

PRIOR APPROVAL REQUEST TO CARRYOVER UNOBLIGATED FUNDS

DEFINITION

A Carryover is the process by which **unobligated funds** remaining at the end of a budget period may be carried forward to the next budget period to cover **allowable costs** in that budget period. The carryover of funds enables grantees to use unexpended prior year grant funds in the current budget period.

- Carryover funds must be used for **unmet project needs** supporting the approved goals and objectives of the grant program.
- Carryover is **not** intended to solely spend down the unobligated funds.
- All carryover request must be submitted through EHB as a **Prior Approval (PA)** Request to Carryover Funds.



* Icons and Text on the right are hyperlinked

WHAT TO INCLUDE IN A PA REQUEST TO CARRYOVER FUNDS?

1. Cover Letter

On your organizational letterhead, signed by project director or authorized official, include the following:

- The amount being carried forward and brief explanation why there is a remaining balance;
- The allowable activities and proposed timeline that the carryover, if approved, will be used for;
- Statement indicating there will be no changes to the approved award objectives, goals or purposes, which would require a prior approval for a changes in scope.

2. Updated Workplan

A work plan adapted to reflect adjustment in activities, as appropriate. Your plan should include:

- Description of activities not completed during the budget year, staff required, related measures, and proposed timeline to complete activities;
- You may also submit an updated Hospital State Spreadsheet, if needed, to reflect carryover request activities.

3. Line Item Budget Breakdown & Justification

Line item budget breakout for the amount of the carryover request and a narrative justification which includes:

- Line item budget breakout with the requested carryover amounts that align with the requirements outlined on the NOFO and the justification should describe how each item supports the achievement of proposed objectives, activities, and initiatives.
- Project activities accomplished during budget year.
- Detailed narrative justification that explains the proposed use of the carryover funds.

4. Revised SF-424A: Budget Form

SAMPLE FORMS & TEMPLATES

- [Sample SHIP Cover Letter Carryover Request-Word Doc](#)
- [Best Practice Workplan Template-Fillable Word Doc](#)
- [Line Item Budget Justification- Word Doc Template](#)
- [SF-424A-Fillable PDF](#)

PRIOR APPROVAL REQUEST TO CARRYOVER UNOBLIGATED FUNDS

SHIP- SPECIFIC BUDGET REMINDERS

- Personnel costs only cover oversight of the award and do not include hospital personnel.
- Indirect cost rate is limited to the lesser of 15% of the amount of the grant for administrative expenses or the state's federally negotiated indirect rate for administering the grant.
- Construction, supplies, travel, and other are not allowable expenses.
- Budget and program activities should align with SHIP's [purchasing menu/investment](#) categories

CARRY-OVER REQUEST FAQs

Question: What is a FFR and how does it relate to carryover?

Answer: The Federal Financial Report (FFR) is a cumulative report for all expenditures that grantees must submit on an annual basis through EHB by the grant's financial official or other designee determined by recipient. You must submit your FFR before you can create a PA to carryover funds.

Question: When should I submit a PA to carryover funds?

Answer: Within 30 days after the FFR due date.

Question: If I submit a prior approval request to carryover funds, when will the funds be available for use?

Answer: Carryover funds should not be expended until prior approval is approved and upon receipt of a new Notice of Award (NoA) granting approval of carryover request.

HOW TO SUBMIT A PRIOR APPROVAL ON EHB

Step 1: Go to **EHB** and click the **Tasks** tab.

Step 2: Click the **Create New Prior Approval** button, just below the page title. The **Grant Portfolio - List** page open.

Step 3: Click the **Grant Folder** drop-down in the **Options** column.

Step 4: Click the **Request Prior Approval** link. The **Prior Approval Request - Acknowledge Documentation Review** page opens.
*Click the link to the documentation provided to read or review.

Step 5: Click the **Acknowledgment** check box and then click the **Continue** button. The **Prior Approval Request Type - Select** page opens

Step 6: Click the **Prior Approval Carryover**. Then, click the **Create** button.

- Follow the screen prompts and upload the required documents.

Step 7: The **Prior Approval - Status Overview** page opens displaying a "Success" banner. Update and attached the necessary information.

Step 8: **Save and Continue**, when complete

- Click **Submit Button** and the **Prior Approval- Submit Confirm** page opens.
- Check the box to certify the document. Click **Confirm**.



Unless an on-screen confirmation message stating that the request has been successfully submitted to HRSA, it is still in the **Editing Phase** and not available to HRSA for review.

Things to Know about FFR!!

- FFR is also called SF-425 and due within 90 days of the end of each budget period-
[Click here for HRSA FFR Submission Schedule](#).
- FFRs that are returned to grantees for changes must be resubmitted to be considered complete. It is the **grantee's responsibility** to follow up on change request throughout this process.
- Access to the FFR **must be approved by the Financial Reporting Administrator (FRA)** or user with administrative FFR privileges. By default, the Project Director will not have access to the FFR.