



## **Funding & Budget Policy**

### **FUNDING:**

The Developmental Disabilities Grant Award to Florida is used to carry out the Council's responsibilities as stipulated in the Developmental Disabilities Assistance and Bill of Rights Act. The grant award is issued annually based on a formula from the federal government. Although availability and distribution of the award is mandated annually to each state from the federal government at the beginning of the federal fiscal year (October), availability of funds is at the discretion of the activities of Congress in any given year. Hence, it is the responsibility of the Finance Committee and Council to monitor both funding and spending to ensure cash flow, solvency, federal obligation and spending requirements are met quarterly and annually.

### **FUNDING ALLOCATION:**

The internal process for budgeting annual award dollars is as follows: a) administration, b) programmatic state plan activities, and c) program reserve. All 3 budget to actual amounts is reviewed quarterly and reported to the full Council tri-annually.

#### Administration:

These are non-state plan activities that include administrative overhead, Council development, evaluation/oversite and any other costs not associated with state plan activities. Of the total yearly federal award to Florida, federal guidelines allow utilization of up to 30% for administration. The administration budget to actual is reviewed monthly with the Executive Director, quarterly with the Treasurer, and reported tri-annually to the Finance Committee and full Council.

#### State Plan Activities:

Much of the annual federal award to the Council is allotted toward the 5-year state plan. The State Plan Committee oversees the state plan budget, activities, and funding amounts. The state plan budget to actual is reviewed monthly with the Executive Director, quarterly with the Treasurer, and reported tri-annually to the State Plan Committee and full Council.



### Program Reserve:

The Council allocates 1.5% of its yearly federal award to the programmatic reserve. In addition to the annual allotment of these funds, the programmatic reserve also includes unutilized funds from contracts, line items, and administration as well as grant award surpluses with an offset for reductions. These funds may be used to a) address an emergency or emerging need of individuals with intellectual and developmental disabilities (I/DD) and/or their community, b) address an emergency or emerging issue that will severely impact the community of individuals with I/DD that is not specified in the state plan, c) address an emerging need of an initiative currently being implemented or in the proposal process, or d) provide additional funding to state plan initiatives or administrative activities. Justification and approval are required for use of these funds.

The amount of the requested expenditure and justification for the expenditure must be presented to the Executive Director for approval. The amount requested cannot exceed the micro-purchase amount noted in FDDC's procurement policy. Upon receipt of the justification the Executive Director will obtain written agreement from either the Treasurer or the Council Chair and provide final approval.

### **FUNDING COMMITMENT:**

The State Plan Committee will approve a multi-year state plan programmatic budget at the commencement of the Council's approval of the five-year state plan. The State Plan Committee will review the budget tri-annually and make any recommendations for modifications to the budget on an annual basis.

The Finance Committee will approve a multi-year administration budget to coincide with the five-year state plan. The Finance Committee will review the budget/expenses tri-annually and make any recommendations for modifications to the budget on an annual basis.

The Executive Committee and Finance Committee will meet annually to review any modifications to the multi-year budget and approve any changes to the full Council budget.

The Council budget will be reviewed and approved jointly by the Finance Committee and the Executive Committee at the last Council meeting prior to the end of the fiscal year.

Council funds are considered committed with the approval of the full Council budget. This allows staff to proceed with the procurement of funds for the identified Council initiatives.



Council funds are considered obligated when the committed funds have been expended or are in a contract.

The State Plan Committee will monitor the obligation of funds approved by the Council for State Plan Activities.

The Finance Committee will monitor the obligations of funds approved by the Council for Administration

**BUDGET SURPLUS OR DEFICIT:**

FDDC's grant award is issued annually based on a formula from the federal government. Consequently, the amount of FDDC's award will vary from year to year which may result in a budget surplus or reduction as each year's budget is based the prior year's funding amount. If a budget surplus occurs, the surplus funds will be transferred to Program Reserve. Budget reductions will be offset against the Program Reserve funds. Contingency funding recommendations may be developed in the event additional funding becomes available.

The Council obligates and spends grant award dollars within a two year timeframe.

Original Date: 9/9/11

Revisions:

9/14/12

1/29/15

9/23/16

11/15/16

9/21/18

11/15/22