
Grants Management Helpful Hints

Budget Reprogramming

As projects are underway, it may be necessary to modify or deviate from the planned and approved budget for the project. While we always want your project to be successful, discussions with your Federal Program Officer (FPO) is necessary, and approval of this change in the Grants Online system may be required. All changes should be discussed in your semi-annual and final progress reports. Requests are not guaranteed to be approved.

Note: A Budget Reprogramming is different from a Change in Scope.
Please refer to the Change in Scope section for more specific guidance for this request.

Budget Categories

PERSONNEL: All employees of the organization that will be working on the project.

FRINGE BENEFITS: Generally, a percentage of salary that includes health benefits and other benefits for employees.

TRAVEL: All travel expenses must fall within the federal travel guidance. Travel should be for employees only and directly related to the project and award.

EQUIPMENT: Equipment is defined as anything over \$5,000 in value. When determining the value, include the costs of all pieces and shipping for the equipment. Items, such as a computer or laptop is generally NOT listed under *equipment*, since routine business computers are less than \$5,000.

SUPPLIES: This includes all items purchased in order to complete the project, and with a unit cost of under \$5,000. Items such as computers, printer toner, paper and workshop flip charts are generally considered supplies.

CONTRACTUAL: Include all sub-awards or contracts that are required to complete the award. This may include a contract for services, such as a website designer who will be developing the program website, or a contractor to help work on the project with a key skill.

CONSTRUCTION: Please check with the Federal Program Officer for the competition if your project requires construction. Construction costs including building a building or renovating an asset is only allowable on certain funding programs.

INDIRECT CHARGES: Entities must have a negotiated indirect cost rate agreement with the federal government in order to charge an indirect rate. Indirect charges are generally a percentage of the total award and will cover items including basic operational functions such as lights, rent, water, and insurance. It may also include hours for project accountants or senior management staff. For entities that have never had an indirect cost rate with the federal government, there is a new rule that allows an entity to apply a 10% rate. See the section on *Indirect Cost Rates* for more specific information.

OTHER: All items that do not fit within a category above will fall into the “other” category. Sub-awards may also fall into this category. If your entity does not have an indirect cost rate agreement, items such as a portion of your rent may fall into this category. If you are direct charging these “overhead” type costs, make sure the amount charged is proportionate to your project. For example, if the NOAA project is just one of five projects for your

entity, you can only charge 1/5 of your rent to this project.

Rebudgeting for awards less than \$150,000

Recipients with awards with a total award amount less than \$150,000 have more flexibility in reprogramming their budget. Recipients are allowed to move funds between direct cost categories, or within cost categories, as long as they are not creating a new budget category, or completely “zeroing” out a category. Keep in mind that the federal budget categories may be different than used for your organization, and the federal budget categories should be used.

EXAMPLE 1: The specialty supply that you needed to build the monitoring device went up by \$500 from when you did your budget and received the original quote. This item was listed in the “supplies” category in your original approved budget. Luckily, you were able to partner with another entity and get a free venue space for your workshop, so the \$500 you had in your approved budget under “other” will not be needed. You are allowed to move the funds from the “other” into the “supplies” to cover the increase cost of the item. This change should be documented and discussed in your progress report.

EXAMPLE 2: Printing your waterproof outreach flyers for fisherman went up in price by \$500 since you did the quotes when you prepared your award. This item is listed in “other”. Your venue space to hold your meeting is \$500 less than you budgeted, so there is no net change in the “other” category. This is allowable without written approval and the change should be noted in your progress report.

Rebudgeting for awards that are equal to or more than \$150,000.

Recipients with awards equal to or greater than \$150,000 will apply the “10% rule” to determine if they are allowed to rebudget without prior approval. Simply put, recipients are allowed to rebudget without written approval of the grant officer if they are moving less than 10% of the entire award (for the entire life of the award) to another direct cost category. Adding funds to a new budget category, or completely “zeroing” out a category would require written approval.

EXAMPLE 3: An award with a total dollar amount of \$200,000 (federal plus non-federal match) can reprogram up to \$20,000 without prior approval between direct categories. Six months into the award, the project decides to move \$20,000 from “*supplies*” to “*other*”, because instead of doing the portion of the project themselves, they are going to issue a sub-award to a non-profit to conduct a portion of the workshops. This change is allowable, although they can NOT make any other changes for the life of the award after that without approval, since they’ve reached their 10% limit. This change should be documented and discussed in your progress report.

What if I need a new category or don’t need the entire category in my approved budget?

Regardless of the dollar amount, if you wish to add funds to a category that was previously zero, or removing all funds in the budget for a category, you must request approval for the change in Grants Online.

What if my request is for a new activity not included in the original award?

A change in budget to support a new activity or something that is not included in the original award would need to be submitted and approved as a “*Change in Scope*”. If a rebudget is required in addition to this change in scope, it can be done in one step by submitting the *Award Action Request “Change in Scope”* in Grants Online.

EXAMPLE 4: Your project didn’t originally include a field component so you didn’t include field equipment costs. The equipment is only going to cost a \$100, and you have savings from other areas where you were able to get volunteers. The field component is going to provide a lot of valuable data and is important for the science. *Unfortunately, this example describes a “Change of Scope” since you are adding a new activity to your award. This is not a simple rebudget request and cannot be done without written approval in Grants Online. Talk to your Federal Program Officer, as prior approval is required.*

What needs to be included in my request?

The request needs to include the following items and must be submitted in Grants Online.

1. Justification for the change. This will describe why the rebudget is necessary and any programmatic implications of the change. This can be a separate PDF or MS Word file.
2. A revised budget narrative. This can either be a PDF or MS Word file and can be included in the justification.
3. A revised [SF-424a](#) (PDF).

How do I submit the request?

The budget reprogramming request needs to be completed in Grants Online as an "*Award Action Request*". A request can be entered by either the *Authorized Representative* or the *Principle Investigator*, but will need to be approved in Grants Online by the *Authorized Representative* prior to being reviewed by NOAA.

1. Click the "*Award*" tab.
2. Click the "*Search*" or the "*Search Award*" link. The "*Search Award*" page is displayed.
3. Click the "*Search*" button on the "*Search Award*" page. When your search results populate, click the award number for which you are submitting the change of budget.
4. On the "*Grants File*" launch page, select the "*Create Award Action Request*" action from the action drop down menu then click the "*Submit*" button.
5. The "*Award Action Request Index*" page is displayed with the available *Award Action Requests*. Click the link for "*Reprogram or Rebudget*". The requested page will be displayed for you to complete. Enter a short justification, and click the "*Save*" button.
6. The "*Award Action Request*" page is re-displayed with the attachment link and other fields. You can upload supporting documents at this time. You must submit a revised budget narrative document and SF-424A. After completing the required information, click the "*Save and Return to Main*" button. Another message will display where you can confirm your request and start workflow, click the "*Yes*" button.
7. A review task is sent to your "*Task*" inbox for this request. The review task will go first to the creator of the document and then to the Recipient Authorized Representative(s) in the organization. If you have the role of "*Recipient Authorized Representative*" you will have to submit the request to the appropriate Federal Agency, thus you will have processed two tasks.

More information on budget reprogramming

Grants Online Help Page:

[Reprogram and Rebudget Grantee Manual](#)

2 CFR, Chapter 2, PART 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards

[Section §200.308 - Revision of Budget and Program Plans](#)