SRF Guidance Document Number 14
Project Cost Estimate Adjustments and Loan Amount Adjustments

1. Project cost estimates on the project priority list are preliminary costs. The project cost estimate will change as the project proceeds through development – preliminary engineering to final design to construction. Some of the reasons for changes in cost estimates include change in scope, design changes, unanticipated site conditions and higher than anticipated construction bids. In most instances, funds for cost increases can be accommodated from by-passed projects, canceled projects or other projects with lower than anticipated costs.

2. Step I and Step II loans are approved based on the amount indicated in the signed funding application.

3. Step III loans cannot be approved in an amount that exceeds the applicant's Authorization to Incur Debt.

4. All changes in loan amounts must be requested through a funding application
    a. If the loan amount needed increases before the loan has received DEC approval, the adjusted amount may be requested with a revised Funding Application
    b. If the loan amount needed increases after DEC approval of the loan, a Loan Amendment Funding Application must be submitted and will require a new loan agreement be executed. In some instances, funds may not be available to cover increases in cost estimates and the project may have to be canceled, bypassed, funded by other means, or reduced in scope.

5. Changes in scope that reduce the project priority score may result in lowering of the project on the priority list and may result in unavailability of funds.

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