

U.S. DEPARTMENT OF THE TREASURY



Reclassification How To Guide for the SLFRF Program



SLFRF Reclassification How To Guide

1. Key Terms

2. Timeline for Obligation and Use of Funds

3. Portal Steps to Reclassify Funds Overview and Walk Through

4. Common Reclassification Scenarios

- Reclassifying funds from a project to an existing project
- Reclassifying funds from a project to a new project
- Reclassifying funds from a project to an existing EC 6.1 project
- Reclassifying funds from an estimate for personnel costs to an existing project
- Reclassifying funds from a contract change/contingency costs estimate to a new project
- Reclassifying funds from an estimate of legal and administrative costs to an existing project
- Reclassifying funds as a result of a single audit finding or notice of non-compliance

5. Related Resources



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5. Related Resources



Key Terms: What is Reclassification?

If a recipient has excess funds that were obligated as of the December 31, 2024 deadline but ultimately not expended on an eligible activity, a recipient may reclassify the SLFRF funds from the original activity to another project that would be eligible under the SLFRF program rules, including the requirement that the recipient incurred an obligation by December 31, 2024, as described in [FAQ 17.19](#).

To re-classify funds in Treasury's portal, a recipient must edit the first project to reduce the amount reported as obligated and edit the latter project to increase the amount reported as obligated. For all such projects, recipients are required to attest that the applicable obligation for the project was incurred by December 31, 2024 and that they have maintained proper documentation of the obligation date.

Obligations must be incurred between March 3, 2021 and December 31, 2024 for most eligible uses and between December 29, 2022 and December 31, 2024 for the eligible uses added in the 2023 IFR (Emergency Relief from Natural Disasters, Surface Transportation projects, and Title I projects, per FAQ 4.5). Other useful guidance is in the [Compliance and Reporting Guidance](#):

- Estimated Personnel costs (pages 24-25)
- Estimated Contract Change Orders and Contingency Costs (page 26)
- Revenue loss (page 39)
- Estimated Legal and Admin costs (page 43)

and in Section 17 of the [SLFRF Frequently Asked Questions \(FAQs\)](#):

- Estimated Personnel costs (FAQ 17.7, 17.8, 17.9)
- Estimated Contract Change Orders and Contingency Costs (FAQ 17.16, 17.17)
- Estimated Legal and Admin costs (FAQ 17.10, 17.11, 17.12, 17.13)



Key Terms: What is Reclassification?

Reclassification may be allowed to address certain ineligible uses identified by a recipient, auditor, or Treasury.

Reclassification is not intended to remedy instances of fraud, waste, or abuse (FWA), which may be subject to additional compliance or recovery actions



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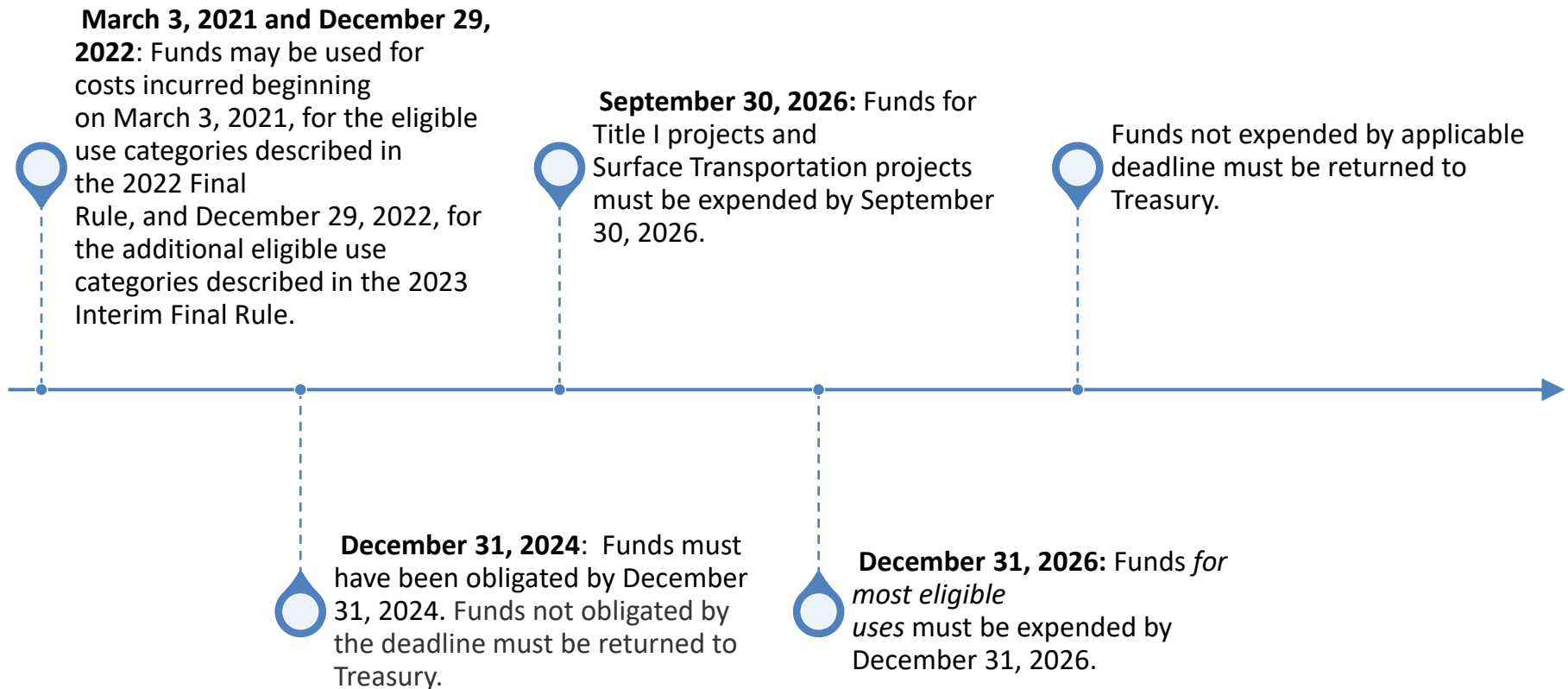
- Reclassifying funds from a project to an existing project
- Reclassifying funds from a project to a new project
- Reclassifying funds from a project to an existing EC 6.1 project
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- Reclassifying funds from an estimate of legal and administrative costs to an existing project
- Reclassifying funds as a result of a single audit finding or notice of non-compliance

5. Related Resources



Timeline for Obligation and Use of Funds

IMPORTANT: For all reclassified funds, recipients must attest that they incurred the applicable obligation for the project by December 31, 2024.



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- Reclassifying funds as a result of a single audit finding or notice of non-compliance

5. Related Resources





IMPORTANT:

If you are reclassifying funds in a reporting period, do not decrease an obligation entry until you are ready to reclassify those funds to another project entry *in that same reporting period*.

Portal Steps to Reclassify Funds - Overview

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

1. Click on the project status icon for original project that will be reduced on the Project Overview screen.
2. Project Overview Section: 1) reduce the amount in "Total Cumulative Obligations" by the amount to be reclassified (enter "0" if canceling/eliminating the project entirely or enter the resulting total after subtracting the reclassified funds from the original project), then 2) enter the amount to be reclassified as a negative entry (include a "-" sign) in the "Current Period Obligations." Click Save Project. Once the Project Status has been updated, associated entries for the projects will need to be updated.
3. If the amount to be reclassified is associated with a project reported under EC 6.1 Provision of Government Services, under which subawards and expenditures are not reported, proceed to step 5.
4. If the original project is not reported under EC 6.1, determine if the amount of funds to be reclassified is less than, or equal to/greater than \$50,000.

If the amount to be reclassified is less than \$50,000, navigate to Expenditure Section, then:

- If any funds will continue with original project: 1. Create a new expenditure entry associated with the original project (or reduce a current expenditure entry by the amount to be reclassified) and then 2) enter the amount to be reclassified/reduced as a negative entry (include a "-" sign) under "Total Period Obligation Amount".
- If eliminating the original project entirely: 1) Create a new expenditure entry associated with the original project (or reduce the current expenditure entry to \$0) and then 2) enter the amount to be reclassified as a negative entry (include a "-" minus sign) under "Total Period Obligation Amount" to result in a net zero obligation amount for the original project.

If the amount is equal to or greater than \$50,000, navigate to Subaward/Direct Payments Section, then:

- 1) Select "View/Edit" for the existing subaward associated with original project. 2) Reduce the subaward by the amount to be reclassified. 3) If necessary, make sure that the subrecipient is added in the "Subrecipients, beneficiaries, or contractors" section.



Portal Steps to Reclassify Funds - Overview (continued)

4. *(Continued)*

If the amount is equal to or greater than \$50,000, navigate to Subaward/Direct Payments Section, then: (see steps 1-3 on previous slide) 4) If, following the reclassification, the resulting amount associated with the subaward is less than \$50,000, eliminate the subaward and create a new expenditure entry for the original project for the new amount.

 - For reducing estimates for personnel costs, contract changes orders and contingency costs, or legal and administrative costs, reduce the amount in “Total reported obligation pursuant to the estimate.”
5. Click on the project status icon for the project receiving reclassified funds on the Project Overview screen OR add a new project following the instructions in the P&E User Guide under "Add a new project manually." Increase "Total Cumulative Obligations" AND "Current Period Obligations" by the amount of reclassified funds. Ensure that the amount added to the existing or new project is less than or equal to the amount reduced in original project.
6. Click Save Project.
7. Attest that the applicable obligation for the project was incurred by December 31, 2024 and that recipient has maintained proper documentation to support that funds were obligated no later than December 31, 2024. (Funds must be obligated between March 3, 2021 and December 31, 2024 for most eligible uses and between December 29, 2022 and December 31, 2024 for the eligible uses added in the 2023 interim final rule (Emergency Relief from Natural Disasters, Surface Transportation projects, and Title I projects)).
8. Next determine:
 - If the obligated amount after reclassification is equal to or greater than \$50,000, navigate to the Subaward/Direct Payments section, then: 1) increase a current subaward OR create a new subaward for the full amount of the reclassified funds associated with the project receiving reclassified funds.



Portal Steps to Reclassify Funds - Overview (continued)

8. *(Continued)*
 - If the obligated amount after reclassification is less than \$50,000, navigate to Expenditure Section, then: 1) increase the current subaward OR select project receiving reclassified funds in the drop-down menu, 2) enter the amount to be reclassified in "Total period obligation amount," and 3) click "Create Expenditure" to save.
9. Once the obligation on project receiving reclassified funds is increased, recipients will be able to enter in expenditures up to the new amount obligated.



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

1. Click on the project status icon for original project that will be reduced on the Project Overview screen.

My Projects

Total number of projects : 2

| | | |
|---|--|-------------------------------------|
| Total adopted budget \$200,000.00 | Total obligations \$200,000.00 | Total expenditures \$0.00 |
|---|--|-------------------------------------|

Remaining funding that will be lost if not obligated by December 31, 2024.
(Calculation based off of Total Allocation amount minus Total obligations)
\$0.00

Total Obligations Reported by Q4 2024

| | | |
|--|---|--|
| Total Program Income Earned \$0.00 | Total Program Income Obligated \$0.00 | Total Program Income Expended \$0.00 |
|--|---|--|

*Up to and including this reporting period, have revenue replacement funds been expended for government services and reflected in the below projects?
Yes

[Add new project](#)

> Filters

Records per page: 50 Page: 1 of 1

| Project Name | Recipient Project Id | Total Obligations | Total Expenditures | Expenditure Category | Completion Status | Project Status | Obligation Status | Expenditure Status | Locked Status |
|--------------|----------------------|-------------------|--------------------|-----------------------|-------------------|----------------|-------------------|--------------------|---------------|
| 1 Project A | ab12345 | \$100,000.00 | \$0.00 | 6-Revenue Replacement | Completed | ✓ | ✓ | ✓ | 🔒 |
| 2 Project B | 2 | \$100,000.00 | \$0.00 | 6-Revenue Replacement | Completed | ✓ | ✓ | ✓ | 🔒 |

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[Previous](#) [Next](#)



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury’s portal:

2. Project Overview Section: 1) reduce the amount in “Total Cumulative Obligations” by the amount to be reclassified (enter "0" if canceling/eliminating the project entirely or enter the resulting total after subtracting the reclassified funds from the original project), then 2) enter the amount to be reclassified as a negative entry (include a "-" sign) in the “Current Period Obligations.” Click Save Project. Once the Project Status has been updated, associated entries for the projects will need to be updated.

Edit Project



| | | | |
|----------------------------------|-----------------------------------|--------------------------------|---------------------------------|
| * Project Name | * Recipient Project ID ⓘ | Adopted Budget | |
| Project A | ab12345 | 100,000.00 | |
| * Total Cumulative Obligations ⓘ | * Total Cumulative Expenditures ⓘ | * Current Period Obligations ⓘ | * Current Period Expenditures ⓘ |
| 100,000.00 | 0.00 | 0.00 | 0.00 |

Edit Project



| | | | |
|----------------------------------|-----------------------------------|--------------------------------|---------------------------------|
| * Project Name | * Recipient Project ID ⓘ | Adopted Budget | |
| Project A | ab12345 | 100,000.00 | |
| * Total Cumulative Obligations ⓘ | * Total Cumulative Expenditures ⓘ | * Current Period Obligations ⓘ | * Current Period Expenditures ⓘ |
| 70,000.00 | 0.00 | -30,000.00 | 0.00 |



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

3. If the amount to be reclassified is associated with a project reported under EC 6.1 Provision of Government Services, under which subawards and expenditures are not reported, proceed to step 5. Otherwise: Click Save Project. Once the Project Status has been updated, associated entries for the projects will need to be updated.

Edit Project



* Project Name

Project A

* Recipient Project ID



ab12345

Adopted Budget

100,000.00

* Total Cumulative
Obligations

70,000.00

* Total Cumulative
Expenditures

0.00

* Current Period
Obligations

-30,000.00

* Current Period
Expenditures

0.00

* This project earned
program income

Delete Project

Save Project



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

4. If the original project is not reported under EC 6.1, determine if the amount of funds to be reclassified is less than, or equal to/greater than \$50,000.

If the amount to be reclassified is less than \$50,000, navigate to Expenditure Section, then:

- If any funds will continue with original project: 1. Create a new expenditure entry associated with the original project (or reduce a current expenditure entry by the amount to be reclassified) and then 2) enter the amount to be reclassified/reduced as a negative entry (include a "-" sign) under "Total Period Obligation Amount".
- If eliminating the original project entirely: 1) Create a new expenditure entry associated with the original project (or reduce the current expenditure entry to \$0) and then 2) enter the amount to be reclassified as a negative entry (include a "-" minus sign) under "Total Period Obligation Amount" to result in a net zero obligation amount for the original project.

If the amount is equal to or greater than \$50,000, navigate to Subaward/Direct Payments Section, then: 1) Select "View/Edit" for the existing subaward associated with original project. 2) Reduce the subaward by the amount to be reclassified. 3) If necessary, make sure that the subrecipient is added in the "Subrecipients, beneficiaries, or contractors" section. 4) If, following the reclassification, the resulting amount associated with the subaward is less than \$50,000, eliminate the subaward and create a new expenditure entry for the original project for the new amount.

For reducing estimates for personnel costs, contract changes orders and contingency costs, or legal and administrative costs, reduce the amount in "Total reported obligation pursuant to the estimate."



Portal Steps to Reclassify Funds – Walk Through (<\$50,000 example)

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

4. If the original project is not reported under EC 6.1, determine if the amount of funds to be reclassified is less than, or equal to/greater than \$50,000.

If the amount to be reclassified is less than \$50,000, navigate to Expenditure Section, then:

- If any funds will continue with original project: 1. Create a new expenditure entry associated with the original project (or reduce a current expenditure entry by the amount to be reclassified) and then 2) enter the amount to be reclassified/reduced as a negative entry (include a "-" sign) under "Total Period Obligation Amount".
- If eliminating the original project entirely: 1) Create a new expenditure entry associated with the original project (or reduce the current expenditure entry to \$0) and then 2) enter the amount to be reclassified as a negative entry (include a "-" minus sign) under "Total Period Obligation Amount" to result in a net zero obligation amount for the original project.

Aggregate expenditures for awards < \$50,000

For disbursements less than \$50,000, please provide the aggregate expenditures and obligations for the current reporting period and total to date. Your organization must assign project and subaward identifiers to each aggregate expenditure.

| Project name | Project obligations | Project expenditures |
|--------------|---------------------|----------------------|
| Project A | \$70,000.00 | \$0.00 |

Bulk uploads

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Manual entry

Subaward type (aggregates)

Aggregate of Interagency Agreement (IAA)

| Total period obligation amount | Total period expenditure amount |
|--------------------------------|---------------------------------|
| -30,000.00 | 0.00 |

Cumulative obligations: \$0.00
Cumulative expenditures: \$0.00

[Create expenditure](#)

NOTE: This negative amount should be the same negative amount as step 2.



Portal Steps to Reclassify Funds – Walk Through (≥\$50,000 example)

4. *If the amount is equal to or greater than \$50,000*, navigate to Subaward/Direct Payments Section, then: 1) Select “View/Edit” for the existing subaward associated with original project. 2) Reduce the subaward by the amount to be reclassified. 3) If necessary, make sure that the subrecipient is added in the “Subrecipients, beneficiaries, or contractors” section. 4) If, following the reclassification, the resulting amount associated with the subaward is less than \$50,000, eliminate the subaward and create a new expenditure entry for the original project for the new amount.

For reducing estimates for personnel costs, contract changes orders and contingency costs, or legal and administrative costs, reduce the amount in “Total reported obligation pursuant to the estimate.”

My subawards

Total number of subawards : 1

> Filters

Records per page: 50 Page: 1 of 1

| <input type="checkbox"/> | Project Name | Award No | Award Amount | Subrecipient Na... | Report Period | View/Edit |
|--------------------------|--------------|----------|--------------|----------------------|------------------------|-----------|
| <input type="checkbox"/> | Project A | 1 | \$100,000.00 | Project A Contractor | Quarter 3 2025 (Jul... | |

NOTE: This reduction should be the same taken previously.

On the previous slide, we reduced a project that started as \$100,000 and reduced to \$70,000. For the purposes of showing a project greater than \$50,000, we are showing the same \$100,000 project that is reduced to \$0. Imagine that the recipient reduced this project by \$100,000 amount in the edit project screens.

If editing a subaward related to a locked project, the project will unlock and require the project to be re-locked if any changes are

If editing a subaward related to a locked project, the project will unlock and require the project to be re-locked if any changes are made.

Subaward

- Subrecipient name: Project A Contractor

- Subaward number: 1

- Entity type: Contractor

- Subaward type: Contract: Delivery Order

- Subaward amount (obligation): 100,000.00

- Subaward date: Jan 1, 2024

- Period of performance start: Jan 1, 2024

- Period of performance end: Dec 31, 2024

- Place of performance address 1: 123 Project A Rd.

- Place of performance address 2:

- Place of performance address 3:

- Place of performance city: Cityville

- State: VI

- Place of performance zip: 11111

- Place of performance zip+4:

Subaward

- Subrecipient name: Project A Contractor

- Subaward number: 1

- Entity type: Contractor

- Subaward type: Contract: Delivery Order

- Subaward amount (obligation): 0.00

- Subaward date: Jan 1, 2024

- Period of performance start: Jan 1, 2024

- Period of performance end: Dec 31, 2024

- Place of performance address 1: 123 Project A Rd.

- Place of performance address 2:

- Place of performance address 3:

- Place of performance city: Cityville

- State: VI

- Place of performance zip: 11111

- Place of performance zip+4:

Save Subaward



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

5. Click on the project status icon for the project receiving reclassified funds on the Project Overview screen OR add a new project following the instructions in the User Guide under "Add a new project manually." Increase "Total Cumulative Obligations" AND "Current Period Obligations" by the amount of reclassified funds. Ensure that the amount added to the existing or new project is less than or equal to the amount reduced in original project.

[+ Add new project](#)

> Filters Records

| | Project Name | Recipient Project Id | Total Obliga... | Total Expen... | Expen... Catego... | Compl... Status | Project Status |
|---|--------------|----------------------|-----------------|----------------|--------------------|-----------------|-------------------------------------|
| 1 | Project A | ab12345 | \$70,000.00 | \$0.00 | 7- Administrative | Completed | <input checked="" type="checkbox"/> |
| 2 | Project B | 2 | \$100,000.00 | \$0.00 | 7- Administrative | Completed | <input checked="" type="checkbox"/> |

NOTE: You may need to edit the adopted budget, which cannot be exceeded by total obligations and total expenditures.

Edit Project ✕

*Project Name:

*Recipient Project ID:

Adopted Budget: ←

*Total Cumulative Obligations:

*Total Cumulative Expenditures:

*Current Period Obligations:

*Current Period Expenditures:

Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

5. Click on the project status icon for the project receiving reclassified funds on the Project Overview screen OR add a new project following the instructions in the User Guide under "Add a new project manually." Increase "Total Cumulative Obligations" AND "Current Period Obligations" by the amount of reclassified funds. Ensure that the amount added to the existing or new project is less than or equal to the amount reduced in original project.

Edit Project

| | | | |
|---|--|---------------------------------------|------|
| *Project Name Project B | *Recipient Project ID ⓘ 2 | Adopted Budget 100,000.00 | |
| *Total Cumulative Obligations ⓘ 100,000.00 | *Total Cumulative Expenditures ⓘ 0.00 | *Current Period Obligations ⓘ 0.00 | 0.00 |

Edit Project

| | | | |
|---|--|--|--|
| *Project Name Project B | *Recipient Project ID ⓘ 2 | Adopted Budget 130,000.00 | |
| *Total Cumulative Obligations ⓘ 130,000.00 | *Total Cumulative Expenditures ⓘ 0.00 | *Current Period Obligations ⓘ 30,000.00 | *Current Period Expenditures ⓘ 0.00 |

NOTE: You may need to edit the adopted budget, which cannot be exceeded by total obligations and total expenditures.

Upon saving, recipient must attest that the recipient incurred an obligation for this project no later no later than December 31, 2024.
 Recipient must attest that they have maintained proper documentation to support that funds were obligated for this project no later than December 31, 2024

Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

6. Click Save Project.

Edit Project ×

| | | | |
|--|---|---|---|
| <p>* Project Name</p> <input style="width: 90%;" type="text" value="Project B"/> | <p>* Recipient Project ID <small>i</small></p> <input style="width: 90%;" type="text" value="2"/> | <p>Adopted Budget</p> <input style="width: 90%;" type="text" value="130,000.00"/> | |
| <p>* Total Cumulative Obligations <small>i</small></p> <input style="width: 90%;" type="text" value="130,000.00"/> | <p>* Total Cumulative Expenditures <small>i</small></p> <input style="width: 90%;" type="text" value="0.00"/> | <p>* Current Period Obligations <small>i</small></p> <input style="width: 90%;" type="text" value="30,000.00"/> | <p>* Current Period Expenditures <small>i</small></p> <input style="width: 90%;" type="text" value="0.00"/> |

Upon saving, recipient must attest that the recipient incurred an obligation for this project no later no later than December 31, 2024. Recipient must attest that they have maintained proper documentation to support that funds were obligated for this project no later than December 31, 2024

Save Project
Delete Project



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

7. Attest that the applicable obligation for the project was incurred by December 31, 2024 and that recipient has maintained proper documentation to support that funds were obligated no later than December 31, 2024. (Funds must be obligated between March 3, 2021 and December 31, 2024 for most eligible uses and between December 29, 2022 and December 31, 2024 for the eligible uses added in the 2023 interim final rule (Emergency Relief from Natural Disasters, Surface Transportation projects, and Title I projects)).

Attestation



Recipient attests that the recipient incurred an obligation for this project no later than December 31, 2024.

Recipient attests that they have maintained proper documentation to support that funds were obligated for this project no later than December 31, 2024.

Cancel

Agree and Continue



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

8. Next determine:

If the obligated amount after reclassification is equal to or greater than \$50,000, navigate to the Subaward/Direct Payments section, then: 1) increase a current subaward OR create a new subaward for the full amount of the reclassified funds associated with the project receiving reclassified funds.


If the obligated amount after reclassification is less than \$50,000, navigate to Expenditure Section, then: 1) increase the current subaward OR select project receiving reclassified funds in the drop-down menu, 2) enter the amount to be reclassified in "Total period obligation amount," and 3) click "Create Expenditure" to save.



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

8. If the obligated amount after reclassification is less than \$50,000, navigate to Expenditure Section, then: 1) increase the current subaward OR select project receiving reclassified funds in the drop-down menu, 2) enter the amount to be reclassified in "Total period obligation amount," and 3) click "Create Expenditure" to save.



State, Local and Tribal Support
SLFRF Compliance

Introduction/bulk templates

Recipient profile

Project overview

Subrecipients/beneficiaries/contractors

Subawards/direct payments

Expenditures

Recipient specific

Certification

Aggregate expenditures for awards < \$50,000

For disbursements less than \$50,000, please provide the aggregate expenditures and obligations for the current reporting period and total to date. Your organization must assign project and subaward identifiers to each aggregate expenditure.

| Project name | Project obligations | Project expenditures |
|--------------|---------------------|----------------------|
| Project B | \$130,000.00 | \$0.00 |

Bulk uploads
[Download bulk upload template](#) [Upload bulk upload template](#)

Manual entry
Subaward type (aggregates)
Aggregate of Interagency Agreement (IAA)

Total period obligation amount:

Total period expenditure amount:

Cumulative obligations: -\$30,000.00 Cumulative expenditures: \$0.00

Create expenditure

Total number of expenditures : 1

> Filters

Records per page: 50 Page: 1 of 1

| <input type="checkbox"/> | Project Name | Subaward Type | Total Period Obl... | Total Period Exp... | Report Period | View/Edit |
|--------------------------|--------------|-------------------------|---------------------|---------------------|-------------------------|-----------|
| 1 | Project A | Aggregate of Interag... | -\$30,000.00 | \$0.00 | Quarter 3 2025 (July... | |

[Download as CSV](#)



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

8. If the obligated amount after reclassification is equal to or greater than \$50,000, navigate to the Subaward/Direct Payments section, then: 1) increase a current subaward OR create a new subaward for the full amount of the reclassified funds associated with the project receiving reclassified funds.

**State, Local and Tribal Support
SLFRF Compliance**

Subaward information

Project name
Project B

Bulk uploads

Download Subaward Template

Subaward Bulk Upload

Manual entry

Subrecipient name
Project A Contractor

Subaward number
3

Entity type
Contractor

Subaward type
--None--

Subaward amount (obligation)
100,000.00

Subaward date
Oct 1, 2025

Period of performance start
Oct 1, 2025

Period of performance end
Oct 1, 2025

Brief description of subaward and its underlying eligible use (750 characters)
Description of subaward.

Place of performance address 1
123 Project A Rd.

Place of performance address 2

Place of performance address 3

Place of performance city
Cityville

State
VI

Place of performance zip
11111

Place of performance zip+4

Create subaward or direct payment

NOTE: This reduction should be the same taken previously.


On the previous slide, we reduced a project that started as \$100,000 and increased to \$130,000. For the purposes of showing a project greater than \$50,000, we are showing the same \$100,000 project that is increased to \$200,000. Imagine that the recipient increased this project by \$200,000 amount in the edit project screens.



Portal Steps to Reclassify Funds – Walk Through

Recipients seeking to reclassify funds from one project to another must ensure the obligation deadline was satisfied for those reclassified funds (per FAQ 17.19) and should do the following in Treasury's portal:

9. Once the obligation on project receiving reclassified funds is increased, recipients will be able to enter in expenditures up to the new amount obligated.



State, Local and Tribal Support
SLFRF Compliance

Expenditures for awards > \$50,000

In the below section, please provide further detail on each expenditure for awards of \$50,000 or more.

Project name ?

Bulk uploads

[Download bulk upload template](#)
 [Upload bulk upload template](#)

Manual entry

| Subaward number | Subaward amount ? | Subaward type ? | Subrecipient name ? |
|-----------------|--|--|--|
| 3 | | | |

| | | |
|--|--|---|
| Expenditure start ? Oct 1, 2025 📅 | Expenditure end ? Oct 1, 2026 📅 | Expenditure amount ? 100,000.00 |
|--|--|---|

Cumulative expenditures
\$0.00

[Create expenditure](#)



SLFRF Reclassification How To Guide

1. Key Terms

2. Timeline for Obligation and Use of Funds

3. Portal Steps to Reclassify Funds Overview and Walk Through

4. Common Reclassification Scenarios

- Reclassifying funds from a project to an existing project
- Reclassifying funds from a project to a new project
- Reclassifying funds from a project to an existing EC 6.1 project
- Reclassifying funds from an estimate for personnel costs to an existing project
- Reclassifying funds from a contract change/contingency costs estimate to a new project
- Reclassifying funds from an estimate of legal and administrative costs to an existing project
- Reclassifying funds as a result of a single audit finding or notice of non-compliance

5. Related Resources



Reclassifying funds from a project to an existing project

- **Project A related to Community Broadband Expansion (under EC 5.19 Last Mile Projects) completed under budget, leaving \$250,000 unused.**
- **Funds are reclassified to Project B related to Public Wi-Fi Access Points, an existing project reported under EC 5.21 (Broadband: Other Projects).**

Edit Project

General Project Information


*Project Expenditure Category Group
5-Infrastructure

*Project Expenditure Category
5.19-Broadband: 'Last Mile' projects

*Project Name: Project A
*Recipient Project ID: ab12345
Adopted Budget: 100,000.00

| | | | |
|-------------------------------|--------------------------------|-----------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 500,000.00 | 250,000.00 | 0.00 | 0.00 |
| \$250,000 | | - \$250,000 | |

[Save Project](#)



Edit Project

General Project Information

*Project Expenditure Category Group
5-Infrastructure

*Project Expenditure Category
5.21-Broadband: Other projects

*Project Name: Project B
*Recipient Project ID: 2
Adopted Budget: 300,000.00

| | | | |
|-------------------------------|--------------------------------|-----------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 300,000.00 | 300,000.00 | 0.00 | 0.00 |
| \$550,000 | | \$250,000 | |

[Save Project](#)

Reclassifying funds from a project to a new project

- A recipient initially obligated \$1M for a community center renovation under EC 2.31 Rehabilitation of Commercial Properties (Project A).
- After final design changes, \$100,000 is redirected to create a new project under EC 5.15 Drinking Water: Other Water Infrastructure. Although this is a new project in the SLFRF reporting portal, this is not a “new project” for the recipient. This project existed prior to the obligation deadline of December 31, 2024, and the recipient previously covered the costs of this project with local funds and is now using SLFRF funds to cover the costs.

Edit Project

General Project Information

*Project Expenditure Category Group
2-Negative Economic Impacts

*Project Expenditure Category
2.31-Rehabilitation of Commercial Properties or Other I...

*Project Name: Project A
*Recipient Project ID: ab12345
Adopted Budget: 1,000,000.00

| | | | |
|---|--------------------------------|---------------------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 1,000,000.00 \$900,000 | 900,000.00 | 0.00 - \$100,000 | 0.00 |

[Save Project](#)

Edit Project

General Project Information

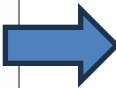
*Project Expenditure Category Group
5-Infrastructure

*Project Expenditure Category
5.15-Drinking water: Other water infrastructure

*Project Name: Project B
*Recipient Project ID: 2
Adopted Budget: 100,000.00

| | | | |
|-------------------------------------|--------------------------------|-------------------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 0.00 \$100,000 | 0.00 | 0.00 \$100,000 | 0.00 |

[Save Project](#)



Reclassifying funds from a project to an existing EC 6.1 project

- \$75,000 from Project A (EC 2.33 Enhanced Support to Microbusinesses) is reclassified to Project B (EC 6.1 Provision of Government Services).
- Because the recipient claimed \$200,000 in revenue loss under the standard allowance (\$10M) and has only used \$125,000 in their existing project under EC 6.1, the recipient is able to make this change.

Edit Project

General Project Information

*Project Expenditure Category Group
2-Negative Economic Impacts

*Project Expenditure Category
2.33-Enhanced Support to Microbusinesses

*Project Name: Project A
*Recipient Project ID: ab12345
*Adopted Budget: 1,000,000.00

| | | | |
|-------------------------------|--------------------------------|-----------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 1,000,000.00 | 925,000.00 | 0.00 | 0.00 |
| \$925,000 | | - \$75,000 | |

[Save Project](#)

Edit Project


*Project Expenditure Category
6.1-Provision of Government Services

Please note that obligations and expenditures reported under Expenditure Category: 6.1 Revenue Replacement cannot have subrecipients, subawards, or expenditures separately reported.

*Project Name: Project B
*Recipient Project ID: 2
*Adopted Budget: 125,000.00

| | | | |
|-------------------------------|--------------------------------|-----------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 125,000.00 | 125,000.00 | 0.00 | 0.00 |
| \$200,000 | | \$75,000 | |

[Save Project](#)



Reclassifying funds from an estimate of personnel costs to an existing project

- A city budgeted \$500,000 in estimated personnel costs for staff under EC 7.3 but used only \$450,000.
- The remaining \$50,000 is reclassified to an existing project under EC 1.8.

Edit Project

General Project Information

*Project Expenditure Category Group
7-Administrative

*Project Expenditure Category
7.3-Costs Associated with Satisfying the Administrative a...

*Project Name: Project A
*Recipient Project ID: ab12345
Adopted Budget: 500,000.00

| | | | |
|-------------------------------|--------------------------------|-----------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 500,000.00 | 450,000.00 | 0.00 | 0.00 |
| \$450,000 | | - \$50,000 | |

Save Project

Edit Project

General Project Information

*Project Expenditure Category Group
1-Public Health

*Project Expenditure Category
1.8-COVID-19 Assistance to Small Businesses

*Project Name: Project B
*Recipient Project ID: 2
Adopted Budget: 125,000.00

| | | | |
|-------------------------------|--------------------------------|-----------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 125,000.00 | 125,000.00 | 0.00 | 0.00 |
| \$175,000 | | \$50,000 | |

Save Project

Reclassifying funds from a contract change/contingency costs estimate to a new project

- Project A related to a Water Main Replacement (reported under EC 5.11) included a \$200,000 contingency that went unused.
- The recipient creates Project B related to Water Quality Monitoring (reported under EC 5.10) and reclassifies the \$200,000 under the same expenditure category (EC 5). Although this is a new project in the SLFRF reporting portal, this is not a “new project” for the recipient. This project existed prior to the obligation deadline of December 31, 2024, and the recipient previously covered the costs of this project with local funds and is now using SLFRF funds to cover the costs.

Edit Project ✕

General Project Information

*Project Expenditure Category Group
5-Infrastructure

*Project Expenditure Category
5.11-Drinking water: Transmission & distribution

*Project Name: Project A *Recipient Project ID: ab12345 Adopted Budget: 500,000.00

| | | | |
|---|--------------------------------|---------------------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 500,000.00 \$300,000 | 300,000.00 | 0.00 - \$200,000 | 0.00 |

[Save Project](#)

Edit Project ✕

General Project Information

*Project Expenditure Category Group
5-Infrastructure

*Project Expenditure Category
5.10-Drinking water: Treatment

*Project Name: Project B *Recipient Project ID: 2 Adopted Budget: 200,000.00

| | | | |
|-------------------------------------|--------------------------------|-------------------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 0.00 \$200,000 | 0.00 | 0.00 \$200,000 | 0.00 |

[Save Project](#)

Reclassifying funds from an estimate of legal and administrative costs to an existing project

- \$30,000 from the Administrative Costs estimate reported under EC 7.3 is reclassified to an ongoing Housing Assistance project under EC 2.2.

Edit Project

✕

General Project Information

*Project Expenditure Category Group
7-Administrative

*Project Expenditure Category
7.3-Costs Associated with Satisfying the Administrative a...

*Project Name: Project A

*Recipient Project ID: ab12345

Adopted Budget: 100,000.00

*Current Period Expenditures: 0.00

*Total Cumulative Obligations: ~~100,000.00~~
\$70,000

*Total Cumulative Expenditures: 70,000.00

*Current Period Obligations: ~~0.00~~
- \$30,000

Save Project

Edit Project

✕

General Project Information

*Project Expenditure Category Group
2-Negative Economic Impacts

*Project Expenditure Category
2.2-Household Assistance: Rent, Mortgage, and Utility Aid

*Project Name: Project B

*Recipient Project ID: 2

Adopted Budget: 200,000.00

*Current Period Expenditures: 0.00

*Total Cumulative Obligations: ~~200,000.00~~
\$230,000

*Total Cumulative Expenditures: 200,000.00

*Current Period Obligations: ~~0.00~~
\$30,000

Save Project

Reclassifying funds as a result of a single audit finding or notice of non-compliance

- A recipient's audit identified \$120,000 in ineligible spending under Project A related to Public Safety Payroll (reported under EC 3.4 - Public Sector Capacity: effective Service Delivery).
- Funds are reclassified to Project B (reported under EC 6.1 Revenue Replacement – Provision of Government Services).

Edit Project ✕

General Project Information

*Project Expenditure Category Group
3-Public Health-Negative Econom... ▾

*Project Expenditure Category
3.4-Public Sector Capacity: Effective Service Delivery ▾

*Project Name: Project A
*Recipient Project ID: ab12345
Adopted Budget: 120,000.00

| | | | |
|-------------------------------------|--------------------------------|---------------------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 120,000.00 \$0 | 120,000.00 | 0.00 - \$120,000 | 0.00 |

[Save Project](#)

Edit Project ✕

*Project Expenditure Category
6.1-Provision of Government Services ▾

Please note that obligations and expenditures reported under Expenditure Category: 6.1 Revenue Replacement cannot have subrecipients, subawards, or expenditures separately reported.

*Project Name: Project B
*Recipient Project ID: 2
Adopted Budget: 200,000.00

| | | | |
|--|--------------------------------|-------------------------------------|------------------------------|
| *Total Cumulative Obligations | *Total Cumulative Expenditures | *Current Period Obligations | *Current Period Expenditures |
| 80,000.00 \$200,000 | 80,000.00 | 0.00 \$120,000 | 0.00 |

[Save Project](#)

SLFRF Reclassification How To Guide

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- Reclassifying funds from a project to an existing EC 6.1 project
- Reclassifying funds from an estimate for personnel costs to an existing project
- Reclassifying funds from a contract change/contingency costs estimate to a new project
- Reclassifying funds from an estimate of legal and administrative costs to an existing project
- Reclassifying funds as a result of a single audit finding or notice of non-compliance

5. Related Resources



Related Resources

- [State and Local Fiscal Recovery Funds \(SLFRF\) Frequently Asked Questions \(FAQs\)](#)

FAQ 17.19 (Page 104): After December 31, 2024, may a recipient use SLFRF funds that were initially obligated but ultimately not expended for an eligible activity?

After the December 31, 2024, obligation deadline, recipients may have excess funds that were obligated as of the deadline but ultimately not expended on an eligible activity. For example, a subrecipient or contractor may perform work under-budget, thereby freeing up previously obligated funds. As another example, the recipient, an auditor, or Treasury may determine that a recipient's planned project is not an eligible activity. In such cases, the recipient may reclassify the SLFRF funds from the original activity to another project that would be eligible under the SLFRF program rules, including the requirement that the recipient incurred an obligation by December 31, 2024, to expend funds on the activity.

As a further example, in a recipient's Single Audit covering fiscal year 2024, the auditor identifies that a project classified as responding to the public health and negative economic impacts of the pandemic is grossly disproportionate to the type or extent of harm experienced, and thus not in compliance with the 2022 SLFRF Final Rule.

The recipient may withdraw SLFRF funds from the project and reclassify the funds to a workforce training program that the recipient initially had been financing with local funds but which is an eligible use under the SLFRF program as well. In this case, the recipient must have incurred an obligation (e.g., by entering into a contract) to fund the program by December 31, 2024, in accordance with SLFRF program rules. The recipient may also use such funds to pay for any permissible upward cost adjustments in other contracts or subawards, as described in FAQs 17.16 and 17.17, including for indirect cost rate increases in a replacement subaward, as described in FAQ 17.20; to cover expenses that are necessary to meet certain legal and administrative requirements of SLFRF, as described in FAQ 17.10; and to cover personnel expenses obligated by December 31, 2024, as described in FAQ 17.7, including personnel expenses in excess of the initial estimate.



Related Resources

- [SLFRF Compliance and Reporting Guidance](#)
 - Estimated Personnel costs (pages 24-25)
 - Estimated Contract Change orders and Contingency costs (page 26)
 - Revenue loss (page 39)
 - Estimated Legal and Admin costs (page 43)
- [SLFRF P&E User Guide](#)

