

## Carryover of Unspent Grant Funds During the Contract Period

PCL's fiscal year begins on July 1 and ends on June 30. Grantees must submit a proposed annual budget and budget justification to PCL by May 15 of the fiscal year for the following fiscal year. Grant managers will review and approve grant budgets between May 15 and June 30. Fourth quarter (Q4) invoices for the closed fiscal year are due July 31. After Q4 invoices are processed, you may have unspent funds from the previous fiscal year. PCL permits carryover funds to be added to the current year fiscal budget as described below.

- A. **Unspent funds:** After your Q4 invoice has been paid, check the Q4 claim in WebGrants to see if there is an unspent balance in the previous year's budget. Compute the percentage of funds unspent of the total annual budget.
- B. **Adding unspent funds to current year budget:** You will need to request to revise your budget to add unspent funds to your current year budget. See the budget revision FAQ on the [PCL Financial webpage](#) for instructions on submitting a revised budget.
- C. **Automatic approval to carryover up to 5% of annual budget:** Grant managers will approve all requests to revise budgets to add carryover of up to 5% of the previous year's budget.
- D. **Carryover of more than 5% of annual budget:** If unspent funds are more than 5% of the annual budget, grant managers have discretion to approve requests to add up to 10% of the previous year's budget to the current year budget based on the justification provided for use of the additional funds. In general, grant managers will not approve requests to add or expand FTE with carryover funds.
- E. **Carryover of more than 10% of annual budget:** PCL will not allow carryover of more than 10% of the annual budget EXCEPT in the following case: if funds budgeted to pay for a PCL required financial statement audit are not fully expended, they may be carried over to pay remaining costs incurred by the grantee up to \$15,000 in total (across 2 fiscal years) for the audit.
- F. **When permitted:** Grantees may request to carry over unspent funds from year to year within a contract period. Unspent funds cannot be carried over to a new contract to provide the same or similar services.