

Philadelphia EMA HIV Integrated Planning Council

Reallocation Process

Revised October 2016 (updated April 2018)

Purpose. Due to the timing of the Part A Ryan White program application, the Planning Council (Council) generally determines allocations months in advance of funds actually being spent. The Council makes this determination based upon the most up-to-date information available at that time. Nonetheless, it is expected that funds will need to be moved among categories by the Council during the course of a fiscal year to address changes in service needs, utilization trends, emergency situations, and to minimize the risk of losing funds that remain unspent at the end of the fiscal year. This reallocation process is designed to guide the Council through these budgetary adjustments. Consistent with HRSA requirements, funds may only be reallocated to categories the Council approved through its priority setting process.

Source of Request or Recommendation. Typically, reallocation requests come from the Part A recipient (the AIDS Activities Coordinating Office). The Council may not consider recommendations that come directly from a sub-recipient agency. A committee of the Council may also initiate a reallocation recommendation in the case of clear under-spending in a service category or funds not yet awarded to service providers. It is expected that these recommendations will be made only after consulting with AACO to determine what effect such a reallocation might have on overall services.

Consideration and Determination. Recommendations or requests for reallocation, along with any supporting documentation, are presented to the Finance Committee for its consideration. After consideration, the Committee may decide to send a formal recommendation, for or against, the matter to the full Council. The full Council then considers the Committee's recommendation. If the Finance Committee decides not to take a formal position then the recipient may take the reallocation request directly to the Council. Any action taken by the full Council takes effect upon approval unless otherwise specified. *Only in rare cases of emergency, recommendations or requests may be made directly to the Council for consideration, bypassing the Finance Committee. These must be exceptional cases.*

Prior Authorization of Reallocations. For the purpose of administrative efficiency only, the recipient may move funds from one category to another as long as the amount of reduction or increase for these categories does not exceed 10 percent (10%) of the total funds of either category during a given fiscal year. Any reallocation of 10% or greater to or from a funded category must be submitted to the Council for approval. Toward the end of a fiscal year, the Council may also authorize the recipient to reallocate funds among categories for the sole purpose of minimizing the risk of losing funds that remain unspent. Any such reallocation must be reported to the Council within thirty (30) days.