

SOPP # 711 (TREASURY) GRANT & PROJECT MANAGEMENT	<u>Prepared By:</u> Department of Finance
<u>Effective Date:</u> 5/19/10	<u>Approved By:</u> Commissioner of Finance
Title	MANAGEMENT OF ELECTRONIC DRAWDOWN OF FEDERAL FUNDS FOR GRANT EXPENSES
Purpose	<p>To provide a comprehensive, coordinated, timely, and secure policy for managing the federal draw down of funds for payment of grant-related expenses</p> <p>To ensure that those who are responsible for electronic federal drawdown work processes have adequate information in a timely manner and can perform all of their duties in an accurate manner.</p> <p>To meet all cash requirements for grant management in compliance with federal CMIA policies and;</p> <p>To provide accurate recordkeeping.</p>
Policy	<p>KEY POINTS OF CONTACT:</p> <p>Each Department/Agency Head, Senior Financial Manager, Grant Accountant, must:</p> <ul style="list-style-type: none"> • Identify a supervisory level key point of contact responsible for managing all federal draw downs of grant funds. See Appendix Form #____. A backup person should also be appointed. The following information for each key point of contact must be submitted to the Treasury Division of the Department of Finance within ten (10) calendar days of any change(s) made to personnel: <ul style="list-style-type: none"> ○ Department/Agency, ○ First, Last Name and Position Title for main key point of contact ○ First, Last Name and Position Title for backup ○ Phone, Fax, and Government email address • Provide the Treasury Division with a listing of all agency employees who perform federal drawdown functions as well as their access codes in the federal drawdown system. If there is a change in any of these employees or access codes, the Department/ Agency will notify the Treasury Division within ten (10) calendar days. Information to be provided: <ul style="list-style-type: none"> ○ Department/Agency, ○ First, Last Name and Position Title ○ Phone, Fax, and Government email address

	<ul style="list-style-type: none"> ○ Access codes for federal drawdown system <ul style="list-style-type: none"> ● Maintain procedures within the Department/Agency to ensure that employees who handle federal draw downs must first contact the internal supervisory key point of contact to resolve issues prior to contacting the Treasury Division unless the key point of contact determines that direct contact is necessary. <p>The Director of the Treasury Division in the Department of Finance must identify a key point of contact within the department to resolve federal drawdown-related issues. See Appendix Form #___. The following information will be provided to each key point of contact within a Department/Agency:</p> <ul style="list-style-type: none"> ○ First, Last Name and Position Title ○ Phone, Fax, and Government email address <p>FEDERAL DRAWDOWN POLICIES:</p> <p>Agencies and Departments</p> <ul style="list-style-type: none"> ● Are strictly prohibited from drawing down of federal funds prior to check issuance, unless authorized by their grant. ● Will be provided with the “Paid Invoice Report By Department” via the Treasury Division, which outlines non-personnel or personnel related checks paid against grant funds. Among other things, the report will identify the grant program and the amount of the disbursement for either non-personnel or personnel related expenses chargeable to a grant.
<p>Responsibilities</p>	<p>Agencies and Departments are responsible for:</p> <ul style="list-style-type: none"> ● Identifying whether the expense identified on the report is reimbursable at 100%, or whether the grant requires a different percentage, ● Drawing down the correct amount based on the terms and conditions of the grant, ● Identifying the terms and conditions of a grant which allow funds to be drawn down for indirect costs, ● Correctly calculating the available indirect funds,

	<ul style="list-style-type: none"> • Properly making the federal draw downs, • Posting the draw downs in the ERP within twenty four (24) hours of performing the draw down transaction and, • Notifying the Treasury Division that the drawn down has occurred. <p>The Department of Finance (DOF) is responsible for;</p> <ul style="list-style-type: none"> • Preparing and faxing the “Paid Invoice Report by Department” of non-personnel expenses process for grant related expenses to the department and agencies daily. • Preparing and faxing a summary of personnel expenses paid by federal grants on a bi-weekly basis.
<p>Procedures</p>	<p><u>Department of Finance:</u></p> <p>FEDERAL DRAWDOWN PROCEDURES/REQUIREMENTS:</p> <p>The key point of contact at Treasury</p> <ul style="list-style-type: none"> • Prepares on a daily basis, the “Paid Invoice Report by Department” of non-personnel expenses processed for grant-related expenses. The report identifies the <ol style="list-style-type: none"> 1. department, 2. grant project code, 3. disbursement date for the checks, 4. amount of the check, and the 5. suggested drawdown date. • Faxes the report is to the Department by close of business on the same day. • Prepares on a bi-weekly basis, summary level information of personnel expenses paid for federal grant projects. The report identifies the <ul style="list-style-type: none"> ○ department, ○ grant project code, ○ disbursement date for the checks ○ amount of the payroll-related expense, and the ○ expected drawdown date.

	<ul style="list-style-type: none"> • Faxes the personnel information to the Department/Agency by close of business on the same day. <p><u>Departments and Agencies</u></p> <p>The key point of contact at each Agency/Department is required to</p> <ul style="list-style-type: none"> • Draw down funds, or supervise the drawdown of funds, for both the non-personnel and personnel expenses on the identified drawdown date. • Identify any errors on the “Paid Invoice Report By Department”, • Immediately notify the Director of Accounting at the Department of Finance of the error. If an error is reported and the check must be voided, no drawdown for these funds is necessary. • Check the totals of the summary of personnel expenses paid for by federal grants, against their own payroll information. • Identify any errors on the report, and immediately notify their internal contact within the Payroll Division at the Department of Finance, who must immediately take all necessary to correct the issue in the future, and will prepare a journal entry to correct the coding. The drawdown should include the miscoded information because the next payroll run will include the journal entry for the correction. • Apply the correct percentage to the drawdown for each grant. In some instances, the expense is 100% reimbursable; in other instances, the expense is reimbursable at 80%, 50%, 10% or other percentages. • Draw down funds to cover indirect expenses as allowed by each grant. When these amounts are determined and drawn, the key point of contact at Treasury <i>must</i> be notified. • Enter, or supervise the entry, of federal drawdown information into the ERP system, using the Miscellaneous Cash Receipts Module and the proper account codes. The ERP entries must be made within twenty-four hours (24) of performing the drawdown. • Notify the key point of contact within the Treasury Division on a daily basis that a federal drawdown has occurred. If the drawdown is for less than 100% of the original expense, or if the drawdown is for indirect costs, the key point of contact at Treasury must be notified of this fact.
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	<p>The key point of contact in the Treasury Division will</p> <ul style="list-style-type: none"> • Notify each Agency/Department of the date of receipt of the funds into the local bank. Based on this date information, the Agency/Department will enter and post the drawdown into the ERP. • Run a release/unreleased report daily to identify federal revenues entered in the ERP and, • Reconcile these amounts with the bank statement prior to posting to the general ledger. • Access the bank records to identify the code for the agency that performed the federal drawdown, if the they did not receive notification from an agency regarding a drawdown, or is unable to identify a drawdown that appears on the bank statement, and <p>Enter the unidentified information on an excel spreadsheet and immediately notify the supervisor in Treasury.</p> <ul style="list-style-type: none"> • Fax the bank confirmation sheet and bank statement to the key point of contact within the negligent Department/Agency, if an unidentified drawdown does not clear within a week. • Notify the Commissioner or Agency Head of the agency performing the federal drawdown, if an unidentified drawdown does not clear within two weeks. <p>REVIEW AND RECORDKEEPING:</p> <p>The key point of contact in Treasury will develop and maintain</p> <ul style="list-style-type: none"> • A current listing of employees in each agency who have authority to draw down federal grant funds, known as the ACTIVE DRAWDOWN LIST. This list will be reviewed and updated annually. • An excel worksheet on a monthly basis for all draw downs that have properly cleared, known as the CMIA REPORT. This report will be available on a regular basis for review of the CMIA requirements. • An excel worksheet by agency on a monthly basis of federal draw downs that have not cleared for more than 30 days, known as the UNCLEARED REPORT. This report will be submitted to the
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	<p>Commissioner of Finance and the respective Agency Head on a monthly basis.</p> <p>Departments/Agencies must retain copies of draw down documents for a minimum of seven (7) years from the date of the drawdown.</p> <p>The Treasury Division must retain draw down documents for a minimum of seven (7) years from the date of the drawdown.</p>
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Revision History

Revision #	Date	Description of changes	Requested By
0	03/30/10	Initial Release	VC
1	05/19/10	Conform to format	JL
2	05/19/10	Review	VC
3	06/3/10	Final Review	AED