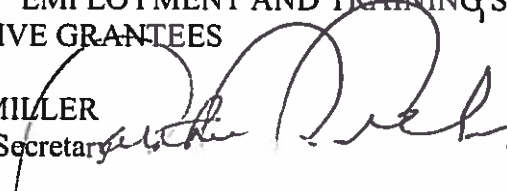




OCT 17 2018

**VETERANS' PROGRAM LETTER NO. 06-18 Change 1**

**TO:** ALL VETERANS' EMPLOYMENT AND TRAINING STAFF  
ALL COMPETITIVE GRANTEEES

**FROM:** MATTHEW M. MILLER  
Deputy Assistant Secretary 

**SUBJECT:** Grant Modification Process for Grants Awarded Under the Homeless Veterans' Reintegration Program

- I. **Purpose:** To provide guidance for the submission of grant modification requests for all Veterans' Employment and Training Service (VETS) program grantees awarded under the Homeless Veterans' Reintegration Program (HVRP), Homeless Female Veterans' and Homeless Veterans' with Families Program (HFVWF), and Incarcerated Veterans Transition Program (IVTP) (referred to collectively as HVRP)
- II. **References:**
  - (a) Title 2 Code of Federal Regulations (C.F.R.) Part 200 and 2 C.F.R. Part 2900, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
  - (b) 38 United States Code (U.S.C.) §§ 2021, 2021A, and 2023
  - (c) Grant Terms and Conditions
- III. **Background:** Changes to the grant agreement may require Grant Officer (GO) approval via a modification request.
- IV. **Grant Revisions That Require Grant Officer Approval:** Grant recipients must request and obtain prior written approval for most changes to a grant. Changes that require prior Grant Officer approval include, but are not limited to:
  - a. Change to the Scope of Work
  - b. Budget Realignment<sup>1</sup>

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<sup>1</sup> In accordance with the grant Terms and Conditions and 2 C.F.R. § 200.308(e), the transfer of funds among direct cost categories or programs,

- c. Change of Critical Personnel (Authorized Representative or Contact Person)
- d. Administrative Changes, e.g., Change of Organization/Institution Name, Address, DUNS, or EIN
- e. Incorporation of or Change to a Negotiated Indirect Cost Rate Agreement (NICRA) or Cost Allocation Plan
- f. Purchase or Lease of Equipment of \$5,000 or more<sup>2</sup>
- g. Period of Performance Extension

**V. Actions Required:** Grantees should confer with their assigned VETS Grant Officer Technical Representative (GOTR) for assistance in preparing a grant modification request. A formal, written request must be submitted to the GOTR at least 30 days prior to the grantee's proposed effective date for the requested action.

**A. Required Documents:**

- i. A formal written request on organizational letterhead, addressed to the Grant Officer and signed by the Authorized Representative that provides the grant number, describes the requested modification, and explains the reason for the request. If appropriate, the grantee may attach supporting documentation to the letter.
- ii. If the request involves a change in the total amount of funds awarded, a revised SF-424, signed by the Authorized Representative.
- iii. If the request involves any change to the grant budget, a revised SF-424A and a revised budget narrative.
- iv. If the request involves a change to or incorporation of an indirect cost rate agreement or cost allocation plan, a copy of that agreement or plan (in addition to the other documents required if the agreement or plan changes the budget).
- v. If the request involves a change to the scope of work, a revised project narrative.
- vi. If the request involves a change to critical personnel, the name, title, phone number, email address, and fax number of the new Authorized Representative or Contact Person.

**B. Modification Request Standards:**

- i. The request must include all required documentation.
- ii. The memorandum must provide an understandable, reasonable justification for the requested modification.
- iii. All proposed costs must be allowable, reasonable, and allocable to the grant. The Uniform Guidance at 2 C.F.R. Part 200, the applicable Funding Opportunity Announcement, and the grant Terms and Conditions determine which costs meet those standards.
- iv. Any proposed change to the scope of the work must be in line with the original intent of the grant.

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functions, and activities is restricted such that if the Federal share of the project exceeds the Simplified Acquisition Threshold (see 2 C.F.R. § 200.88) and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency, the recipient must receive prior approval from the Grant Officer.

<sup>2</sup> Pursuant to 2 C.F.R. § 200.439(b)(2), even if the intent to purchase equipment is specified in the original Statement of Work and/or budget, prior approval is still required.

**C. Submission Process:**

- i. The grantee submits the modification via email attachment to the GOTR.
- ii. The GOTR reviews the modification for compliance with the above standards. If the modification is not compliant, the GOTR returns the modification request to the grantee for additional work or clarification. The grantee makes the required changes, then resubmits the modification. The second submission must reflect the resubmission date.
- iii. Upon GOTR concurrence with the justification and supporting documentation, the GOTR will present the package to the VETS Regional leadership team for review and analysis.
- iv. Upon concurrence by the Regional leadership team, the modification will be forwarded to the VETS National Office for review and final concurrence.
- v. Upon concurrence of the National VETS Office, the modification request is forwarded to the Grant Officer for review and, upon approval, execution.

The GOTR, VETS Regional Leadership, VETS National Office staff, and the Grant Officer may request additional information or documentation from the grantee to assist in their review and meet the requirement in the Uniform Guidance, 2 C.F.R. 200.308(i), to process budget revision requests within 30 calendar days from the date of receipt. The grantee must not implement requested changes until the Grant Officer provides written approval.

Discussions between the grantee and the GOTR are an integral part of the process, but they do not replace a formal written modification request. Even when grantees request changes to an approved award that do not require approval by the Grant Officer (such as a proposal to realign the grant budget that does not cumulatively exceed ten percent of the total budget), the grantee must nevertheless provide an email or other written description of its intent to the GOTR, and the grantee must not implement the requested changes until receiving concurrence from the GOTR. Documentation of intent must include a written description of the changes to the grant, and supporting documentation if needed. For example, if making changes to the budget that are cumulatively less than ten percent of the award, a written summary of why the change is being made and an itemized budget must be submitted to the GOTR.

**VI. Transmittal of the Notice of Award/Obligation (NOA/NOO):** All modification submissions are considered proposals and not approved until executed by the Grant Officer. Once executed by the Grant Officer, the grant modification NOA/NOO and supporting documentation become an official part of the grant agreement. Following execution of the grant modification, a copy of the NOA/NOO is sent to the Authorized Representative of the grant award and the GOTR.

**VII. Inquiries:** Grantees should address questions to their GOTR.

**VIII. Expiration Date:** This guidance will be reviewed for relevance on or before June 2020 and shall remain in effect until modified or rescinded.