

**MARION COUNTY
ADMINISTRATIVE POLICIES AND PROCEDURES**

Sponsoring Department:
Business Services

**SUBJECT: MODIFICATION OF APPROVED CAPITAL OUTLAY
APPROPRIATIONS**

1.0 Purpose

This policy and procedure sets forth the process for obtaining approval for modifications to approved capital outlay requests.

2.0 General Policy

Capital outlay requests are reviewed and approved during the annual budget process each fiscal year, as described in the Capital Outlay Appropriations administrative policy and procedure. These requests are based upon the best information known at the time the request is submitted. Due to price increases or other unknown factors, the estimated costs may change between the time the budget is adopted and the time the purchase is made or the work is actually done. Modifications to approved capital outlay amounts shall be submitted to the capital projects coordinator following the process outlined below.

3.0 Policy Guidelines/Procedures

- a. If the requested cost increase is less than 20% of the original request, or less than \$10,000, whichever is lower, the department shall submit a copy of the original capital outlay request form to the capital projects coordinator, along with a memo explaining the reason for the increase, identifying the funding source, and the revised cost estimate.
- b. The capital projects coordinator will review the request and determine if supplemental budget action is necessary. If so, the coordinator will work with the department's budget analyst to include the request in the next supplemental budget process. After approval of the modification, the coordinator will send a copy of the revised, approved request form to the department and to procurement, which will serve as authorization for the funds to be expended.
- c. If the modification involves a change in scope, quantity, or type of project initially proposed, or if the requested cost increase is greater than 20% of the original request, or more than \$10,000, whichever is higher, the request shall be submitted following the process outlined in the "New Capital Outlay Appropriations – Post-Budget Adoption" policy guidelines.

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d. Emergency requests for capital outlay modifications may be expedited if one of the following circumstances exists:

- Disruption of operations
- Liability/risk issues

To request an emergency modification of an approved capital outlay request, the department head shall submit a memo to the capital projects coordinator identifying the emergency, the revised cost estimate, and the funding source. The coordinator will review the request with the budget officer, and determine appropriate action. If approved, the capital projects coordinator will contact the department and request that appropriate justification forms be completed and submitted for supplemental budget action.

Adopted: 6/05