

State of Georgia

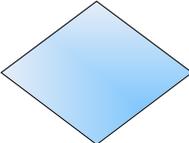
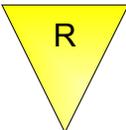
Project IMPROVE
Division of family and child services
Accounts payable process



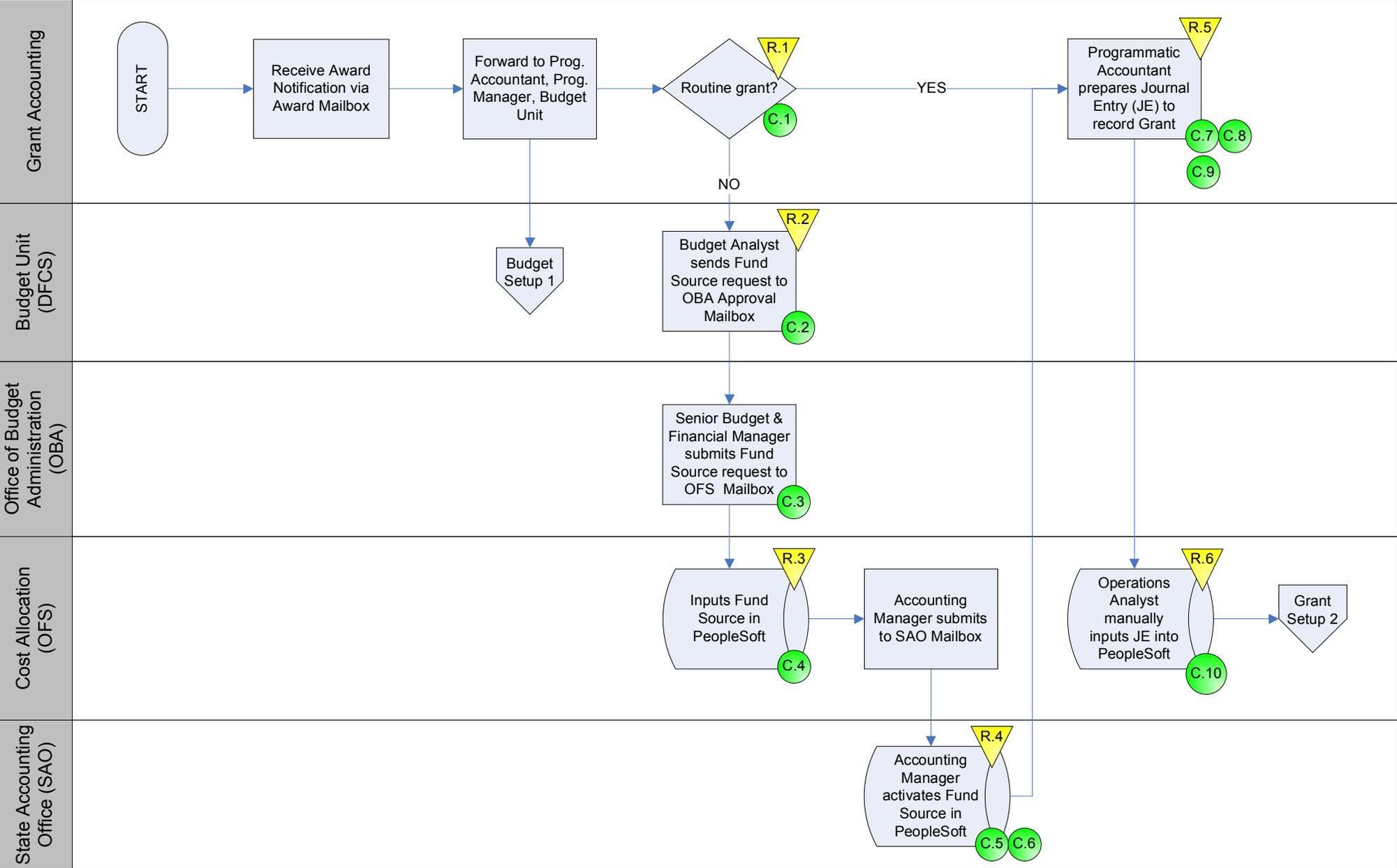
Process: Division of Family and Child Services (“DFCS”) Grant Management Summary

<p style="text-align: center;">Scope</p>	<ul style="list-style-type: none"> When the grant award is received by the DHS Grant Accounting Unit, the accounting codes are set up in PeopleSoft. The DFCS Budget Unit and Program Departments establish the budget allocations for each Regional Accounting Offices (RAO) and input into the Uniform Accounting System (UAS). The RAOs submit expenditures into UAS monthly, which are interfaced into 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.
<p style="text-align: center;">Sub-processes</p>	<ul style="list-style-type: none"> Grant Setup Budget Setup Disbursements Reporting
<p style="text-align: center;">Departments Involved</p>	<ul style="list-style-type: none"> Grant Accounting (OFS) Budget Unit (DFCS) Cost Allocations (OFS) Information Technology (IT) Output (OFS) Office of Budget Administration (OBA) Revenue Department (OFS) Program Department Regional Accounting Offices (RAO) State Accounting Office (SAO) Office of Planning & Budget (OPB) Grant-in-Aid Department
<p style="text-align: center;">Systems</p>	<ul style="list-style-type: none"> BudgetNet Grant Accounting Reporting System (GARS) PeopleSoft Uniform Accounting System

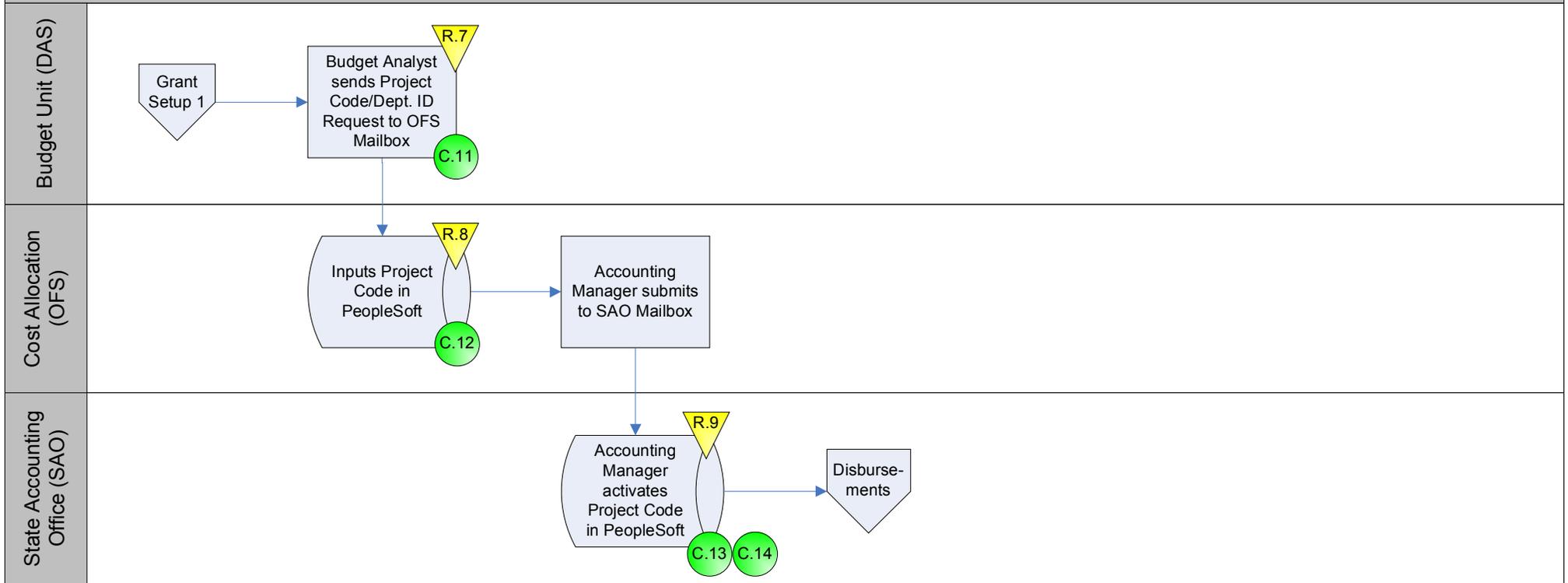
Process: DFCS Grant Management Legend

Symbols		Start/End of process		Off- page reference		Control
		Decision point		System interface		Risk
		Process		Document		
Acronyms	ACH – Automated Clearing House		MIER – Monthly Income Expense Report			
	AOB – Annual Operating Budget		OBA – Office of Budget Administration			
	CFDA - Catalogue of Federal Domestic Assistance		OFS – Office of Financial Services			
	DFCS – Division of Family and Children Services		OPB – Office of Planning and Budget			
	Feds – Federal Government		RAO – Regional Accounting Office			
	GARS – Grant Accounting Reporting System		SAO – State Accounting Office			
	IT – Information Technology		UAS – Uniform Accounting System			

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



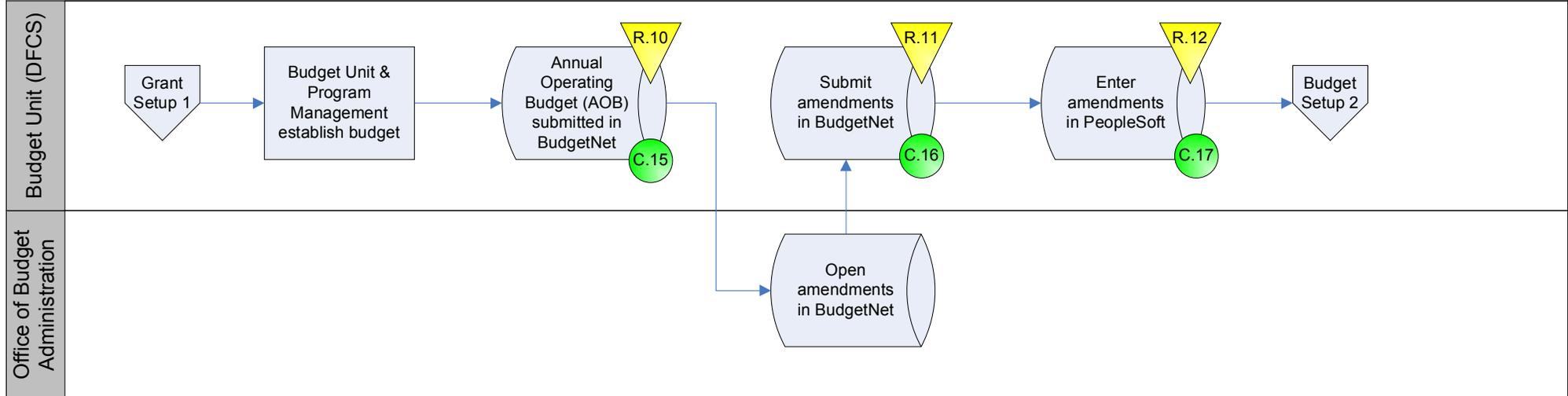
Process: DFCS Grant Management
 Sub-process: Grant Setup 2



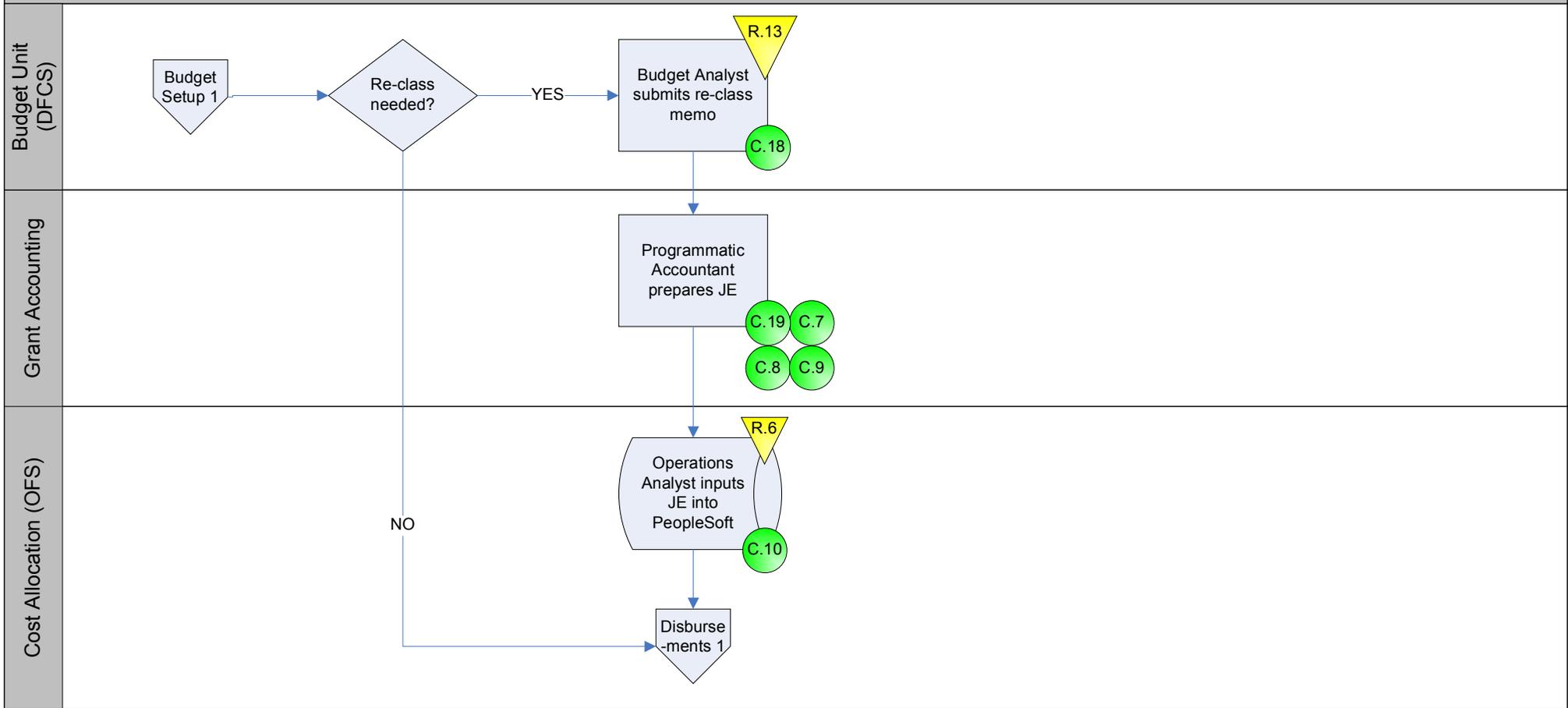
Process: DFCS Grant Management
 Sub-process: Grant Setup Risks and Controls

Risks	<p>R.1: Fund Source request is inaccurate/incomplete, resulting in untimely grant award set-up. R.2: Fund Source utilized is incorrect resulting in misclassification/misuse of grant funding. R.3: Fund Source input into PeopleSoft incorrectly, resulting in misclassification of grant funding. R.4: Fund Source altered inadvertently prior to final activation in PeopleSoft. R.5: Journal entry (JE) prepared inaccurately/incorrectly resulting in grant award misstatement. R.6: Manual data entry errors unidentified resulting in grant award misstatement. R.7: Project Code/Department Identifier request is inaccurate/incomplete, resulting in inability to spend funds and record expenditures accurately. R.8: Project Code/Department Identifier input into PeopleSoft incorrectly, resulting in misclassification of grant funding. R.9: Project Code/Department Identifier altered inadvertently prior to final activation in PeopleSoft.</p>
Controls	<p>C.1: Grant Accounting receives a listing 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. C.2: Fund Source request is review/approved by Budget Director to confirm request is complete/accurate (manual review). C.3: 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. C.4: Manager (Cost Allocation) reviews Fund Source request to note the request is complete/accurate, prior to approving PeopleSoft Chart Request. C.5: 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”. C.6: Fund Source is entered and activated in PeopleSoft by two (2) different departments (Cost Allocation and SAO) to provide segregation of duties. C.7: JE voucher (hard copy) is reviewed and approved by Grant Accounting Manager/Grant Accounting Supervisor (manual sign-off). C.8: JE voucher (hard copy) is reviewed and approved by OFS Director/Deputy Director (manual sign-off). C.9: Grant Accounting maintains a JE Log (electronically-Access Database) to organize JEs sequentially with corresponding descriptions. C.10: Programmatic Accountant reviews JE via Document Direct or PeopleSoft query to confirm the entry was input correctly. C.11: Budget Director reviews Project Code/Department ID request to confirm the request is complete/accurate. C.12: Manager (Cost Allocations) reviews Project Code/Department ID request (electronic version submitted to PeopleSoft Chart Request Mailbox) to confirm the request is complete/accurate. C.13: Accounting Manager (State Accounting Office – SAO) reviews Project Code/Department ID request to confirm the request is complete/accurate, prior to adding to PeopleSoft. C.14: Project Code/Department ID is entered and activated in PeopleSoft by two (2) different departments (Cost Allocation and SAO) to provide segregation of duties.</p>

Process: DFCS Grant Management
Sub-process: Budget Setup 1



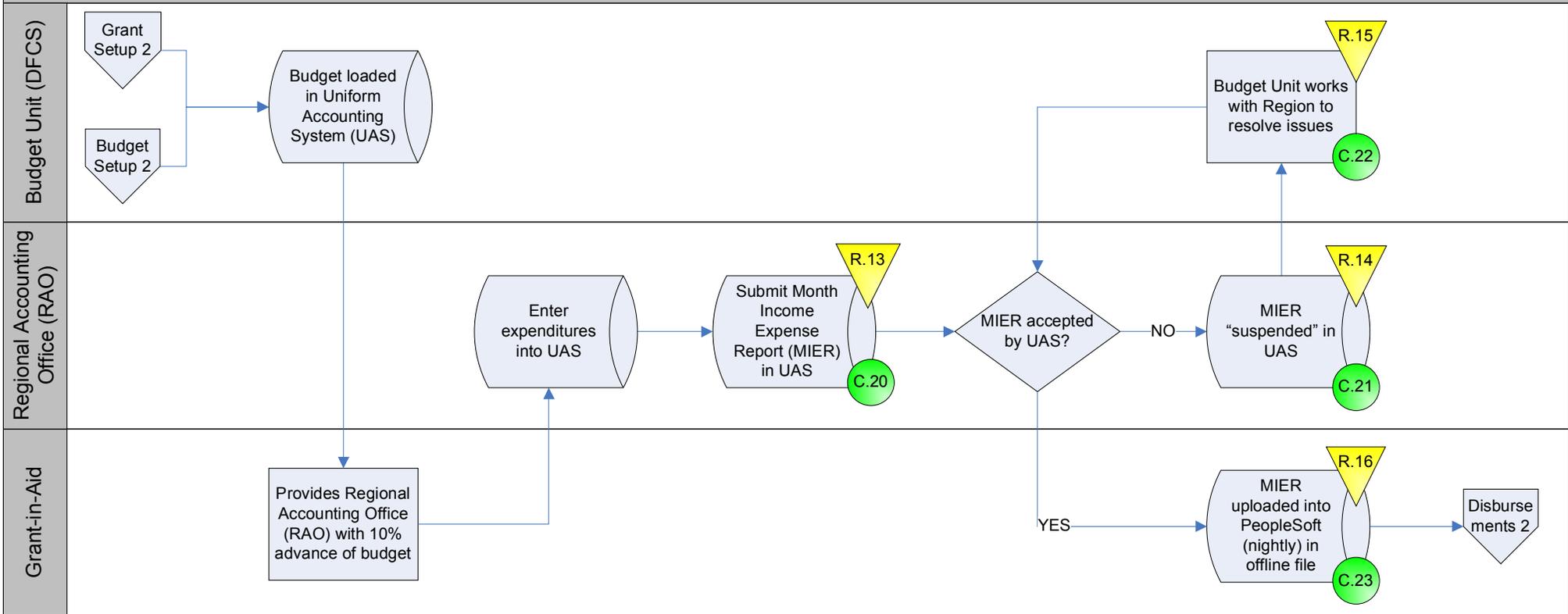
Process: DFCS Grant Management
 Sub-process: Budget Setup 2



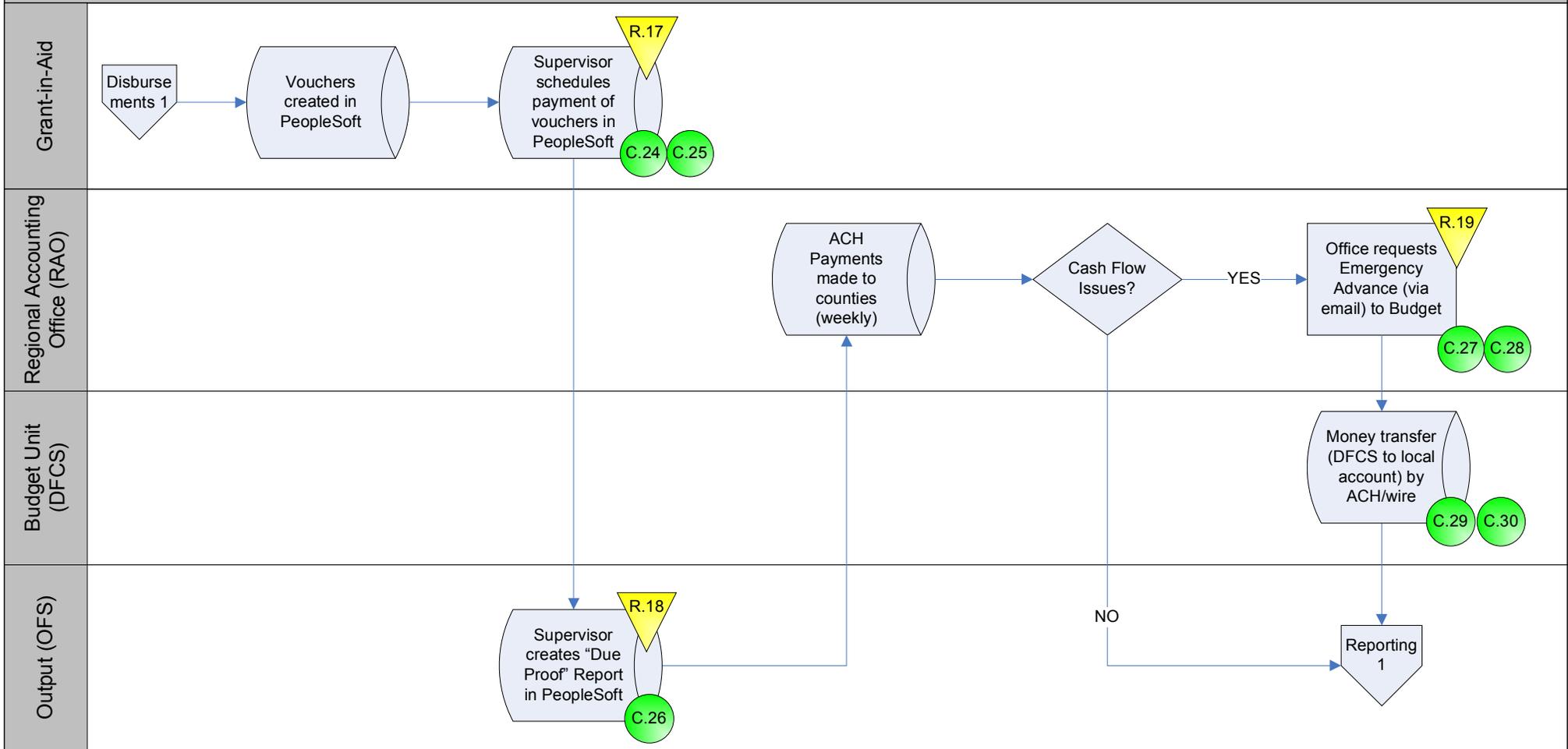
Process: DFCS Grant Management
Sub-process: Budget Setup Risks and Controls

Risks	<p>R.10: Unauthorized budget set-up, resulting in over-expenditure and misuse of state funds. R.11: Unauthorized amendments made to budget resulting in inaccurate allocation of funds. R.12: Data input errors resulting in inaccurate budget reporting between PeopleSoft and BudgetNet. R.13: Re-class request for JE adjustment is not in compliance with the terms and conditions of the grant.</p>
Controls	<p>C.15: 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. C.16: OPB approves amendments submitted in BudgetNet prior to input into PeopleSoft by the Budget Unit. C.17: OPB reviews/reconciles budget (fund sources and amounts) in BudgetNet and PeopleSoft (quarterly). C.18: Budget Director reviews re-class memo to confirm the request is complete/accurate (manual sign-off). C.19: 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: DFCS Grant Management
 Sub-process: Disbursements 1



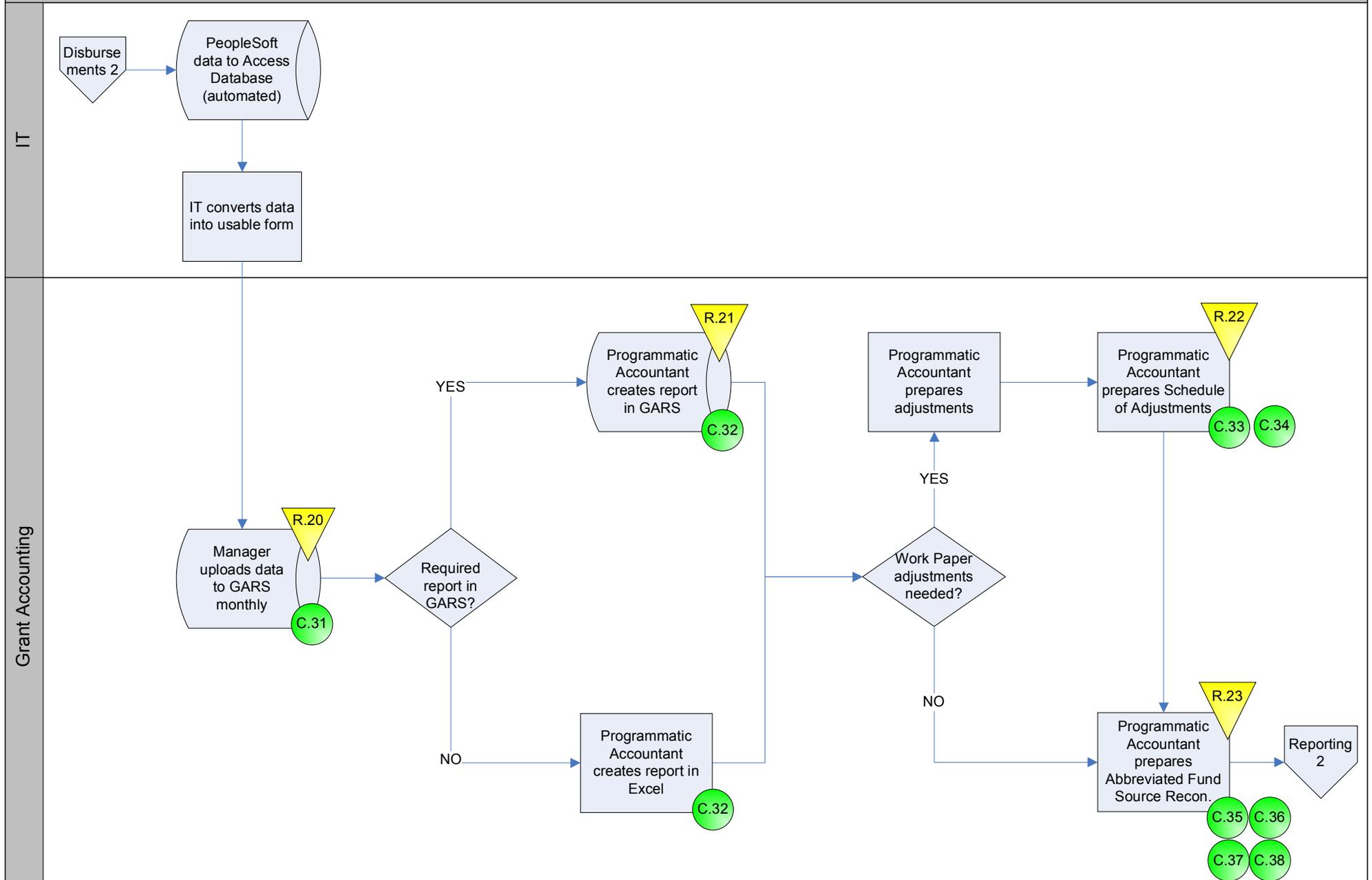
Process: DFCS Grant Management
 Sub-process: Disbursements 2



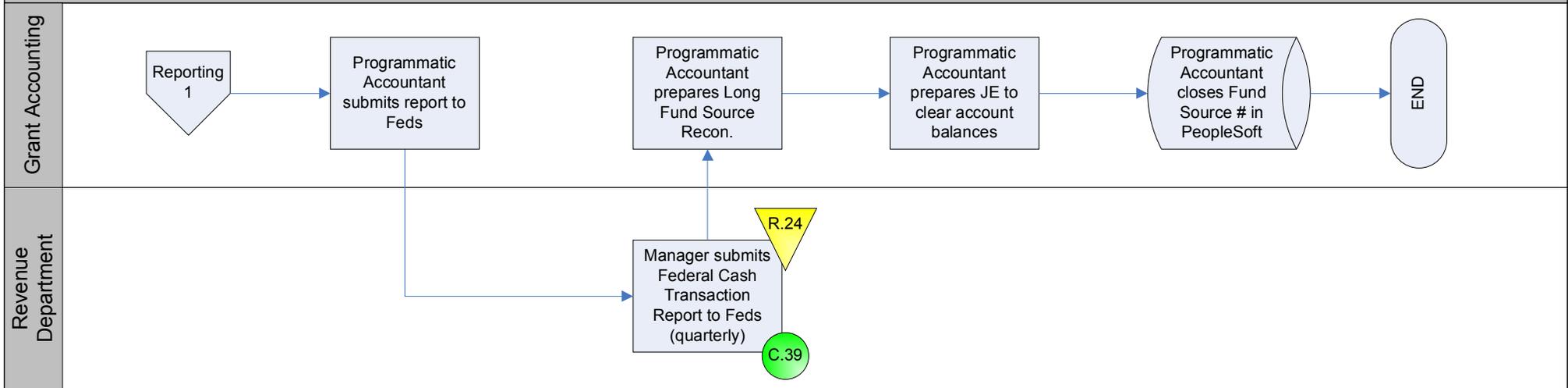
Process: DFCS Grant Management
 Sub-process: Disbursements Risks and Controls

Risks	<p>R.13: Monthly Income Expense Report (MIER) expenditures are not in compliance with the grant terms and conditions (due to lack of support/details).</p> <p>R.14: Regional Accounting Office (RAO) receives funds in excess of initial budget resulting in shortage of grant funds.</p> <p>R.15: Budget Unit is unable to fulfill the Regional County Office's expenditure needs due to lack of funds.</p> <p>R.16: Extraction or upload errors resulting in data corruption and inaccurate monthly expenditures in PeopleSoft.</p> <p>R.17: PeopleSoft vouchers created from monthly expenditures are in excess of Grant-in-Aid's monthly budget.</p> <p>R.18: Grant payments uploaded for payment processing are in excess of funds drawn down for payment, resulting in inability to process payments.</p> <p>R.19: RAO receives emergency advance that is not in compliance with the terms of the grant, resulting in misuse/misstatement of grant funds.</p>
Controls	<p>C.20: RAO review/approve expenditures and supporting documentation prior to entering in the Uniform Accounting System (UAS) and submitting into PeopleSoft for reimbursement.</p> <p>C.21: UAS will not allow MIER expenditures to exceed the initial budget amount (total MIER will not be input into PeopleSoft).</p> <p>C.22: Division Budget Unit will keep a reserve amount of the grant budget on hand in case of budget issues/shortages.</p> <p>C.23: Grant-in-Aid Supervisor confirms that the MIER data from UAS was accurately transferred in an offline upload voucher file into PeopleSoft (daily).</p> <p>C.24: Vouchers posted in PeopleSoft are created with "hold" payment status, until the Grant-in-Aid Supervisor manually enters a payment date into the voucher to confirm funds are not used in excess of budget.</p> <p>C.25: Grant-in-Aid Supervisor reviews all unpaid vouchers by fund source (weekly) and identifies what vouchers to pay/hold in relation to the cash flow (state and federal funds) calculated on the Summary Spreadsheet.</p> <p>C.26: Output Supervisor reviews Due Proof Report in PeopleSoft and reconciles to Summary Spreadsheet to confirm the draw down amount necessary to process/pay all grant payments scheduled for payment (daily).</p> <p>C.27: Fiscal Service Manager (Budget Unit) reviews advance request to note request is allowable within the grant terms and the budget.</p> <p>C.28: Office of Financial Services (OFS) Director reviews the request to confirm compliance with the terms of the grant.</p> <p>C.29: Advance is input into PeopleSoft and Uniform Accounting System (UAS) to allow for consistency in tracking the budget.</p> <p>C.30: Fund transfer is approved by Revenue Department (for wire transfer) or Output Supervisor (for ACH payment) prior to transfer.</p>

Process: DFCS Grant Management
 Sub-process: Reporting 1



Process: DFCS Grant Management
Sub-process: Reporting 2



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

Risk	<p>R.20: Data manipulation error, resulting in inaccurate grant reporting in Grant Accounting Reporting System (GARS). R.21: Data input errors (manual/systematic) in preparation of report, resulting in misstatement of grant funds in report. R.22: Inaccurate work paper adjustments made by Programmatic Accountant resulting in grant reporting errors. R.23: Report created from GARS is inaccurate/incomplete resulting in misstatement of grant funds in report. R.24: Disbursements submitted in the Federal Cash Transactions Report are incorrect resulting in misstatement of grant funds.</p>
Controls	<p>C.31: 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. C.32: Programmatic Accountant performs reconciliation of the report balances to the T worksheet balances. C.33: Schedule of Adjustments is reviewed and approved by Grant Accounting Supervisor/Manager to confirm adjustments are necessary/accurate (manual sign-off). C.34: Schedule of Adjustments is reviewed by the Director prior to input into GARS to confirm adjustments are necessary/accurate (manual sign-off). C.35: 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. C.36: Report and Routing Slip are sent to Grant Accounting Supervisor/Manager for manual review and sign-off. C.37: 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. C.38: Report and Routing Slip are sent to OFS Director for manual review and sign off prior to submitting to the Feds. C.39: 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.</p>