



AMS Advantage Grant Lifecycle Management Solution

Greater Efficiency for Greater Funds and ARRA Reporting for
Transparency and Accountability

WHITE PAPER

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INTRODUCTION

Securing grant funds can be a time-consuming, labor-intensive and often costly endeavor for state and local organizations. Paper processing, redundant data entry and inconsistent processes increase the risk of dollars lost, while homegrown spreadsheets and databases limit collaboration and complicate reporting and analysis. And with the American Recovery and Reinvestment Act of 2009 (the “Recovery Act” or “ARRA”) the federal government has shone a new spotlight on grants reporting, increasing the demand for transparency and accountability.

Grants are the number one way state and local governments find the supplemental funds necessary for services to constituents and students and to preserve and create local jobs. The challenge is managing the process efficiently and effectively so you do not miss important revenue sources and comply with grantor reporting regulations.

With a centralized solution, best practices and integration to Grants.gov, CGI's new AMS Advantage® Grant Lifecycle Management module is helping state and local organizations do just that—automating the process from opportunity to closing, reducing the risk of lost funds, increasing fund awards and tracking accurate information for reporting and decision making.

TERMINOLOGY

This paper uses the terminology of the Recovery Act.

- **Grantor:** The party that is giving the grant award. Responsible for assigning tracking information, stipulating reporting requirements, paying the recipient and collecting grant usage.
- **Recipient (or “Primary Recipient”):** The party that is receiving the award from the grantor. Responsible for reporting fund usage to the grantor and submitting payment requests. It is important to note that organizations can act as both recipients and grantors.
- **Sub-Recipient:** The third-party tasked with performing some, or all, of the services of the award. They are non-federal entities that expend federal awards received from the grantor to carry out a federal program. Sub-recipients could be non-profits, for-profits, other municipalities, or even other departments.
- **Pass-through:** When the recipient provides money to the sub-recipients, this is a “pass-through,” because the funds come from the grantor and passes through the recipient to the sub-recipients.

RECOVERY ACT OVERVIEW

What is “Recovery Act” reporting? How is this different from other grants?

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009 (the “Recovery Act”). One of the goals was to encourage grants for the creation or retention of U.S. jobs.

Section 1512 of the Recovery Act mandates additional reporting for federal grants awarded as part of the Recovery Act, starting on October 10, 2009. This reporting is intended to bring greater levels of transparency and accountability to the use of federal money:

- Who is receiving Recovery Act dollars and in what amounts?
- What projects or activities are being funded with Recovery Act dollars?

- What is the completion status of such projects or activities and what impact have they had on job creation and retention?

In addition to standard grant reports submitted to federal agencies, Recovery Act grants have separate reporting requirements in line with the administration's goals of accountability and transparency. These additional requirements are defined by the Office of Management and Budget (OMB), and collected by the OMB quarterly.

Organizations using AMS Advantage will be able to use out-of-the-box functionality to help complete the sections of the Recovery Act reports.

What are the opportunities?

The push for reporting for Recovery Act grants provides an ideal time to implement new practices for grants management that will improve reporting and find new sources of revenue. It's also prudent planning; as the federal government focuses on grants and their use, it is likely that expectations for reporting of all grants will increase.

Organizations using some of these features, but not all, are encouraged to consider implementing them with future grant awards. Organizations not using these modules are encouraged to consider transitioning to this model for the future.

AMS ADVANTAGE SUPPORTS THE GRANT LIFECYCLE

The built-for-government AMS Advantage solution includes two out-of-the-box modules that work in concert to support the grants business process: Projects & Grants and Grants Lifecycle Management (GLM). To differentiate the two, *GLM manages the opportunity, application and award process. Projects & Grants captures the financial information.*



IDENTIFY GRANT OPPORTUNITIES

The grants process begins with identifying a new opportunity. Most grant recipients have recurring grants that they receive automatically, but the real benefits from grants management come from identifying and pursuing new funding sources.

In GLM, a new grant opportunity is recorded in the Grant Opportunity Status Folder. New opportunities are created by direct entry or through a document, which is routed for review through configurable, automated workflow. The best practices scenario is that a single person or group searches for new opportunities and then notifies groups within their department or other multiple departments. By centralizing this research task, a few people specialize in this skill set, while the larger group benefits from targeted grant opportunity information.

In addition, GLM includes an interface to new grant opportunities directly from Grants.gov, providing a single solution for viewing and managing Grants.gov opportunities. (Grants.gov is a federal website that was established as a central coordination point for grants from many federal agencies. Currently, Grants.gov has information on over 1,000 grant programs worth approximately \$500 billion in annual awards.)

NOTIFY PEOPLE ABOUT GRANT OPPORTUNITIES, RECORD THEIR RESPONSES

With the grant opportunity recorded in GLM, interested people or groups are alerted using a pre-defined Alert User Group, generally defined by the type of grant. Using Alert User Groups, GLM generates emails to both AMS Advantage and non-AMS Advantage users.

At this point, AMS Advantage users are encouraged to record their plans to submit an application within GLM for statistical analysis. Non-users are encouraged to pass this information back to the users for entry.

MANAGE GRANT APPLICATIONS

The grant application process can be a complex one, involving input from many people including "partnering organizations" outside of the department, for example: sub-recipients.

GLM includes a Grant Application Status Folder that supports coordinating this process.

- Track Pre-Application and Application status fields and dates
- Define grant date milestones and send alerts on a milestone-by-milestone basis
- Track completed milestones, and their actual dates for status reporting
- Store attachments in a central location for collaboration

RECORD GRANT AWARDS & AMMENDMENTS

Upon award receipt, the Grant Award entry captures many informational fields that are important for ongoing reporting and management of the award acceptance process. If the application was not successful, the status of the application is changed to "denied". This helps with statistical reporting and analysis of applications to improve on success rates.

The Grant Award entry also captures high-level cost accounting information such as Major Program and Program Period Code (PPC) that define the grant for financial tracking. With the Grant Award entered, GLM generates a Cost Accounting Setup (CAS) document in Projects & Grants necessary to establish the financial tracking codes for the grant. The grant can be tied to an existing set of codes or might lead to a new set of codes.

For proper reporting, Grant Amendments are also initiated in GLM, recorded along with a reason to support analysis. If the amendment requires its own notifications, Alert User Groups are used.

SET REPORTING REMINDERS

Once the Grant Award is entered, reporting milestones are defined. Like other milestones in GLM, these entries notify people or groups using Alert User Groups, including detail or summary, even a calendar appointment. GLM simplifies the setup of recurring milestones, such as ARRA quarterly reports, through the definition of a Grant Date Code. For example, organizations may want to establish milestones and automated e-mail reminders for ARRA quarterly reporting for the following:

- 1) Send the information requests to sub-recipients.
- 2) Collect internal reporting information
- 3) Collect external reporting information
- 4) Consolidate reporting and record information on ARRA reporting tables.
- 5) Run preview reports
- 6) Generate the ARRA reporting file

DEFINE AN AWARDED GRANT FOR FINANCIAL TRACKING

If GLM *is not* used, the process in AMS Advantage Projects & Grants begins here, with the definition of codes to capture the grant. If GLM *is* used, then the “hand-off” from GLM is the generation of the Cost Accounting Setup (CAS) document to define the fields. However, the CAS document can be used with or without GLM.

Numerous codes are available to capture the financial events for a grant. The most important guidance is simply to define the codes based on how the grantor wants to view the information.

CAPTURING GRANT SPENDING AND REVENUE

Once the grant codes are defined, they are coded on every transaction that relates to the grant. All AMS Advantage financial transactions have the ability to capture the Chart of Account codes for grants. Similarly, AMS Advantage Human Resources Management (HRM) captures the same codes during timesheet entry.

Several system tools help ensure that spending is properly charged to a grant:

- If an organizational unit should always use grants, the Unit/Program Requirement (PROGREQ) page can make Programs required whenever a Unit is coded
- If a grant should only be used by specific organizational units, the Valid Unit Program Combination (VUPROG) page establishes acceptable unit/program combinations
- If a Task Order should always be charged to a specific grant, you can infer the Program code on the Task Order Inference (TOINF) page

- The Accounting Template (ACTPL) page pre-defines Chart of Account strips that people can use on transactions

GRANT BUDGETING

AMS Advantage provides a number of budget structures that are used for budgetary control and grants tracking. Depending on the combination of Chart of Accounts values used, a different Budget Structure may be more appropriate.

If budget control is desired, the Required Budget (REQBUD) table allows organizations to define budget control rules by multiple fields, including Program. Plus, budget control for grants has all of the features of other budgets: configurable error messages, auto-generation, line-specific controls, etc.

GRANT MONITORING

A number of system pages, updated automatically, are used for grant monitoring.

Grant Budget Inquiries

Even if budget control is not used, Grant Budget inquiries can be auto-generated for non-reimbursable budgets (a setting on REQBUD). This is very useful tool for online search and query capabilities.

Journal/Ledger Inquiries

With the system's default settings, the Cost Accounting journal is updated by every transaction that posts to a journal and has a program code. (It is possible to deactivate or filter the Cost Accounting journal and ledgers through the Journal/Ledger Control Detail page.) Assuming the Cost Accounting Journal is in use, the following pages allow for inquiries by a number of different search fields:

- Cost Accounting Journal (JCA)
- Cost Accounting Ledger – by Accounting Period (LAPDCA)
- Cost Accounting Ledger – by Budget Fiscal Year (LBFYCA)
- Cost Accounting Ledger – by Fiscal Year (LFYCA)
- Cost Accounting Ledger – Inception to Date (LITDCA)

Reimbursement History

The Reimbursement History (REIMHIST) page is an inquiry of the final output from reimbursement. This page ties the spending activity to the entries that posted the reimbursement. It is particularly useful for answering questions like these:

- What expenditures were consolidated on this summarized draw down request?
- What reimbursement documents were generated for this billed customer?
- What expenditures were billed on a specific date, or in a date range?

AMS infoAdvantage Reporting

AMS infoAdvantage has specialized reporting structures and a “Cost Accounting” universe available for grant management. There are also out-of-the-box reports in specific to grants. Data available for grants reporting in AMS infoAdvantage includes:

- Cost Accounting Data
 - Chart of Account reference tables (and detailed information on them)
 - Funding Profile setup information

- A special table constructed to store award and reporting fields associated with each Funding Line (this information is read from the PPC or Funding Line setup based on the “Federal Appropriation Setup” indicator)
 - Reimbursement History data
- All Grant Lifecycle Management (GLM) data
- All ARRA reporting compliance data
- Standard accounting and budget data
 - Journal data (both detailed and summarized)
 - Detailed data from each accounting transactions (including data not posted to the Journal)
 - Budget vs. Actual data

GRANT REIMBURSEMENT

When organizations use the automated reimbursement functionality, they achieve the maximum benefits of the system; it is the payoff for all of the required setup. Once reimbursement rules are established for the grant, reimbursement requests are generated automatically on the specified schedule. Some of the benefits of automated reimbursement include:

- Automated calculation of reimbursement based on even the most complicated rules with split funding, tiered funding, and eligible expenses
- Automatically generated entries to post accounting transactions for drawdowns
- A full audit trail linking drawdown requests to their spending

AMS Advantage also generates electronic drawdown files. Currently, the only widely used standard file layout is the one for Rapid Approval & State Payment System (RASPS), used exclusively by the FHWA. As other federal agencies define standard file layouts in the future, they are considered for enhancing AMS Advantage.

GRANT FINANCIAL REPORTING

Most federal grants require quarterly financial reporting through OMB's standard forms. For example, reports such as SF-269 (the “Financial Status Report”) and SF-272 (“Federal Cash Transactions Report”). **It's worth noting that a new form (SF-425, the “Federal Financial Report”) will replace both of these as of September 30, 2009.** OMB has information about these and other forms on their web site at http://www.whitehouse.gov/omb/rewrite/grants/grants_forms.html.

With the AMS Advantage solution's ease of configurability, any field or a combination of fields may be used to represent the required information on the report. With proper setup, creating these reports is a straightforward reporting process. It is even possible to use reporting tools locally to print a replica of the federal forms.

GRANT NON-FINANCIAL REPORTING

In addition to financial reporting, other reports may be required and will vary based on the grant. Recovery Act grants are a prime example of this, as they collect substantial non-financial data on a quarterly basis. OMB's Recovery Act page provides links to the latest OMB pronouncements on this topic at http://www.whitehouse.gov/omb/recovery_default/.

GLM also includes reports, and an extract process for Recovery Act reporting. These pages provide a tool to record this information and transmit it to OMB while the data (e.g., counts of jobs created, narrative of project status, etc.) to populate the ARRA pages in GLM will come from grant managers, sub-recipients, and other sources. GLM pages/tables for ARRA reporting are:

- **ARRA Ongoing Award Information**

Collects overall award data throughout the life of the award. An award can be linked to GLM fields (Grant ID) as well as Cost Accounting fields (Department, Major Program, PPC).

- **ARRA Quarterly Award Information**

Captures quarterly data. The data on these tables is a cumulative total-to-date, through the end of the quarter. Each quarter has a separate record on this table.

- **ARRA Sub-Recipient Quarterly Award Information**

Keeps quarterly data for any first-tier subcontract or sub-award, funded in whole or in part under the Recovery Act, which is over \$25,000 and not subject to aggregate reporting. (Aggregate reporting of sub-recipients paid less than \$25,000 is captured on ARRA Quarterly Award Information.) Sub-recipient records can be associated with an AMS Advantage vendor as well as with the Document ID of the award.

- **ARRA Recipient Vendor Quarterly Award Information**

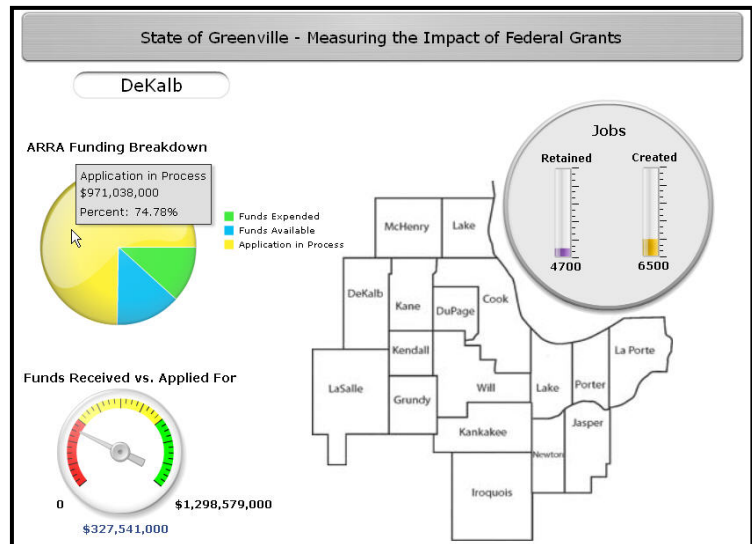
Stores those vendors that the recipient paid more than \$25,000 and captures essential vendor information. Records can be linked to an AMS Advantage vendor for field inference.

- **ARRA Sub-Recipient Vendor Quarterly Award Information**

Collects information on vendors that the sub-recipient paid more than \$25,000 and captures essential vendor information on both AMS Advantage and non-AMS Advantage vendors.

- **Dashboard**

For ARRA reporting, including a wide range of new performance indicators, such as job creation and retention, CGI's solution aggregates key reporting metrics associated with funding recipients. A visual, interactive dashboard turns a magnifying glass on funds and the impact they create. The integrated, centralized repository sends required data to the OMB central repository.



GRANT CLOSE-OUT

Closing out a grant occurs both in Project & Grant Accounting and GLM.

In Project & Grant Accounting, the optional step is to mark codes as inactive users can no longer code on transactions against the grant. Although, if effective dates were specified initially, or if budget control is in

use (and budgets are depleted) this is not necessary. However, changing codes to be inactive is a recommended step.

GLM provides a Grant Close-Out/Audit Status Folder to manage the overall process, including:

- Define Audit and Close-Out milestones and send alerts, milestone-by-milestone to keep grants, and the people or groups who coordinate them, on track and on schedule
- Track completed milestones and their actual dates for status reporting for accurate win/loss analysis and OMD reporting
- Deactivate Projects and Grant COA codes automatically, closing the grant within GLM, when funds are depleted or spending is complete

CONCLUSION

Grants are an important source of revenue, especially during these tough economic times. And with the Recovery Act, the federal government continues to increase available funds. The challenge is focusing on timely, compelling applications, accurate accounting and follow-through reporting, rather than moving paper. This is where an online tool, built to mirror the state and local government grant process can help; streamlining the process, automating coordination and tracking key details online.

If your organization is still using paper, Excel or Access to manage grants, consider CGI's AMS Advantage Grant Lifecycle Management (GLM) module. The right comprehensive solution can make all the difference in what grants you capture in the future.