

# State of Georgia

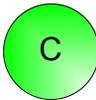
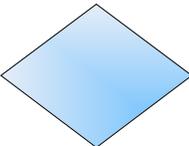
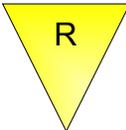
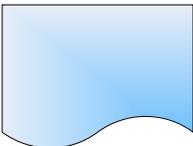
## Project IMPROVE Division of Aging Services Grant management process



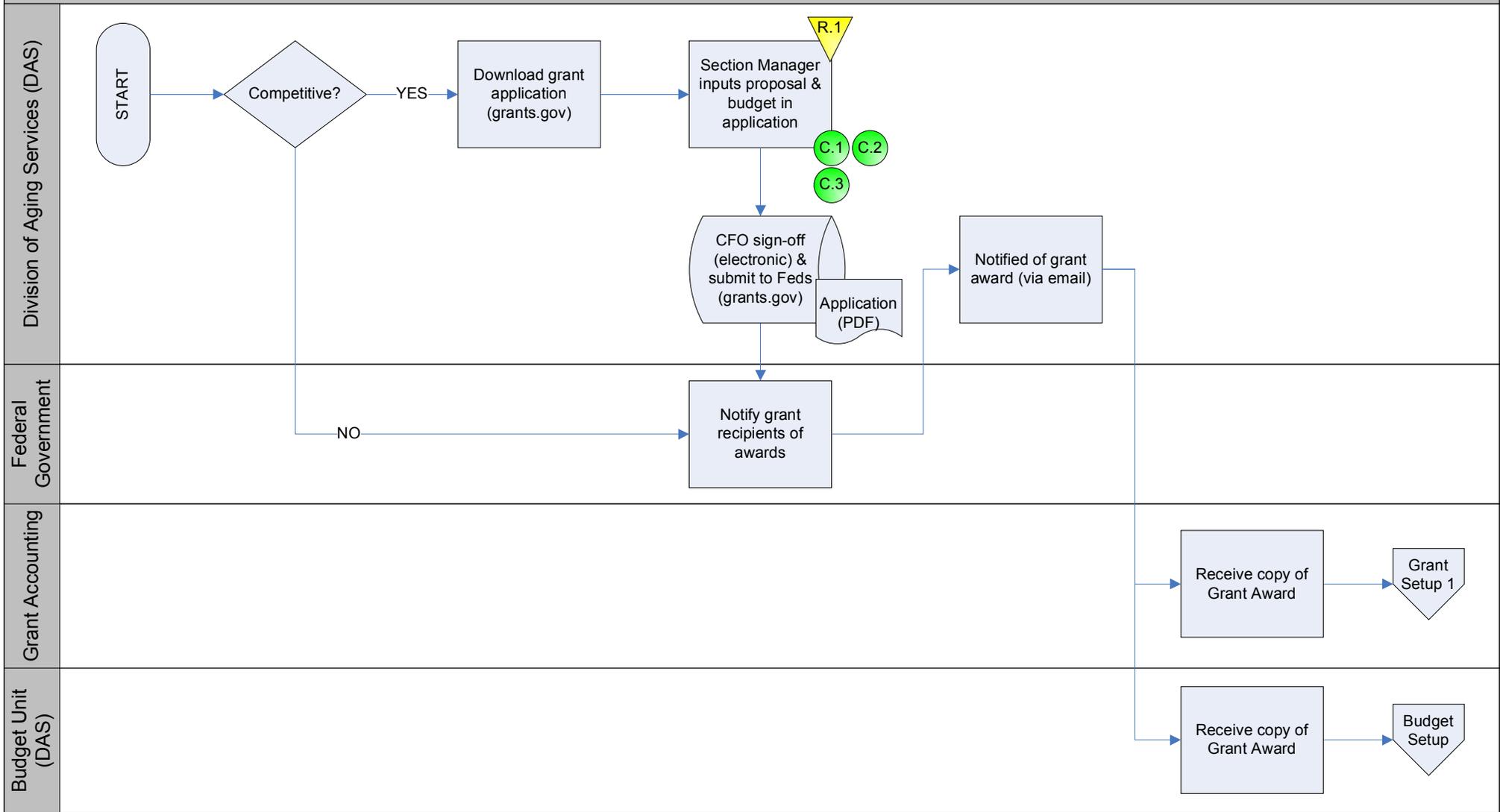
# Process: Division of Aging Services Grant Management Summary

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|---|---|
| <p style="text-align: center;">Scope</p>                | <ul style="list-style-type: none"> <li>The Division of Aging Services (DAS) applies to the federal government for competitive grant awards. When the grant award is received by the Department of Human Services (DHS) Grant Accounting Unit, the accounting codes are set up in PeopleSoft. The DAS Budget Unit and Program Management establish the budget and allocate funds to the Area Aging Agencies (AAA). The AAAs submit their budget in the Aging Information Management System (AIMS) and the DAS Contract Specialist creates the contract in eProcurement. The AAAs submit their monthly reimbursements in AIMS, which interfaces with PeopleSoft for payment processing. At the end of the grant period, the Grant Accounting Unit submits the required reports to the Federal Government and closes out the grant.</li> </ul> |
| <p style="text-align: center;">Sub-processes</p>        | <ul style="list-style-type: none"> <li>Application Process</li> <li>Grant Setup</li> <li>Budget Setup</li> <li>Contract Setup</li> <li>Disbursements</li> <li>Reporting</li> </ul>  |
| <p style="text-align: center;">Departments Involved</p> | <ul style="list-style-type: none"> <li>Grant Accounting (OFS)</li> <li>Budget Unit (DAS)</li> <li>Cost Allocations (OFS)</li> <li>Information Technology (IT)</li> <li>Output (OFS)</li> <li>Office of Budget Administration (OBA)</li> <li>Revenue Department (OFS)</li> <li>Program Department</li> <li>Area Agency of Aging (AAA)</li> <li>State Accounting Office (SAO)</li> <li>Office of Planning &amp; Budget (OPB)</li> <li>Contract Specialist (DAS)</li> <li>Contract Administration (OFS)</li> </ul>   |
| <p style="text-align: center;">Systems</p>              | <ul style="list-style-type: none"> <li>BudgetNet</li> <li>Grant Accounting Reporting System (GARS)</li> <li>PeopleSoft</li> <li>Aging Information Management System (AIMS)</li> <li>eProcurement</li> </ul>   |

# Process: DAS Grant Management Legend

|                 |  |   |   |
|-----------------|--|---|---|
| <b>Symbols</b>  |  Start/End of process |  Off- page reference |  Control |
|                 |  Decision point       |  System interface    |  Risk    |
|                 |  Process              |  Document            |   |
| <b>Acronyms</b> | AAA – Area Agency of Aging   | IT – Information Technology   |   |
|                 | ACH – Automated Clearing House   | JE – Journal Entry  |   |
|                 | AIMS – Aging Information Management System   | OBA – Office of Budget Administration   |   |
|                 | AMT – Account Management Team  | OFS – Office of Financial Services  |   |
|                 | AOB – Annual Operating Budget  | OPB – Office of Planning and Budget   |   |
|                 | CFDA – Catalogue of Federal Domestic Assistance  | SAO – State Accounting Office   |   |
|                 | DAS – Division of Aging Services   | GARS – Grant Accounting Reporting System  |   |

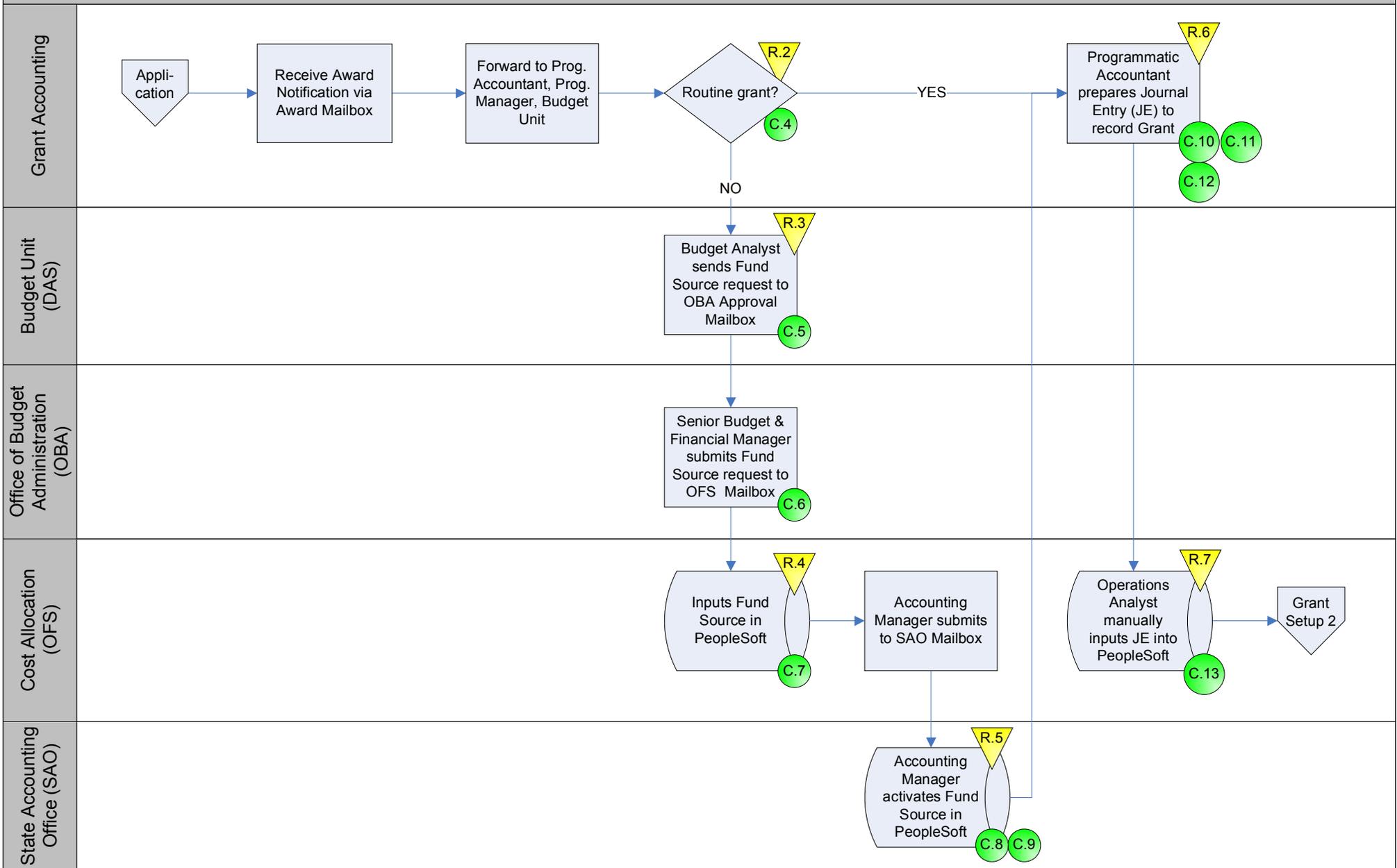
Process: DAS Grant Management  
 Sub-process: Application Process



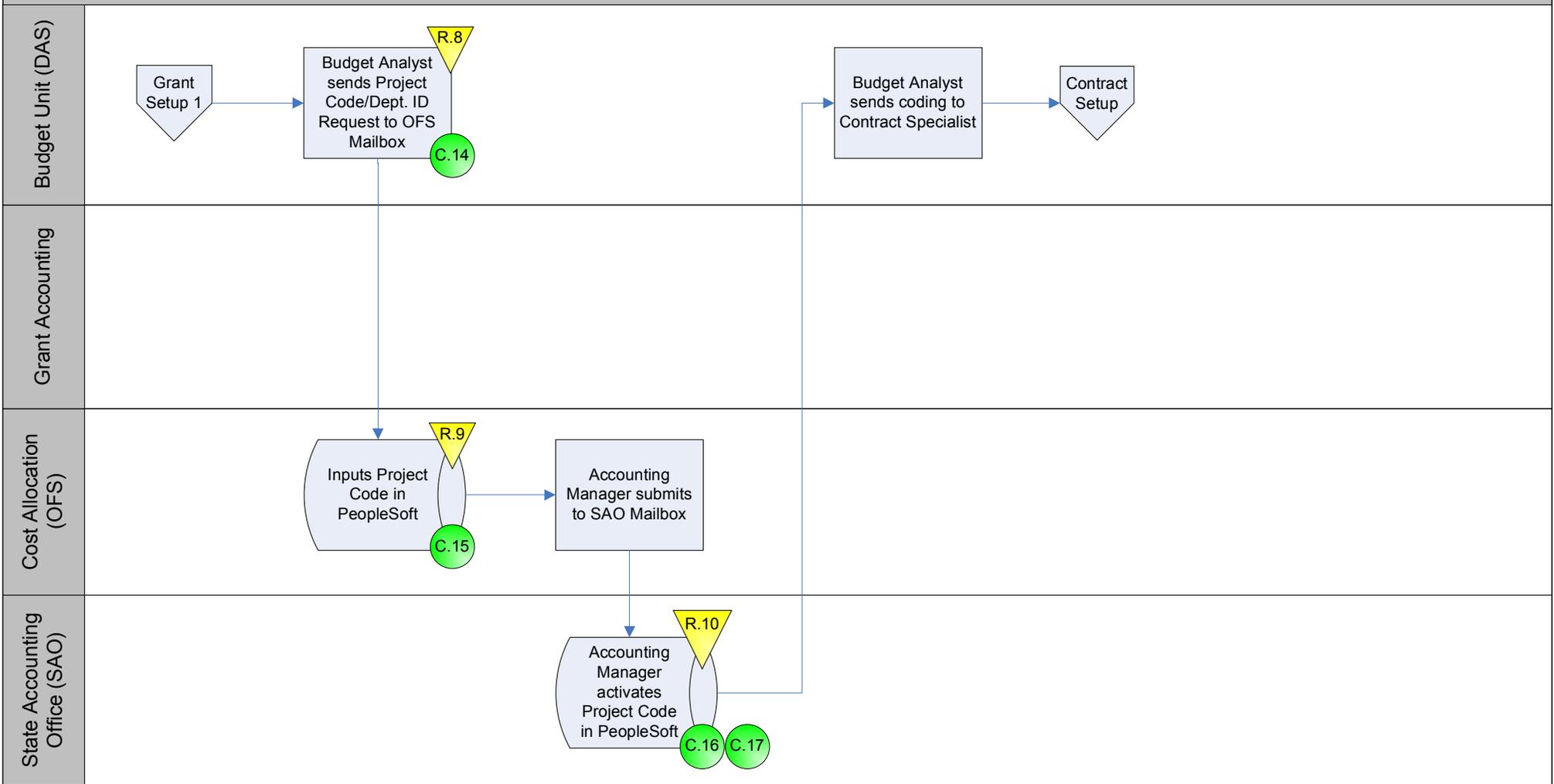
Process: DAS Grant Management  
Sub-process: Application Process Risks and Controls

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| Risks    | <p>R.1: Grant Application proposal and budget are inconsistent/inaccurate with the Division of Aging Services (DAS), resulting in the denial of the application by the Federal Government.</p>  |
| Controls | <p>C.1: The Chief Financial Officer (CFO) obtains the grant package (routing slip, copy of the application, and supporting documents) and reviews the budget/proposal confirming the application is accurate/consistent with the Division's mission.<br/>C.2: The Division Director/Deputy Director review and approve the grant package (manual review).<br/>C.3: The Commissioner reviews the grant package for final approval prior to submission to the federal government.</p> |

Process: DAS Grant Management  
 Sub-process: Grant Setup 1



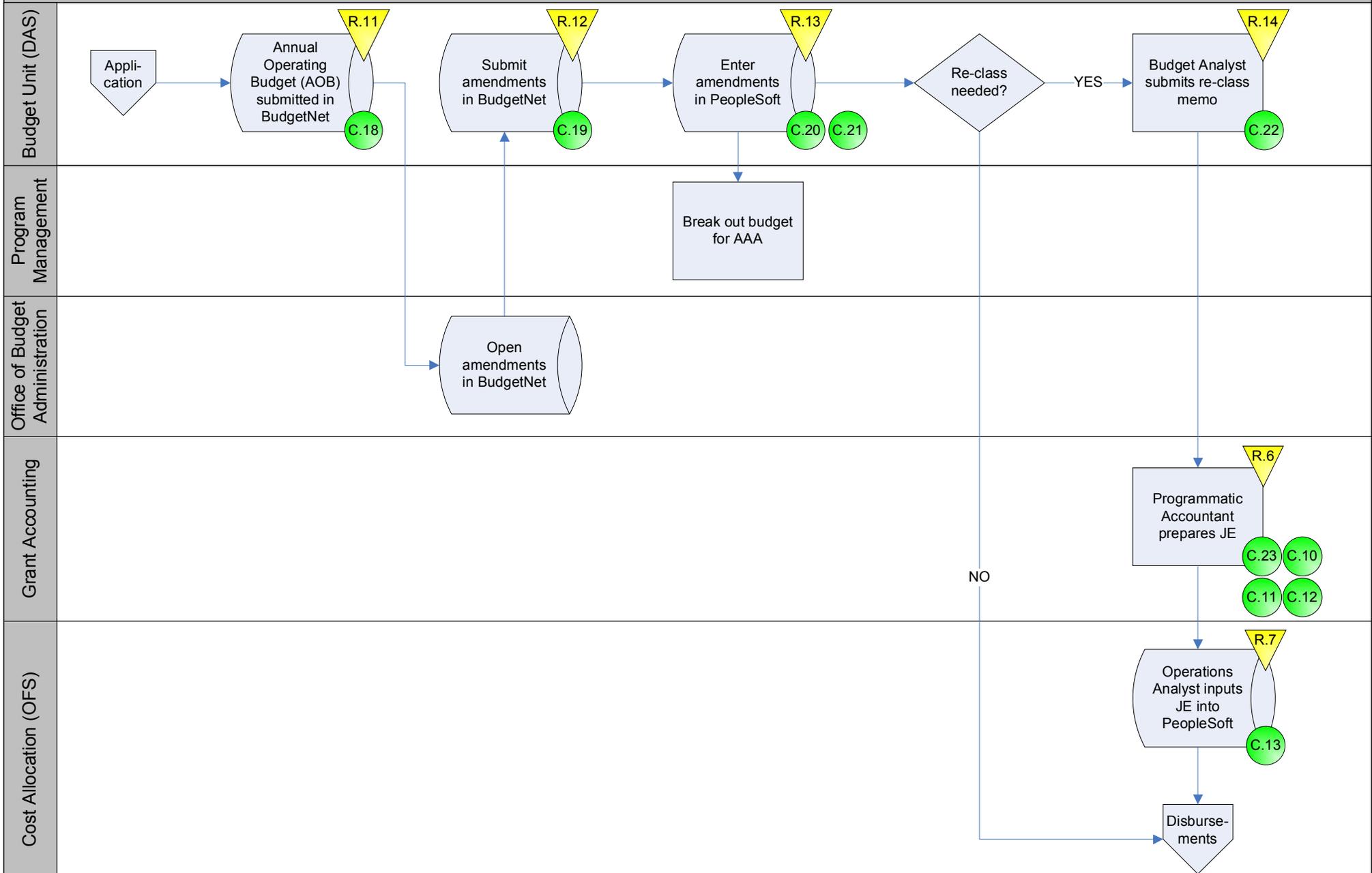
Process: DAS Grant Management  
 Sub-process: Grant Setup 2



Process: DAS Grant Management  
 Sub-process: Grant Setup Risks and Controls

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| Risks    | <p>R.2: Fund Source request is inaccurate/incomplete, resulting in untimely grant award set-up.<br/>         R.3: Fund Source utilized is incorrect resulting in misclassification/misuse of grant funding.<br/>         R.4: Fund Source input into PeopleSoft incorrectly, resulting in misclassification of grant funding.<br/>         R.5: Fund Source altered inadvertently prior to final activation in PeopleSoft.<br/>         R.6: Journal entry (JE) prepared inaccurately/incorrectly resulting in grant award misstatement.<br/>         R.7: Manual data entry errors unidentified resulting in grant award misstatement.<br/>         R.8: Project Code/Department Identifier request is inaccurate/incomplete, resulting in inability to spend funds and record expenditures accurately.<br/>         R.9: Project Code/Department Identifier input into PeopleSoft incorrectly, resulting in misclassification of grant funding.<br/>         R.10: Project Code/Department Identifier altered inadvertently prior to final activation in PeopleSoft.</p>   |
| Controls | <p>C.4: Grant Accounting receives a list of predetermined Grant Awards (year-to-year basis) from the grantors prior to the start of the Federal fiscal year and informs the Budget Unit to set up the Fund Sources for the awards in advance.<br/>         C.5: Fund Source request is reviewed/approved by the Budget Director to confirm request is complete/accurate (manual review).<br/>         C.6: Senior Budget and Financial Manager (Office of Budget Administration - OBA) reviews the Fund Source request (electronic version) and copy of Grant Award to confirm the Catalogue of Federal Domestic Assistance (CFDA) number is accurate and the request is complete.<br/>         C.7: Manager (Cost Allocations) reviews Fund Source request to note the request is complete/accurate, prior to approving PeopleSoft Chart Request.<br/>         C.8: Accounting Manager (State Accounting Office – SAO) reviews Fund Source request to confirm the request is complete/accurate, prior to adding the Fund Source to the “chart field tree”.<br/>         C.9: Fund Source is entered and activated in PeopleSoft by two (2) different departments (Cost Allocation and SAO) to provide segregation of duties.<br/>         C.10: JE voucher (hard copy) is reviewed and approved by Grant Accounting Manager/Grant Accounting Supervisor (manual sign-off).<br/>         C.11: JE voucher (hard copy) is reviewed and approved by OFS Director/Deputy Director (manual sign-off).<br/>         C.12: Grant Accounting utilizes a JE Log (electronically-Access Database) to organize JEs sequentially with corresponding descriptions.<br/>         C.13: Programmatic Accountant reviews JE via Document Direct or PeopleSoft query to confirm the entry was input correctly.<br/>         C.14: Budget Director reviews Project Code/Department Identifier request to verify the request is complete/accurate.<br/>         C.15: Manager (Cost Allocations) reviews Project Code/Department Identifier request (electronic version submitted to PeopleSoft Chart Request Mailbox) to confirm the request is complete/accurate.<br/>         C.16: Accounting Manager (State Accounting Office – SAO) reviews Project Code/Department Identifier request to confirm the request is complete/accurate, prior to adding to PeopleSoft.<br/>         C.17: Project Code/Department Identifier is entered and activated in PeopleSoft by two (2) different departments (Cost Allocation and SAO) to provide segregation of duties.</p> |

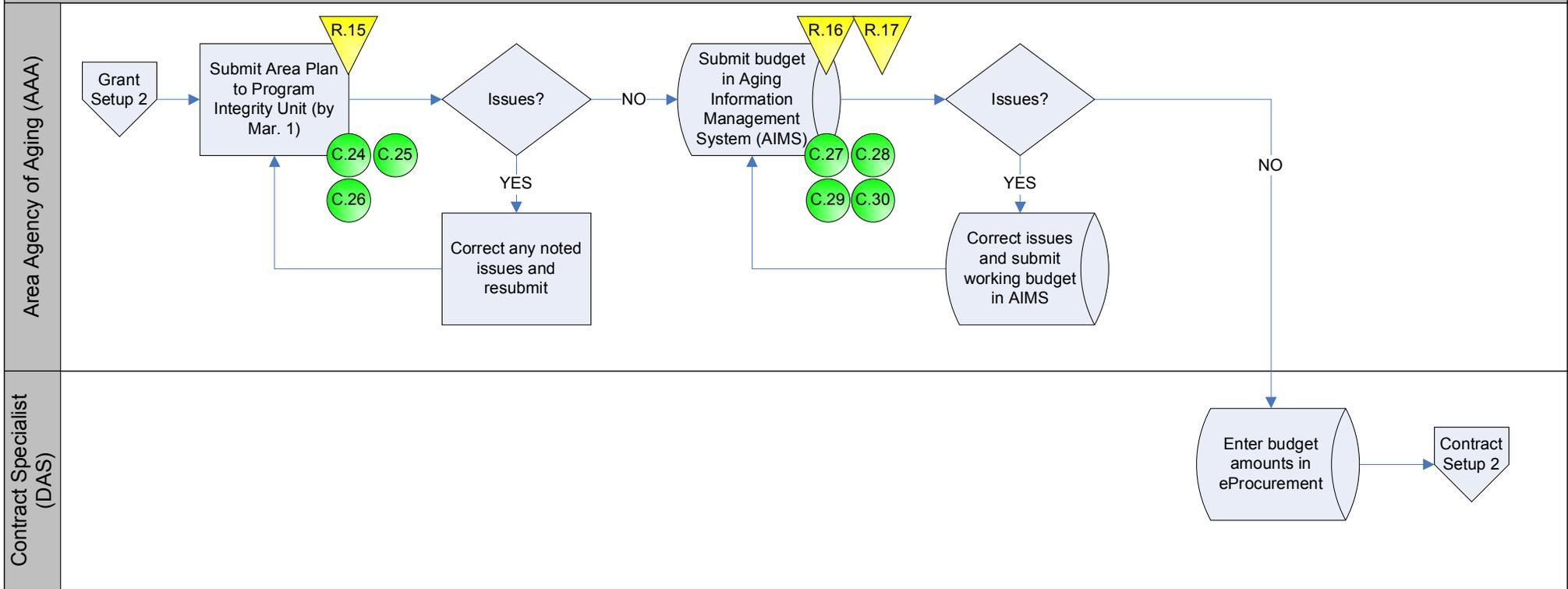
Process: DAS Grant Management  
 Sub-process: Budget Setup



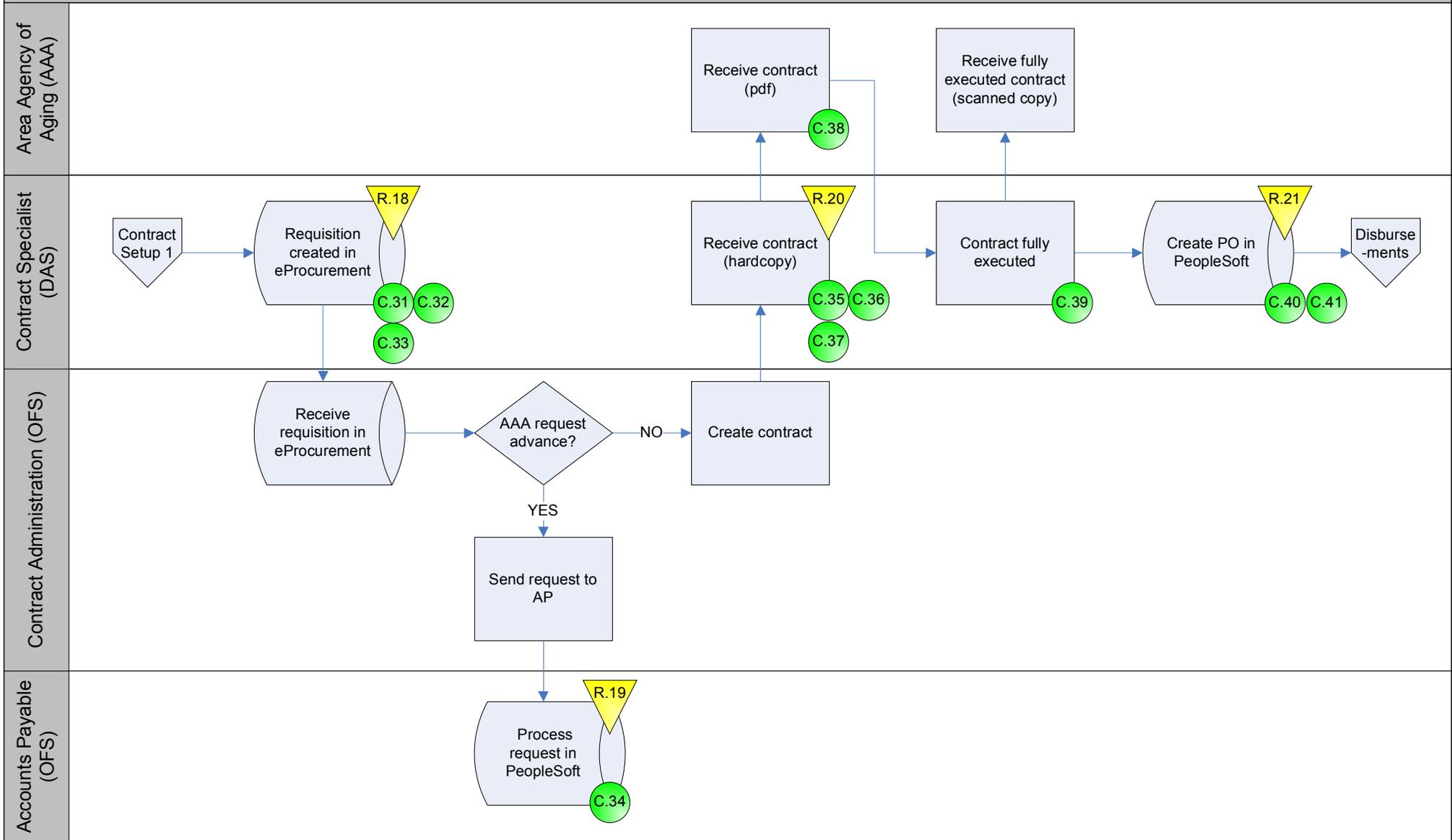
Process: DAS Grant Management  
Sub-process: Budget Setup Risks and Controls

| Risks    | <p>R.11: Unauthorized budget set-up, resulting in over-expenditure and misuse of grant funds.<br/>R.12: Unauthorized amendments made to budget resulting in inaccurate allocation of funds.<br/>R.13: Data input errors resulting in inaccurate budget reporting between PeopleSoft and BudgetNet.<br/>R.14: Re-class request for JE adjustment is not in compliance with the terms and conditions of the grant.</p>  |
|----------|---|
| Controls | <p>C.18: Office of Planning and Budget (OPB) reviews/approves Annual Operating Budget (AOB) in BudgetNet to confirm grant expenditures are allowable and the division's expenditures do not exceed budgeted amount stated in the Appropriations Bill.<br/>C.19: OPB approves amendments submitted in BudgetNet prior to input into PeopleSoft by the Budget Unit.<br/>C.20: OPB reviews/reconciles budget (fund sources and amounts) in BudgetNet and PeopleSoft (quarterly).<br/>C.21: Budget Analyst runs PeopleSoft Amendment Impact Report and matches to BudgetNet Report to confirm the two (2) systems are accurately reporting the budget (Budget Analyst files both reports).<br/>C.22: Budget Director reviews re-class memo to confirm the request is complete/accurate (manual sign-off).<br/>C.23: Programmatic Accountant reviews re-class memo with listing of grant identifiers and supporting PeopleSoft documentation prior to preparing the JE, to confirm the request is allowable within the grant terms and conditions.</p> |

Process: DAS Grant Management  
 Sub-process: Contract Setup 1



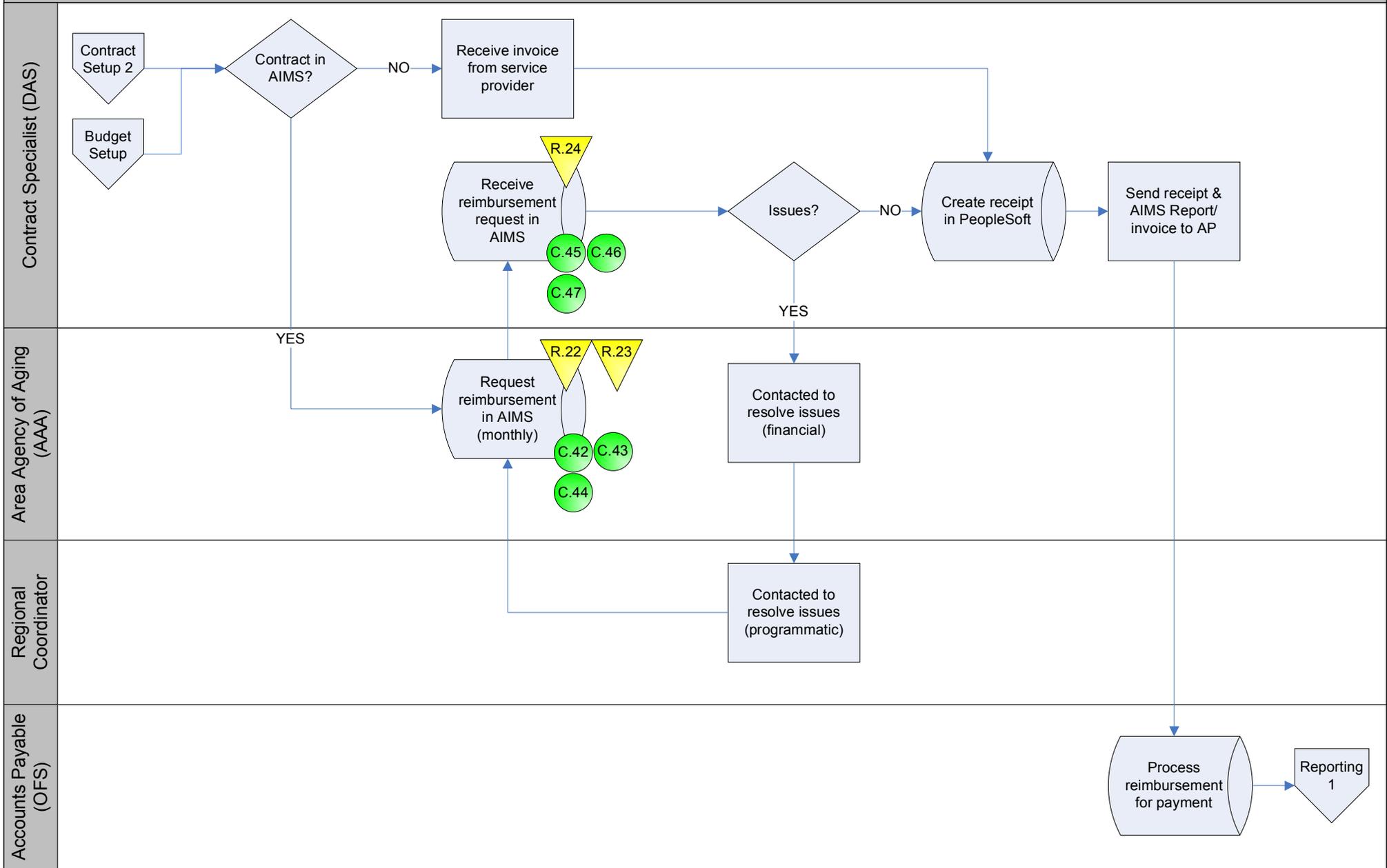
Process: DAS Grant Management  
 Sub-process: Contract Setup 2



Process: DAS Grant Management  
 Sub-process: Contract Setup Risks and Controls

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| Risks    | <p>R.15: Area Plan submitted by Area Agency of Aging (AAA) is inaccurate/incomplete resulting in misuse/misallocation of budgeted funds.<br/>         R.16: Budget entered by AAA in AIMS is inaccurate resulting in over/under spending of grant funds.<br/>         R.17: Unauthorized users have access to AIMS.<br/>         R.18: The requisition generated from eProcurement contains inaccurate budget amounts/codes resulting in misuse/misclassification of funds.<br/>         R.19: The AAA receives an advance in excess/noncompliance of the grant terms, resulting in misuse of grant funds.<br/>         R.20: The contract contains errors resulting in budget/compliance issues.<br/>         R.21: The PO created in PeopleSoft is inaccurate, resulting in misuse of grant funds.</p>   |
| Controls | <p>C.24: The Contract Specialist reviews the AAA's Area Plan for accuracy/completeness and matches the Area Plan to the Allocation Issuance Summary Spreadsheet, provided by the Division of Aging Service's (DAS) Chief Financial Officer (CFO), to confirm the funds are budgeted correctly in the Area Plan (manual sign-off).<br/>         C.25: The Regional Coordinator reviews the AAA's Area Plan to confirm it is complete/accurate (manual sign-off).<br/>         C.26: The Program Specialist reviews the AAA's Area Plan to confirm it is complete/accurate (manual sign-off).<br/>         C.27: The Fiscal Unit reviews/signs-off on the budget in AIMS to confirm the budget units/allocations match the Allocation Issuance Spreadsheet.<br/>         C.28: The Budget Unit reviews/signs-off on the budget in AIMS to confirm the allocations match the Allocation Issuance Spreadsheet.<br/>         C.29: Regional Coordinator reviews/signs-off on the budget in AIMS confirming accuracy/completeness.<br/>         C.30: At each AAA, there is a designated individual who is responsible for confirming the access to the system is limited to authorized users. (The AAAs can run a report in AIMS to view user access for each region and add/delete users.)<br/>         C.31: The requisition is auto-routed in eProcurement to the Budget Analyst, who confirms the correctness of the amounts/codes loaded into the system (eProcurement sign-off).<br/>         C.32: The requisition is auto-routed to the DAS CFO for approval (eProcurement sign-off).<br/>         C.33: The requisition is auto-routed to the Commissioner for approval prior to the Contract Administration department receiving the requisition (eProcurement sign-off).<br/>         C.34: The Contract Specialist reviews/approves the AAA's Advance Request during the set-up of the contract (manual review).<br/>         C.35: The contract is reviewed/approved by the Contract Specialist for completeness/accuracy (manual review).<br/>         C.36: The contract is reviewed/approved by the Director/Deputy Director for completeness/accuracy (manual review).<br/>         C.37: The contract is reviewed/approved by the CFO for completeness/accuracy (manual review).<br/>         C.38: The contract is reviewed/approved by the AAA for completeness/accuracy (manual review).<br/>         C.39: The contract is signed-off by the DAS Director to fully execute the contract prior to setting up the PO for the contract.<br/>         C.40: The PO created in PeopleSoft is reviewed/approved by the CFO in PeopleSoft (electronic sign-off).<br/>         C.41: The PO created in PeopleSoft is reviewed/approved by the Director/Deputy Director in PeopleSoft (electronic sign-off).</p> |

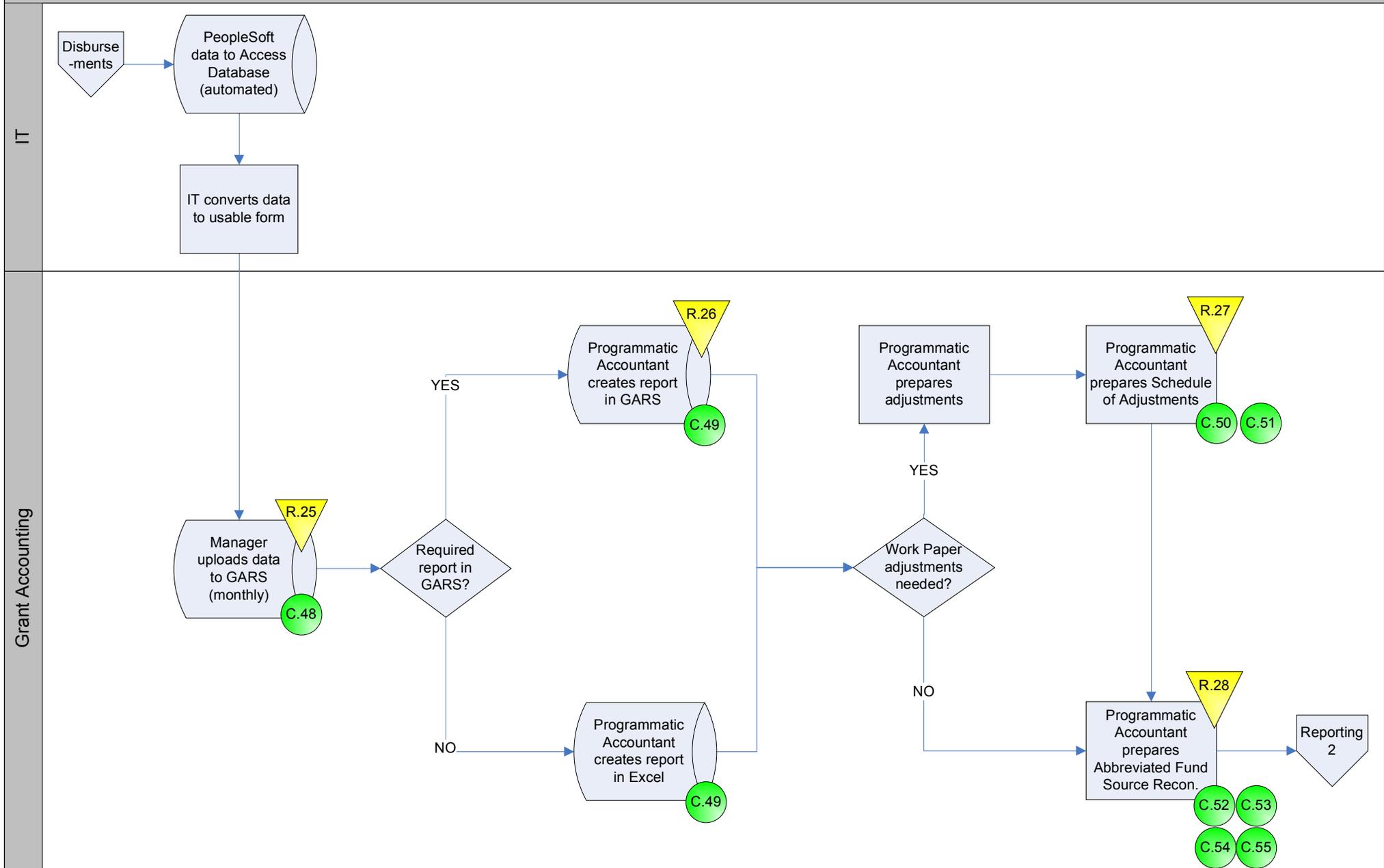
Process: DAS Grant Management  
Sub-process: Disbursements



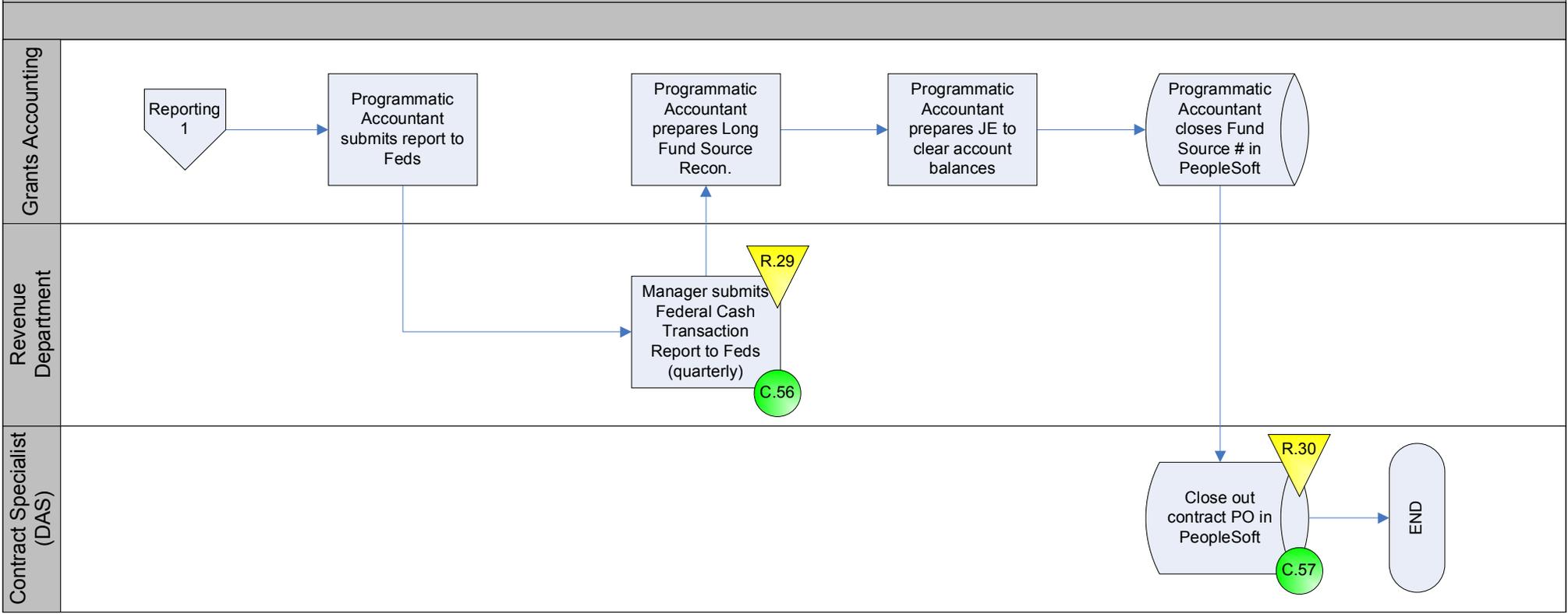
Process: DAS Grant Management  
Sub-process: Disbursements Risks and Controls

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| Risks    | <p>R.22: AAA over/under spends budgeted funds resulting in reduction of grant funds from the government in subsequent periods.<br/>R.23: AAA administers grant funds in noncompliance with the Area Plan and the Division of Aging Services (DAS).<br/>R.24: Reimbursements submitted in AIMS are inaccurate resulting in misuse/misallocation of funds.</p>   |
| Controls | <p>C.42: The Account Management Team (AMT) provides the AAA with Monthly Reports (and Expenditure Analysis Report quarterly) from PeopleSoft data during monthly meetings/midyear reviews to confirm the AAA is spending the budgeted funds accordingly and money is realigned if necessary.<br/>C.43: The Program Specialist/Regional Coordinator review the Program Performance Report monthly from AIMS to confirm the AAAs are spending in accordance with the budget (units, amounts, etc.) and notify the AAAs of any issues.<br/>C.44: Regional Coordinators perform quarterly site visits to the AAAs to note the AAA's compliance (e.g. fund management, services offered, etc.) with the Area Plan.<br/>C.45: AIMS does not allow the AAA to submit reimbursements for budgets/units/fund sources that were not preapproved by the DAS in the AIMS budget.<br/>C.46: The AAA reviews the service logs, budget to actual spending, and spending allowable in terms of contract and signs-off (electronically) on request for reimbursements prior to submitting.<br/>C.47: The Contract Specialist reviews the reimbursement request in AIMS and the Program Performance Report, to confirm correct units/dollar amounts/fund sources are used and signs-off in AIMS.</p> |

Process: DAS Grant Management  
 Sub-process: Grant Reporting 1



Process: DAS Grant Management  
 Sub-process: Grant Reporting 2



Process: DAS Grant Management  
 Sub-process: Reporting Risks and Controls

|          |   |
|----------|---|
| Risk     | <p>R.25: Data manipulation error, resulting in inaccurate grant reporting in Grant Accounting Reporting System (GARS).<br/>         R.26: Data input errors (manual/systematic) in preparation of report, resulting in misstatement of grant funds in report.<br/>         R.27: Inaccurate work paper adjustments made by Programmatic Accountant resulting in grant reporting errors.<br/>         R.28: Report created from GARS is inaccurate/incomplete resulting in misstatement of grant funds in report.<br/>         R.29: Disbursements submitted in the Federal Cash Transactions Report are incorrect resulting in misstatement of grant funds.<br/>         R.30: Contract is closed out prior to the AAA receiving all reimbursable funds.</p>  |
| Controls | <p>C.48: Accounting Manager runs queries to confirm the accuracy/completeness of the data transfer from PeopleSoft to GARS and makes necessary corrections in GARS to resolve any issues.<br/>         C.49: Programmatic Accountant performs reconciliation of the report balances to the "T-worksheet" balances.<br/>         C.50: Schedule of Adjustments is reviewed and approved by Grant Accounting Supervisor/Manager to confirm adjustments are necessary/accurate (manual sign-off).<br/>         C.51: Schedule of Adjustments is reviewed by the Director prior to input into GARS to confirm adjustments are necessary/accurate (manual sign-off).<br/>         C.52: Programmatic Accountant reconciles calculated availability on the Abbreviated Fund Source Report to the grant availability on the Balance Sheet to confirm the accuracy of the Grant Report.<br/>         C.53: Report and Routing Slip are sent to Grant Accounting Supervisor/Manager for manual review and sign-off.<br/>         C.54: Report and Routing Slip are sent to Division Budget Department (via email) for review and sign off to confirm GARS report numbers reconcile to the Division's PeopleSoft budget balances.<br/>         C.55: Report and Routing Slip are sent to OFS Director for manual review and sign off prior to submitting to the Feds.<br/>         C.56: Revenue Manager reconciles balances in Federal Cash Transactions Report to balances in final report from Programmatic Accountant to confirm the accuracy of report for all funds sent to the state.<br/>         C.57: The AAA's have 45 days after the contract end date to submit expenditures before the PO will be closed out.</p> |