



*Indian Health Service  
Division Of Grants Management  
Carryover Requirements  
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# 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 carry over 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 Federal Financial 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 Division of Grants Management (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.



# Carryover Policy and Procedures for Balances that Exceed 25%



3. A detailed line item budget and justification for the amount of carryover funds requested.
4. Official request should be signed by the Authorized Organizational Representative (AOR), and the Finance Office.
5. A Federal Financial Report, certifying funds are available for use.



# 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 DGM?**

- The amendment application is received in DGM and the Grants GMS will review the request for allowable and reasonable cost and ensure all documents required have been submitted.
- The GMS conducts a cost analysis on the line item carryover budget and justification.





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

- ▶ The grantee's Federal Financial Reports (FFR) are reviewed.
- ▶ The FFRs are reconciled to determine whether the funds that are requested are actually available for carryover.
- ▶ The GMS will provide any comments or concerns they have with the line item budget and justification to the Program Official.



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

- ▶ Approval is obtained from the program official 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 the 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 the GMS on any programmatic concerns they might have with the line items requested in the carryover request.



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



What role does the Program Official have in the carryover process? (cont'd)

- Recommend approval or disapproval of the grantee's request to carryover unobligated funds. If recommending disapproval, the program official will provide a detailed explanation to DGM and ultimately the grantee stating the reasons why.



# Avoid Roadblocks



Roadblocks that slow down DGM's ability to process a carryover request?

- ▶ **Delinquent FFRs** – DGM must have a current FFR report on file in order to review actual unobligated balances available for carryover.
- ▶ **Incomplete** information in the official carryover request/amendment applications.



# Avoid Roadblocks



Roadblocks that slow down DGM's ability to process a carryover request? (cont'd)

- ▶ **Budget justifications inadequate** – not enough details to support line items.
- ▶ **Submitting packages by mail or e-mail** rather than via GrantSolutions.



# 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 occur 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.





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 Bagley*  
*Acting Director, CGMO, GPO*  
[Tammy.Bagley@ihs.gov](mailto:Tammy.Bagley@ihs.gov)  
*(301) 443-7172*

*Mrs. Denise Clark*  
*Grants Mgmt Officer*  
[Denise.Clark@ihs.gov](mailto:Denise.Clark@ihs.gov)  
*(301) 443-2215*



# How to Submit a Carryover Amendment in GrantSolutions

- ❑ Find your grant on the My Grants List page.
- ❑ Click the Manage Amendments link.
- ❑ Click the New button at the bottom of the Manage Amendments page.
- ❑ Select the Carryover Amendment type, and click the Create Amendment button.
- ❑ Upload your Carryover request letter into the enclosure provided on the Amendment Application Control Checklist.
- ❑ When finished, click Verify Submission to submit.
- ❑ To complete, click Finalize Submission.



# Amendment Submission Questions?

- ▶ For technical grants management concerns or information required to submit your request, please contact your Grants Management Specialist, listed on your Notice of Award or contact our main line on (301) 443-5204.
- ▶ For system related questions about GrantSolutions, please contact Paul Gettys, Grant Systems Coordinator.
  - E-mail – [Paul.Gettys@ihs.gov](mailto:Paul.Gettys@ihs.gov)
  - Phone – 301-443-2114



*The Division of Grants Management would like to take this opportunity to thank you for being a part of this Grants Management 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.
  
- ▶ 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 cont'd



- ▶ 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.
  
- ▶ 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.



# Frequently Asked Questions cont'd



- ▶ What limitations, restrictions or policies govern how carryover funds can be rebudgeted? For example, 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 cont'd



- ▶ 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.