

1.1 Contract Amendment Policy and Procedure

Policy:

Sub-recipients/Sub-grantees operating or having received LTWH funds must complete and submit the required forms and documentation in order to submit proposed changes to their contract. These forms and documentation are to be submitted to DRD in triplicate, with each copy containing an original signature of the authorized representative, as appropriate. **Contract extensions must also follow the same procedure.**

Procedure:

An amendment to the contract shall be prepared in triplicate by the sub-recipient and submitted to DRD for approval when changes are proposed to be made in a contract as originally approved. This includes changing the project area, establishing new work activity, or changing the special conditions of the contract. Sub-recipients/Sub-grantees should submit the appropriate forms from the list below:

- Modification Signature Sheet (*Exhibit 1 Modification Signature Sheet*): **All** submitted amendments and/or budget modifications must include the signature sheet. Modification Signature Sheets must have the original signatures of the appropriate official on each copy and a brief narrative explaining the need for the amendment (section 9).
- Detailed Project Area Map: If a change in project area is being proposed, a project area map is required that includes both the original and the proposed project area.
- Individual Work Activity Description (*Exhibit 2 Individual Work Activity Description*): This form should be completed and submitted with every amendment request that changes the work activity of the project. It is used to describe and justify any desired changes to a LTWH contract's scope of services and/or performance measures.
- Amendment to Special Conditions (*Exhibit 3 Amendment to Special Conditions*): This form must accompany the Modification Signature Sheet if the modification request is to amend any portion of Section 8 (Special Conditions) of a LTWH contract.

Sub-recipients/Sub-grantees seeking to modify the budget of their LTWH contract should refer to the Budget Modification procedures to determine the correct forms to submit in addition to the Modification Signature Sheet.

Upon DRD approval of a contract amendment or budget modification request, a formal contract amendment document will be prepared. This document will be sent by DRD, in triplicate, to the sub-recipient for signature within 10 days of the change approval.

1.2 Budget Modification Policy and Procedure

Policy:

A modification of the contract budget shall be prepared in triplicate by the sub-recipient or sub-grantee and submitted to the DRD for approval when changes are proposed for the contract budget. This includes such instances as funds being transferred among budgeted categories (activity) and among line items under budgeted activities.

Sub-recipients/sub-grantees will be allowed to execute a local budget modification along existing line items, transferring specified amounts of their LTWH grant award without DRD approval, as long as the amount remains below the threshold for budget modifications. However, a budget modification must be submitted to the DRD Project Manager even if does not require approval.

Please *see Exhibit 4 Threshold Budget Modification* to view the Threshold Budget Modification and Change Order amounts.

Procedure:

Any transfer of funds among existing budgeted categories should be documented on a Budget Modification Worksheet by the sub-recipient or sub-grantee and provided to DRD Staff to ensure DRD's budget summary reflects all budget changes.

The following modifications always require written DRD approval:

- A. Creating new budget line items**
- B. Expanding project activities (scope of work)**

When submitting a modification requiring MDA approval, requests for budget modifications are to be submitted to the DRD Project Manager. The Project Manager will review the request and gather any additional information that may be needed from the sub-recipient/sub-grantee. An approval or denial to the budget modification request will be determined by the DRD Project Manager and Program Manager.

A letter to inform the sub-recipient/sub-grantee of the modification decision will be sent within ten (10) days of receipt of the budget modification request and supporting documentation.

Sub-recipients and sub-grantees should submit the following documents for all budget modifications, including those that do not require approval.

1. Budget Modification Worksheet (**Error! Reference source not found.**)
2. Modification Signature Sheet (**Error! Reference source not found.**)
3. New line item budget sheet(s)

1.3 Change Order Policy

Policy:

All sub-recipients must submit a Change Order request for approval by the DRD staff, for any transfer of LTWH grant funds among existing line items when the amount of funds exceeds the budget modification thresholds, or for the creation of new budget line items.

Please *see Exhibit 5 Budget Modification Worksheet* to view the Threshold Budget Modification and Change Order Threshold amounts.

Procedure:

The DRD Program Manager must ensure that any change is reasonable and adequately documented by the requesting party. Adequate documentation includes:

- A project description;
- A justification of the need for the change;
- A justification of the need for a time extension;
- Revised plans, specifications, and contract documents; and,
- Engineering computations and sketches, if necessary to justify the change;
- Contractor certification that the costs of the change order has been analyzed and found to be reasonable.

To submit a change order request, a sub-recipient/sub-grantee must complete and submit a Change Order Request Form (*Exhibit 6 Change Order Request Form*) to their DRD Project Manager. In addition to the Change Order Request Form, the sub-recipient/sub-grantee should also submit a:

- Budget Modification Worksheet (*Exhibit 5 Budget Modification Worksheet*),
- Modification Signature Sheet (*Exhibit 1 Modification Signature Sheet*), and a
- New line item budget sheet.

After a Change Order request is submitted, the DRD Project Manager will review the request and gather any additional information that may be needed from the sub-recipient/sub-grantee. An approval or denial to the Change Order request will be determined by the DRD Project Manager and Program Manager.

A letter to inform the sub-recipient/sub-grantee of the decision will be sent within 15 days of receipt of a completed Change Order request and supporting documentation.

| MISSISSIPPI DEVELOPMENT AUTHORITY MODIFICATION SIGNATURE SHEET 239 North Lamar Street Jackson, Mississippi 39201 | | | |
|---|---|-----------------------|-------------------------------|
| 1. Sub-recipient's Name, Address, and Telephone No. | 2. Effective Date: | | |
| | 3. Contract Number: | Grant Number: | |
| | 4. Modification Number : | | |
| | 5. Grant Identifier: (Funding Source & Year): | | |
| | 6. Beginning and Ending Dates: | | |
| | 7. Page 1 of _____ | | |
| 8. As a result of this modification, funds obligated are changed as follows: | | | |
| | LTWH | Other: Federal | Other: :Local/ Private |
| From | | | |
| TO | | | |
| Increase of: | | | |
| Decrease of: | | | |
| 9. The above sub-recipient contract is hereby modified as follows: | | | |
| 10. Except as hereby modified, all terms and conditions of the subcontract remain unchanged. | | | |
| 11. Approved for Agency: <hr style="border: 0.5px solid black;"/> Signature Date Name: Lynn Seals Title: Bureau Manager | 1. Approved for Sub-recipient: <hr style="border: 0.5px solid black;"/> Signature Date Name: Title: | | |

AMENDMENT TO SPECIAL CONDITIONS

SPECIAL CONDITION NUMBER:

CONTRACT NUMBER:

Upon mutual agreement between the Sub-recipient, _____, and Mississippi Development Authority Recovery Division, the LTWH Contract Number _____, signed and dated _____, is hereby amended.

Special Condition Number _____ shall now read as follows:

Except as hereby amended, all terms and conditions of the contract remain unchanged.

Sub-recipient Authorized Signature

MDA DRD Authorized Signature

Date

Date

Attest

Exhibit 4 Threshold Budget Modification

| Threshold | LTWH Funding Amount |
|------------------|-----------------------------|
| \$25,000 | \$ 200,000 - \$ 1,000,000 |
| \$45,000 | \$ 1,000,001 - \$ 3,000,000 |
| \$60,000 | \$ 3,000,001 - \$ 6,000,000 |
| \$75,000 | \$ 6,000,001 - \$10,000,000 |
| \$80,000 | \$10,000,001 - \$20,000,000 |
| \$95,000 | \$20,000,001 - \$40,000,000 |
| \$110,000 | \$40,000,001 - \$60,000,000 |

Exhibit 5 Budget Modification Worksheet

LTWH Budget Modification Worksheet

Sub-recipient: _____ Contract Number: _____

NOTE: List only LTWH Funds where changes are being made.

| Activity | Current Budget | Proposed Budget | Change (+ -) |
|-----------------|-----------------------|------------------------|---------------------|
| | | | |
| | TOTAL | TOTAL | TOTAL |
| | \$ | \$ | \$ |

Comments: _____

Exhibit 6 Change Order Request Form

LTWH Change Order Request Form

| | |
|------------------------------|--|
| Applicant Name: | |
| Project Description: | |
| Contract Number: | |
| Change Order Request Number: | |

Please include the following information:

| REQUIRED INFORMATION | EXPLANATION |
|--|--------------------|
| Description of the change | |
| A justification of the need for the change | |
| A justification of the need for time extension | |
| Revised plans, specifications, and contract documents as needed | |
| Engineering computations and sketches, if necessary to justify the change | |
| Contractor certification in writing that the cost of the change order has been analyzed and found to be unreasonable | |

Signatures:

| | Signature: | Date: |
|---|-------------------|--------------|
| Contractor | | |
| Sub-recipient authorized Representative | | |
| DRD Program Staff | | |
| DRD Bureau Manager | | |