



Policy: 05-003

Subject: Contractor Budget Modification Procedures

Effective Date: September 21, 2005

Expiration Date: Continuing

Purpose: To set the policy and procedure for contractors to follow when requesting a budget modification to their service provider contract.

Eligibility: Any entity providing WIA services in Grundy, Livingston, or Kankakee Counties which is under contract with the Grundy Livingston Kankakee Workforce Board and Kankakee County to provide such services, is subject to this policy.

Procedure:

Any modification to a contractor’s approved line item budget must receive written approval from Board staff and County fiscal staff. The request for modification should be submitted on the form provided as Attachment A, along with a revised budget on the budget template form provided as Attachment B. The request must include written justification for the budget variance in the space provided on Attachment A. **This procedure should be used only if the total budget amount is not changing.**

Youth Contract Budget Modifications

According to section II.A.4.c of the standard contract for youth providers, contractors may not move more than 10% of funds among line items in the approved budget without prior written approval from Board staff and County fiscal staff. Prior to incurring expenses that would create a variance of more than 10% to any one line item in the budget, the contractor must submit the request for modification and revised budget referenced above to the Workforce Board Director. The contractor must receive written approval for the modification prior to incurring expenses. Any expenses incurred by the contractor that create a variance of more than 10% in any one line item of the approved budget that have not received written approval, may be considered disallowed costs and will become the responsibility of the contractor.

Title 1B, TAA, and 1S Contract Modifications

According to section 3.5.4 of the standard contract for providers, contractors may not move funds among line items in the approved budget without prior written approval from Board staff and County fiscal staff. Prior to incurring expenses that would create a variance of more than 10% to any one line item in the budget, the contractor must submit the request for modification and revised budget referenced above to the Workforce Board Director. The contractor must receive written approval for the modification prior to incurring expenses. Any expenses incurred by the contractor that create a variance in any one line item of the approved budget that have not received written approval, may be considered disallowed costs and will become the responsibility of the contractor.

