



ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

TOPIC: Section 15 – Contract Administration 3.2	EFFECTIVE DATE: 02/03/2016
TITLE: GPR Aids Budget Loading and Approval	REVISION DATE: 02/03/2016
AUTHORIZED BY: Deputy Director, Bureau of Fiscal Services	

BACKGROUND

Many DHS aids programs are operated on different fiscal years and not always on a state fiscal year basis. Except where appropriations funding those programs are continuing appropriations, schedules must be maintained that allocate the funding between state fiscal years. Generally this is accomplished by breaking out the budget in six-month or quarterly increments on aids allocation schedules. The aids allocation schedules (previously known as the six-month schedules) are coordinated by the BFS Aids Lead Accountant and approved by BFS Management and OPIB.

These procedures are:

- To provide consistent recording of budget for GPR Aids appropriations in the System.
- To ensure that for GPR Aids appropriations the amounts available, committed, contracted, and expended can be identified and reconciled in a reasonably timely, efficient, and effective manner, even when the associated contracts are on a different fiscal year basis.

PROCEDURES

The initial budget is loaded into STAR by BFS accountants. The budget may be recorded in a holding account until the funds are approved for commitment through the pre-contracting process. The aids allocation schedules, supplemental division schedules and prior year data will be used to determine the account, department ID, and program code into which the initial budget is loaded.

For contracts paid on CARS, budgets are approved by the BFS monitoring accountants in the Managerial Accounting Section once the pre-contracting materials have been approved. The payment program codes begin with 00965 – and the fifth digit designating the year in which the contracts end (for example 966-(6) for 2016 contract year). These payment codes are reserved for CARS payments only, to facilitate reconciliation of CARS to STAR.

EXAMPLE:

Contracts End During Calendar Year	Program Code(1)	Program Code(2)
2015	895	965
//2016	896	966
2017	897	967

(1) Value defines purpose: 00895-897 = Budget Reserve

(2) Value defines purpose: 00965 -967 = Payment

If GPR aids budgets are obligated for commitments paid outside of CARS, a purchase requisition may be required. See APP Section 6 Purchasing and APP Section 15 Contract Administration, 5.3 for guidelines and requirements when using a purchase order for aids

funding. As part of the accountant's review of the requisition, the BFS monitoring accountant will determine whether the budget may be used for the purpose identified in the requisition, based on statutory language and other compliance requirements including: signed contract, compliance with federal reporting requirements, sufficient funding available, cost allocation plan requirements, match requirements and funding, and monitoring plans for the contract. Once the requisition is approved, budget will be approved and moved if necessary to the account identified on the requisition. These steps must be completed before the purchase order is created in STAR.

Pre-contract packets and requisitions should not be approved unless there is sufficient budget in the account to fund the current portion of the contract and the amounts identified as future funding are reasonable.

Amounts on the aids allocation schedules can be amended prior to the end of the contract period with the approval of the BFS Aids Accountant Budget may be transferred between accounts consistent with the BFS schedules.

REFERENCES

[DHS APP Section 6 - Purchasing 1.0](#) (Optional Use of Purchase Orders, Confirming Purchase Orders, and Increase Change Orders)

[DHS APP Section 15 - Contract Administration 5.3](#) (Aids Appropriations: Criteria for Using Purchase Orders)

CONTACTS

[BFS Lead Accountants](#)

[BFS Aids Accountant](#)