

3.6 TITLE X BUDGET

Policy: A proposed Title X Budget and Justification for each fiscal year will be completed by the Title X Clinic Director and approved by FPP and the governing entity (Board, County officials), as appropriate. The budget should be reasonable, adequate, cost efficient and should support the Title X work plan and scope of services provided.

Title X clinics must have a positive cash balance at the end of the fiscal year.

Procedure:

1. The Budget and Justification will be submitted electronically in the approved format upon request by FPP.
2. FPP will review the Budget and Justification for accuracy and consistency with the work plan and scope of services. The program will be contacted as needed for clarifications.
3. At the beginning of each fiscal year along with the budget, documentation must be submitted to verify the ending cash balance reported on the FAS.
 - a. Clinics must provide a balance sheet verifying the Title X program funds as of the last day of the concluding budget period and the first day of the new budget period. This documentation is to verify carryover funds are not misplaced in closing and opening transactions at the end of one grant cycle and the beginning of another. Clinics closing books (last day of the previous grant cycle) should have the same opening balance (first day of the new grant cycle).
 - b. Clinics must provide a bank statement (as of the last day of the previous budget period) verifying the balance reported is available in their Financial Institution Account. (See MT TX Administrative Manual, Policy 3.12, *Program Related Income*)
4. The FPP will notify the sub-recipient Director upon approval of the budget.
5. The Title X clinic will enter the approved budget figures in the first month of the Financial Accountability Statement (FAS).
6. Budgets will be revised as needed if the Title X contract is amended and in accordance with the Budget Revisions procedure.
7. Expenditures and budgeted amounts will be monitored by FPP.
8. Title X funds may not be used for any fundraising or lobbying events.

Budget Revisions Procedure

A revised budget with justification must be sent to FPP. Notification of approval or denial will be made in writing, usually within three weeks.

Changes or revisions in approved budgets must be made according to the following procedure:

1. The following budget revisions do not require prior approval from FPP:
 - a. Funds that are shifted within a budget category. For example, in the contraceptive category, a program had savings in oral contraceptives so purchased more injectable contraceptives.
 - b. Funds may be shifted between budget categories up to a maximum of 20% of each category. FPP will monitor the budget and may inquire about the shift. Documentation of reason and appropriateness of budget category shift will be placed in the sub-recipient FAS file.
2. The following budget revisions require prior approval from FPP.
 - a. Funds shifted between budget categories (excluding personnel and equipment) that exceed 20% of categories involved.

- b. Change in the scope or the objective of the program (even if there is no associated budget revision requiring prior written approval).
- c. Change in the program director or other key persons specified in the application or award document.
- d. The need for additional funding.
- e. The inclusion, unless waived by the HHS awarding agency, of costs that require prior approval in accordance with *OMB Circular A-21, "Cost Principles for Educational Institutions;" OMB Circular A-122, "Cost Principles for Nonprofit Organizations;"* or *appendix E of this part, "Principles for Determining Costs Applicable to Research and Development under Grants and Contracts with Hospitals,"* or *48 CFR part 31, "Contract Cost Principles and Procedures,"* as applicable.
- f. The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense.
- g. The inclusion of research client care costs in research awards made for the performance of research work.

Budget Monitoring

1. Sub-recipients must evaluate their current budget status based upon expenditures and revenue. FPP also monitors the budget status monthly.
2. A memo will be sent by FPP if it appears a sub-recipient budget deficit will occur by the end of the fiscal year.
 - a. A plan for assuring that funds will be available throughout the fiscal year will be requested from the sub-recipient and submitted to FPP.