



**ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL**

TOPIC: Section 15 – Contract Administration 4.7	EFFECTIVE DATE: 09/16/1994
TITLE: Lengthening Contracts	REVISION DATE: 08/14/2013
AUTHORIZED BY: Deputy Director, Bureau of Fiscal Services	

**BACKGROUND**

This bulletin allows aids contract addenda (unilateral or bilateral) that lengthen aids contracts by changing the end date of the contract **and** increasing the amount.

Contracts may need to be lengthened under the following circumstances:

1. When the funding agency lengthens a grant to DHS and the contracting division lengthens the contract to sub-grantees accordingly;
2. When the Department contracts with high risk agencies and chooses to change the limit of the contract period that was originally set to reduce risk or assure satisfactory contract performance.

Procedures for increasing the dollar amount of a contract through unilateral contract supplements (and the limitations of unilateral contracts) may be found in APP Section 15 - Contract Administration 2.1.

**POLICY**

The end date of an aids contract may be changed in order to allow lengthening of a contract period **and** additional funding may be provided in the contract addendum provided that all funding is available for the new contract period and can be used for the purposes intended.

**PROCEDURES**

1. The basic criteria to extend the length of a contract is a properly executed and signed contract or amendment that extends it.
2. The request or change to lengthen a contract should be sent to BFS CARS Unit and processed through the pre contract review process.
3. BFS lead accountants or project accountant for that grant will review the proposed contract extension carefully to assure that funds are available and appropriate to the entire period of the extended contract.

**REFERENCES**

[DHS APP Section 15 – Contract Administration 2.1](#) (Contract Supplements)

**CONTACTS**

[CARS Accountants](#)