



Grant Budget Adjustments and Invoicing

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Views expressed are those of the presenters, do not constitute legal advice,
and are not official opinions of the Office of the Texas Attorney General.



Agenda

- ▶ This training covers:
- ▶ Grant Budgets
- ▶ Grant Budget Adjustments
- ▶ Invoicing

Budgets and Budget Adjustments



Budget Basics

- ▶ Budgets must exactly equal the contract amount,
- ▶ Budgets should not contain cents.
- ▶ Nothing can be changed on a budget without a Budget Adjustment.



Budget Basics Continued

▶ All items should be:

Allowable

- The line item can be reimbursed on our grants per: 2 Code of Federal Regulation (CFR) 200, Texas Grant Management Standards (TxGMS), Texas Administrative Code (TAC) rules regarding grants (Chapters 60 and 62), and Grant Program's Application Kit.
 - Note: An item may be allowed under 2 Code of Federal Regulation (CFR) 200 or Texas Grant Management Standards (TxGMS), but not be allowed on OAG grants based on the TAC Rules or the Application Kit.



Budget Basics Continued

▶ All items should be:

Reasonable

- Reasonableness in some cases is subjective and can be dependent on circumstances.

Allocable

- The requests must be apportioned to the amount of time spent on the grant.
 - Example: Grantee A is requesting 75% of a staff member's Salary on the grant and is requesting a computer for that employee. The Grantee should only request the grant to cover 75% of the cost of the computer.

Budget Adjustments Overview

- ▶ Must be approved by GAD
- ▶ If a grantee needs another copy of their approved Detailed Budget prior to making the adjustment request, the grantee's Financial Contact, Grant Contact, Authorized Official or Alternate Designee should request a copy from their grant manager.

Budget Adjustment Necessity

- ▶ Grant Budget Adjustments can occur at the start of the grant year and during the year and are required when:
 - The grantee wants to make any (monetary and non-monetary) changes to the Personnel section of the budget.
 - The grantee wants to move funds to a budget category not previously approved on the budget.
 - For example: the grantee wants to add rent to their budget, but they did not previously have any line items in ODOE, and did not have ODOE costs on their budget.

Budget Adjustment Necessity Continued

- ▶ Grant Budget Adjustments can occur at the start of the grant year and during the year and are required when:
 - The grantee wants to add new line items in an approved budget category.
 - For example: the grantee has line items in the ODOE category already, but wants to add Rent costs which were not previously on the budget.
 - The grantee wants to move 10% or more of their funding.
 - The grantee has negative amounts of 10% or more on their Financial Status Report (FSR).

Documents Needed for a Budget Adjustment

- ▶ Budget Adjustment Request Form
- ▶ Marked-Up Detailed Budget
- ▶ If applicable:
 - Job Descriptions, if changing job duties, titles, or positions
 - Copies of Executed Contracts (if adding to Professional & Consultant)
 - Price Quotes for items requested in the Travel through ODOE

Completing the Budget Adjustment Request Form

- ▶ Completely filled out the top portion of the form (Grantee, Grant Number, Grant Title (Drop-Down Option), Budget Version, Contact Person, Contact Phone #, Contact Email)
- ▶ Complete *Column -1 FY 20XX Current Approved* to reflect your current budget.

Grantee:		Contact Person:		
Grant Number:		Contact Phone #:		
Grant Title:		Contact Email:		
Budget Version:				
FY 2024: September 1, 2023 - August 31, 2024				
Category	Column - 1 FY 2024 Current Approved Budget	Column - 2 Increase or Decrease (+/-)	Column - 3 FY 2024 Revised Approved Budget	Reason for Request (Describe in Detail)
Salary			\$0.00	
Fringe			\$0.00	
Professional/ Consultant			\$0.00	
Travel			\$0.00	
Equipment			\$0.00	
Supplies			\$0.00	
Other DOE			\$0.00	
Total	0.00	0.00	\$0.00	
Authorized Official or Alternate Designee Signature				
Requested By: (Signature of Authorized Official or Alternate Designee)				
Typed Name & Title of Authorized Official or Alternate Designee				
Date				

Completing the Budget Adjustment Request Form Continued

- ▶ Make monetary changes by adding/removing funds in *Column – 2 Increase or Decrease (+/-)*
 - These amount should match the funds being moved in the marked-up Detailed Budget.

- ▶ For each entry in *Column – 2 Increase or Decrease (+/-)*, provide a corresponding reason in the *Reason for Request (Describe in Detail)* box(es).

Grantee:		Contact Person:		
Grant Number:		Contact Phone #:		
Grant Title:		Contact Email:		
Budget Version:				
FY 2024: September 1, 2023 - August 31, 2024				
Category	Column - 1 FY 2024 Current Approved Budget	Column - 2 Increase or Decrease (+/-)	Column - 3 FY 2024 Revised Approved Budget	Reason for Request (Describe in Detail)
Salary			\$0.00	
Fringe			\$0.00	
Professional/ Consultant			\$0.00	
Travel			\$0.00	
Equipment			\$0.00	
Supplies			\$0.00	
Other DOE			\$0.00	
Total	0.00	0.00	\$0.00	
Authorized Official or Alternate Designee Signature				
Requested By: (Signature of Authorized Official or Alternate Designee)				
Typed Name & Title of Authorized Official or Alternate Designee				
Date				

Completing the Budget Adjustment Request Form Continued

If the Marked-Up Budget shows the moving of funds within a budget category, and not moving funds into or out of the category, there still needs to be a reason provided.

Grantee:		Contact Person:		
Grant Number:		Contact Phone #:		
Grant Title:		Contact Email:		
Budget Version:				
FY 2024: September 1, 2023 - August 31, 2024				
Category	Column - 1 FY 2024 Current Approved Budget	Column - 2 Increase or Decrease (+/-)	Column - 3 FY 2024 Revised Approved Budget	Reason for Request (Describe in Detail)
Salary			\$0.00	
Fringe			\$0.00	
Professional/ Consultant			\$0.00	
Travel			\$0.00	
Equipment			\$0.00	
Supplies			\$0.00	
Other DOE			\$0.00	
Total	0.00	0.00	\$0.00	
Authorized Official or Alternate Designee Signature				
Requested By: (Signature of Authorized Official or Alternate Designee)				
Typed Name & Title of Authorized Official or Alternate Designee				
Date				

Completing the Budget Adjustment Request Form Continued - Reasons

- ▶ The reason(s) must be:
 - Detailed enough to fully understand what the budget adjustment request of each category.
 - The reasons provided, if detailed enough, will be a component in determining allowability, reasonableness, and allocability.
 - Completely visible.
 - If additional room is needed of more than the box will show, then submit the full reason in a separate document that must be included with the Budget Adjustment.

Completing the Budget Adjustment Request Form Continued – Completing the Form

- ▶ Ensure the total amount in *Column – 3 FY 20XX Revised Approved Budget* matches the contract amount.
- ▶ Complete the Authorized Official or Alternate Designee Signature boxes.
 - The name of the signer must match the name of the Authorized Official or Alternate Designee on file with the Grants Administration Division.

Marked-Up Budget

- ▶ If a budget adjustment was made earlier in the year, ensure you are using the most up-to-date budget version.

- ▶ Mark-ups can be done by:
 - moving funds in Column K (*Increase or Decrease (+/-)*) when moving funds between established line items only

 - Contacting your grant manager prior to requesting a budget adjustment and request a copy of your budget with blank line-item name cells unlocked in the categories requesting to be changed
 - Then, Moving funds in Column K (Increase or Decrease (+/-)) between current line items and add funds to new lines,

Marked-Up Budget - Visual Aid

Grantee		Happy Place, Inc.					
Grant Number		C-00000					
Grant Title		Sexual Assault Prevention and Crisis Services (SAPCS) -State					
City		Emerald City					
County		Oz					
Grant Period		September 1, 2023- August 31, 2024					
Budget Version		1st Budget Adjustment 6-1-24					
Standard Full-Time Workweek Hours		40					
<i>Personnel - Equipment rows hidden for easier viewing of adjustment example</i>							
Description	Salary	Scheduled to work	Scheduled on this grant	Full Time Equivalency on this Grant	FY 2024 Current Approved Budget	Increase or Decrease (+/-)	FY 2024 Revised Approved Budget
SUPPLIES							
General Office Supplies					\$1,000.00	\$	\$ 1,000
Program Supplies					\$1,000.00	\$	\$ 1,000
Printing					\$2,384.00	\$	\$ 2,384
Computers					\$7,800.00	\$	\$ 7,800
Program Supplies					\$609.00	\$ 2,325	\$ 2,934
Educational Supplies					\$0.00	\$ 2,175	\$ 2,175
					\$0.00	\$	\$
Supplies Total					\$ 12,793	\$ 4,500	\$ 17,293
OTHER DIRECT OPERATING EXPENSES							
OAG Conference Registration					\$0.00	\$	\$
Advertising					\$4,500.00	-\$ 4,500	\$
					\$0.00	\$	\$
					\$0.00	\$	\$
					\$0.00	\$	\$
Other Direct Operating Expenses Total					\$ 4,500	-\$ 4,500	\$
TOTAL BUDGET					\$ 262,144	\$	\$ 262,144

Budget Adjustment Request Submission

- Prior to submission:
 - Review to the ***Budget Adjustment Review Checklist for Grantees*** to see how the OAG will be reviewing the requested budget adjustment and ensure all boxes can be checked “yes”.
 - Ensure the Budget Adjustment Request Form will be submitted in PDF format (it will be rejected otherwise).
 - Ensure the Request for a budget adjustment is being submitted to OAG-Grants@oag.texas.gov and includes:
 - The subject line includes: your contract number, agency name, grant program, and “Budget Adjustment Request”
 - The Budget Adjustment Form in PDF format and a “marked-up” Detailed Budget.

Common Budget Adjustment Questions

- ▶ How do I know what expenditures are allowable on my grant?
 - Answer: Grantees should refer to the Grant's Application Kit and the ***FY 20XX Grantee Allowable Cost Reference Guide*** for not only what costs are allowable, but how those requests should be entered on the grant.
 - Consumable Supplies should be requested as General Office Supplies
 - Cell Phone Monthly Plans must be its own line and not included with Communications in Other Direct Operating Costs.

Common Budget Adjustment Questions Continued

- ▶ How far back in time can I request for a budget adjustment?
 - Answer: There can be exceptions of more or less time, but generally the maximum amount of time a grantee can request to previously apply a budget adjustment is 90 days.

- ▶ How long does the budget adjustment take to process?
 - Answer: The ideal turn-around time is two weeks, but that can be impacted by correction requests and staff vacancies. If two weeks have passed since your budget adjustment request and you have not received your new budget, please follow-up with your grant manager or OAG-Grants@oag.texas.gov.

Common Budget Adjustment Questions Continued

- ▶ Does a budget adjustment have to be completed before I can invoice for new line items?
 - Answer: It depends on the budget adjustment.
 - If a budget adjustment is adding costs to Travel – ODOE, **and funds are already in those categories**, the invoice for those items can be processed once the request is received and the approval process has started.
 - If a budget adjustment is changing Personnel/Fringe or Professional and Consultant Services, or adding funds to a previously non-funded budget category, the grantee must wait until the new/revised combined reimbursement forms are sent out before invoicing for those costs.

INVOICING
(Combined Reimbursement
Forms)

Combined Reimbursement Forms

- ▶ Reimbursement for grant related expenses are made via Combined Reimbursement Request Forms (Invoice, Financial Status Report (FSR), Salary Detail Sheet)
- ▶ At the beginning of each grant year, after the initial budget has been approved by the OAG, and during the grant year after a budget adjustment, the OAG provides each grantee Combined Reimbursement Forms in Excel format.
- ▶ Reimbursement Requests must be submitted for each month of the grant term, even if it is a \$0 request

Combined Reimbursement Forms – Invoice

- ▶ Grantees must complete the organization information, contact information, month/year of service, amount of claim, and signature boxes.

Images reflect only the portions of the Invoice form which must be completed by the grantee and not full Invoice form

To submit your reimbursement request	Date of Invoice:		
save the Invoice, FSR, and Salary Detail	Invoice #:		
Sheet as one PDF document and send via	Texas TIN:		
email to: Grants-Financial@oag.texas.gov	Organization Name:	Entity Name	
	Mailing Address:		
	City:		
	State:		
	Zip Code:		
<i>The Contact Person must be listed as a Contact on the Grant (Financial Contact, etc.)</i>	Contact Person:		
	Contact's Title:		
	Email Address:		
	Telephone:		
Month of Service	Grant Number:	PCA Code:	Amount of Claim
Sep-24	1000000	11302	
Authorized Official or Designee Signature <small>Note - 5: Must be signed by the Authorized Official or the Alternate Designee.</small>			
	Signature of Authorized Official or Alternate Designee		Date
	Typed Name of Authorized Official or Alternate Designee and Title		

Invoice – Common Errors

- ▶ The Amount of Claim does not match the Total Amount for the month listed on the FSR
- ▶ Authorized Official or Alternate Designee did not sign and/or type their name and title
- ▶ Invoice signed by someone other than the Authorized Official or Alternate Designee
- ▶ Incorrect Service Date for Month of Billing
 - Example: Entering December 2024 for December 2023, entering the month of Service as January when data for February is entered in the FSR, or not including the year.

Combined Reimbursement Forms – FSR

- ▶ Financial Status Report (FSR)
 - Reporting mechanism to capture monthly expenses
 - Invoice should match the monthly total amount requested for reimbursement

- ▶ Budget adjustment or 10% budget modification on the right-hand side of the form indicates:
 - Current Approved Budget
 - Increase or decrease in the budget category
 - Revised Approved Budget

- ▶ Year-to-Date (YTD) financial information provides:
 - YTD total
 - YTD balance

- ▶ Form must be sent in with the Invoice

FSR Visual Aid

Contract No.		1000000		Organization Name:		Entity Name		Budget Adjustment or								
								10% Budget Modification								
								Actual OVAG Grant Expenditures								
OVAG PROJECT	FY 2025 Current Approved Budget	Sept. 2024	Oct. 2024	Nov. 2024	1st Qtr Total	Qtrly %	Dec. 2024	Jan. 2025	Feb. 2025	2nd Qtr Total	Qtrly %	FY 2025 Current Approved Budget	Increase or Decrease	FY 2025 Revised Approved Budget	% of Change by Line Item Increase or Decrease	
Budget Category		1st Quarter					2nd Quarter									
Salary	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Fringe	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Prof/Consultant	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Travel	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Equipment	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Supplies	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Other DOE	0				0.00	0%				0.00	0%	0.00		0.00	0%	
Total	0	0.00	0.00	0.00	0.00	0%	0.00	0.00	0.00	0.00	0%	0.00	0.00	0.00		
												<i>10% of budget</i>		0.00		
								Actual OVAG Grant Expenditures				Year-to-Date Financial Information				
OVAG PROJECT	FY 2025 Current Approved Budget	Mar. 2025	Apr. 2025	May 2025	3rd Qtr Total	Qtrly %	Jun. 2025	Jul. 2025	Aug. 2025	4th Qtr Total	Qtrly %	YTD Total	Total %	YTD Balance	Balance %	
Budget Category		3rd Quarter					4th Quarter									
Salary	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Fringe	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Prof/Consultant	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Travel	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Equipment	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Supplies	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Other DOE	0				0.00	0%				0.00	0%	0.00	0%	0.00	0%	
Total	0	0.00	0.00	0.00	0.00	0%	0.00	0.00	0.00	0.00	0%	0.00	0%	0.00	0%	
												<i>Negative Amount Total:</i> \$ -				
Preparer's Comments:																

Combined Reimbursement Forms – FSR Continued

- ▶ The FSR auto-calculates cumulative totals and remaining balances in the Year-to-Date Financial Information box. These percentages and totals may be useful as a management tool.

- ▶ Important Information – changes to the FSR are not allowed for any month that has previously been submitted for reimbursement. Corrections or changes for prior months shall be made in the current month and noted in the Preparer's Comments box. The FSR is a record of reimbursement and must reflect actual dollars paid.
 - Contact your assigned Financial Specialist if any corrections to the FSR are necessary.

FSR – Preparer's Comments

- ▶ The Preparer's Comments are highly important to convey large variances from the previous month and provide information regarding the current reimbursement request.

- ▶ Unless the notes pertain to the subsequent months, previous months notes should not carryover to the next month or future months.
 - For example: The January FSR has a large amount request for Supplies and the grantee enters a note explaining the request. The February FSR does not include a request for Supplies, but still contains the January Supplies note. This may result in the FSR being returned to the grantee for corrections.

FSR's post Budget Adjustment

- ▶ If a grantee receives an updated Combined Reimbursement Forms workbook with an updated FSR during the fiscal year as a result of a budget adjustment, the grantee must:
 - Use the updated Combined Reimbursement Forms for all future reimbursement requests.
 - Fill in prior month expenditure data into the new FSR form.
- The Budget Adjustment Portion of the FSR will reflect the new budget category totals of your detailed budget.

FY 2025 Current Approved Budget	Increase or Decrease	FY 2025 Revised Approved Budget
40,000.00		40,000.00
5,000.00		5,000.00
0.00		0.00
2,000.00	-250.00	1,750.00
0.00		0.00
2,500.00	250.00	2,750.00
0.00		0.00
49,500.00	0.00	49,500.00

FSR – Common Errors

- ▶ Amount listed in Salary does not match the Total on the Salary Detail Sheet
- ▶ Expenditures for previous months on the current FSR do not match the amounts submitted in previous FSRs.
- ▶ Requesting reimbursement for Registration Costs under Travel
- ▶ Not providing justifications for large variances from previous months in the Preparer's Comments

FSR – Common Errors Continued

- ▶ Including credit card company names in the Preparer's Comments instead of budgeted line-item names.
 - For example: American Express \$482.67 instead of General Office Supplies \$401.42; Program Supplies \$81.25

- ▶ Not providing a status update on vacant positions.

- ▶ Not removing the justifications for the previous months from the Preparer's Comments.

Combined Reimbursement Forms – Salary Detail Sheet

- ▶ Lists approved grant funded positions
- ▶ “Position Currently Filled” column must be completed for each position
- ▶ Hours worked on the grant column must be completed for each position
- ▶ Total amount must match the salary category on the FSR

Salary Detail Sheet Visual Aid

Organization Name:				
Entity Name				
Contract No.			Month of Service:	
1000000			Sep-24	
OVAG Salary Detail				
Item #	Position Title on Budget (Contact OAG To Update)	Position Currently Filled	Hours Worked on Grant	Amount
1				\$0.00
2				\$0.00
3				\$0.00
4				\$0.00
5				\$0.00
6				\$0.00
7				\$0.00
8				\$0.00
9				\$0.00
10				\$0.00
			Total	\$0.00

Salary Detail Sheet – Common Errors

- ▶ Reporting hours for positions without requesting salary reimbursement for that position or vice versa.
- ▶ Including Fringe amounts in the salary request for each position
- ▶ Leaving the “Position Currently Filled” column blank
- ▶ Month of Service does not match the billing on the FSR
- ▶ Total Amount billed does not match the Salary amount on the FSR

Salary Detail Sheet – Common Errors Continued

- ▶ Large increases or decreases in hours worked for a position or positions from the previous month without having a corresponding explanatory note in the Preparer's Comments.

Reimbursement Request Submission

Instructions to Avoid Delays in Reimbursement Processing

- ▶ Authorized Official or Alternate Designee must submit the request, via email, to Grants-Financial@oag.Texas.gov
- ▶ Subject Line of the Email Must be:
 - Grant Number Full Agency Name (must match grant contract) Abbreviated Grant Title Billing Month for which you are requesting reimbursement and Year for which you are requesting reimbursement and the word “Invoice”.
 - *Example: C-0001 Happy Place, Inc. OVAG June 2024 Invoice*
- ▶ Invoice FSR, and Salary Detail Report must be attached as one PDF document (cannot be in Excel format)
- ▶ One month per e-mail request

Reimbursement Requests – Other Common Errors

- ▶ Not submitting reimbursement requests as required
- ▶ Not submitting reimbursement requests even when requesting \$0.00
- ▶ Submitting the Forms after the monthly deadline.
 - This can result in your grant being placed on Financial Hold and potentially impact future funding.
 - If you need to submit the reimbursement forms late, let the financial specialist for the grant type know in advance of the deadline if possible.

Reimbursement Requests – Other Common Errors Continued

- ▶ End of year reimbursement requests submitted with negatives in the Year-to-Date balance column without a marked-up budget included in the submission
 - All negatives must be resolved by the end of the fiscal year. Failure to submit a marked-up budget can result in a delay in processing the payment request. Additionally, grantees will not be allowed to go negative in areas for which they are not budgeted nor will excessive negatives in Supplies or ODOE be allowed.



Contact Information

If you need any further information, contact your Grant Manager:

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If you need additional assistance, please contact Sally Pena, Grants Production Manager at Sally.Pena@oag.texas.gov.