**Section 1400.240 Modification of Program and Budget**

a) The grantee shall not change, modify, revise, alter, amend or delete any part of the services or activities it has agreed to provide in the Grant Agreement without written approval of the Authority.

b) The grantee has the responsibility to identify instances in which funds cannot be used in accordance with the Grant Agreement budget and must seek reallocation of these funds utilizing Authority forms and the following procedures:

1) The grantee may reallocate up to $1,000 of grant funds or up to 2% of the total annual budget, whichever is greater, to existing line items in the approved Grant Agreement budget. The grantee must note the reallocation in the fiscal reporting forms.

2) If the grantee wishes to reallocate amounts less than $1,000 of the grant funds or up to 2% of the total annual budget, whichever is greater, to an expense that creates a new line item in the approved budget, the grantee must submit to the Authority a written request and explanation for reallocation.

3) If the grantee wishes to reallocate amounts of $1,000 or more of grant funds or up to 2% of the total annual budget, whichever is greater, the grantee must submit to the Authority a written request and explanation for the reallocation.

4) The Authority shall grant a reallocation of funds when it determines that funds will be used for allowable expenses consistent with the funded services.

5) The Authority shall inform the grantee within 30 days after receipt of a request, if the request is not approved.