fiscal year.
- Budget revision requests will be accepted when submitted as a hard copy, or electronically. Electronic submission is preferred. All applicable forms are available on the following web site:
<http://www.ct.gov/dcf/cwp/view.asp?a=2555&q=314408>

Components of a Complete Budget Revision Request Packet

A complete budget revision request must include the following components:

- A completed ***Budget Revision Form for each program being revised***, indicating the current approved budget figures, proposed change amount(+/-), the revised budget figures and a detailed explanation of the rationale for each line item change.
- A revised ***Consolidated Budget Form and narratives for ALL programs***. The budget and narrative should reflect the revised (new) totals from the budget revision form.
- When submitting multiple revision requests electronically, please submit as separate file names. ***Do not try to add pages to the Budget Revision Request Form.***

When a Budget Revision Request Is Needed:

- Salary and Wages Variance: An individual's salary or wage may be varied without prior approval if the variance is less than or equal to 15%. If the variance is greater than 15% prior approval must be requested.
- Budget Variances Less Than or Equal to 20% or \$5,000, whichever is more: Expenses maybe incurred that vary up to twenty percent (20%) or \$5,000, whichever is more, for any program budget's cost category or line item without requesting prior approval. All approved budget amounts and corresponding expenditures must be accurately reflected on all required expenditure reports submitted. Upon review, any budget variance that is disallowed must be reimbursed or reconciled.
- Budget Variances Greater Than 20% or \$5,000, whichever is more: If expenses vary more than twenty percent (20%) or \$5,000, whichever is more, for any program budget's cost category or line item, a written justification must be submitted with the required expenditure report. Upon review, any budget variance that is disallowed must be reimbursed or reconciled.

If a significant variance from the approved budget is anticipated, we strongly recommend that a budget revision request be submitted. Significant variances include, but are not limited to, (1) anticipation of over-expenditures greatly exceeding the twenty percent threshold, (2) addition of a cost category or line item not currently included in the approved budget, or (3) a material change related to the performance of services

under the contract, such as subcontracting services that the contract specifies shall be performed by the provider. The purpose of a budget revision request is to realign contract requirements for expenditures going forward. Upon approval, the amounts of the cost categories or line items will be adjusted in a revised program budget.

Please be reminded that budget revision requests must be submitted no later than 45 calendar days prior to the end of the applicable fiscal year or funding period. Any significant variance cannot be implemented prior to receiving a revised program budget. Should this process not be adhered to, any variance above the 20% or more than \$5,000, whichever is greater, or any threshold that is deemed unacceptable, unnecessary or unallowable will be subject to reimbursement or must be reconciled.

Instructions for Completing the Budget Revision Form

Note: Cells shaded in yellow require data entry and all other cells will auto fill.

1. The Budget Revision Form consists two tabs labeled “salaries” and “other expenses”. The printed version consists of 6 pages; Page 1- 100A Staff Salaries, Page 2- Salary Totals and the 200 series, Page 3- 300 and 400 series, Page 4- 500 – 700 series, Page 5- 800 series, Page 6- Grand Total Expenses for the 100 – 800 Series and the Income Source Statement. *Note: Additional pages may be necessary for salary changes.*
2. Providers are only required to complete the form for line items that are being revised. Please note if you are not changing a line item you do not need to include it in the revision.
3. Begin by entering the agency name, the program being revised, contract # and budget period.
4. For those line items that are being revised, enter the “current approved budget amount”, the “revised budget amount” and the “detailed explanation of change” in the appropriate columns. Please note if you have received prior approval from the Program Lead please note this in the explanation. The “proposed change (+/-)” column will automatically calculate the change amount.
5. For the Staff Salaries Page – Be sure to enter the staff person’s name, position title and hours. Then move on to entering the “current approved budget amount”, the “revised budget amount” and the “detailed explanation of change”. The proposed change column will auto fill. ***Please note*** - if there are two employees for the same position due to staff turn over and the revision will not exceed the variance, no revision is necessary, simply add both names to the consolidated Budget.
6. Enter any line item changes for “income sources” by completing the current approved budget amount and the revised budget amount. The proposed change column will auto fill. ***NOTE: DCF awarded funds should never change via “Budget Revision”. Any changes in DCF awarded funds would constitute an “Amendment” to the contract.***