

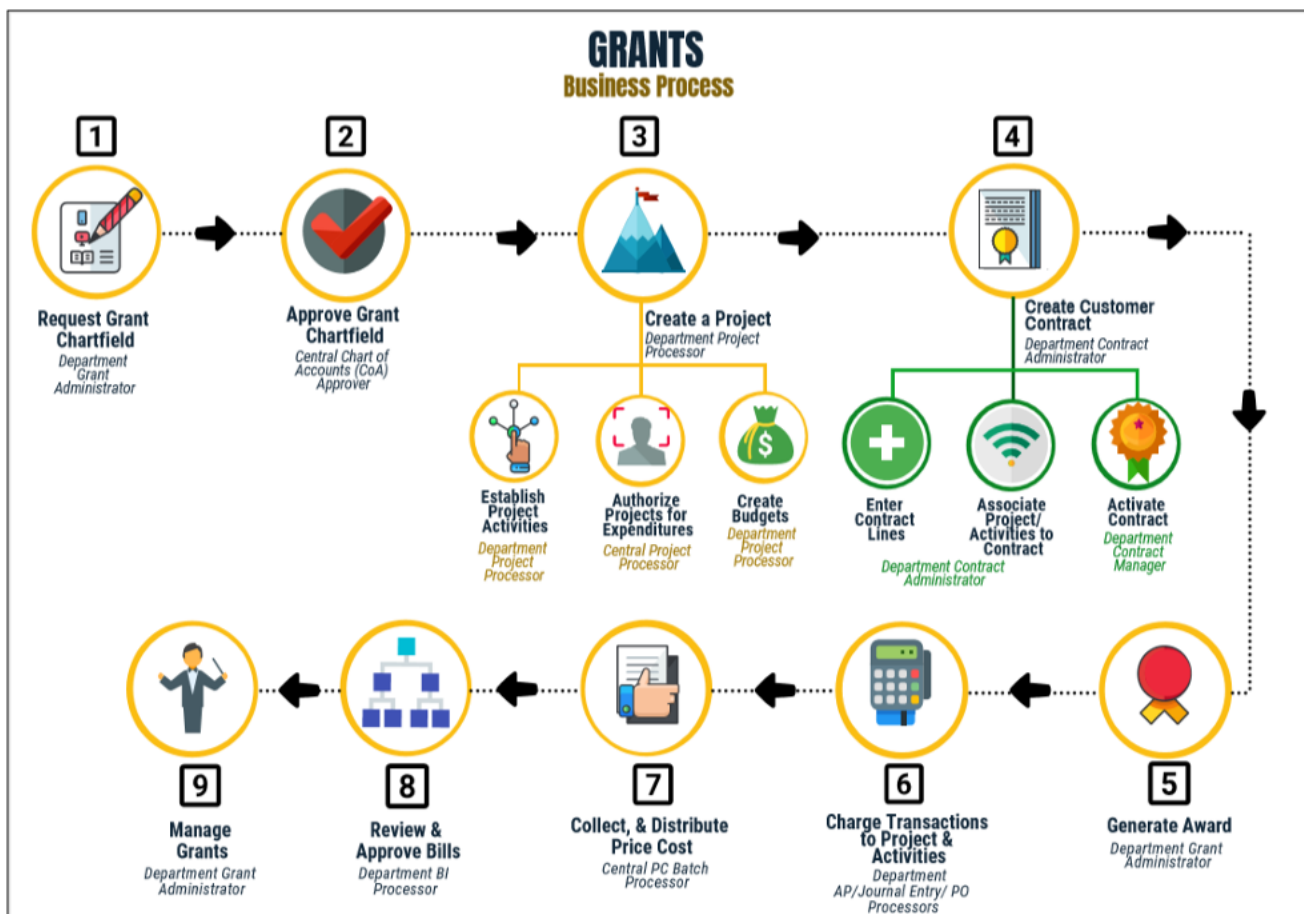
ACCOUNTING, BUDGETING AND REPORTING FOR GRANTS

SUMMARY

The purpose of this policy is to establish accounting and budgeting procedures applicable to federal, state, and local or private grants awarded to Miami-Dade County (hereinafter referred to as the “grant”). Through this procedure Miami-Dade County sets forth uniform standards to ensure that records in the County’s financial management system, Integrated Financial Resources Management System (INFORMS), are sufficient to permit the preparation of required reports and the tracing of funds to a level of expenditures adequate to establish funds have been used (by the department(s) receiving the grant) in accordance with applicable federal, state, and local laws and regulations, and the terms and conditions of the award/grant agreement/contract.

GRANT BUSINESS PROCESS

By: Task / INFORMS User Role (Responsible for action)



PROCEDURE

Upon receipt of the grant, the department (with the guidance of Central Finance) must establish a unique set of values (i.e., Grant ChartField) and Award Profile in order to identify transactions and track the financial activities of the grant by following the Grants Business process outlined above. Key Tasks in this process have been provided below along with the corresponding INFORMS Manual for quick reference.

Key Tasks <i>(in order of execution)</i>	INFORMS End-User Training Guide (TG)
Request Grant ChartField (must upload the Grant/Award Agreement & BCC Resolution)	Course Code: FIN 301 Course Title: Managing the General Ledger
Create a Project ID <ul style="list-style-type: none"> • Establish Project Activity(s) 	Course Code: FIN 209A Course Title: Create, Maintain, Budget Operating & Grant Projects
Create Budget (Commitment Control)	Course Code: FIN 206 Course Title: Enter and Process Budget Journal
Create a Customer Contract <ul style="list-style-type: none"> • Enter Contract Lines • Associate Project/Activities to Contract • Activate Contract 	Course Code: FIN 210 Course Title: Create and Amend Contracts
Generate Award Profile (award identification)	Course Code: FIN 211 Course Title: Create and Maintain Grants

“Post-Award activities are largely accomplished through the Project Costing, Contracts and Billing modules. Since Grant Award budgets and expenditures are stored and tracked by Grant ChartField, Project ID and Activity ID, the Project Costing module plays a major role in Grants reporting. The Contracts and Billing modules facilitate billing and revenue accounting entries.”¹

Budgeting

Upon receipt of an award/contract, the Department’s budget must be amended in the INFORMS’ Commitment Control module through a Budget Journal in order to establish the grant budget. Budget Journal documents are created utilizing the grant’s unique chartfield combination to facilitate the separate identification, tracking and reporting of budgets under each award/contract. The Commitment Control module will enable the department to check actual expenditures and revenues against the grant budget. Refer to TG Course Code: FIN 208, Course Title: Budget Inquiry and Reporting (Department) for grant specific reporting options.

¹ INFORMS Course Code and Title: FIN 211, Create and Maintain Grants. (2021, April). Retrieved from <https://www.miamidade.gov/global/humanresources/training/informs.page>,

Expenditures

All purchases shall be made in accordance with applicable federal, state and local statutes or regulations² and the terms and conditions of the award/grant agreement.

Departments receiving a federal award are responsible for the development of written internal procedures for determining the allowability of costs in accordance with 2 CFR 200³, subpart E, Cost Principles, and the terms and conditions of the federal award for their managed grants.

All grant expenditure transactions shall be recorded in INFORMS using the grant's unique established Chartfield which includes the Fund Code, Department, Grant ID, PC Business Unit, Project ID, Activity, and appropriate expense Account reflecting the nature of the cost.

Sample Expenditure Transaction (AP Transaction):

AP Business Unit	Account	Dept	Fund	Grant	PC Business Unit	Project	Activity	Amount
FR	5XXXXXXXXX	FRXXXXXXXX	S2001	FRXXXXXX	FR	FRXXXXXX	OPER_TRAIN_EXER	5,800.00
FR	2201000000	FRXXXXXXXX	S2001	FRXXXXXX	FR	FRXXXXXX	OPER_TRAIN_EXER	-5,800.00

Revenues

The Billing process in INFORMS eliminates the manual creation of Accounts Receivable (A/R) entries.

Departments must select the most appropriate Customer Contract type (refer to list below) in INFORMS to complete the Billing process for each grant managed.

- 1) GRANT_MANUAL_BILL
- 2) GRANT_NOMATCH
- 3) GRANT_MATCH
- 4) CAPITAL-GRANT

Revenues should be charged to account 431XXXXXXXX (federal grants); account 434XXXXXXXX (state grants); or account 4699000001 (for all other grants).

Refer to TG Course Code: FIN 203, Course Title: Create and Finalize Bills and related Job Aids for detailed instructions on how to manage the Grants Billing process in INFORMS.

Sample Revenue Transaction (Earned):

GL Business Unit	Account	Dept	Fund	Grant	PC Business Unit	Project	Activity	Amount
MDADE	1127XXXXXX	FRXXXXXXXX	S2001	FRXXXXXX	FR	FRXXXXXX	OPER_TRAIN_EXER	5,800.00
MDADE	434XXXXXXXX	FRXXXXXXXX	S2001	FRXXXXXX	FR	FRXXXXXX	OPER_TRAIN_EXER	-5,800.00

² Refer to the Miami-Dade County's "Internal Services Department Procurement Guidance Document and Best Practices Manual".

³ Refer to Miami-Dade County Procedure Number 363, Federal Grants Management, for applicability.

Grant Cost Sharing or Matching

Cost sharing or matching grants are conditional awards that require the County to fund a portion of projection costs through cash and/or in-kind contributions.

Departments managing federally funded grants with this provision must follow §200.306⁴ to determine if the shared costs or matching funds and all contributions meet all the required criteria to be accepted as such.

The County's responsibility (grant cost sharing or match) should be recorded as a credit to an inter-fund transfer-in revenue account (481XXXXXXX) in the grant fund and a debit to an inter-fund transfer out expense account (55XXXXXXX, except for 557XXXXXXX) in the general/operating fund.

Sample Grant-Match Transaction:

GL Business Unit	Account	Dept	Fund	Grant	PC Business Unit	Project	Activity	Amount
MDADE	55XXXXXXX	FRXXXXXXX	SF001	NO-GRANT				5,000
MDADE	481XXXXXXX	FRXXXXXXX	S2001	FRXXXXXX	FR	FRXXXXXX	ADMIN	-5,000

General Ledger Accountability

Periodic reconciliations of balances in INFORMS shall be performed to ensure general ledger balances are supported by subsidiary ledgers (modules) or other appropriate documentation. At a minimum, a budget to actual expenditure report and general ledger activities should be reviewed when preparing drawdowns, at fiscal year-end, and at closeout. This examination should include a general review of revenue and expenditure accounts and appropriate action shall be taken to correct errors discovered during these reconciliations.

Cash Management

Refer to Procedure 363-B, *Grants Procedures – Cash Management and Record Retention*.

Grant Reporting

County departments managing grants must review the grant's Notice of Award/grant agreement for grant specific requirements related to reporting, program submissions and their respective due dates.

As part of a best practices strategy for compliance with grant reporting requirements, it is strongly recommended that the list of grant specific reporting requirements (with corresponding deadlines) be updated on a shared calendar or similar document/app that allows staff responsible for ensuring that reporting requirements are met to view this information on a regular basis with the goal of planning and executing submissions by the provided deadlines or allow for the timely request of a deadline extension (from the grantor) when justified.

All grant related reports and submissions must be reviewed by a separate staff from the person submitting the report for accurateness and completion. Evidence of this review may include, but is not limited to, an email (sent by the person performing the review); be provided in writing (digital or handwritten); or be an integral part of the submission.

⁴ *Supra* note 3, at 3.

REFERENCE DOCUMENT(S):

Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards

Strategic Procurement Policy and Legislation available at

<https://www.miamidade.gov/global/strategic-procurement/procedures-legislation.page>

INFORMS End User Training Guides

<https://www.miamidade.gov/global/humanresources/training/informs.page>

CONTACT (S):

Department/Division

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