

NEIL ABERCROMBIE
GOVERNOR



KALBERT K. YOUNG
DIRECTOR

LUIS P. SALAVERIA
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STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER
PUBLIC UTILITIES COMMISSION

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

January 6, 2014

FINANCE MEMORANDUM

MEMO NO. 14-01

TO: Department Heads and Heads of State Entities

FROM: Kalbert K. Young, Director of Finance

SUBJECT: Procedures to Request Appropriation for Non-Appropriated Federal Funds,
Establish Appropriation Accounts and Allot Federal Funds

The purpose of this memorandum is to issue written procedures for State Departments and Entities to request appropriation for non-appropriated federal funds, establish appropriation accounts and allot federal funds. These procedures should be followed to request appropriation for federal awards that did not obtain appropriation during the legislative session.

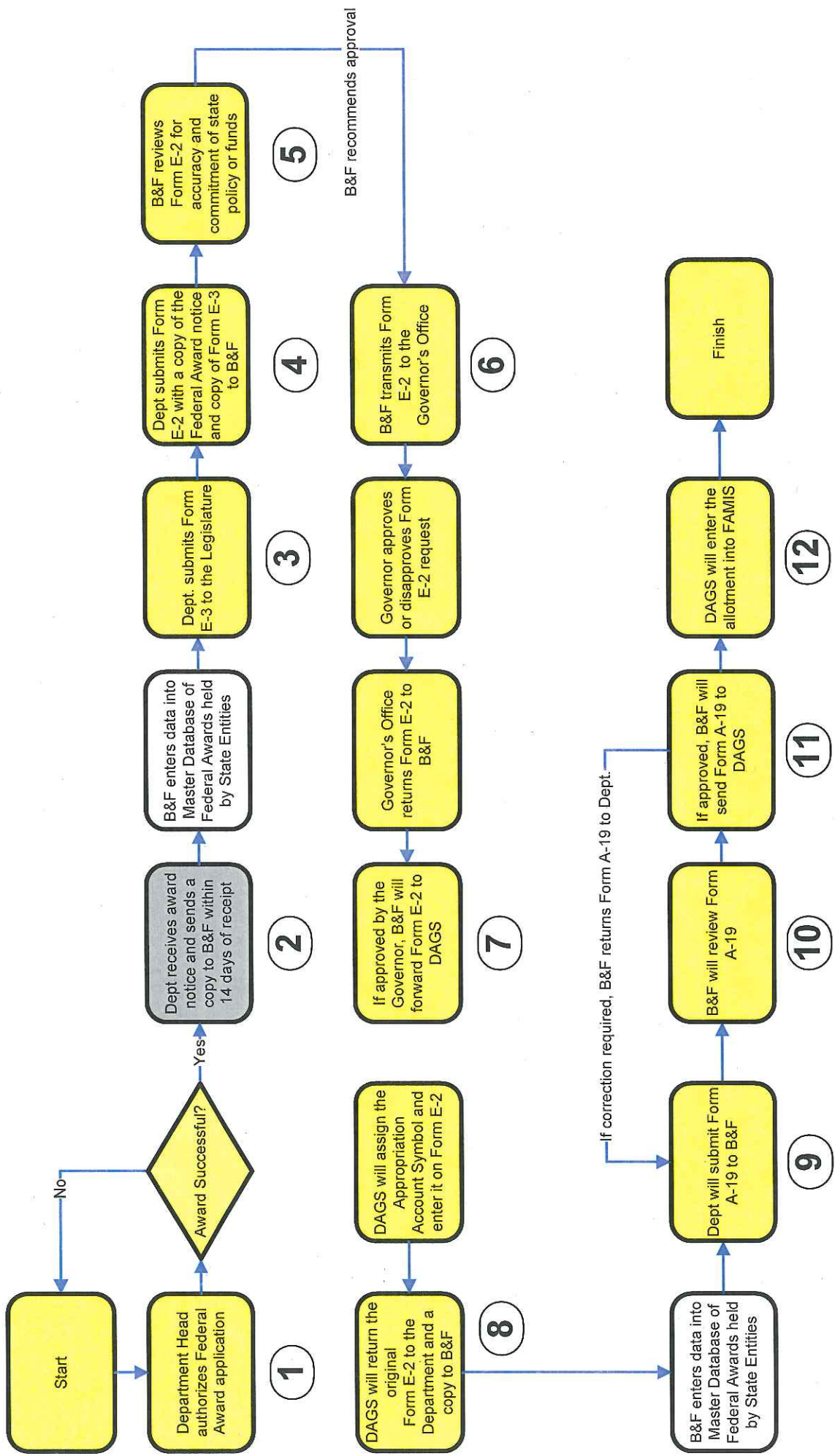
The attached documents and forms will be posted on the Department of Budget & Finance website <http://budget.hawaii.gov/statewide-policies/financememorandums/fm-2013/> and the Office of Federal Awards Management website at <http://federalawards.hawaii.gov/sga/> and updated as necessary.

Should you have any questions, please contact Mark Anderson at Budget and Finance's Office of Federal Awards Management, 586-3035.

Attachments: Non-Appropriated Federal Funds Process Chart
Non-Appropriated Federal Funds Process Chart Narrative
B&F Response to Department Comments on Proposed Non-Appropriated
Federal Fund Procedures
Form E-1 (Request Approval to Increase Expenditures Levels for Federal Funds)
Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds)
Form E-3 (Letters to the Senate President and Speaker of the House)

c: Neal Miyahira, B&F, BPPM
Mark Anderson, B&F, OFAM
Wayne Horie, DAGS, Accounting

NON-APPROPRIATED FEDERAL FUNDS Procedures to Request Appropriation for Federal Funds, Establish Appropriation Accounts, and Allot Federal Funds



NON APPROPRIATED FEDERAL FUNDS (NOT IN THE BUDGET BILL)

Procedures To Request Appropriation for Federal Funds, Establish Appropriation Accounts, and Allot Federal Funds

The non-appropriated federal funds procedures will be used to request approval to expend federal awards not appropriated in the budget bill. If a federal award was not listed on Form FF for the current fiscal year, the non-appropriated process must be used to request approval to expend federal funds and to establish an appropriation account.

1. Department Heads and Heads of State entities are delegated authority to approve and submit applications for federal awards. They will review and authorize federal awards applications and designate the program(s) (by Program ID) that will expend the federal funds. For each award that is applied for, Department Heads and Heads of State entities will ensure that a written plan is available that describes how the federal funds will be used.
 - a) Department Heads and Heads of State Entities must have in place policies, practices, and procedures that will:
 - i. Avoid waste, fraud, and abuse;
 - ii. Ensure that costs charged to federal programs are allowable costs, in accordance with applicable laws, regulations, agreements and contracts;
 - iii. Ensure that funds provided under each federal award are separately accounted for, from receipt to obligation to expenditure;
 - iv. Ensure that effective cash management is employed for federal funds to minimize the time elapsing between (i) the transfer of funds from the federal government, or from a pass-through entity, to (ii) disbursement;
 - v. Ensure the use of federal funds meet all federal requirements as described in individual federal grant awards and OMB circulars;
 - vi. Fulfill federal reporting requirements in a timely manner.
 - b) Department Heads and Heads of State Entities will maintain a separate file for each federal award that contains a copy of the federal award notice and any other major correspondence with the federal awarding agency that may impact the use of federal funds.
2. If an award application is successful, a copy of the federal award notice will be sent to Budget & Finance within fourteen (14) days of receipt.
3. Department will complete and submit Form E-3 to the Senate President and the Speaker of the House of Representatives as notification about the request to expend additional federal funds. Note: pursuant to Section 88 of Act 134, SLH 2013, the Governor is required to notify the Legislature five (5) days prior to the Governor's approval to expend these funds.
4. Department will complete and submit Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds) to Budget & Finance to request the Governor's approval to expend federal funds and to establish a State Appropriation Account for the federal award. A copy of the federal award notice and Form E-3 will be attached to Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds). If the request is from a subrecipient, an interdepartmental agreement from the prime recipient will be attached instead of the federal award notice. Note: Section 88 of Act 134, SLH 2013 provides the Governor with the authority to apply for and expend federal funds in excess of levels authorized by

NON APPROPRIATED FEDERAL FUNDS (NOT IN THE BUDGET BILL)

Procedures To Request Appropriation for Federal Funds, Establish Appropriation Accounts, and Allot Federal Funds

the legislature (what was appropriated in the budget bill during the Legislative session). The Legislature requires the Governor: (i) to notify the Legislature five (5) days prior to the Governor's approval to expend these funds; (ii) to submit a report that will include: the date when the program that will receive the federal funds was first notified that additional federal funds may be available; the date the additional federal funds were known to be available; the reasons why additional federal fund appropriation was not sought during the preceding legislative session; and an explanation of the public benefit. The Governor is also required to submit a summary report to the Legislature of all uses of this authority for the previous twelve month period from December 1 to November 30, no later than thirty days prior to convening the next regular legislative session.

5. Budget & Finance will verify the information on Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds) against the federal award notice and review the form for state matching funds requirements and any other commitment required of the State to enact a policy or change a law.
6. Budget & Finance will forward Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds) with a copy of the federal award notice and Form E-3 to the Governor with their recommendation to approve or disapprove the request.
7. Governor will approve or disapprove the request and return Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds) to Budget & Finance. If approved by the Governor, Budget & Finance will forward Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds) to DAGS.
8. DAGS will assign the Appropriation Account Symbol and enter it on Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds). DAGS will return a copy of Form E-2 (Request Approval to Expend Non-Appropriated Federal Funds) to Budget & Finance and transmit the original to the Department.
9. Department will prepare and submit Form A-19 (Request for Allotment) to Budget & Finance. The allotment amount requested shall not exceed the amount awarded for the budget period shown on the federal award notice.
10. Budget & Finance will verify the amount on Form A-19 (Request for Allotment) against the federal award notice.
11. If approved by Budget & Finance, Form A-19 (Request for Allotment) will be forwarded to DAGS. If correction is required, Budget & Finance will return Form A-19 to the Department.
12. DAGS will enter the allotment for the Appropriation Account in FAMIS.

DEPT. COMMENTS ON PROPOSED NON-APPROPRIATED FEDERAL FUND PROCEDURES

- 1. Comment** Would it be possible for the Dept. to submit an A-19 along with the Form E-2 (step 4)? The Appropriation Symbol would need to be inserted upon assignment of the appropriation account code by DAGS (step 8). This would allow DAGS to enter the allotment into FAMIS before returning the original E-2 to the Dept. and copy to B&F. Rationale: This would further streamline the process by eliminating steps 9 – 12 on the chart.

Response Currently, it is not possible to have DAGS assign the Appropriation Account Symbol into an accompanying A-19 at Step 4 because the Governor must first approve the acceptance of the federal award before an appropriation account can be assigned and allotment made (Step 7). Act 134, SLH 2013, Section 88 requires the Governor to approve the expenditure of all federal funds that are in excess of the levels authorized by the legislature. B&F would also like to record the appropriation account number into the Master Database of Federal Awards held by state entities before allotment occurs.
- 2. Comment** The procedure suggests that the department head has the delegated authority to submit a federal award proposal and then pursue and negotiate an award with the federal agency, but step 7 gives ultimate approval to the Governor to accept the award and expend the funds. Not sure how often the Governor has disapproved a request but seems like the dept./agency has already spent a lot of resources upfront to pursue the opportunity so it seems like there should also be a step earlier in the process to obtain the Governor's consent to pursue the opportunity. Possibly after the dept./agency knows that it is on the short list of proposals being considered by the federal agency. It would not be beneficial for the Dept./agency to go through the grant process, receive the award but then have to decline if the Gov. disapproves the request to receive/expend the funds.

Response Under these procedures, the Governor has delegated authority to department heads to apply for federal awards. However, the procedures must require the Governor to approve the expenditure of a federal award because Act 134, SLH 2013, Section 88 requires the Governor to approve the expenditure of all federal funds that are in excess of the levels authorized by the legislature. Additionally, a federal award may require the commitment of state resources, the maintenance of a certain level of spending or effort, or a change in state policy and any such commitments that should have the support of the Governor. In practice, it is very rare for the Governor for to decline the acceptance of a federal award. Finally, department heads should discuss with the Governor potential federal award activity, particularly if these awards require a state matching commitment or policy change.
- 3. Comment** Step 3: Will the Department send the Form E-3 straight to the Legislature or send it with the Form E-2 to B&F and B&F sending it to the Legislature as was done in the past?

Response The Department should send the Form E-3 directly to the Legislature at Step 3 and provide a copy of Form E-3 to B&F at Step 4.
- 4. Comment** Step 10: The Form E-2 does not identify if the Department/grantee is a prime or sub-recipient. If this is important information, it should be in the form.

Response We will add this field to Form E-2.

DEPT. COMMENTS ON PROPOSED NON-APPROPRIATED FEDERAL FUND PROCEDURES

5. **Comment** In regard to the Form E-2 & 3, shouldn't this be only required for the Prime recipient? If both prime and sub-recipient submit a Form E-2 & 3, there may be a double count/exaggerated amount of the grant award.
- Response** If another state entity is a sub-recipient to a non-appropriated federal award, the sub-recipient state entity will need to obtain a unique state appropriation account and request additional federal fund ceiling to expend the award using Form E-2. However we will revise Form E-2 wherein sub-recipients will be required to complete only specific fields. We understand there are currently a variety of practices for how federal funds are appropriated, allotted, and expended between state prime and sub-recipients. We will be issuing guidance on how to handle these types of transaction. In the meantime, we will have to make decisions on a case-by-case on how best to handle these situations.
5. **Comment** Step 9 a): "If the award notice has not been received" should be deleted as it is a requirement in Step 2 for Department/programs to provide a copy of the grant award within fourteen (14) days of receipt.
- Response** This part of the procedures is confusing and will be reworded. In general, we want to enter an accurate award amount at the point of allotment. So we want the federal award notice to be available to the budget analyst when reviewing the A-19 and the allotment amounts. This will be the single point in the process where the award amount entered into FAMIS will be the actual award amount as shown the federal award notice. We are currently working on a database that may make this information available to all parties in electronic format through DATAMART. We will update the procedures once this database is functional.
7. **Comment** Because this fiscal year started the use of the Form FF-AS (Appropriated & Non-Appropriated), B&F should provide a clarification to explain what the Form FF-AS is in relationship/difference with the submittal of Form E-1, E-2 & E-3.
- Response** Form FF is part of the appropriated federal fund process. The appropriated process is used by state recipients during the budgeting process to seek appropriation for all major, recurring awards as identified by the Director of Finance. In addition, if a program reasonably expects to apply for or receive a federal award during the upcoming fiscal year, this federal award should also be listed on Form FF.
- Forms E-1, E-2, and E-3 are used in the non-appropriated federal fund process. The non-appropriated process is used primarily to accept and expend unanticipated federal awards that are awarded after the budget bill has been enacted.
8. **Comment** "2. If an award application is successful, a copy of the grant award notice shall be sent to Budget & Finance within fourteen (14) days of receipt." Why this time frame? Isn't this being done in Step 4?
- Response** Under these procedures, departments will be required to notify B&F within 14 days of receiving a federal award and provide a PDF copy of the grant award notice (or equivalent). Sometimes there is a delay between the time a program receives the award notice and when action is taken to receive and expend federal funds (Step 4) so with the 14 day requirement, B&F will be assured of receiving the award notice promptly. We hope that departments will establish internal policies to enable prompt notification of the receipt of any federal award to B&F due to the 14 day requirement.

DEPT. COMMENTS ON PROPOSED NON-APPROPRIATED FEDERAL FUND PROCEDURES

9. **Comment** "7. Governor will approve or disapprove the request and return Form E-2 to Budget & Finance. If approved, Budget & Finance will forward Form E-2 to DAGS." What if not approved?
- Response** If not approved, the department head will notify the awarding federal agency that the Governor has declined the acceptance of the federal award.
10. **Comment** "9. a) The federal award notice showing the award amount shall be attached to Form A-19 if not previously submitted." It was already sent per #6.
- Response** Yes, the federal award notice most likely will already have been submitted in Step 6. The requirement to submit the grant award notice with Form A-19 in 9.a. will be deleted.
11. **Comment** "9. Department will prepare and submit Form A-19 ("Request for Allotment") to Budget & Finance." Should Form E-2 be attached?
- Response** B&F will have already received the E-2 in Step 8.
12. **Comment** "11. If approved by Budget & Finance, Form A-19 will be forwarded to DAGS." What if not approved?
- Response** If not approved the A-19 will be returned to the submitting program for corrective action.

FORMS E-1, E-2, E-3

- PRIME RECIPIENT
- SUBRECIPIENT
(Complete items with asterik* only)

Federal Fund Request

Form E-2
(January 2014)

REQUEST APPROVAL TO EXPEND NON-APPROPRIATED FEDERAL FUNDS

| | | | | | |
|--|-----------------------|--|---|---|------------------------------|
| 1. Department * | | 2. Program ID/Org * (XXX###XX) | | 3. Expending Dept./Pgm ID if other than #2 * | |
| 4. Program Manager's Name * | | | 5. Program Manager's Phone No. * | | 6. Program Manager's Email * |
| 7. CFDA No. * (##.###) | | 8. CFDA Program Title * | | | |
| 9. Award Program or Project Title * | | | | 10. Federal Award ID or Other Identifying No. * | |
| 11. Date of Award Application | 12. Award Notice Date | 13. Amount of Award (or Subaward) * | | 14. Is State Match Required? If yes, describe match in #15. <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| 15. Describe if the award requires a commitment to enact a policy or change a law, maintain a specified level of state funding ("maintenance of effort"), provide matching funds or in-kind match. If State match is required, describe source of funds. | | | | | |
| 16. Describe General Fund impact if any, such as future general fund assumption of program costs, maintenance, positions, etc. | | | | | |
| 17. Date Program First Notified that Federal Funds May be Available | | | 18. Date that Additional Federal Funds were Known to Be Available | | |
| 19. Reason Appropriation was not Sought During Legislative Session | | | | | |
| 20. Describe Intended Program Use of Federal Funds | | | | | |
| 21. Describe Benefit to the Public from Use of Federal Funds | | | | | |
| 22. Account Title for Appropriation Account * (Title should reference the Program or Project Title on the Award Notice. 40 characters limit.) | | | | | |
| 23. Will payroll be charged directly to this account? * | | <input type="checkbox"/> Yes <input type="checkbox"/> No | | Comment: | |
| 24. Submitted By (Print Name) * | | Signature * | | | Date * |
| 25. Governor's Approval <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED | | | | | |
| _____ Governor, State of Hawaii (Print Name) | | _____ Signature of Governor | | _____ Date | |
| 26. Appropriation Account Symbol Assigned (DAGS Use Only): _____ | | | | | |
| _____ Comptroller (Print Name) | | _____ Signature of Comptroller | | _____ Date | |

ATTACHMENTS: (Check if attached)

- Federal Award Notice
- Interdepartmental Agreement (If Sub Recipient)
- Form E-3

ROUTING:

- 1. Dept. to Budget & Finance
- 2. Budget & Finance to Governor
- 3. Governor to Budget & Finance
- 4. Budget & Finance To DAGS
- 5. DAGS to Dept. (Original)
- 6. DAGS to B&F (Copy)

Date: _____
Date: _____
Date: _____
Date: _____
Date: _____
Date: _____

FORM E-2 INSTRUCTIONS
REQUEST APPROVAL TO EXPEND NON-APPROPRIATED FEDERAL FUNDS

To request the Governor's approval to expend federal funds, Department must complete Form E-2, attach a copy of the federal award notice and a copy of Form E-3 and submit to Budget & Finance for review. B&F will transmit Form E-2 to the Governor's Office for approval and signature. If the request is approved and signed by the Governor, Governor's Office will return Form E-2 to B&F and B&F will forward Form E-2 to DAGS to assign a State Appropriation Account. DAGS will return the original to the department and send a copy to Budget and Finance.

| | | |
|----|---|---|
| | Prime Recipient or Subrecipient | Check if this is a Prime Award or Subaward. |
| 1 | Department | Select the recipient department from the drop down menu. |
| 2 | Program ID/Org | Enter Program ID and Org Code using the format XXX###XX (i.e. ATG100AC) |
| 3 | Expending Dept./Pgm ID if other than #2 | Enter the department and Pgm ID if #2 is not the expending agency. |
| 4 | Program Manager's Name | Enter the name of person that is responsible for managing the award. |
| 5 | Program Manager's Phone No. | Enter the program manager's phone number. |
| 6 | Program Manager's Email | Enter the program manager's email. |
| 7 | CFDA No. | Enter the CFDA No. for the award using the format XXX### (i.e. 10.559) |
| 8 | CFDA Program Title | Enter the CFDA Program Title as shown on the award notice or at cfda.gov. |
| 9 | Award Program or Project Title | Enter the Program or Project Title as shown on the award notice. |
| 10 | Federal Award ID or Other Identifying No. Assigned by the Federal Agency | Enter the award ID or other number as shown on the award notice. |
| 11 | Date of Award Application | Enter the date of the award application, if applicable. |
| 12 | Award Notice Date | Enter the date on the award notice. |
| 13 | Amount of Award | Enter the award amount as shown on the award notice. If this is a subaward, enter the subaward amount as shown on the Interdepartmental Agreement. |
| 14 | Is A State Match Required? | Check Yes or No. If yes, describe the match in #15. |
| 15 | Describe if the award requires a commitment to enact a policy or change a law, maintain a specified level of state funding ("maintenance of effort"), provide matching funds or provide in-kind match. If State match is required, describe source of funds | If state match is required, describe what the match is and provide the source of matching funds if funds are required as the match. |
| 16 | Describe General Fund impact if any, such as future general fund assumption of program costs, maintenance, positions, etc. | Enter comments as necessary. |
| 17 | Date Program First Notified that Federal Funds May be Available | Enter the date when program was first notified that federal funds may be available. |
| 18 | Date that Additional Federal Funds were Known to Be Available | Enter the date that recipient was advised (verbally, by email, or written notice) of the award by the federal agency. |
| 19 | Reason Appropriation was not Sought During Legislative Session | Explain why appropriation was not sought through the budget process during the preceding legislative session. |
| 20 | Describe Intended Program Use of Federal Funds | Enter comments as necessary. |
| 21 | Describe Benefit to the Public from Use of Grant Funds | Enter comments as necessary. |
| 22 | Account Title for Appropriation Account (Title should reference the Program or Project Title on the Award Notice. 40 characters limit.) | Enter the title for the Appropriation Account as identical to the award Program or Project Title as possible, limited to 40 characters including spaces. |
| 23 | Will payroll be charged directly to this account? | Select Yes or No. Enter comments as necessary. |
| 24 | Submitted By | Print the name of the Program Manager, sign and date. |
| 25 | Governor's Approval | Governor will approve or disapprove the request, sign and date and return Form E-2 to B&F. Per Act 134,SLH2013, Section 88, the Governor's approval is required to expend federal funds that are in excess of the levels authorized by the Legislature. |
| 26 | Appropriation Account Symbol Assigned (DAGS Use Only) | If the request is approved by the Governor, B&F will forward the Form E-2 to DAGS. DAGS will assign the Appropriation Account Symbol and Comptroller will sign and date. DAGS will send the original form to the Department and send a copy to B&F. |
| | ATTACHMENTS | Attach a copy of the Federal Award Notice if it has been received. If this is a subaward, attach a copy of the Interdepartmental Agreement from the Prime Recipient. Attach a copy of Form E-3 (letters to the Legislature). |
| | ROUTING | Check the applicable step in the routing process and enter the date that the form is being forwarded to the next department. |

Federal Fund Request

Form E-1
(January 2014)

REQUEST APPROVAL TO INCREASE EXPENDITURE LEVEL FOR FEDERAL FUNDS

| | | | |
|---|-----------------------|---|----------------------------|
| 1. Department | | 2. Program I.D./Org Code (XXX###XX) | |
| 3. Program Manager's Name | | 4. Program Manager's Phone No. | 5. Program Manager's Email |
| 6. CFDA No. (###-###) | 7. CFDA Program Title | | |
| 8. Award Program or Project Title | | | |
| 9. Federal Award ID or Other Identifying No. | | 10. Award Amount | |
| 11. Appropriation Account Symbol | | 12. Appropriation Account Title | |
| 13. <input type="checkbox"/> Amount of Appropriation Authorized in General/Supplemental Appropriation Act | | Fiscal Year: | |
| <input type="checkbox"/> Non-Appropriated Amount Authorized | | Fiscal Year: | |
| 14. Current Approved Allocation | | 15. Additional Allocation Requested | |
| 16. Date Program First Notified that Federal Funds May be Available | | 17. Date that Additional Federal Funds Were Known to Be Available | |
| 18. Reason Appropriation was not Sought During Legislative Session | | | |
| 19. Describe Benefit to the Public from Use of Federal Funds | | | |
| 20. Submitted By (Print Name): | | Signature | Date |
| 21. Department Head or Designee (Print Name): | | Signature of Department Head or Designee | Date |
| 22. Governor's Approval <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED | | | |
| _____ Governor, State of Hawaii (Print Name) | | _____ Signature of Governor | |
| | | _____ Date | |

ATTACHMENTS: (Check if attached)

- Federal Award Notice
- Form E-3
- Form A-19 (Request for Allotment)

ROUTING:

- 1. Dept. to Budget & Finance
- 2. Budget & Finance to Governor
- 3. Governor to Budget & Finance
- 4. Budget & Finance to Dept.

Date: _____
Date: _____
Date: _____
Date: _____

FORM E-1 INSTRUCTIONS
REQUEST APPROVAL TO INCREASE EXPENDITURE LEVEL FOR FEDERAL FUNDS

To request the Governor's approval to increase the current appropriated amount for an award, Department must complete Form E-1 and attach a copy of the federal award notice and a copy of Form E-3. Form A-19 (Request for Allotment) may also be completed and attached if the Department would like to submit it with Form E-1. Budget & Finance will review the submittal(s) and transmit Form E-1 to the Governor for approval and signature. Budget & Finance will return the original Form E-1 to the Department after it is received back from the Governor's Office.

| | | |
|-------------|--|---|
| 1 | Department | Select the recipient department from the drop down menu. |
| 2 | Program ID/Org | Enter Program ID and Org Code using the format XXX###XX (i.e. ATG100AC) |
| 3 | Program Manager's Name | Enter the name of person that is responsible for managing the award. |
| 4 | Program Manager's Phone No. | Enter the program manager's phone number. |
| 5 | Program Manager's Email | Enter the program manager's email. |
| 6 | CFDA No. | Enter the CFDA No. for the award using the format XXX### (i.e. 10.559) |
| 7 | CFDA Program Title | Enter the CFDA Program Title as shown on the award notice or at cfda.gov . |
| 8 | Award Program or Project Title | Enter the Program or Project Title as shown on the award notice. |
| 9 | Federal Award ID or Other Identifying No. Assigned by the Federal Agency | Enter the award ID or other number as shown on the award notice. |
| 10 | Amount of Award | Enter the award amount as shown on the award notice. If this is a subaward, enter the subaward amount as shown on the Interdepartmental Agreement. |
| 11 | Appropriation Account Symbol | Enter the Appropriation Account Symbol for this award. |
| 12 | Appropriation Account Title | Enter the Appropriation Account Title as it appears in Famis. |
| 13 | Check off whether the initial Appropriation was authorized in the budget (Appropriation Act) or through the NonAppropriated process. | Enter the fiscal year of the initial appropriation. |
| 14 | Current Approved Allocation | Enter the Allocation currently approved. |
| 15 | Additional Allocation Requested | Enter the additional allocation amount being requested. |
| 16 | Date Program First Notified that Federal Funds May be Available | Enter the date when program was first notified that federal funds may be available. |
| 17 | Date that Additional Federal Funds were Known to Be Available | Enter the date that recipient was advised (verbally, by email, or written notice) of the award by the federal agency. |
| 18 | Reason Appropriation was not Sought During Legislative Session | Explain why appropriation was not sought through the budget process during the preceding legislative session. |
| 19 | Describe Benefit to the Public from Use of Grant Funds | Enter comments as necessary. |
| 20 | Submitted By | Print the name of the Program Manager, with signature and date. |
| 21 | Department Head Approval | Print the name of the Department Head, with signature and date. |
| 22 | Governor's Approval | Governor will approve or disapprove the request, sign and date and return the Form to B&F. Per Act 134,SLH2013, Section 88, the Governor's approval is required to expend federal funds that are in excess of the levels authorized by the Legislature. |
| ATTACHMENTS | | Attach a copy of the federal award notice if it has been received. If this is a subaward, attach a copy of the Interdepartmental Agreement from the Prime Recipient. Attach a copy of Form E-3 (letters to the Legislature). Attach the A-19 (Request for Allotment) if submitted with Form E-1. |
| ROUTING | | Check the applicable step in the routing process and enter the date that the form is being forwarded to the next department. |

(Date)

The Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Senator Kim:

Pursuant to Section 88 of Act 134, SLH 2013, the Department of _____
has requested approval to *(expend unappropriated federal funds) or (expend
additional federal funds)* for *(Program Title, Program ID)* in the amount of
\$ _____. Appropriation was not sought during the previous legislative session
because _____.

Attached is a copy of our department's request.

Sincerely,

(DEPARTMENT HEAD)
(Title)

Attachment

c: Honorable David Y. Ige
Honorable Kalbert K. Young

(Date)

The Honorable Joseph M. Souki
Speaker of the House of Representatives
Twenty-Seventh State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Representative Souki:

Pursuant to Section 88 of Act 134, SLH 2013, the Department of _____
has requested approval to (expend unappropriated federal funds) or (expend
additional federal funds) for (Program Title, Program ID) in the amount of
\$_____. Appropriation was not sought during the previous legislative session
because _____.

Attached is a copy of our department's request.

Sincerely,

(DEPARTMENT HEAD NAME)
(TITLE)

Attachment

c: Honorable Sylvia Luke
Honorable Kalbert K. Young