

CALFRESH - FISCAL GUIDELINES MANUAL
1100 Budget Revisions and Amendments

1101. General Information

A Budget Adjustment Request (BAR) is required to revise any line items in a State or Federal Share Budget. Revisions to budget line items must be submitted to and approved by the assigned Contract Manager (CM) prior to implementation. The *Network* recommends Contractors submit no more than one BAR per contract year. Additionally, it is recommended that BARs be submitted prior to the 4th quarter.

1102. Requesting a Budget Revision

Most budget revisions can be completed informally using a BAR form. However, in some cases, budget revisions require a formal contract amendment. The assigned CM can determine whether the budget revision requested can be accomplished as an Informal Budget Revision using a BAR or if it will require a formal Contract Amendment. Formal Contract Amendments are generally not allowed. To request an informal budget revision, Contractors should:

1. Email the CM with a BAR.
2. Provide a justification as to why the budget revision is necessary.
3. Provide revised Budget Justification showing each line item that is impacted utilizing strike out for deletions and bold for additions.

1103. Budget Adjustment Request (BAR)

A BAR may be used to revise line item amounts in State or Federal Share Budgets when:

1. Cumulative line item shifts equal no more than fifteen percent (15%) of the annual contract total, not to exceed a maximum of one hundred thousand (\$100,000) annually.
2. The total contract agreement amount does not increase or decrease.
3. Allowable changes include revisions to the budget detail that make up a given line item.
4. The change is programmatically justified and does not extensively alter the approved SOW.
5. A narrative is submitted explaining the changes to each line item that is impacted.

The CM will communicate approval of the BAR or address any problems with the Contractor. After approval, the "Revised Approved Budget" on the BAR form should be used to replace the "Approved Budget" on any future budget documents (e.g., State Share Documentation Report or Invoice).

1104. Formal Contract Amendment

A formal contract amendment is required when:

1. The Federal Share Budget cumulative line item adjustments exceed 15% of the annual contract total up to a maximum of one hundred thousand (\$100,000) annually.
2. The total contract agreement amount increases.
3. The change extensively alters the approved SOW.

The contract amendment process is a time-consuming process for Contractors and *Network* staff that generally takes at least six months. The *Network* rarely approves contract amendments..

Requests for amendments must be submitted to and approved by the assigned CM and PM, prior to implementation. Submission of a contract amendment must be made prior to the end of the contract term. Amendments are effective only after they are reviewed, approved, and processed by the *Network*, the CDPH Contract Management Unit (CMU), and Department of General Services (DGS) if over \$75,000.