

**STATE OF VERMONT
AGENCY OF ADMINISTRATION
DEPARTMENT OF FINANCE AND MANAGEMENT**

Subject: **Grant Payments**

Effective Date: **February 5, 2019**

Applicable To: **All State Agencies and Departments**

Issued By: **Department of Finance & Management**

Approved By: **Adam Greshin, Commissioner**

PURPOSE

To outline the procedures to be used by State of Vermont agencies and departments when making grant payments in the VISION Accounts Payable module using PeopleSoft Financials version 9.2 and later.

BACKGROUND

Among other payment requirements, Bulletin 5, effective December 26, 2014, required that grant payments made through the VISION Accounts Payable (AP) module include the grant id in the invoice field. This invoice information was also included on the payment advice received by grant recipients.

This procedure caused two primary problems:

1. The Uniform Guidance requires that pass-through entities disclose the funding source of federal grant payments at the time of disbursement. Although inclusion of the grant id on the payment advice indirectly disclosed the funding source, it did not completely fulfill the federal requirement.
2. Use of the grant id in the invoice field may have compromised the process used to identify duplicate transactions when altering the invoice id with a PY prefix when prior year coding was required.

In order to correct these issues, new fields were added to the Accounts Payable voucher with the implementation of the VISION upgrade to PeopleSoft Financials version 9.2. These fields, as described below, allow for removal of the grant id from the invoice number field and allow for inclusion of CFDA information on each AP voucher. Further, the Treasurer's Office Vendor Portal was modified to include the new Grant ID and CFDA# fields, allowing for disclosure of this information to grant recipients.

REQUIREMENTS

Grant payments are made through the VISION Accounts Payable module. The original invoice from the grantee will be retained in the granting agency's files in accordance with [VISION Procedure No. 2-VISION Records Retention Procedure](#). Payments may only be made to the official grantee for the award. Therefore, if a grant agreement is made to an organization utilizing a fiscal agent, payment may only be made to the party designated as the official grantee. (Refer to Bulletin 5, Section V.A.2. Fiscal Agents.)

In addition, the following information is required on grant payment AP vouchers:

- **Grant ID:** Enter or select the grant identification number as found on the grant award document. A system edit verifies that the value entered in this field is a valid grant id found in the Grant Tracking (GT) module. Therefore, a grant must be entered in the GT module before a payment may be processed against it.
- **CFDA#:** If the grant is a federal subaward, the applicable CFDA # must be entered in the CFDA# field. This is a text field and multiple CFDA numbers may be entered which should be separated by a comma or a space. This field should be left blank if the payment is not for a federal subaward. There is no system edit on this field.
- **Class Code:** The Federal share of the payment must also use a Class Code of **00001** to identify it as a subrecipient payment. Additional Class Codes may be used in the **0XXXX** range of numbers to provide more detail. When an award is funded with a combination of state and federal funds, The Class Code is only required to be used for the Federal share of the payment, though it is permissible to use it for all payment rows. If a federal grant has been identified as a contractual relationship, the Class Code should not be used.