

CHICAGO REGIONAL OFFICE OF COMMUNITY PLANNING & DEVELOPMENT

GUIDANCE ON CHANGING HUD SUPPORTIVE HOUSING PROGRAM BUDGETS

MARCH 25, 2009

**Overview:** Budget changes take two forms: Budget Revisions and Grant Agreement Amendments

- **Budget Revision** – a request to move **less than 10%** of funds from any approved budget category (Leasing, Operations, Services, etc.) to another approved budget category.
- **Grant Agreement Amendment** – a request to move **10% or more** of any approved budget category or to add a new budget category.

Both Budget Revisions and Grant Agreement Amendments are made for the lifetime of the *project*. That is, if a grant is amended, the next time that project submits a request for renewal, it will utilize the budget that was amended/revised.

If multiple requests to shift funds between budgets are made within a grant's term, HUD will track the percentages requested each time. Once the requests equal 10%, a Grant Agreement Amendment is required. This Grant Agreement Amendment will recap all of the change requests approved to date.

**Process:**

It is the policy of this office that formal written requests for Budget Revisions and Grant Agreement Amendments be submitted to CPD Director Ray E. Willis, Ralph Metcalfe Federal Building, 24th Floor, 77 W. Jackson Boulevard, Chicago, IL 60604-3507. Emailed requests are not acceptable. These requests must be submitted **75 days prior** to the expiration of the grant and contain the following:

1. A cover letter that:
  - a. explains the reason for the request;
  - b. contains the category(ies) from which funds will come and the amount of funds (i.e. \$5,000 from Supportive Services);
  - c. contains the category(ies) to which funds will go, including amount for each category (\$5,000 to Operations);
  - d. verification that the change will not alter the nature of the program as it was competitively funded.
2. A revised Summary Project Budget (Chart 1 from Technical Submission; see Appendix for example; fillable form available on Chicago Alliance to End Homelessness website)
3. Revised budgets, containing line item detail, for any budget categories included in the request (Leasing, Services, Operations; see Appendix for example; fillable form on Chicago Alliance to End Homelessness website )
4. If the required match amount increases (when money is moved to Operations, which has 25% match requirement), verification of the source to meet the increased match must be provided. (see Appendix for example)
5. HUD will review the request and contact you, with either a formal written approval of a Budget Revision request or a Grant Agreement Amendment, or a denial of such request.
6. Changes will be made in LOCCS immediately following the issuance of a Budget Revision approval; changes will be made in LOCCS upon the return of the signed Grant Agreement Amendment to HUD.