



*Indian Health Service
Division Of Grants Management
Carryover Requirements
Prepared by: Ms. Tammy G. Bagley, Acting Director*

Presenter:
Mr. Paul Gettys
Grants Systems Coordinator



Purpose of this Training

The purpose of this Carryover Training is to provide detailed guidance on the specific carryover requirements for the Indian Health Service (IHS), the process for submitting a carryover request, and identify road blocks for processing carryover packages that are submitted to the IHS Division of Grants Management (DGM).



How Can Carryover Funds be Used?

- All unobligated funds that are available for carryover must be used to support the original approved goals and objectives of the grant program based on the Funding Opportunity Announcement.



Carryover Policy (Balances 25% or Less)

Grantees retain the authority (**no prior approval required**) to carryover a portion or all unobligated grant funds remaining at the end of a budget period for balances that are 25% or less than the annual amount awarded.

Please report carryover for 25% or less on the Financial Status Report under the “Remarks” section.

Note: Grantees may not carry over funds that are identified as restricted in the Notice of Award’s Terms and Conditions.



Carryover Policy and Procedures for Balances that Exceed 25%

- Grantees must obtain prior approval from the DGM for use of all unobligated balances that exceed 25% of the annual amount awarded for the budget period.
- Grantee is required to submit the following items:
 1. An official request on letterhead to use carryover funds, stating the amount and what the funds will be used for.
 2. A statement as to why the carryover funds were not spent during the budget period awarded.
 3. A detailed line item budget and justification for the amount of carryover funds requested.
 4. Your request should be signed by the Authorized Organizational Representative (AOR), and the Finance Office.
 5. A Financial Status Report, certifying funds are available for use.



Where to send your “Carryover Request” and to “Whom”?

Send your request to DGM at:

Address for DGM:

12300 Twinbrook Parkway, Suite 360
Rockville, Maryland 20852

Attention: (Enter your Grants Mgmt Specialist’s name).



What Information Should the Grantee Include in their Line Item Budget and Justification?

- The carryover budget must be detailed and include costs that are allowable, allocable, and reasonable. (2 CFR Part 225 /Cost Principles, formerly OMB Circular A-87).
- The accompanying carryover budget must include a detailed description of each line item that is requested by the grantee. The justification must be clear and accurately describe the need for the budget line items.



What is the Grants Management Official's Role in the Carryover Process?

What happens after the grantee submits their carryover request to the Division of Grants Management (DGM)?

- The package is received in DGM and the GMS will review the request for allowable and reasonable cost and ensure all documents required have been submitted.
- The Grants Management Specialist (GMS), will conduct a cost analysis on the carryover budget and justification.
- The grantee's financial status reports are reviewed; (both the Financial Status Report-Expenditure Report and the Federal Financial Report FFR-425-Cash Transaction Report to the Division of Payment Management).



What is the Grants Management Official's Role in the Carryover Process?

- The FSRs are reconciled to determine whether the funds that are requested are actually available for carryover.
- DGM will then provide any comments or concerns they have with the line item budget and justification to the Program Office.
- Approval is obtained from program based on their technical review of the carryover request as it relates to the program goals and objectives.
- If no other documentation is needed from the grantee, DGM has 30 days to process your request and issue a NoA reflecting approval of the carryover funds.



What is the Program Official's Role in the Carryover Process?

What role does the Program Official have in the carryover process?

- Identify whether the grantee has performance issues that may have caused a large unobligated balance to occur over time.
- Provide feedback to their grants management counterpart on such issues, if applicable.
- Approve or recommend disapproval for the grantee to carryover the unobligated balance. The program official will provide a detailed explanation to DGM and ultimately the grantee – if disapproved based on performance concerns.



Avoid Roadblocks

Roadblocks that slow down DGMs ability to process your carryover request?

- **Delinquent FSRs** – DGM must have a current FSR report on file in order to review actual balances that are available for carryover.
- **Incomplete** carryover request packages.
- **Budget justifications inadequate** – not enough details to support line items.
- **Submitting packages directly to Program** without sending it directly to DGM.



Avoid Roadblocks

Helpful Nuggets:

Please help us to assist you. Submit applications that are complete.

Contact your GMS to learn what is required before submission of any documents.

Delays in issuing the award frequently occurs because grants staff have to request additional information.



Carryover Policy - Citations

- 45 Code of Federal Regulations, Part 74 and 92.
- HHS Grants Policy Statement; Rev. 1/07; II-52.
- Indian Health Circular No. 2005-03



Questions?

For additional information regarding IHS Carryover Requirements please contact your assigned GMS directly or you may call the DGM main line of (301) 443-5204.

If you find further assistance is needed please contact:

Ms. Tammy G. Bagley
Acting Director, CGMO, GPO
Tammy.Bagley@ihs.gov
(301) 443-7172

Mrs. Denise Clark
Grants Mgmt Officer
Denise.Clark@ihs.gov
(301) 443-2215



The Division of Grants Mgmt would like to take this opportunity to thank you for being apart of this Grants Mgmt sponsored training. DGM is dedicated to empowering our IHS grant community with the required knowledge and training needed for continued compliance of IHS policies, Indian laws, and HHS legislative and regulatory requirements.



Frequently Asked Questions

- What is the deadline for Carryover Requests?
 - There is no deadline. You simply have to request the carryover before the end of your grant.
- If I request carryover of 30% of our annual awarded amount, do I have to justify the entire amount, or just that part over the 25% limit?
 - For carryover requests of more than 25% of the annual awarded amount, you must submit a budget and justification for the full carryover amount.



Frequently Asked Questions

- Can Carryover be requested as part of a continuation application, or must the two be submitted separately?
 - Yes, carryover funds can be requested as part of the continuation application process. You should ensure to follow all required procedures for requesting a carryover. Submit a separate budget justification and narrative which clearly describes the carryover portion of your continuation budget from the actual continuation application budget.



Frequently Asked Questions

- Can funds that have been carried over be rebudgeted?
 - Yes, carryover funds can be rebudgeted. You may want to ensure that when rebudgeting, you work within the guidelines of the approved budget and program goals and objectives. If there are questions, please contact your Grants Management Specialist first.
- What limitations, restrictions or policies govern how carryover funds can be rebudgeted?
 - If a grantee has \$7,000 unobligated from the personnel line item of their budget, can they use that for another valid line item, or must it be carried forward into the personnel line item again?
 - IHS Grantees can rebudget 25% or up to \$250,000 (whichever is less) of the total direct cost for the budget period. It does not matter whether the total direct cost includes carryover funds or not. You cannot exceed the 25% or \$250,000 (whichever is less) in rebudgeting line items in a budget period.



Frequently Asked Questions

- If requesting carryover from multiple years, how is the 25% limit applied? For example, grantee has a 5 year grant. The grantee has left unobligated balances of \$20,000 in each of the first three years, they receive \$100,000 per year, and they are now in year 4. They would like to carry over the entire \$60,000 into year 4. Does the 25% limit apply to each year (\$20,000 of \$100,000), does it apply to the overall carryover and awarded amounts (\$60,000 of \$300,000), or is it applied to the overall carryover and the currently awarded amount (\$60,000 of \$100,000)?
 - It is applied to the overall carryover and the currently awarded amount (\$60,000 of \$100,000 in the example above). Prior approval is needed from DGM for anticipated use of any unobligated funds that exceed 25% of the annual amount awarded for that budget period into which the grantee wants to carryover funds.