



To: Bay Area UASI Approval Authority

From: Catherine Spaulding
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Date: September 13, 2012

RE: Item 6: Project Change Requests

For Discussion:

1. Project Change Request Form
2. Project timeline changes
3. Project budget changes
4. Project scope changes
5. Funding of “next-in-line” projects
6. Using project savings for new project purposes

For Approval:

1. Amend the Management Team’s reporting requirement on project scope changes
2. Require “next-in-line” funding for unused UASI funds
3. Clarify when project savings may be used to fund new project activities

Attachments:

1. Project Change Request Form (Attachment A)
2. Project changes under \$250,000 in UASI 2010 and 2011 (Attachment B)

The Management Team presents this agenda item to clarify and improve processes when sub-recipient jurisdictions seek changes to projects. Such project requests include changes to project timelines, budgets, and/or scopes. The Management Team would also like to present budget changes to projects to date as required by Section 8.6 of the Approval Authority Bylaws as well as clarify processes for unspent funds. The Management Team presents these items to follow up on the Approval Authority’s direction to promote transparency and consistency in grant operations. The Management Team would like to thank the Advisory Group for their prior review and feedback.

The discussion of “projects” below pertains to all UASI-funded projects in all amounts, including those from the core city and sustainment allocations.



1. Project Change Request Form

From this point forward, the Management Team would like sub-recipient jurisdictions to complete the attached form for all project change requests. This is necessary to collect all of the required information to evaluate the request at one time, share the information appropriately, as well as to maintain needed documentation. The form is intended for requested changes to timeline, scope, and/or budget, and collects information on the nature of the request and why it is needed. We ask that the person directly responsible for project implementation at the jurisdictional level complete the form and route it through the appropriate Management Team Project Manager. We plan to place the form online next week.

2. Project Timeline Changes

Per the Bay Area UASI Grants and Projects Policies and Procedures Manual, the General Manager must report to the Approval Authority any timeline change for projects with budgets over \$250,000 that delay the final project completion date by more than six months.

As approved by the Approval Authority in July 2012, when a jurisdiction needs to extend the timeline of an approved project beyond the grant effectiveness date, that jurisdiction may request to “swap” funds with another approved project that can be completed by the jurisdiction within the grant effectiveness period. Such requests will be approved by the General Manager as long as there is a reasonable expectation that the funds can be spent as stated within the designated timelines.

In order to implement the guidance from the Approval Authority, the Management Team will closely monitor projects per identified milestones. The General Manager will ask jurisdictions that are not on track towards timely completion to identify such “swapping” opportunities or return funds (see “Funding of Next-in-Line” Projects below).

3. Project Budget Changes

Section 8.6 of the July 2011 Approval Authority Bylaws as well as the Bay Area UASI Grants and Projects Policies and Procedures Manual governs grant budget modifications. The General Manager must bring any modification that exceeds \$250,000 individually or cumulatively for a project to the Approval Authority for approval prior to the modification.



Within a grant project, the Bay Area UASI General Manager may reallocate funds up to a cumulative total of \$250,000. The General Manager must report such reallocations to the Approval Authority. Attached is a report of changes to date in current grants. The Management Team will present such reporting on a biannual basis or as otherwise directed.

4. Project Scope Changes

The General Manager will review project scope change requests for consistency with the original project goals and objectives as stated in the project proposal, the Bay Area Homeland Security Strategy, and DHS grant requirements. Requested changes that are not consistent with the above criteria will be denied in order to maintain compliance and fidelity to previously vetted and approved spending.

Per the Bay Area UASI Grants and Projects Policies and Procedures Manual, the General Manager must report to the Approval Authority any project scope change for projects with budgets over \$250,000 that results in significant changes in key deliverables or stakeholders. Note that the Policies and Procedures also require notification when there is an MOU or contract change as a result of a scope modification, but the Management Team requests to remove this requirement as an unnecessary detailed level of reporting.

5. Funding of “Next-in-Line” Projects

In the proposed FY 2013 UASI proposal process, hubs are asked to identify projects to be funded if and when additional funding becomes available in the course of the grant period, including “six month timeline” projects. Funding may become available if:

- A jurisdiction is unable/no longer interested to implement project goals and objectives as originally stated and approved by the Approval Authority; or
- Expenditures for a project are lower than originally budgeted

In both of these instances, the Management Team would like to confirm with the Approval Authority that:

- Jurisdictions should be required to return the funds to the hub to fund project/s “next-in-line” for funding.
- Projects should be funded in order of priority as funds become available. However, a hub may decide by mutual agreement to adjust the order or adjust the cost allocated to projects.
- Similarly, when a project is funded from a core city or sustainment allocation, and funding becomes available, the next-in-line project for that city/program should be funded. However, core cities and sustainment programs may also decide to adjust the order or adjust the cost allocated to projects.



The Management Team recommends to the Approval Authority that we implement this process so that all UASI funds are regionally vetted and funded in order of priority as approved by the Approval Authority. We propose that we implement this procedure as soon as the Approval Authority approves new projects for FY13 (estimated March 2013).

6. Using Project Savings for New Project Purposes

As proposed above, if expenditures for a project are lower than originally budgeted, the jurisdiction/program should return the funds to support project/s “next-in-line.” Project savings may not be used to fund a continuation or expansion of project activities.

However, the Management Team would like to clarify that unused funds may be allocated towards new purposes within that same project when all of the following conditions are met as determined by the General Manager:

- The original allocation was made to fund a part of a project and funding subsequently became available due to the fact that costs of the project were less than originally anticipated; and
- The new purposes are clearly defined in the original project proposal that had been vetted and approved by the Approval Authority; and
- At the time of the original project allocation approval, the Approval Authority clearly states that it would be permissible to allocate any project savings towards new purposes in the project.

The Management Team asks that the Approval Authority approve this approach so that we may have better transparency and consistency in applying project savings towards new project uses.