

Dear Grantee:

A carryover letter is being sent to you under separate cover from the continuation letter for FY2013 in order to explain the procedure more clearly.

Grantees are required to submit the Federal Financial Report (FFR), SF-425 in order to be considered for a carryover of an Unobligated Balance(s) (UOB) of federal funds. A grantee may carryover a previous UOB of federal funds up to 25% of the total federal share on the current Notice of Award (the year in which the funds will be needed) without prior approval from the Grants Management Officer (GMO). However, each grantee must indicate in the Remarks Section of the FFR of their intent to carryover funds from one budget period to the next and the subsequent FFR must show the actual carryover amount. In other words, if a grantee has just completed the 01 year budget period, the FFR will include the intent to carryover funds to the 02 year budget period in the Remarks section of the FFR. The subsequent FFR for the 02 year will indicate the actual carryover amount from the 01 year to the 02 year and the intent to carryover funds from the 02 year to the 03 year. If the grantee fails to report the actual carryover or exceeds the 25% threshold of the total federal share, the GMO will work with the grantees to resolve any issue due to errors or mistakes; otherwise, DGM will request funds to be returned for noncompliance.

If your organization is in budget period 02 and subsequent years only, a request for carryover of any unobligated balance of funds that exceed the 25% threshold must submit a formal request. Instruction may be accessed under Reporting Requirements at <http://www.samhsa.gov/Grants/management.aspx>.

Please use the following link for the SF-425 (FFR) form and instructions at http://www.whitehouse.gov/omb/grants_forms.

All request for carryover exceeding 25% must be submitted no later than **February 4, 2013** - No requests will be considered after this date until the following budget period.

If you have questions related to the administration of this grant, please contact your assigned Grants Management Specialist or questions regarding programmatic issues, please contact your Government Project Officer listed on the current Notice of Award.

Sincerely,

Kathleen Sample
Grants Management Officer
Office of Financial Resources
Division of Grants Management