ADOA – General Accounting Office

AZ360 MANUAL: COST ACCOUNTING

Cost Accounting

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All activity demonstrations will be displayed with an icon. Demonstrations will detail which elements to input, but agency data should always be used when processing in AZ360.

Cost Accounting

This manual introduces the processes used to create and maintain Cost Accounting data for grants, projects, programs, and jobs in AZ360. The manual also covers how to research information related to these Cost Accounting activities. Cost Accounting activities range in scope from *state-funded* operational programs to *federally-funded* grants and highway construction projects. The lifecycle of an activity may span a few months to several years.

Manual Objectives

- Examine the Cost Accounting features and processes.

- Identify the Cost Accounting component levels and their uses.

- Review a federal grant award agreement and determine the needs of the grant.

- Create a Cost Accounting structure using the Cost Accounting Setup (CAS) transaction based on a federal grant award agreement.

- Create and review both program expense and reimbursement budgets using the Budget Tab functionality of a CAS.

- Review the Cost Accounting History table and how to locate finalized both CAS and Cost Accounting Modification (CAM) transactions.

- Review the navigation of Cost Accounting using tables, transactions, and queries.

- Review how to make updates to a Cost Accounting structure using the CAM transaction.

- Create an expense transaction to process against the Cost Accounting Structure that was created.

- View how an expense transaction will post to the corresponding budget inquiry tables.

- Close a project or grant.

Cost Accounting Overview

Section Objectives

In this section, the following processes are introduced:

- Identify the cost structure as the component of AZ360 that is used for Cost Accounting.

- List and define the *required* Chart of Account (COA) elements for Cost Accounting (Major Program, Program, and Program Period).

- List and define the *optional* COA elements for Cost Accounting (Funding Profile, Funding Priority, Funding Line, Funding Profile Inference, and Budget).

- List and define the additional COA elements available to capture Cost Accounting information (Activity, Location, and Function).

- Identify CAS and CAM transactions as the mechanism used to create and maintain cost accounting structures.

- Identify the cost accounting structure reference tables in AZ360.

- Understand that the purpose of CAS and CAM transactions is to update information on the cost accounting structure reference tables.

Cost Accounting Description

Cost Accounting is the process of accumulating, analyzing, and reporting cost information related to projects, grants, programs, and jobs. Cost Accounting in AZ360 includes setting up cost structures after being awarded a grant or starting a project; tracking grants and projects; generating drawdown requests for reimbursement from funding sources (creating receivables from federal agencies); receiving revenues; and reclassifying grant and project transactions if funding sources change over the lifecycle of the project or grant.

The AZ360 Cost Structure

AZ360 utilizes the cost structure to capture Cost Accounting information. The cost structure is a hierarchy of specialized COA elements that provide specific controls and tracking capabilities for transactions that support project and grant activities. Major Program elements used for Cost Accounting in AZ360 vary based on the needs of the department. AZ360 supports the use of multiple, concurrent cost structures that work in conjunction with each other.

Each cost structure must have, at a minimum:

- A Major Program
- At least one Program
- At least one Program Period

Additional optional elements within the cost structure utilized for Cost Accounting are listed below:

- Program Phase
- Funding Profile
- Funding Priority
- Funding Line

- Funding Profile Inference
- Budget

The use of these additional COA elements depends on the type of activity. This is discussed more in the "Cost Accounting Setup (CAS) Overview" section of this manual.

Table 1 – Cost Accounting Elements and Reference Table Names with AZ360 Page Codes

Cost Structure Element	Required vs Optional	Reference Table Name & (Page Code)
Major Program	Required	Major Program (MJPRG)
Program	Required	Program (PROG)
Program Phase	Optional – Follow Department Procedure	Program Phase (PHPRG)
Program Period	Required	Program Period (PPC)
Funding Profile	Optional – Follow Department Procedure	Funding Profile (FPRFLST)
Funding Priority	Optional – Required when using Funding Profiles	Funding Profile Select (FPRFLST)
Funding Line	Optional –Required when using Funding Profiles	Funding Profile Select (FPRFLST)
Funding Profile Inference	Optional –Required when using Funding Profiles	See Table 2: FPI Page COA Element Sequence Table

Cost Accounting Transactions

CAS and CAM transactions are used to create and update cost structures in AZ360.

The CAS is used to create a brand new cost structure (i.e. setup a new Major Program).

The CAM is used to modify existing cost structures (i.e. modify an existing cost structure element, or add a new cost structure element to an existing Major Program cost structure).

CAS transactions can not modify any cost structure elements that already exist. CAM transactions can not create a new Major Program.

Note: Use the CAS when creating a new Major Program cost structure only. Use the CAM in all other situations, including modifying an existing cost structure element or adding a new element (e.g. Program, Program Period, Funding Profile, etc.) to an existing Major Program cost structure.

CAS and CAM transactions both have tabs that correspond to the same required and optional cost structure elements noted above (i.e. Major Program, Program, Program Period, Funding Profile, etc.). The fields in the tabs for CAS and CAM transactions are the same. Each tab's fields will be discussed later in this manual when the CAS and CAM reference tables are reviewed in more detail.

Note: The CAS and CAM create and update records in the Cost Accounting Reference Tables. CAS and CAM transactions do not update previous CAS or CAM transactions.

Cost Accounting Reference Tables

The Cost Accounting Module of AZ360 contains reference tables corresponding to the cost structure elements (i.e. Major Program, Program, Funding Profile, etc.). The reference tables house records of cost accounting elements that are created and updated by the CAS and CAM.

Transactions containing cost accounting COA in their accounting line will validate against the current information in the appropriate records on the reference tables.

Note: Use the reference tables to understand how existing cost structures are currently configured. Do not review old CAS or CAMs because finalized CAS and CAMs are historical records that may contain old cost structure information.

Cost Structure Models

Several model cost structures, using a variety of available COA elements, have been established as part of AZ360 system implementation to meet the various needs of each department. See the "Appendix A - Cost Structure Resources" section of this manual for additional information on each model. Users should refer to their department procedures for information on the cost structure(s) and accompanying budget structures that their department uses.

Additional Chart of Accounts Elements

In addition to the cost structure, additional COA elements are available to capture information about Cost Accounting activity: Phase, Task Order, Activity, Sub Activity, Function, Sub Function, Location, and Sub Location. These elements are utilized when required by department procedure.

Cost Accounting Setup (CAS) Overview

Section Overview

The CAS transaction is used to establish a new project or grant in AZ360. The CAS is used to:

- Create the Major Program.

- Create some but not all of the COA elements used for Cost Accounting.

- Add new Programs, Program Periods, and Funding Profiles to a new Major Program.

- Attach a file to the Program Period level.

- Create an inference on the Funding Profile Inference pages.

- Create a budget for the new project or grant.

CAS Introduction

A grant or project is set up in AZ360 using key COA elements within the cost structure. These elements are entered on the Accounting and Posting lines of expenditure, disbursement, and general accounting transactions to associate the transaction with the grant or project.

The CAS transaction is used to create new cost structures. In other words, the CAS is used to create a new Major Program, along with other associated cost structure elements created during the initial cost structure setup.

CAS transactions are routed for review and approval through workflow, providing an audit trail of who created the new elements and when they were created. It also allows supporting electronic files to be attached to the reference tables the CAS creates.

Cost transactions in AZ360 are made up of various tabs. These tabs represent Cost Accounting structure components. In most instances these tabs relate directly to tables in AZ360. For example, the Major Program tab on a CAS transaction directly relates to the Major Program (MJPRG) table in AZ360. This section will walk through each component of the CAS in detail, discuss the minimum required fields, along with other key fields. The figure below illustrates the relationship between these components.

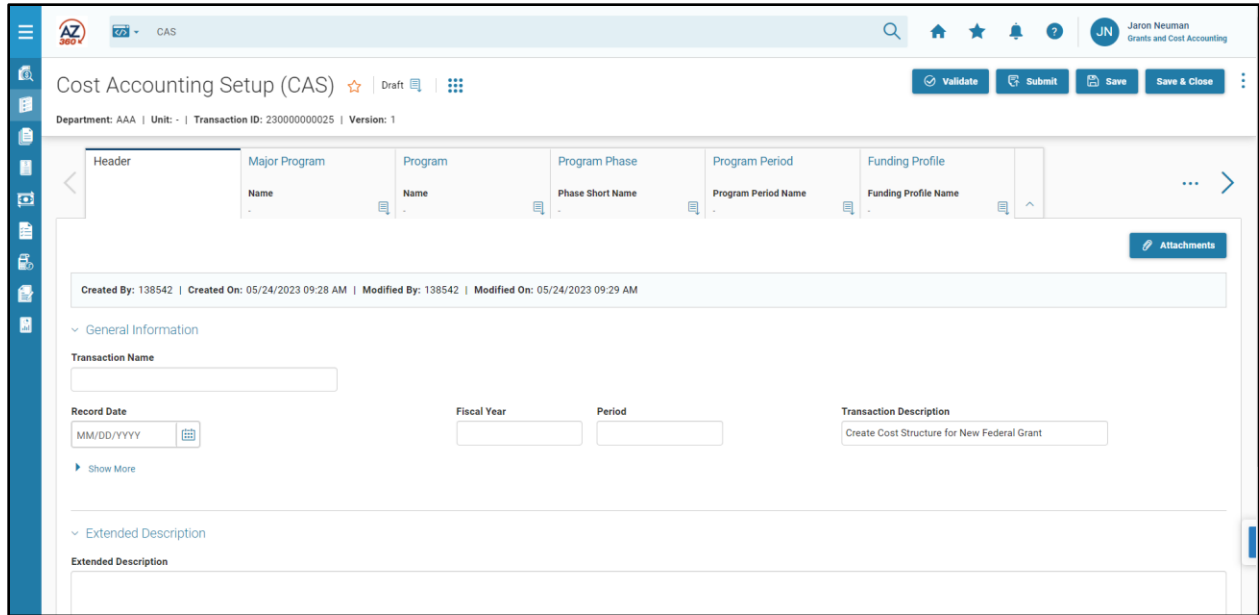Figure 1: Cost Accounting Setup Component Relationships
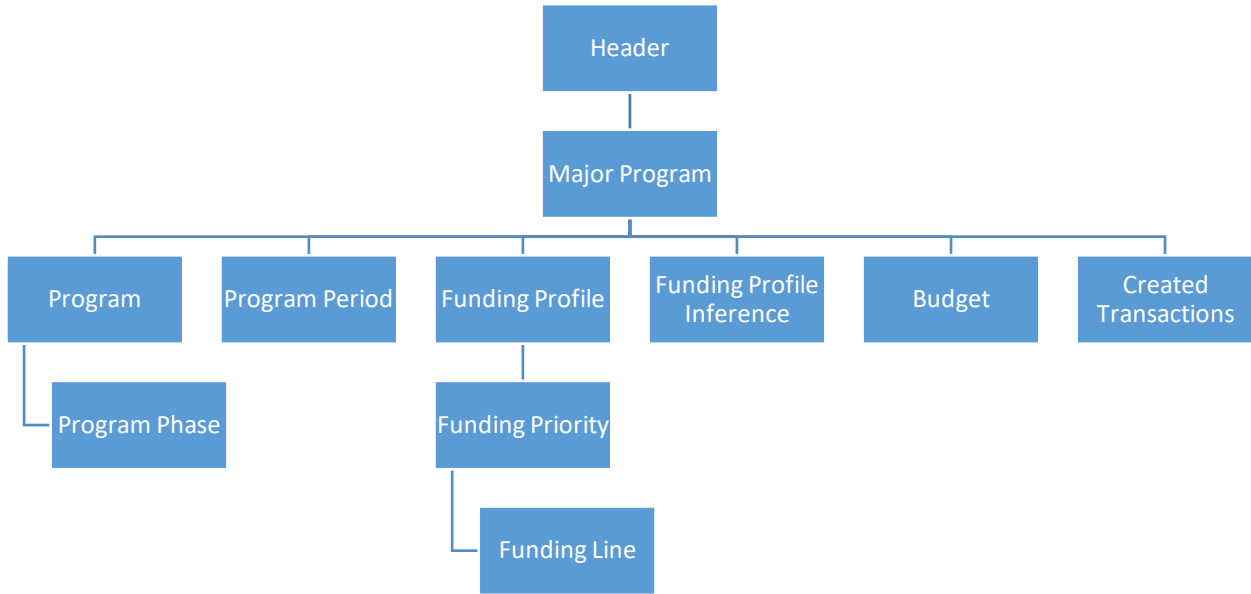
Header Tab

The Header tab allows users to enter data within the standard Transaction Name, Record Date, Budget FY, Fiscal Year, Period, and Transaction Description fields. The system displays information regarding the transaction history (i.e. Created By, Created On, Modify By, and Modify On fields).

The Submit Budget Transaction(s) checkbox controls the automatic submission of budget transactions generated by the CAS transaction. This feature only impacts CAS (or CAM) transactions where the submitter uses the Budget tab of CAS (or CAM)s. Budget transactions can be created separately from CAS and CAM transactions.
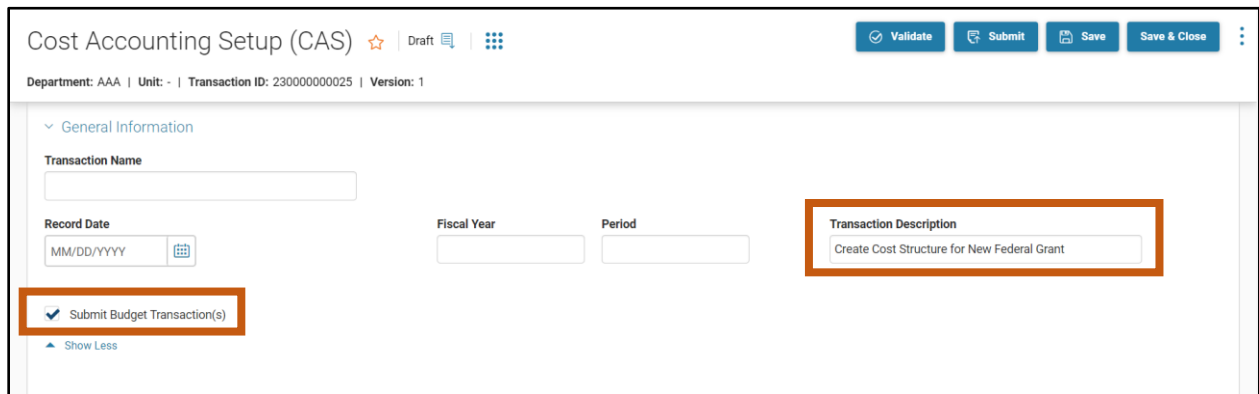
If this checkbox is selected, then the system submits all CAS generated budget transactions to Pending phase. If this checkbox is not selected, then the system generates the budget transactions in Draft phase.

Reasons for not automatically submitting a budget transaction include the desire to add descriptive information or to manually adjust the funding structure or amounts. Budgets will be discussed in more detail later in the manual.
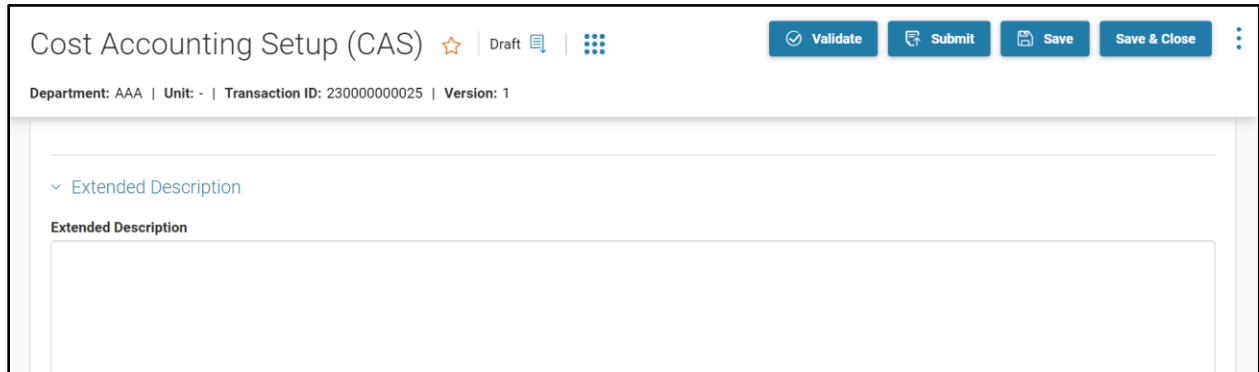
Header – General Information Section

- Transaction Name – Optional field where agencies can give the transaction a name.
- Record date – This field will auto populate when the validate button is clicked.
- Fiscal Year – This field will auto populate when the validate button is clicked.
- Period – This field will auto populate when the validate button is clicked.
- Transaction Description – This field allows the creator of the CAS/CAM transaction to provide detailed information on the purpose of the transaction. Inputting a detailed description can lead to a reduction in the amount of time spent reviewing the CAS and can result in quicker approvals. There is a 60 character limitation. Use the Extended Description field on the Extended Description tab if more room is needed. *Transaction Descriptions are strongly recommended as they help reviewers of the transaction understand the purpose of the transaction.*
- Submit Budget Transaction(s) – The default setting is checked, meaning any budget transaction created in a CAS/CAM will be sent directly to a Pending phase. When unchecked, generated budget transactions are created in Draft phase.

Header – Extended Description Section

The Transaction Description field in the General Information section has a 60 character limitation. Use the Extended Description field if more room is needed for to describe the transaction.
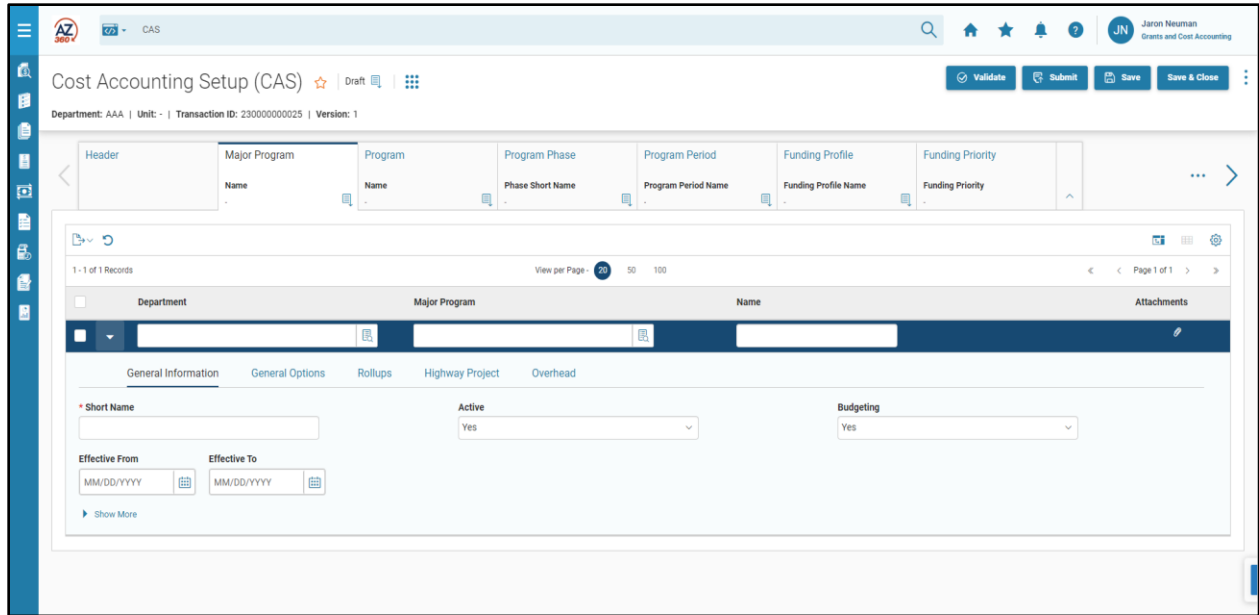

Major Program Tab

The Major Program (MJRPG) is the highest level of the Cost Accounting structure and is a required element in the cost structure. All remaining Cost Accounting components are organized under the umbrella of the Major Program.

The Major Program component may identify an individual project or grant, or a grouping of projects or grants based on department needs. Each department will determine the best cost structure for each project or grant based on budgeting, reporting, and tracking requirements. For some, the grant/project will be set up at the Major Program level. For others, the Major Program will be used to summarize project/grant activity, and the actual project/grant will be established at the Program or Program Period Setup level.

The Major Program tab allows users to establish global characteristics and behaviors for the grant/project. Examples of global characteristics that can be established on MJPRG include:

- Identify the Reimbursement Budget Structure used for the project(s).
- Establish the reporting basis of the project.
- Identify the type of funding a user's agency is receiving (state, federal, donation, etc.).

Major Program – Blue Line

- Department (Required) – The unique agency code for the department managing the Major Program. This is a user's agency 3-digit code in AZ360. Department is a required field on the Major Program and is the only tab on the CAS where it can be entered. Other tabs infer Department from the Major Program tab.
- Major Program (Required) – The unique ID code that identifies the Major Program and will be input manually by someone at a user's agency when they first create the project using a CAS transaction. This identifies the project or the grant, or a grouping of projects or grants. This field is limited to sixteen alphanumeric characters. This field cannot be changed once the CAS transaction is in Final phase.
- Name (Required) – A required, descriptive name for the Major Program. The Name does not have to be unique and can be changed, if desired. This field can be pulled into reports for descriptive information or data organization purposes.

Major Program – General Information Section

The General Information section identifies the Major Program.

Key fields in this section include:

- Short Name (Required) – A required short description for the Major Program. The Short Name does not have to be unique and can be changed, if desired. This field is similar to the Name field, but with a shorter character limitation.
- Effective From and To – These date fields are optional and typically remain blank for the Major Program. Effective dates for project and grant activity will prevent a the Major Program from being used on the posting lines of expenditure, disbursement, or other accounting transactions when the transactions occur before the Effective From date or after the Effective To date. The Effective date range must be extended or removed with a CAM in order for transactions to process once outside of the Effective date range.

Note: Effective Dates are different from Inference Dates, which are discussed in the "Program Period Tab" section of this manual.

Major Program – General Options Section

The General Options section has important fields relating to the financial control of the Major Program. Key fields in this section include:

- Reimbursement Status – This field is associated with the automated reimbursement functionality in AZ360. If a user's agency is utilizing the front-end split process, the Reimbursement Status field will have an impact. The Allowed for Reimbursement drop down menu option should generally be selected for front end split cost structures. If a user's agency wishes to delay or stop the automated generation of receivables or cash receipts for the cost structure, then Suspended for Reimbursement should be selected from the drop down menu.

Note: Agencies using AZ360's automated reimbursement functionality to generate receivables need to ensure they have a process in place to monitor and liquidate.

- Reimbursement Budget – A reimbursement budget is required for projects and grants using the automated reimbursement or front end split processes. The most common selection is Budget Structure ID 39 (Reimbursable Grant Budget). If budget control is required at the Program/Phase level, select Budget Structure ID 40 (Phase Reimbursable Budget). Reimbursement and front-end split process requires the use of Funding Profiles. A reimbursement budget does not apply to cost structures that only use the minimum required cost structure components of Major Program, Program and Program Period to track expenditures.

- Reporting Basis – This setting tells AZ360 to infer the Program Period based on the record or service date of financial transactions. The Reporting Basis field is used to help infer Program Periods on transactions. This concept will be discussed further in the "Program Period Tab, Blue Line" section where the Infer From and Infer To fields are discussed. For all Major Program records, the recommended setting is Accrual. Drop down menu options include:
  - Accrual – Recommended setting. Pre-Encumbrance and Encumbrance transactions use the Record Date to infer the Program Period. Accrued and Cash Expenditures (referencing an encumbrance or not) use the Service From date (found on the Accounting tab of General Accounting Expense transactions) to infer the Program Period.

Note: If not entered, the Service From date defaults to the Record Date.

  - Cash – Pre-Encumbrance, Encumbrance, Accrued Expenditures, and Cash Expenditures all use their Record Date to infer the Program Period.
  - Encumbrance – Pre-Encumbrance and Encumbrance transactions use the Record Date for Program Period inference. Accrued and Cash Expenditures will use the Program Period from the referenced encumbrance.
  - Required-No Inference – Select this value if Program Period should not be inferred on transactions. The State of Arizona does not currently use this setting.
  - Prohibited – Select this value if the Major Program should not include Program Period as one of the COA elements. Note: Manual entry of the Program Period is not allowed on transactions. The State of Arizona does not currently use this setting.

Note: Be careful when making Reporting Basis field selections. The Reporting Basis field cannot be changed once a financial transaction posts to the Major Program cost accounting structure.

- Split Type – Instructs AZ360 how and when to apply funding splits (for example, federal funding of 75%, and state funding of 25%). The selection depends on Departmental procedure. Options include:
  - Front End Split (FES) – Select for projects and grants using the automated reimbursement or the front end split process. This tells AZ360 to apply the funding split at the time the transaction is entered in the system. This will require a user's agency to use a reimbursement budget and Funding Profile(s). Agencies using the 38 budget structure will use budget structure 39 as the reimbursement budget. Agencies using the 37 budget structure will use budget structure 40.

Note: When Front End Split (FES) is selected, a reimbursable budget structure (39/40) is required, depending on which expense budget is utilized.

  - Back End Split (BES) – The State of Arizona does not currently use this setting.
  - No Automated Splits-No Bill – Select for projects and grants that will not use splits. Neither the automated reimbursement process nor the Funding Profile tables will be used for the cost structure. This should be used for all cost structures used to track expenditures to the Program Period level only. This is

usually the selection for all projects and grants not utilizing the automated reimbursement process.

- o No Automated Splits-Manual – Can be selected for projects where an agency wants to utilize Funding Profile(s) for storage of funding information or more detailed budgeting purposes, but does not want the cost structure to participate in the automated reimbursement process. Users will have to manually calculate drawdown requests and post receivables and cash receipts to the cost structure when No Automated Splits-Manual is selected.

- ▪ Reclassification Exclusion – This field indicates if Posting lines with this Major Program value are to be reclassified when the offline Reclassification Process is run. For additional informaiton, please refer to the AZ360 Cost Accounting Run Sheets which are available in Application Help, or Contact your GAO liasion.

- ▪ Federal Appropriation Setup – This field instructs AZ360 to look at either the Program Period or Funding Line for the federal reference numbers such as Assistance Listing Number or Federal Appropriation Number. The Federal Appropriation setup field should only be at one component.

- ▪ Drawdown Group – An optional field that is entered for projects and grants using the automated reimbursement process, when a single funding agreement covers more than one Major Program (usually in multiple departments). It may be overridden at the Program level. Refer to AZ360 Application Help for additional information on Drawdown Groups.

- ▪ Grant ID – The Grant ID may be used to link the information on the grant award in the Grant Lifecycle Management (GLM) component of AZ360 to the cost structure. Major Program is one of 4 locations where Grant ID can be linked to the cost structure, but it is not best practice to enter it at this level. Grant ID's interface into AZ360 from the eCivis grant management system. Grant ID's will only be available in AZ360 if the grant is established in eCivis. For more information on Grant ID's see the "Overview and Navigation of Grant Lifecycle Management (GLM)" section of the **AZ360 Manual – Grant Lifecycle Management** available at https://gao.az.gov/resources/training/gao-training-resources.

  Grant ID can only be entered at one location on a cost structure to ensure accurate reporting of grant information. It is important to note that once a Grant ID is attached to the Major Program level, all expenditures using any combination of COA elements under that Major Program will be associated to that Grant ID. If a new Grant ID is received for the project, an entirely new cost structure will have to be created to ensure that information currently associated to the first Grant ID is not overwritten by the new Grant ID.

Major Program – Rollups Section

The Rollups section provides four levels to aggregate project or grant activity for reporting purposes. The Major Program Class and Major Program Category fields are used for *Statewide* reporting purposes. The Major Program Group and Major Program Type field rollups are *department-specific* and should be used according to department procedure.

Category rollups are how expenditures from various grant sources are identified and categorized in AZ360. This is key to Statewide reporting of federal grant activity. It is important that AZ360 Cost Accounting structures contain rollups that accurately reflect the funding for the expenditures being tracked by the cost structure.
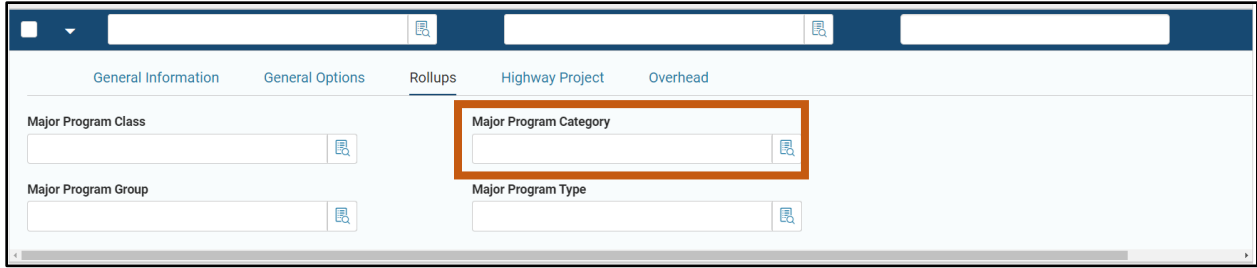
Category rollups may be left blank if the cost structure is being used to track/capture costs unrelated to a grant. A detailed description of the cost structure purpose should be included in the Header of the CAS, in such cases, so that the reviewer of the CAS knows the cost structure is unrelated to a grant.

Below is a listing of the pick list options for rollups under the Major Program Category.

- 01-Federal Grant-Direct from Federal Government *(Federal Grant)*
- 02-State Grant-Non-Federal from Another State Agency
- 03-Local Grant-From a Local Government
- 04-Private Grant-From a Non-Governmental Entity
- 05-Federal Pass-Thru Grant-From another State Agency from a Federal Agency *(Federal Grant)*
- 07-Federal Fee for Service Contracts
- 08-Private Pass-Thru Grant-From another State Agency from a non-Governmental Entity
- 09-Capitated Payments
- 10-Federal Pass-Thru Grant-From Non-State Governmental Organization *(Federal Grant)*
- 11-ARRA Federal Stimulus Awards-Directly from Federal Government *(Federal Grant)*
- 12-ARRA Pass-Thru-From another State Agency from Federal Government *(Federal Grant)*
- 13-ARRA non-1512 Reporting-Not Subject to 1512 Reporting *(Federal Grant)*
- 14-CARES Act Direct from Federal Agency *(Federal Grant)*
- 15-CARES Act Pass-Thru from another State Agency *(Federal Grant)*
- 16-COVID Private Entity Donation
- 17-CARES Act Pass-Thru from Non-State Government Organization *(Federal Grant)*
- 18-ARPA Direct Federal Gov *(Federal Grant)*
- 19-ARPA Pass-Through from State Agy *(Federal Grant)*
- 20-ARPA Pass-Through From Non-State Govt Entity *(Federal Grant)*

Note #1: The original source of funding is critical information. If the original source of funding is a federal grant, it must be tracked with the appropriate federal category rollup, even if the funding was passed-through an intermediate entity.
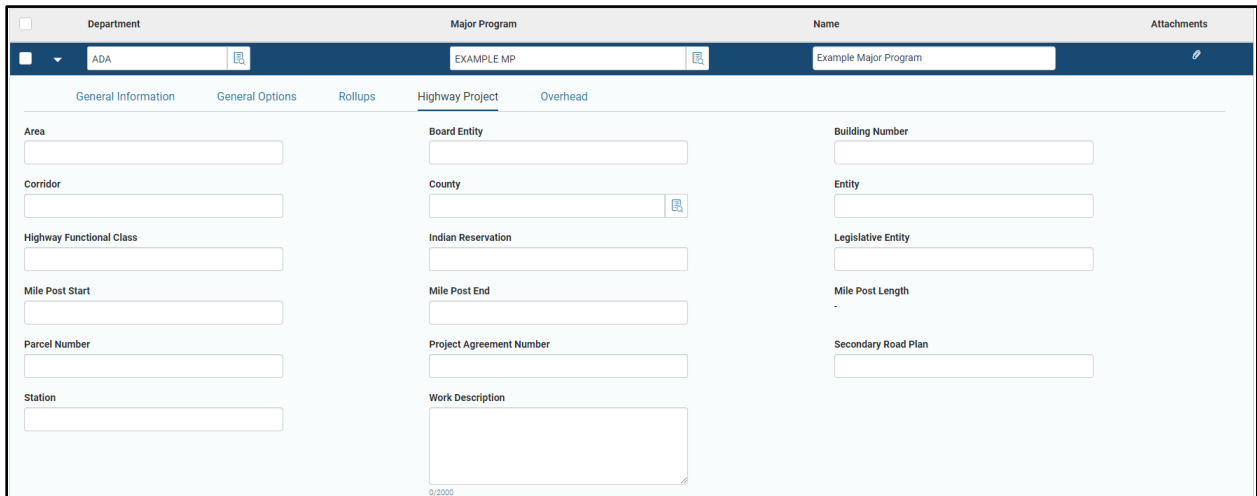
Note #2: For example, Type 05-Federal Pass-Thru Grant-From another State Agency from a Federal Agency, must be used for federal monies passed-through from another state agency as intermediary (a common misconception is to put these funds as a type 02 since the money is coming from another state agency).

Major Program – Highway Project Section

Highway Project information can be recorded at the Major Program, Program, or Program Phase levels. The coding level used to track the Highway project information is determined by the department.

Major Program – Overhead Section

Eligibility for Overhead charges are established at the Major Program level. Use of this section is optional and dependent upon departmental process. Please contact federalgrants@azdoa.gov if a user has any questions about the Overhead functionality.

Key fields in this section are:

- Overhead Eligible – This Yes/No drop down menu field enables the use of the overhead process for Cost Accounting activities within this Major Program.
- Overhead Redirection – This Yes/No drop down menu field tells AZ360 that the COA elements on source transactions will be overwritten with the elements entered in this section when the overhead charges are created by the system.
- Overhead Default Rate – Enter the default overhead rate for the Major Program. This field is required if the Overhead Eligible is set to Yes.

COA fields left empty in this section do not change the value on the source transaction when the Overhead charge transaction is created. COA fields that have a code entered in this section will overwrite the source transaction COA elements when the Overhead charge transaction is created. COA fields with BLNK entered will delete the source transaction COA element. The field will remain blank when the Overhead charge transaction is created.

Program Tab

The Major Program links individual Programs together for budgeting and/or reporting purposes. Although a Major Program can have multiple Programs beneath it, each Program can only be associated to one Major Program. The Major Program code is inferred on posting lines of AZ360 transactions based on the Program code that is entered on the COA tab of the transaction.

Figure 2: Program Structure
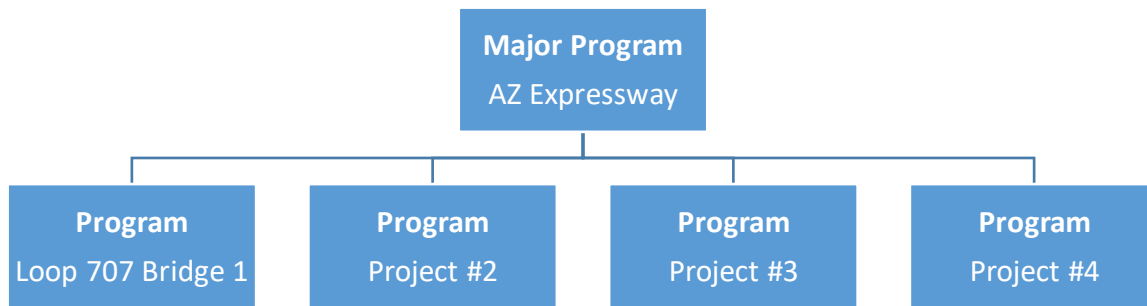
Note: An individual Program is assigned to only one Major Program. Each Major Program must have at least one Program, but often has multiple Programs in its hierarchy.
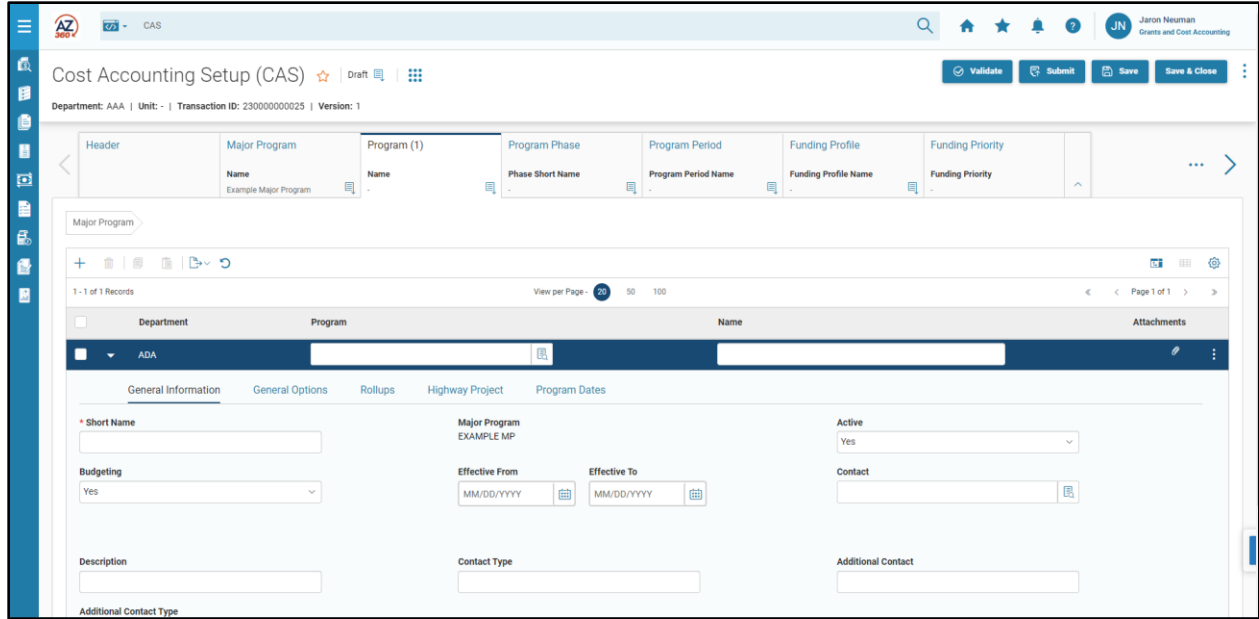
The Program (PROG) tab is used to identify a specific project or grant, or it may be used to identify a division or component of a project/grant, if the project/grant itself is set up at the Major Program or Program Period levels. A Program is the primary Cost Accounting component in the cost structure, and is a required COA element on every financial transaction posting to a cost structure. CAS transactions must contain at least one Program line in order to create a useable cost structure.

Program – Blue Line

Department is inferred when inserting a new line.

- Program (Required) – A required, unique code that identifies the Program. The Program code should be manually entered and is specific to a Department. A Department may only use the same Program code once because the Major Program is inferred based on the selected Program. For example, if a user's agency creates a Program called VOCA then VOCA may not be used as a code for a different Program ever again. This field has a ten-character alphanumeric limit. This field cannot be changed once the CAS (or CAM) used to create the Program is in Final phase.
- Name (Required) – A required, descriptive name for the Program. The Name does not have to be unique and can be changed, if desired. This field can be pulled into reports for descriptive information or data organization purposes.
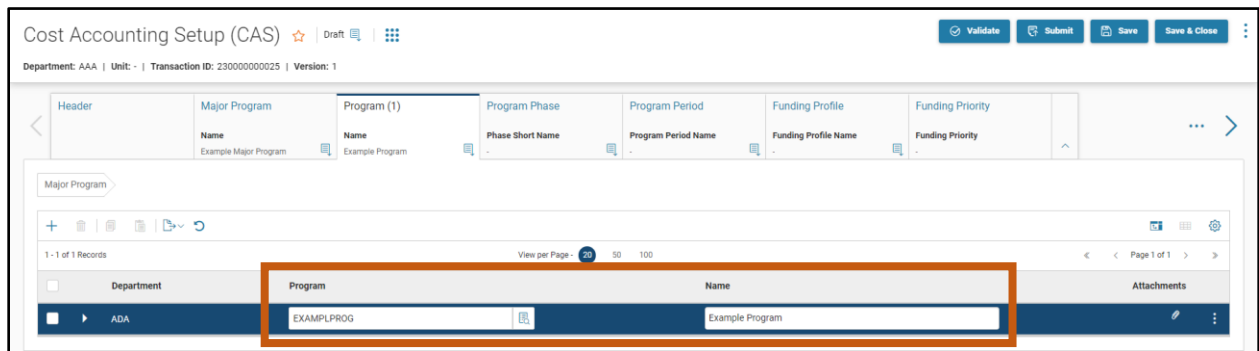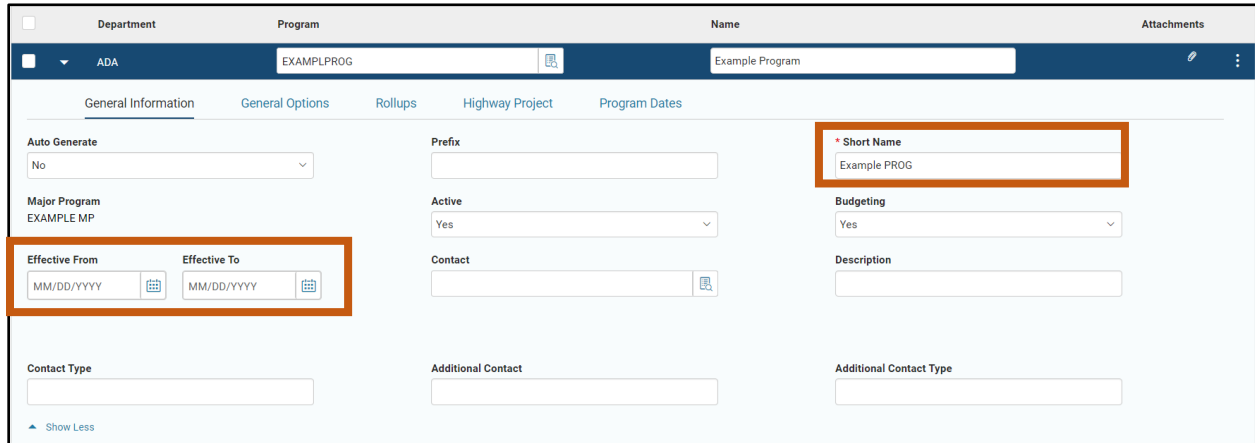
Program – General Information Section

This section contains information allowing Program records to be associated to a Major Program. Major Program code is inferred when inserting a new line.

Key fields in this section include:

- Short Name (Required) – A required short description for the Program. The Short Name does not have to be unique and can be changed, if desired. This field is similar to the Name field, but with a shorter character limitation.
- Effective From and Effective To – These date fields are optional and typically remain blank. Effective dates for project and grant activity will prevent the Program from being used on the posting lines of expenditure, disbursement, or other accounting transactions when the transactions occur before the Effective From date or after the Effective To date. The effective date range must be extended or removed with a CAM in order for transactions to process once outside of the effective date range.

Note: Effective Dates are different from Inference Dates, which are discussed in the Program Period section.

Program – General Options Section

- Reimbursement Status – This field is associated with the automated reimbursement functionality in AZ360. If a user's agency is utilizing the front-end split process, the Reimbursement Status field will have an impact. The Allowed for Reimbursement drop down menu option should generally be selected for front end split cost structures. If a user's agency wishes to delay or stop the automated generation of receivables or cash receipts for a Program, then Suspended for Reimbursement should be selected from the drop down menu.
- Reimbursement Eligible – This Yes/No drop down menu field tells AZ360 whether the Program is eligible for reimbursement. Generally, Programs should be eligible for reimbursement, but users should refer to their department procedure(s).
- Billing Agreement Date – Required field if the Program's Reimbursment Eligible field is flagged as Yes. The Billing Agreement Date determines when billing may start for a Program. This is usually the date a contract or award allows grant activity or billing to begin. Drawdown request for a Program will not be generated by the automated reimbursement process until on or after the Billing Agreement Date.

This field is also available on the Program Phase (PHPRG) page and can be entered there, if the authorization date for a Phase is different than the date entered on the Program. If either or both Effective Dates are entered, the Billing Agreement Date must be equal to or within the range of Effective Dates.

- Reclassification Exclusion – This field indicates if Posting lines that have this Program value are to be reclassified when the offline Reclassification Process is run. See Application Help and the Cost Accounting Run Sheets for additional information.

- Grant ID – The Grant ID may be used to link the information on the grant award in the GLM component of AZ360 to the cost structure. Program is one of 4 locations on the cost structure where Grant ID can be linked to the cost structure. It is generally not recommended to use Programs to track individual grants, however, some agencies do use separate Programs to track individual grants. If the Program level is the appropriate level to link to the grant, search for and select the Grant ID that represents the grant which the Program is tracking. Grant ID's interface into AZ360 from the eCivis grant management system. Grant ID's will only be available in AZ360 if the grant is established in eCivis. For more information on Grant ID's see the "Overview and Navigation of Grant Lifecycle Management (GLM)" section of the **AZ360 Manual – Grant Lifecycle Management** available at https://gao.az.gov/resources/training/gao-training-resources.

- Grant ID can only be entered at one location on a cost structure to ensure accurate reporting of grant information. (For example, if a cost structure has a Grant ID attached to the Major Program, a Grant ID can't be attached on the Program level.) If Grant ID is already placed on a Program and a new Grant ID is obtained for the project, then a new Program will need to be created for the new Grant ID.

- Drawdown Group – An optional field that is entered for projects and grants using the automated reimbursement process, when a single funding agreement covers more than one Program. This should be used to group together expenditures from different cost structures related to similar funding sources. Refer to AZ360 Application Help for additional information on Drawdown Groups.

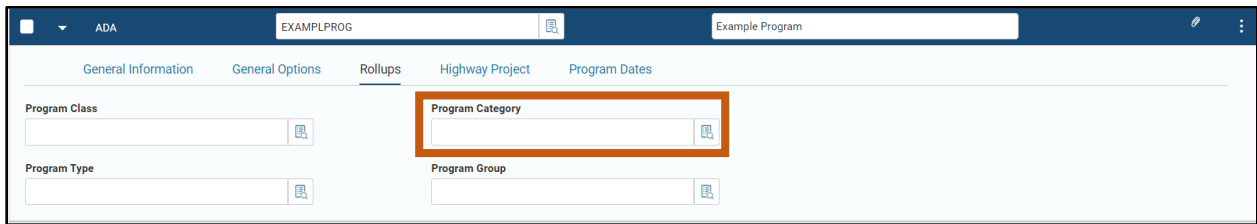
Program – Rollups Section

The Rollups section provides four levels to aggregate project or grant activity for reporting purposes. The Program Class and Program Category are used for Statewide reporting purposes. The Program Group and Program Type rollups are department-specific and should be used according to department procedure.

Category rollups are key to Statewide reporting of federal grant activity. Category rollups are how expenditures from grant sources are identified in AZ360. It is important that AZ360 cost accounting structures contain rollups that accurately reflect the funding for the expenditures being tracked by the cost structure.

Note #1: The rollup categories in the Program section are the same as on the Major Program section. If rollups are entered at both Major Program and Program, then the rollups cannot differ. However, one level or the other can be left blank.
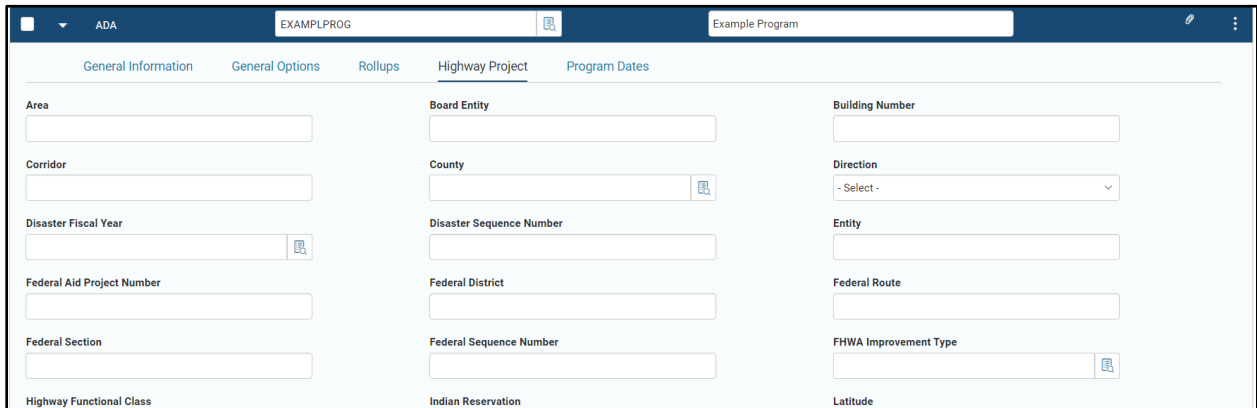
Note #2: A common example of this would be when a cost structure uses multiple Programs to track projects that have multiple sources of funding. The Major Program Category rollup would be left blank and each Program would contain different Program Category rollups, depending on the source of funding tracked by each Program.

Program – Highway Project Section

Like Major Program, Highway Project information can be entered at the Program component of the cost accounting structure, if appropriate. Use of fields in this section is optional and dependent on departmental procedure.

Program – Program Dates Section

The Program Dates section contains a series of optional dates that can be entered for reporting purposes only. Refer to departmental procedure.

Program Phase Tab

The Program Phase tab allows for the creation of an association between a Phase and a Program. Reporting attributes and reimbursement options are defined in the Program Phase for any attributes that differ at the Phase level from the Program. Program Phase is required for cost structures using budget structure 37 (Program Phase Revenue and Expense budget) and 40 (Program Phase Reimbursable Revenue and Expense budget). The Arizona Department of Transportation is the only agency currently utilizing Phase-based budgeting (Budget structures 37 and 40). Only a few agencies use Program Phase for reporting or inference attributes.

Note: Program Phase is not commonly used and discussion in this manual is high level. Users should refer to their departmental procedures.

Program Phase is a child record of a Program. In a CAS, a line for a Program record must be entered before a Program Phase can be added. If multiple Program lines exist in the Program tab of the CAS, the selected blue line on the Program tab will be the Program that the Program Phase associations are created for in the Program Phase tab.

A Phase record must exist on the PHASE table before a Phase can be associated to a Program with Program Phase. Records on the PHASE table are created by manually updating the PHASE table.
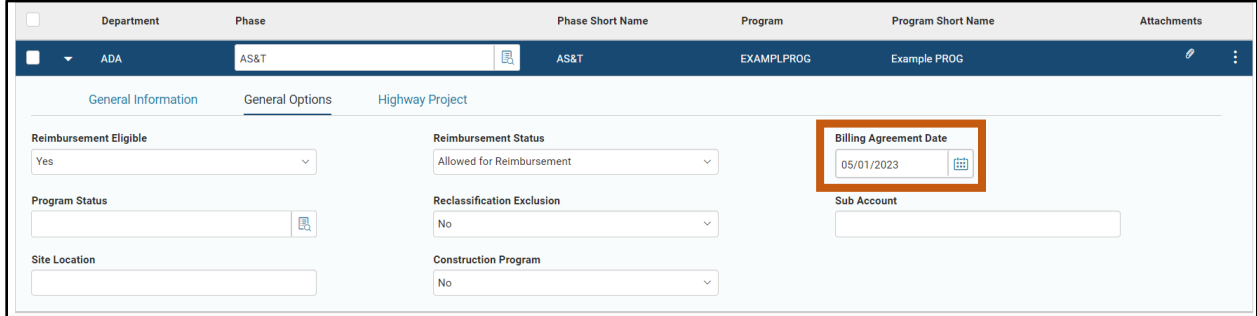
Program Phase – Blue Line

Use the Phase field pick list to select the Phase to be associated to a Program by creating a Program Phase. The pick list will contain the existing records on the PHASE table for the department.

Program Phase – General Information Section

The Effective From and Effective To fields are optional. If effective dates are entered on the Program tab, the system will infer the Program's effective dates into the Program Phase tab. This can be overridden. However, the Effective From date on the Program Phase tab, if entered, cannot start before the Effective From date on the Program tab, if entered.
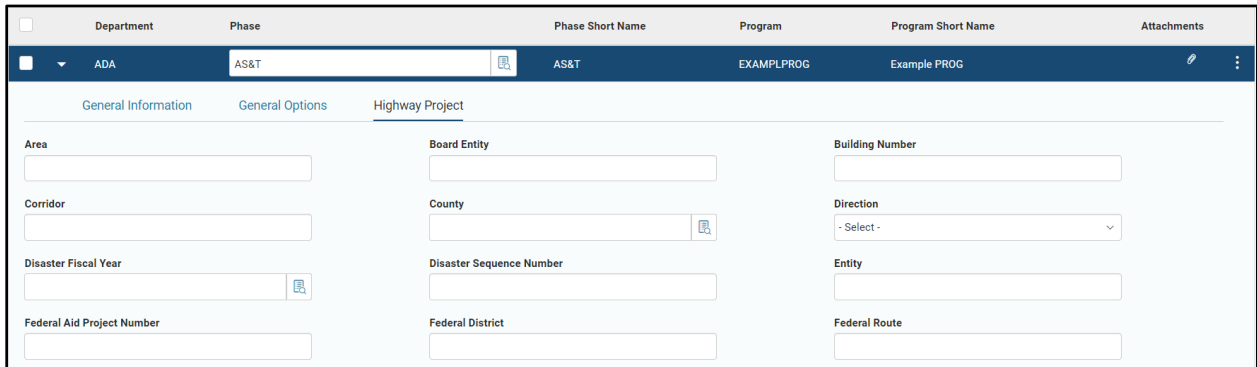
Program Phase – General Options Section

If the Billing Agreement Date is entered at the Program level, the system will infer the Program's Billing Agreement Date into the Program Phase. This can be overridden. However, the Billing Agreement date on a Program Phase, if entered, cannot start before the Billing Agreement Date on the Program, if entered.

Program Phase – Highway Project Section

Highway Project information can be entered on the Program Phase, if appropriate. Please refer to departmental procedure.
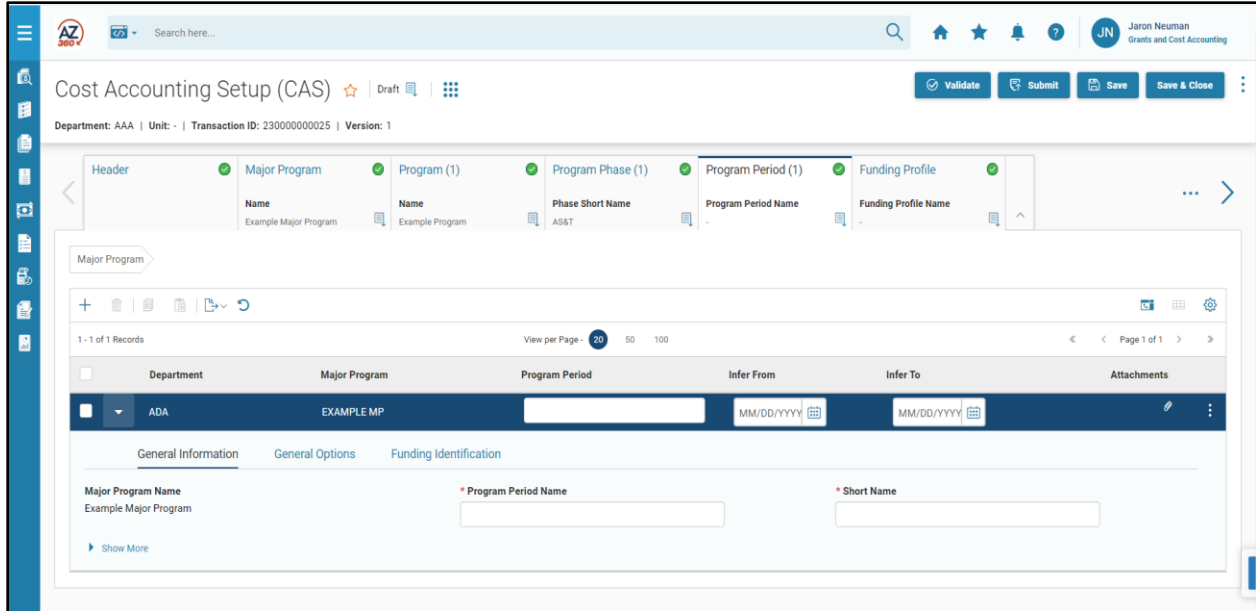

Program Period Tab

In AZ360, the Program Period (PPC) is the component of the cost structure used to identify the award period. Usually, Program Periods are created to represent a new award year or budget period for a program or project. However, Program Periods are not limited to being used on transactions within specific date ranges or Fiscal Years. Any active Program Period with available budget can be posted to any time. This allows multiple budgets with overlapping budget periods to use the same Major Program cost structure, or allows for reconciliation, final expense and administrative adjustment entries to be made for a recently expired budget period.

Program Periods are connected to the Major Program. On accounting transactions, any active Program Period can be used with any active Program under the same Major Program.

Note: Programs and Program Periods are both directly associated to the Major Program. There is no direct link between Programs and Program Periods. A common misconception is that Program Periods are child records of Programs, since Program Periods come after the Program in the CAS and on cost structure budgets.

Program Period – Blue Line

- Program Period (Required) – A unique code to identify the Program Period(s) associated to the same Major Program. It does not have to be unique for the Department as a whole – a Department can have multiple Program Periods with the same code, as long as they are associated to different Major Programs. This field has a 5-character limit.
- Infer From and Infer To (Required) – These date fields are used for inferencing logic within AZ360. When Cost Accounting COA (e.g. Program) is entered on an accounting transaction and a Program Period is not specified, AZ360 will infer the Program Period using the inference date ranges. The system will select a Program Period based on which Program Period date range the record or service date of the transaction is within, depending on the Reporting Basis selected for the cost structure (discussed earlier in the Major Program section).

Program Periods on a cost structure cannot have inference date ranges that overlap or have gaps. For example, if a Program Period has an Infer To date of 06/30/2023, the next Program Period must have an Infer From date of 07/01/2023. Inference dates can be changed, but the inference dates of bordering Program Periods all must be shifted to ensure there are no gaps or overlaps.

Inference date ranges often correspond to award periods or budget periods, typically for a one-year period. However, agencies should select inference dates based on their departmental procedures and grant requirements.

Note #1: Program Period inference dates utilize a soft inference logic and can be overwritten by entering a different Program Period on transactions. Any active Program Period with available budget can be used on accounting transactions outside of its inference date range.

Note #2: A soft inference differs from a hard inference logics such as Function Inference. Hard Inference Logics cannot be overwritten by manually entering a different COA.
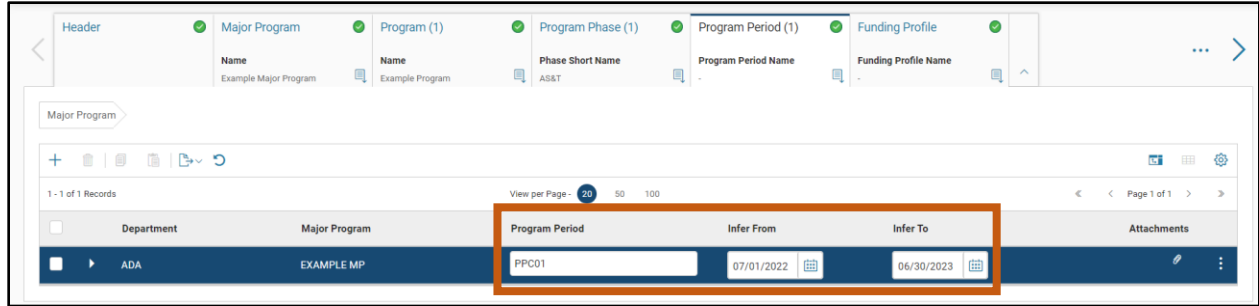
Program Period – General Information Section

The General Information section associates the Program Period with the Major Program that identifies the grant or project.

- Program Period Name (Required) – A required, descriptive name for the Program Period. The Name does not have to be unique and can be changed, if desired. This field can be pulled into reports for descriptive information or data organization purposes.
- Short Name (Required) – A required short description for the Program Period. The Short Name does not have to be unique and can be changed, if desired. This field is similar to the Name field, but with a shorter character limitation.
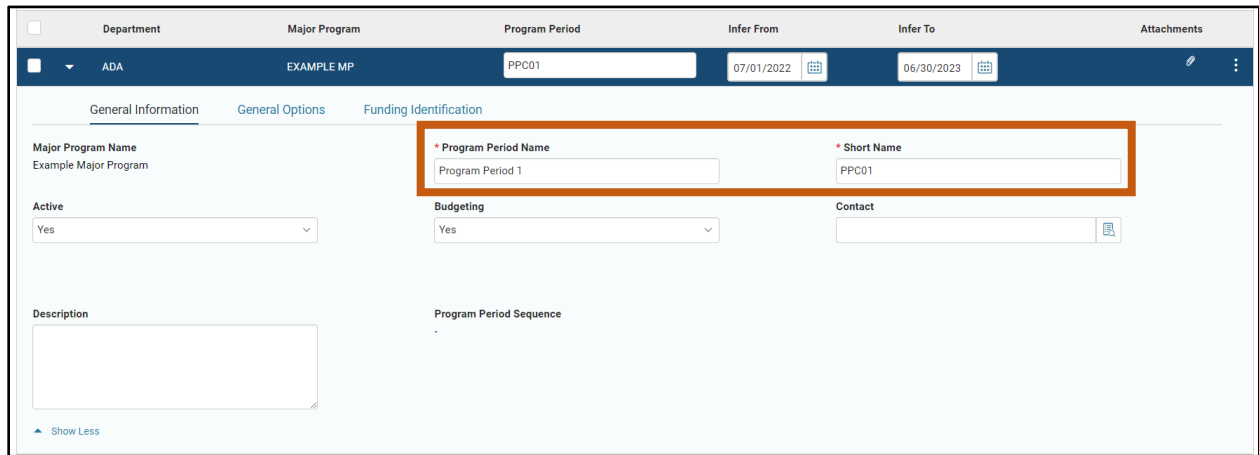
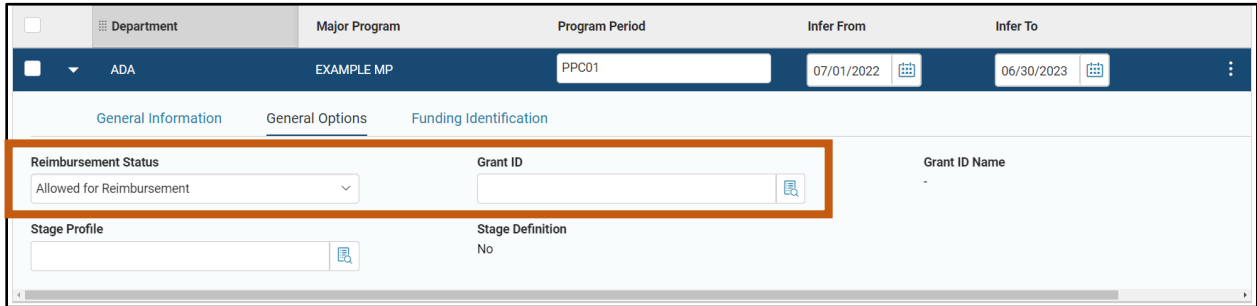## Program Period – General Options Section

The General Options section contains two fields which users can enter, the Reimbursement Status field with a drop down menu and a field to link a Grant ID to the Program Period.

- Reimbursement Status – This field is associated with the automated reimbursement functionality in AZ360. If a user's agency is utilizing the front-end split process, the Reimbursement Status field will have an impact. Allowed for Reimbursement should generally be selected for front-end split cost structures. If a user's agency wishes to delay or stop the automated generation of receivables or cash receipts for a Program Period, then Suspended for Reimbursement should be selected.
- Grant ID – Program Period is one of 4 locations on the cost structure where Grant ID can be linked and is the most common location to place the Grant ID. If the Program Period is the appropriate level to link to the grant, search for and select the Grant ID that represents the grant which the Program Period is tracking using the pick list. Grant ID's interface into AZ360

from the eCivis grant management system. Grant ID's will only be available in AZ360 if the grant is established in eCivis.
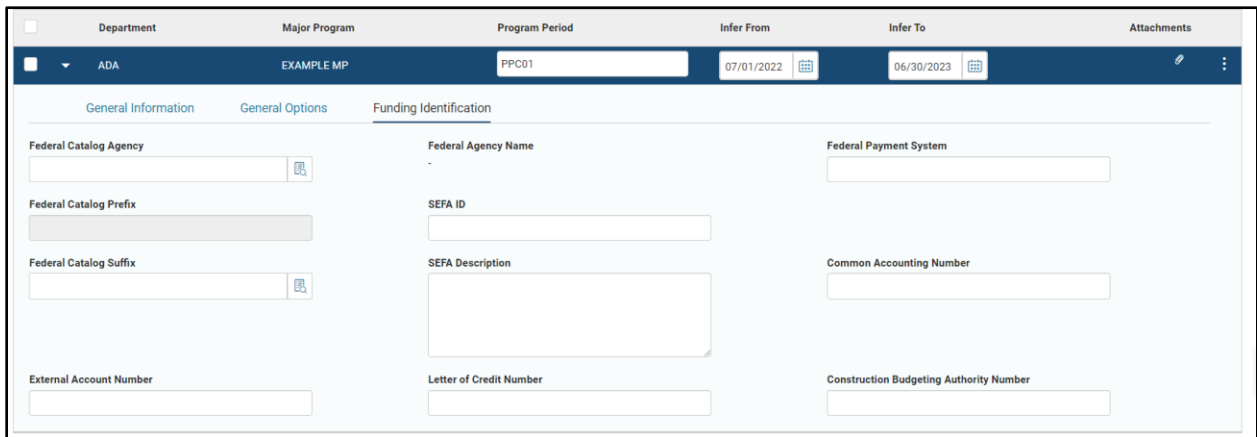
Note: It is recommended to place Grant ID's at the PPC level for grants received on an annual or periodic basis. Program Periods can be set up to track each budget year or budget period. Each new award should have its own Grant ID number and each Program Period will be tied to a specific award.

Program Period – Funding Identification Section

This section is used to capture funding information about the project or grant. Fields in this section are critical to Statewide reporting of federal grants. As mentioned earlier in this manual, the Federal Appropriation Setup field on the Major Program record instructs AZ360 to look for funding information either at the Program Period or Funding Line levels. This information is normally entered on the Program Period tab.

Federal Assistance Programs are identified by Assistance Listing Numbers. *Cost structures tracking federal grant expenditures are required to contain an Assistance Listing Number (or a SEFA ID) to ensure they are reported on the Schedule of Expenditures of Federal Awards (SEFA).*

Assistance Listing Numbers are a federal identifier formerly known as Catalog of Domestic Assistance (CFDA) numbers. They contain a two-digit prefix and a three-digit suffix. The prefix identifies the federal cabinet level department responsible for the program (i.e. all Department of Agriculture Assistance Listings have a prefix of 10, Department of Justice programs have a prefix of 16, etc.) The suffix identifies the specific federal program the assistance is awarded under. The Assistance Listing number is entered in AZ360 by using the Federal Catalog Agency and Federal Catalog Suffix fields.

- Federal Catalog Agency – Select a value from the pick list. Valid entries for this field are established on the Federal Agency (FEDAGCY) page by the General Accounting Office (GAO). The pick list allows users to search by the Federal Catalog Prefix or Name to find the correct Federal Catalog Agency. The Federal Catalog agency is linked to a Federal Catalog Prefix on the FEDAGCY table.
- Federal Catalog Prefix – Automatically populates based on the Federal Catalog Agency field selection. If the prefix is manually adjusted to a number that does not tie to the Federal Catalog Agency selection, a validation error will occur. The prefix represents the first two digits of the Assistance Listing.
- Federal Catalog Suffix – It is recommended to select the appropriate suffix value from the pick list. The values in the pick list are established on the Assistance Listing Number (CFDA) table by GAO. This CFDA table contains a listing of valid Assistance Listing numbers that can be used in AZ360. This field can also be manually entered.

Note: CAS (and CAM) transactions can only contain Assistance Listing values which exist on the CFDA table.

Entering values that are not on the CFDA table results in the following error: **The combination of the Federal Catalog Prefix and Federal Catalog Suffix must exist on the Assistance Listing Number table. (A7115)**.

Users should email federalgrants@azdoa.gov if they receive this error and believe that the Assistance Listing which they have entered is valid. Please attach the documentation for the award to the email. The Federal Grants team will then research the Assistance Listing and update the CFDA table with new values, as needed. This situation is rare but can occur when the federal government creates new Assistance Listing programs.

Rarely, an award of federal assistance will not have an assigned Assistance Listing Number. In those cases, the Federal Catalog Agency, Prefix and Suffix fields are left blank. Instead, values are entered in the SEFA ID and SEFA Description fields.

- ▪ The SEFA ID is a combination of the Federal Awarding Agency two-digit identification number (prefix) followed by a period and the award contract number. Please refer to State of Arizona Accounting Manual (SAAM) Topic 70, Section 15, Formatting Guidelines for SEFA reporting. Contact federalgrants@azdoa.gov if a user needs assistance with creating a SEFA ID.

SEFA ID

10.CONTRACTNUMBER

SEFA Description

Description of Federal Agreement without an Assistance Listing - Only Used when there is no Assistance Listing

Note: Program Period is the last required component for all cost structures. Agencies who only use cost structures to track expenditures – that do not use the front-end split or reimbursement processes – do not need to create a funding profile hierarchy.

Funding Profile Hierarchy Overview

The funding profile hierarchy is required for projects and grants that utilize splits, including cost structures which use the automated reimbursement cycle. Funding profiles capture details related to the funding source, funding agreements and drives AZ360's automated reimbursement process.

Funding Profiles are child records of the Major Program. As discussed in the CAS "Major Program – General Options Section" of this manual, the option selected for the Split Type field of the General Options section of the Major Program tab determines whether Funding Profiles are utilized. This selection depends on departmental procedure and the needs of the project.

- If the Split Type is Front End Split (FES), then the Funding Profile must be utilized and both an expenditure budget (Either budget structure 37 or 38) AND a reimbursement budget is required for the cost structure (Either budget structure 39 or 40).

- If the Split Type is No Automated Splits-No Bill, then the Funding Profile attribute cannot be utilized. Only expenditure budgets are required.

- If the Split Type is No Automated Splits-Manual, then the Funding Profile may be used to capture funding information; however, the automated reimbursement process is not used.

The Funding Profile hierarchy consists of three components: Funding Profile, Funding Priority(ies), and Funding Line(s). Each component has its own tab on CAS (and CAM) transactions. Funding Priorities are child records of the Funding Profile, and Funding Lines are child records of Funding Priorities. A funding profile hierarchy must contain a Funding Profile, at least one Funding Priority and at least one Funding Line for each Funding Priority.

Funding Profiles can be established as either eligible or ineligible. An eligible funding profile identifies the funding details for participating or reimbursable expenditures; an ineligible funding profile identifies the funding details for non-participating or non-reimbursable expenditures. One or more eligible Funding Profiles can be created as needed to reflect the various funding agreements for the Major Program. Not all cost structures with Funding Profiles utilize ineligible Funding Profiles.

Once established by a CAS or CAM, Funding Profile hierarchies can be viewed on the Funding Profile (FPRFLST) table in AZ360.
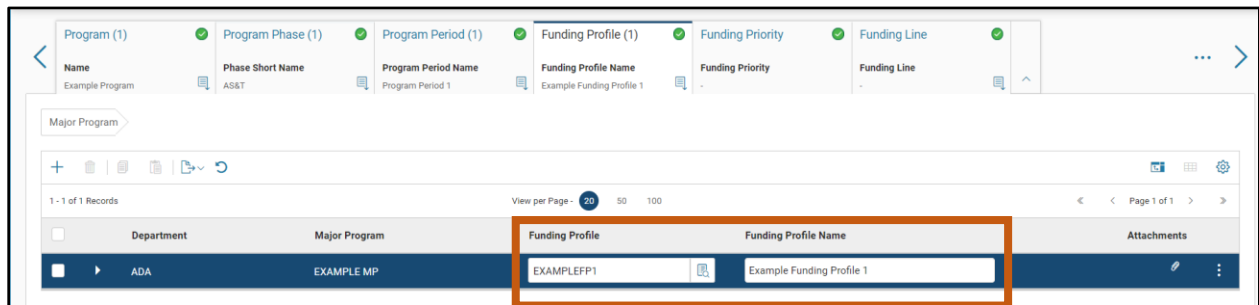
Funding Profile Tab

The Funding Profile allows for configuration of options for the entire Funding Profile hierarchy.
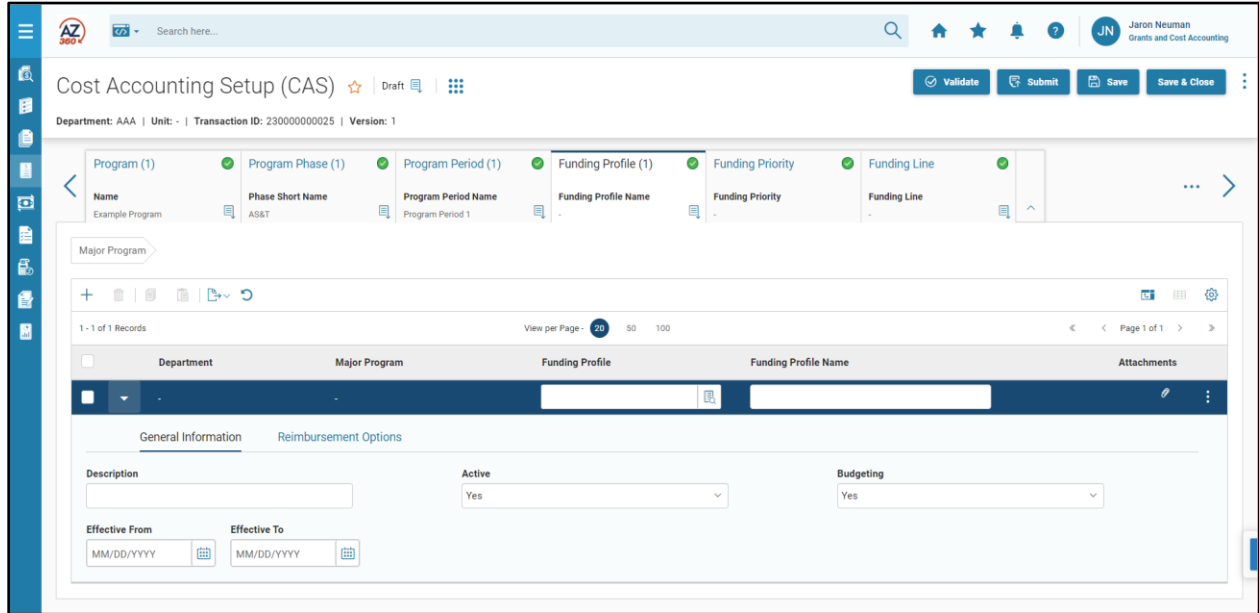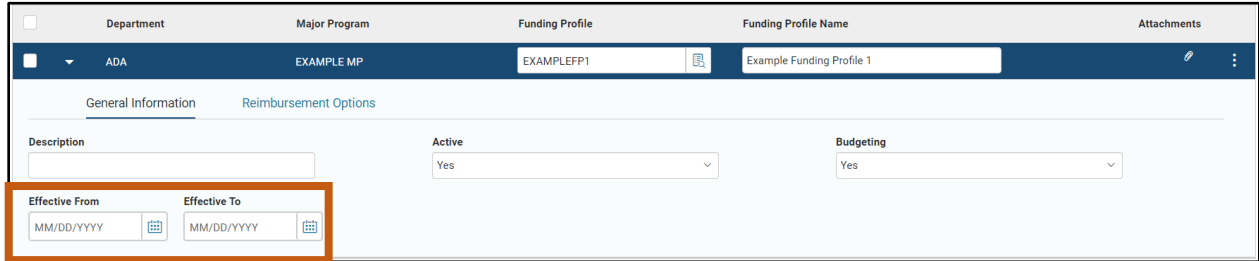

Funding Profile – Blue Line

- Department and Major Program – These fields infer upon saving or validating based on the Department and Major Program code in the Major Program tab.
- Funding Profile (Required) – A code to identify the Funding Profile. This code must be unique compared to codes among Funding Profiles associated to the same Major Program. There is a 10 character limit.
- Funding Profile Name (Required) – A required, descriptive name for the Funding Profile. It does not have to be unique and can be changed, if desired. This field can be pulled into reports for descriptive information or data organization purposes.

Funding Profile – General Information Section

- Effective From and Effective To – These date fields are optional and typically remain blank. Effective dates define the date range where the Funding Profile is active and useable on the posting lines of expenditure, disbursement or other accounting transactions. Transactions occurring before the Effective From date or after the Effective To date will be prevented
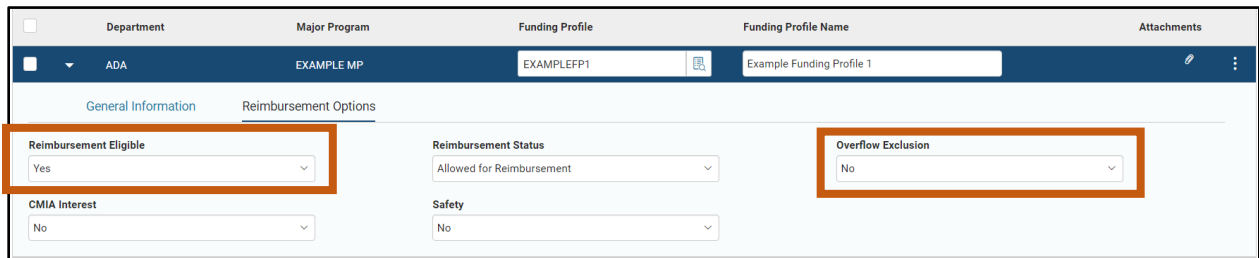
from posting to the Funding Profile, if effective dates are used. If effective dates are used on a Funding Profile and also on the Major Program, the effective dates on the Funding Profile must be equal to or within the effective date range on the Major Program. Refer to department procedure.

Department	Major Program	Funding Profile	Funding Profile Name	Attachments
ADA	EXAMPLE MP	EXAMPLEFP1	Example Funding Profile 1	

General Information   Reimbursement Options

Description

Active
Yes

Budgeting
Yes

Effective From
MM/DD/YYYY

Effective To
MM/DD/YYYY

Funding Profile – Reimbursement Options Section

- Reimbursement Eligible – This Yes/No drop down menu field designates whether the entire Funding Profile hierarchy is eligible or ineligible for reimbursement. This determines whether transactions that post to the funding profile are eligible for inclusion in AZ360's automated reimbursement process. The selected option will be inferred into the Reimbursement Eligible fields of all child Funding Priorities and Funding Lines of the Funding Profile.
- Overlow Exclusion – This Yes/No drop down menu field determines if all Posting lines that infer this funding profile are eligible for Automatic Overflow as part of the Reclassification Process. If the value is Yes, then Posting lines that infer this funding profile cannot be reclassified for overflow purposes. See the "Appendix B - Reclassification Process" for additional information.
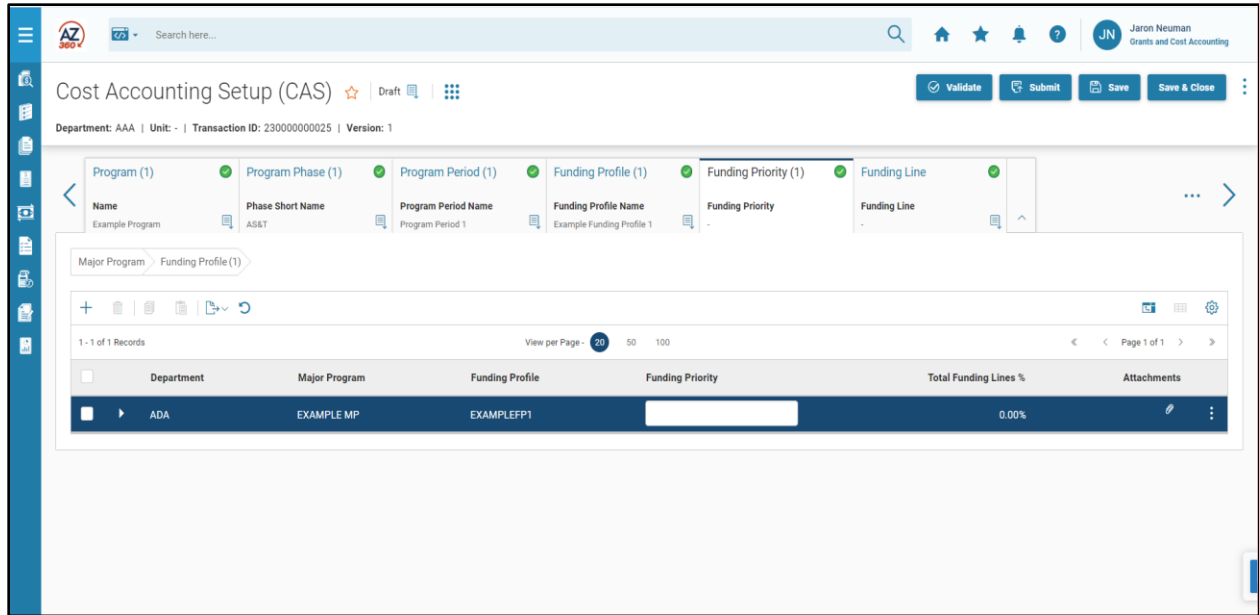
Department	Major Program	Funding Profile	Funding Profile Name	Attachments
ADA	EXAMPLE MP	EXAMPLEFP1	Example Funding Profile 1	

General Information   Reimbursement Options

Reimbursement Eligible
Yes

Reimbursement Status
Allowed for Reimbursement

Overflow Exclusion
No

CMIA Interest
No

Safety
No

Funding Priority Tab

Each Funding Profile has at least one Funding Priority. The Funding Priority defines the billing ceilings and billing sequence of funding agreements. If there is more than one funding agreement for the same project or grant, the funding priority identifies which funding agreement is used first to fund project or grant expenditures. This priority assignment is based upon the numeric value manually assigned in the Funding Priority field. For example, sequential Funding Priorities can be established to support the Federal Highway Administration (FHWA) funding model; whereby one pot of money (designated by Federal Appropriation) must be spent before another.

A maximum of 100 Funding Priorities can be established for a Funding Profile.

Funding Priority – Blue Line

- Department, Major Program, and Funding Profile – These fields are inferred from the Funding Profile upon validating or saving the transaction.
- Funding Priority (Required) – A two digit numeric value signifying the priority of the pool of funding identified by that priority. Lower numbers are 'higher priority' whose pool of funding must be exhausted before AZ360 will move on to the next priority. For example, the pool of money budgeted for a priority 10 must be fully spent before AZ360 will begin using the next highest priority, 20. The lowest priority is priority 99.

Note #1: It is considered best practice to number Funding Priorities by 10s (for example, 10, 20, 30, 40), in order to allow space for later insertion of a new Funding Priority in the proper sequence.

Note #2: Funding Priorities must contain two digits. Single digit Funding Priorities must contain a leading zero. For example, if desiring to designate a funding priority as priority 5, it must be entered as "05". AZ360 will read any priority without a leading zero as having a trailing zero (e.g. "7" will be read as "70").

- Total Funding Lines % – This field is system calculated based on information entered in the Funding Line(s). It displays the total reimbursement percentage for all Funding Lines in this Funding Priority. This field is updated whenever a new funding line is added or there is a change in the reimbursement percentage for any funding line associated to the Funding Priority. The total reimbursement percentage for a Funding Priority must equal 100%.
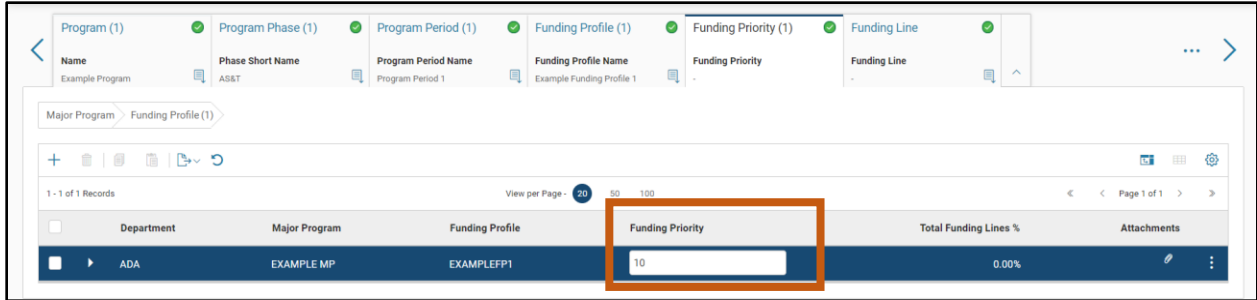
Funding Priority – Reimbursement Options Section

- Reimbursement Eligible – Determines whether this Funding Priority is eligible for AZ360's automated reimbursment process. While this is a usable field in a CAS, AZ360 will auto infer the Reimbursement Eligible selection from the Funding Profile tab, upon validating or submitting the CAS.
- Reimbursement Status – Select Allowed for Reimbursement for all projects and grants. If processing of the automated reimbursement process should be suspended for the Funding Priority for any reason, select Suspended for Reimbursement.
- Overflow Priority – Select Yes if the Funding Priority is the Overflow Funding Priority. An Overflow Funding Priority must be established if expenditures exceeding the project or grant budget are to be allowed. It is considered best practice to designate Priority 99 as the Overflow Priority to ensure that it is always the last priority available.
- Overflow Exclusion – This Yes/No drop down menu field determines if all Posting lines that infer this funding profile are eligible for Automatic Overflow as part of the Reclassification Process. If the value is Yes, then Posting lines that infer this funding profile cannot be reclassified for overflow purposes. See the "Appendix B - Reclassification Process" for additional information.
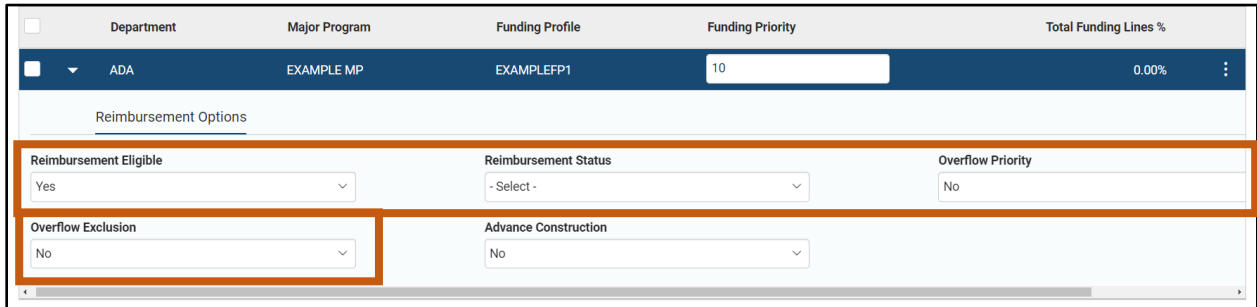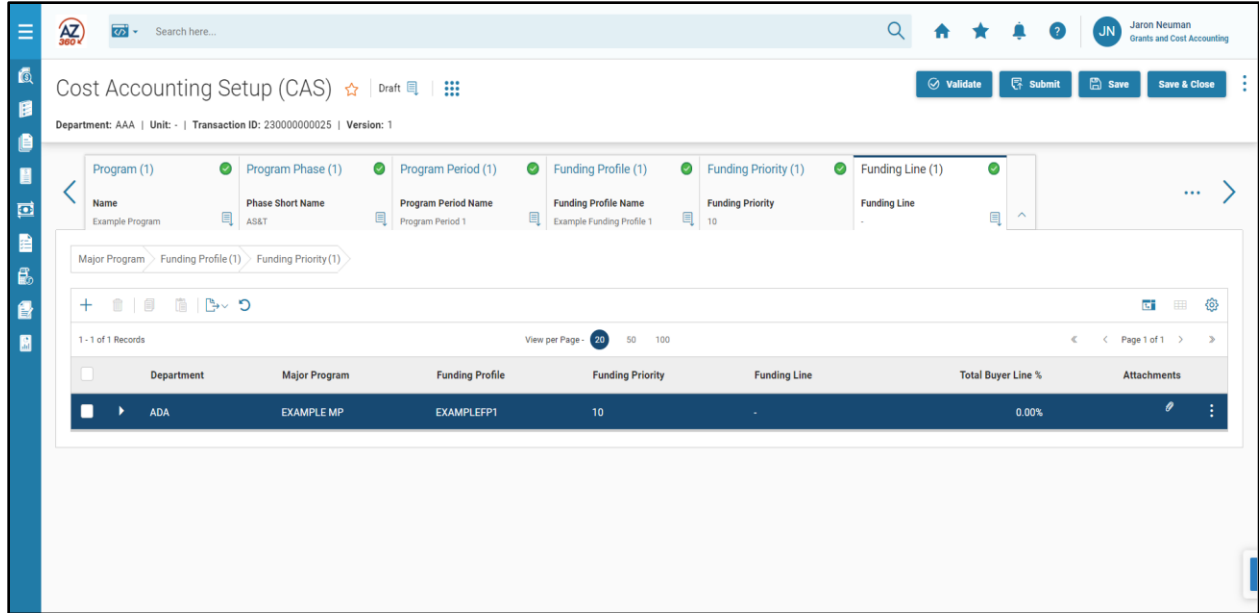

Funding Line Tab

Each Funding Priority has at least one Funding Line. There will be at least two Funding Lines for Funding Priorities that have multiple sources of funding. Funding Lines indicate the funding sources and specifies the percentage of total funding for each source. The Funding Line contains the detailed information presented in the funding agreement.

For projects or grants with multiple and concurrent funding sources, the automated splitting of expenditures (Funding Split), is determined by the percentages entered on the Funding Lines. Within a Funding Priority, the Funding Line percentages must total 100%.

The Funding Line is a hierarchical child of the Funding Priority; therefore, the appropriate Funding Priority must be selected prior to navigating to the Funding Line.

Funding Line – Blue Line

No user input is required. All fields on a Blue Funding Line(s) are inferred from the Funding Priority, except for Funding Line Number, which is sequentially assigned by AZ360 upon finalizing the transaction.
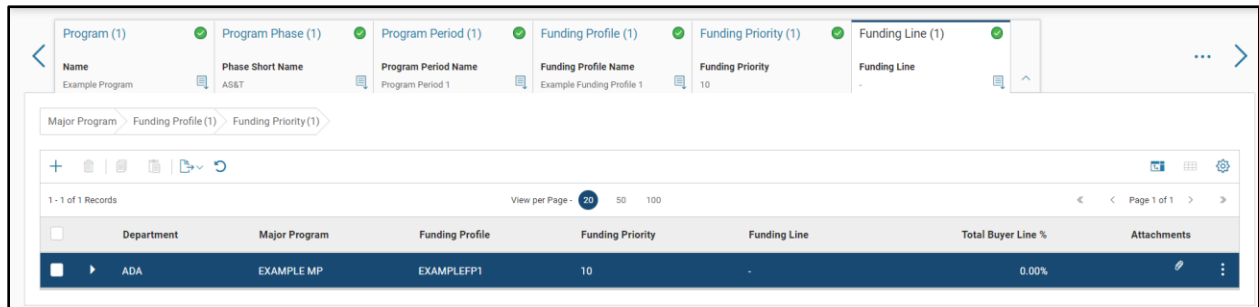
Funding Line – Reimbursement Options Section

The Reimbursement Options section identifies the funding source and the important details related to the funding agreement.

Key fields include:

- Reimbursement Eligible – Determines whether this Funding Line is eligible for AZ360's automated reimbursment process. While this is a usable field in a CAS, AZ360 will infer the Reimbursement Eligible selection from the Funding Profile tab, upon validating or submitting the CAS.
- Reimbursement Status – Select Allowed for Reimbursement for all projects and grants. If processing of the automated drawdown request should be suspended for this Funding Line for any reason, select Suspended for Reimbursement.
- Reimbursement Frequency – Determines the frequency of reimbursement for expenditures charged to this funding line. Refer to department procedure for the proper selection. *For ineligible funding lines, select None*. Options are as follows:
    - N/A – See Billing Profile
    - None

- o Daily
- o Weekly
- o Semi-monthly
- o Monthly
- o Biweekly
- o Quarterly
- o Semi-annual
- o Annual
- o One-time
- o Date Range

- Reimb Output Type - Identifies the transactions generated by the automated reimbursement process. Refer to department procedure for the proper entries for each Funding Line. The options used by the state are:
  - o Generate Receivables Only – Select if AZ360 should generate the Cost Accounting Receivable (CARE) transaction only. Used for external entities for drawing down funds.
  - o Generate Receivables and Cash Receipts – Select if AZ360 should generate both the CARE and the Cost Accounting Cash Receipt (CACR) transactions. Used for external entities.
  - o None – Select if transactions will not be generated by AZ360 and for ineligible funding lines.
- Reimbursement % (Required) – Enter the % of funding from this funding source. The percentage should be entered as a whole number (for example, enter 50 not .50 if the funding source is reimbursing 50%). *This field is required for all funding lines*, whether eligible or ineligible.

Note: The sum of all Funding Lines for each Funding Priority must equal 100% before the Funding Profile can be used on an accounting transaction.

- Maximum Reimbursement Amount – This field is optional and is used to enter the maximum amount that can be reimbursed for any funding line on any given run of the automated reimbursement process.

Note: This is not the total agreed-upon reimbursement. That amount is recorded on the Reimbursement Budget line.

- AR Unit – For *eligible* funding lines, enter All. This Unit must match the unit information on the Customer Account Options (CACT) table for the department, billing profile, and Vendor Customer (VCUST) record. For *ineligible funding lines*, leave this field blank.
- Customer ID – Select the code for the funding source from the VCUST page. For the external funding line, select the federal agency or third party entity providing the project or grant funding. For ineligible funding lines, leave this field blank.
- Billing Profile – Identifies billing instructions for the funding source. For eligible funding lines, normally this will be COST. For ineligible funding lines, leave this field blank.
- CMIA Method – An entry is required if the Customer Type indicates a CMIA agreement. The Customer Type is established on the VCUST page in the Accounts Receivable section of the Vendor/Customer tab.

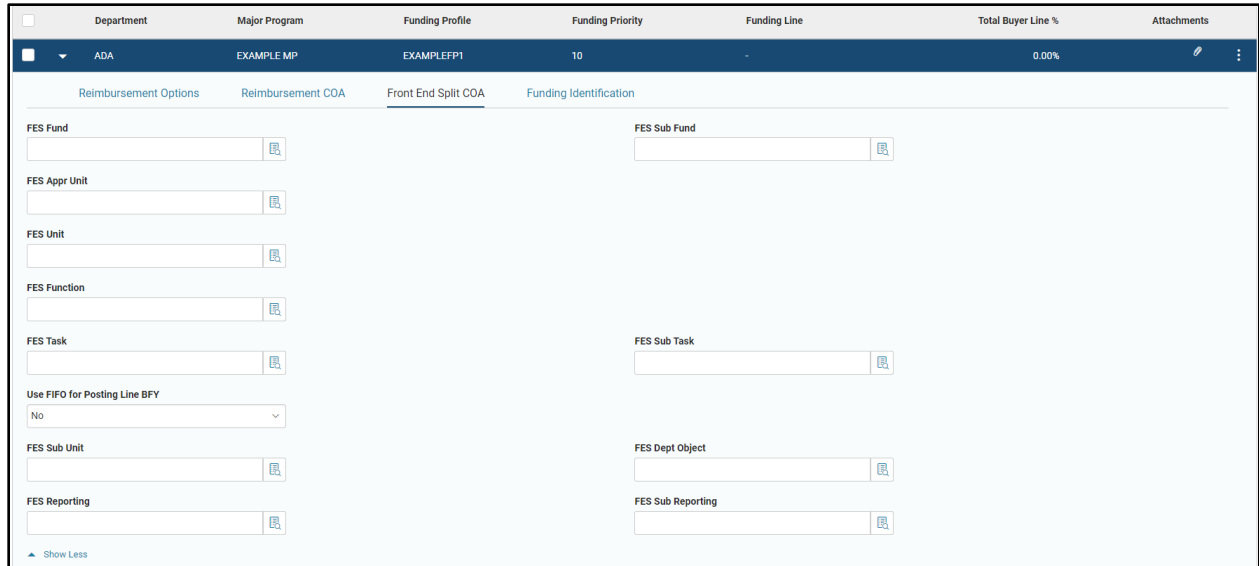## Funding Line – Reimbursement COA Section

The values entered in this section are used to populate the COA fields on the Cost Accounting Receivable (CARE) transactions generated by the automated reimbursement process. When a field is blank in this section, then the CARE will inherit the value that was on the corresponding field on the Accounting line of the source expenditure transaction. If a value is entered in one or more fields, then those values will be populated in the corresponding fields on the Receivable (RE) transaction that is generated by the automated reimbursement process.

Generally, the Revenue field is populated for all Funding Lines. Other fields are populated according to department procedure.

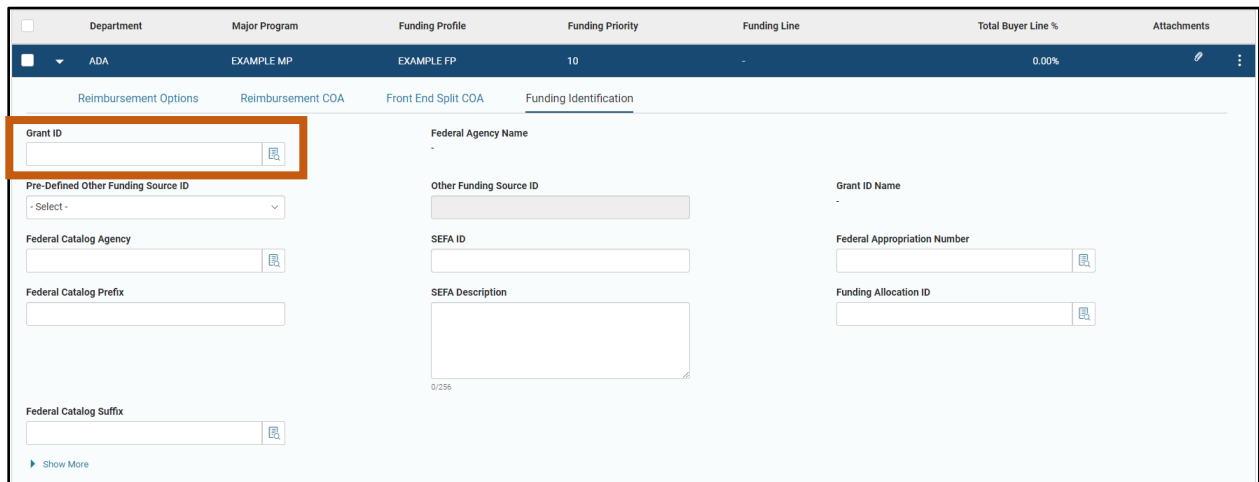## Funding Line – Front End Split COA Section

This section is utilized when the COA elements entered on the Accounting lines of accounting transactions must be overwritten on the Posting Line during the Front-End Split process. The fields most commonly populated are FES Fund and FES Appr Unit, but all fields are optional. Refer to department procedure.

Funding Line – Funding Identification Section

Normally, funding identification information is entered on the Program Period record for a Major Program. However, this information may be entered on the Funding Line when there are multiple Assistance Listing or SEFA numbers for a Major Program within an individual Program Period. In this case, the selection from the drop down menu in the Federal Appropriation Setup field on the Major Program tab will be Funding Line. Users should refer to their departmental procedure. Fields in the Funding Identification section on the Funding Line tab are completed in the same manner as described for the Program Period.

Note: The Funding Line – Funding Identification section is the fourth and final location where the Grant ID can be entered. Select the Grant ID from the pick list if a grant award is associated at the Funding Line level. Remember that Grant ID may only be input at one level of the Cost Accounting Structure.

Funding Profile Inference Tab

Funding Profile COA cannot be manually entered on accounting transactions in AZ360. Instead, it is inferred on the Posting line of the accounting transactions, based on the COA elements entered on the

COA section of the Accounting line of the transaction. If a Program code associated with a front-end split Major Program is entered on the COA section of an accounting transaction, a record must be present on one of the Funding Profile Inference pages. Otherwise, an error is generated because a Funding Profile could not be inferred.

There are two ways to establish inference rules for Funding Profile Inference tables:

- Agencies have direct access to the Funding Profile Inference pages. Most agencies elect to establish their inference rules by manually updating the tables.

- The inference rules can be established in the Funding Profile Inference tab of a CAS (or CAM). CAS (or CAM) will add records to the applicable Funding Profile Inference page once in final phase.

If using the Funding Profile Inference tab of a CAS (or CAM), the user will select the appropriate Funding Profile Inference (FPI) for the departmental needs from the drop down menu. The fields that their FPI selection uses for inference logic will become available for data entry. All fields used by the FPI selection are required.

For example, the following screen shows that Program Period, Activity, Fiscal Year, Funding Profile, and Reimbursement Eligible are required for FPI3:
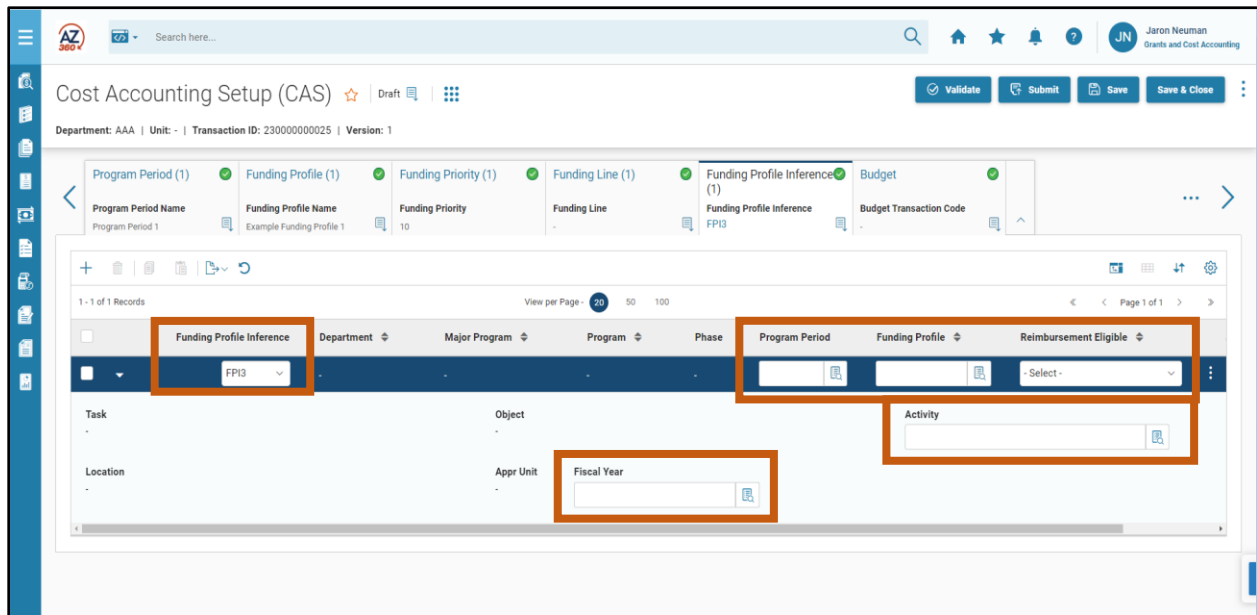
Note #1: Funding Profile Inference records are required to be able to post to Funding Profiles in an accounting transaction, but use of the Funding Profile Inference tab of the CAS (or CAM) is optional.

Note #2: Users should refer to their departmental procedures to determine if their agency uses the CAS to create Funding Profile Inference rules, or if they update the Funding Profile Inference pages manually. Users should also refer to their departmental procedure to determine which Funding Profile Inference(s) their agency uses.

Funding Profile Inference Pages

There are multiple Funding Profile Inference pages. Each page is distinguished based on the combination of COA elements contained on the page. The inference logic searches through the FPI pages in a defined sequence, looking for a match to the COA elements entered on the Accounting line of the transaction. When a match is found, it infers the associated Funding Profile from the entry on that page and does not search the remaining FPI pages. The sequence and combination of COA elements for the FPI pages are listed below:

Table 2: FPI Page COA Element Sequence Table

FPI Page Sequence	Department	Major Program	Program	Program Period	Phase	Activity	Object	Appropriation Unit	Task	Location	Funding Profile*	Fiscal Year	Reimb Eligible
FPI1	x	x	x	x	x	x	x				x	x	x
PFPI	x	x	x			x	x				x		x
FPIO	x	x	x	x			x				x	x	x
FPI2	x	x	x	x							x		x
FPI3	x	x		x		x					x	x	x
FPPPAPPR	x	x	x	x				x			x		x
FPI4	x	x	x	x							x		x
FPI5	x	x	x								x		x
FPI6	x	x	x						x		x		x
FPIAL	x	x	x			x				x	x	x	x
GFPI	x	x	x								x		x

*there are only two options: ineligible and eligible

Note: Funding Profile Inferences are listed in the above table in the order the system searches for matching records.

Attempting to use the same COA combinations will result in an error and the record will not be saved to the page. There cannot be conflicting entries on an FPI page.

Here is an example of a conflicting entry for FPI3:

FPI3	Department	Major Program	Program Period	Activity	Funding Profile	Fiscal Year	Reimb Eligible
Entry 1	ADA	MJP1	2020	1234	Profile-1	2020	Eligible
Entry 2	ADA	MJP1	2020	1234	Profile-2	2020	Eligible

The reason this is a conflicting entry is because different funding profiles are referencing the same combinations of COA. The system will not know which profile to infer. If the program period, activity and/or fiscal year were different this entry would save to the page successfully.

At a minimum, there should be one COA that is different. The same funding profile can be used multiple times on a table if there is a need for it.

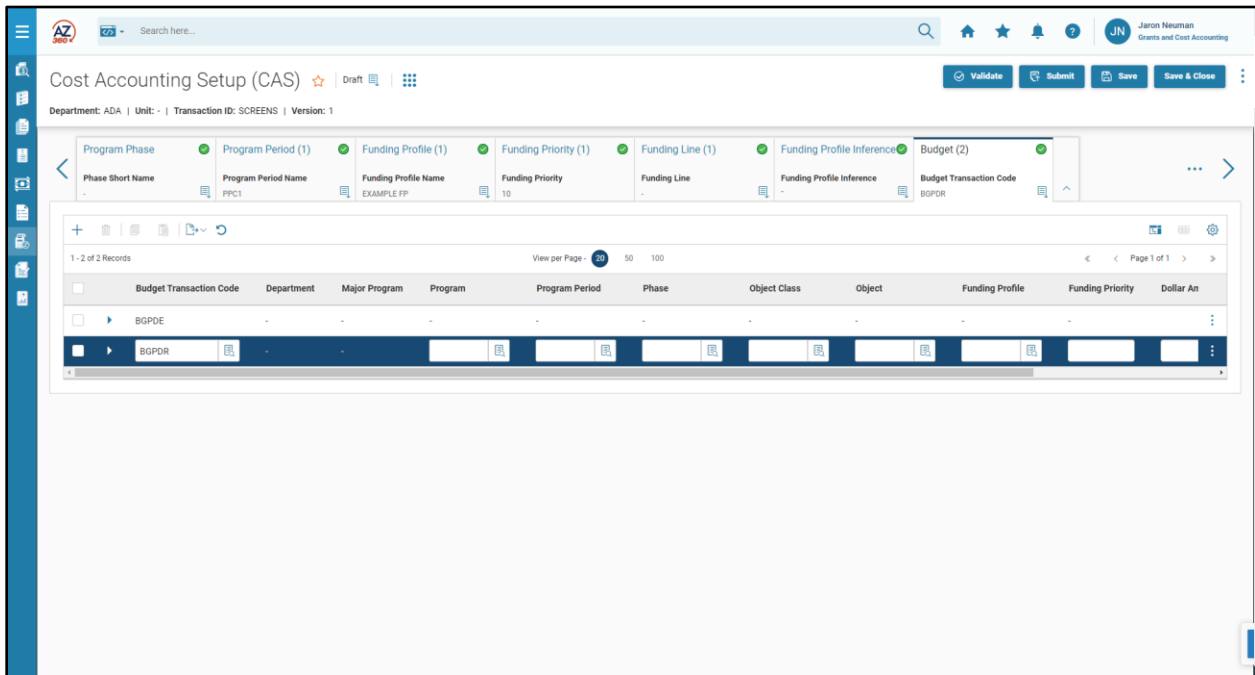Here is an example of a valid entry for FPI3 using the same funding profile:

FPI3	Department	Major Program	Program Period	Activity	Funding Profile	Fiscal Year	Reimb Eligible
Entry 1	ADA	MJP1	2020	1234	Profile-1	2020	Eligible
Entry 2	ADA	MJP1	2020	5678	Profile-1	2020	Eligible

Although these are similar COA combinations, the different activity codes allow this to be a valid entry on the page. Multiple pages can be used to infer transactions based on the needs of the agency. The sequence order of the FPI pages need to be considered when using multiple tables that share some COA elements.

Budget Tab

The optional Budget tab can be used to create shell budget transactions for cost accounting structures. The types of budget transactions which can be created are:

- Program Period Budget – BGPDE (Budget Structure 38)
- Program Period Reimbursable Budget – BGPDR (Budget Structure 39)
- Program Phase Budget – BGPHE (Budget Structure 37)
- Phase Reimbursable Budget – BGPHR (Budget Structure 40)

Note: Utilizing this section will not establish a finalized, usable budget upon the CAS moving to Final phase. This tab creates non-final budget transactions which can still be edited and must move through workflow approval before the budget is established.

All of the cost accounting budget transactions can be created separately, outside of a CAS (or CAM). Most agencies do not use the Budget tab and create their budget transactions separately. *Users should refer to their departmental procedure.*

The Header tab of a CAS (or CAM) contains a Submit Budget Transaction checkbox. If the Budget tab is used, checking that box will create the budget transactions in Pending phase. If the checkbox is not checked, the budget transactions will be created in Draft phase.

Budget transactions created via CAS (or CAM) will show that the creator of the budget transaction was the final approver of the CAS (or CAM). That person will also be the submitter if the budget is sent directly to Pending phase. For most agencies, the final approver of a CAS (or CAM) is a GAO employee.

Thus, an ADOA employee will be identified as the creator of budget transactions for other agencies, if this tab is utilized. This is one reason why agencies may decide not to use this tab.

Guidance on budget transactions for cost accounting structures is covered in the **AZ360 Manual - Budgetary Control** and associated training available at https://gao.az.gov/resources/training/gao-training-resources. AZ360 Budgetary Control training includes instructions on how to create budget transactions without using the CAS (or CAM) Budget tab.
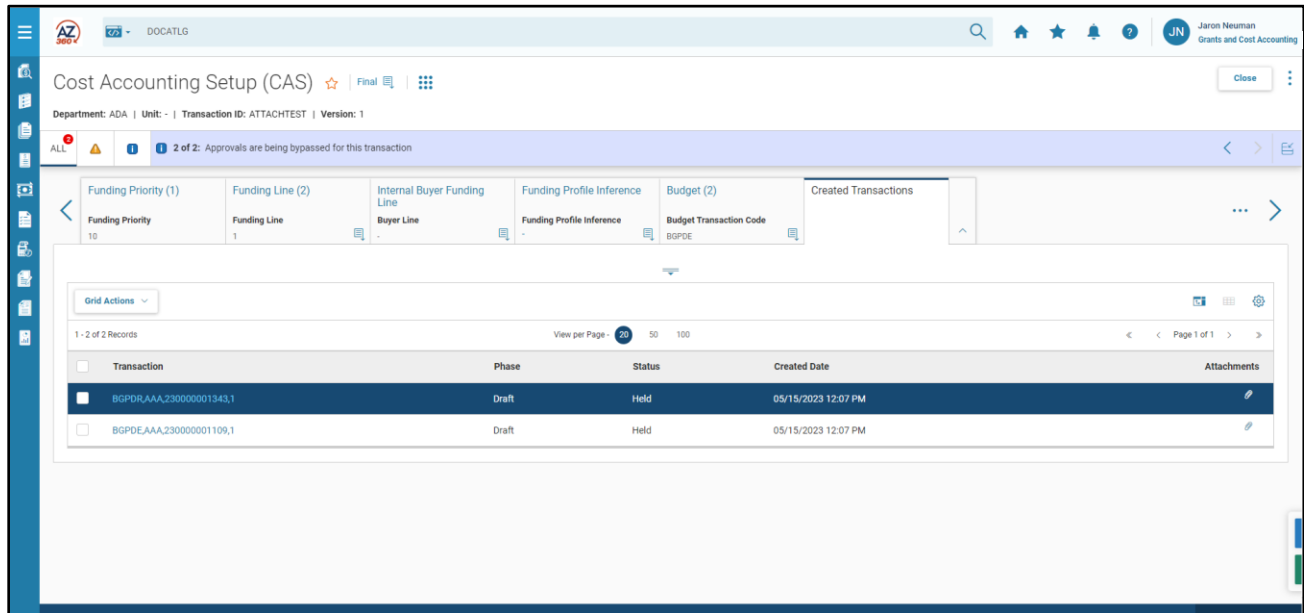
Created Transactions Tab

The Created Transactions tab contains links to transactions created by a CAS. Cost Accounting budget transactions are the only transactions that can be created by CAS (or CAM). CAS (or CAM) create budget transactions only when the Budget tab has been used.

Note #1: Draft or Pending CAS (or CAM) transactions will not have any links to created budget transactions, even if the Budget section is populated. Budget transactions and the links to them are only created once the CAS (or CAM) goes through the final step of the workflow process.

Note #2: There are no fields in this section that can be entered or edited by the AZ360 user.

Below is an example of what the Created Transactions tab looks like for a CAS that has created a BGPDE and BGPDR budget transaction:

Reviewing Award Documentation and Attaching Award Documentation to Cost Structures

Section Objectives

In this section, the following processes are introduced:

- View an example of a federal award agreement.

- Identify some important fields of information of a federal award agreement.

- Introduce SAAM 7065 – Cost Structures for Grants.

- Introduce how to attach award documentation to a Program Period, per SAAM 7065.

Reviewing Award Documentation

The following page contains an example of a grant agreement from the federal government. This grant agreement will be used later on in the "Create a CAS" exercise scenario.

Grant agreements contain important information that is necessary to understand in order to manage and report on grant activity. This manual will not review every field, however, a few fields will be highlighted that are of particular importance or that may impact how an agency structures its cost accounting structure.

- Federal Award Identification Number (FAIN) – Most federal awards have a FAIN, an identification number specific to that award. Cost Accounting Structures should be setup to ensure that financial activity of awards with different FAINs are segregated.
- Federal Award Date – The date an award is formally approved. Award activity generally should not begin until the later of the Federal Award Date or Project Period Start date, unless a federal grantor gives prior approval to perform activities.
- Assistance Listing Number and Program – This identifies the federal program that is providing funding for the award. The Assistance Listing Number is required to be included on the Funding Identification Section of the Program Period (usually) or Funding Line (for a few agencies) to ensure accurate federal reporting of grant expenditures.
- Budget Period – This period is the timeframe where a budget approved by the grantor is active. Some awards may have multiple budget periods. This is the case with the award on the next page. The budget period of the award on this agreeement is for one single year, but the entire project is five years. Agencies may want to structure their cost structures to be able to track each individual budget period within an award separately, such as through separate Program Periods.
- Project Period – This period (sometimes called Award Period) is the timeframe of the award identified by the FAIN.

Grant Agreement Example

Attaching Award Documentation to Cost Structures

Per SAAM 7065, Cost Structures for Grants, "All grant awards for direct or pass-through Federal grants, as well as State grants, must be attached to the cost structure. The grant agreement should be attached to the cost structure through a CAS/CAM transaction at the Program Period level."

Note: Attached award documentation is critical to validating that the information on the cost structure is accurate. CAS/CAM submissions that lack award documentation on the Program Period section will be followed up on by the GAO. CAS/CAM submissions containing award documentation that disagrees with the information in the cost structure will be rejected for corrections.

CAS and CAM transactions allow users to attach documentation at each of the tabs of the CAS or CAM transaction. Attachments to cost structure elements within a CAS or CAM will save to the cost accounting reference tables, where the attachments can be downloaded. SAAM Policy requires that all award documentation be attached at the Program Period tab.

The paperclip icon used to upload award attachments to the Program Period can be found on the blue line within the Program Period tab of the CAS (or CAM).
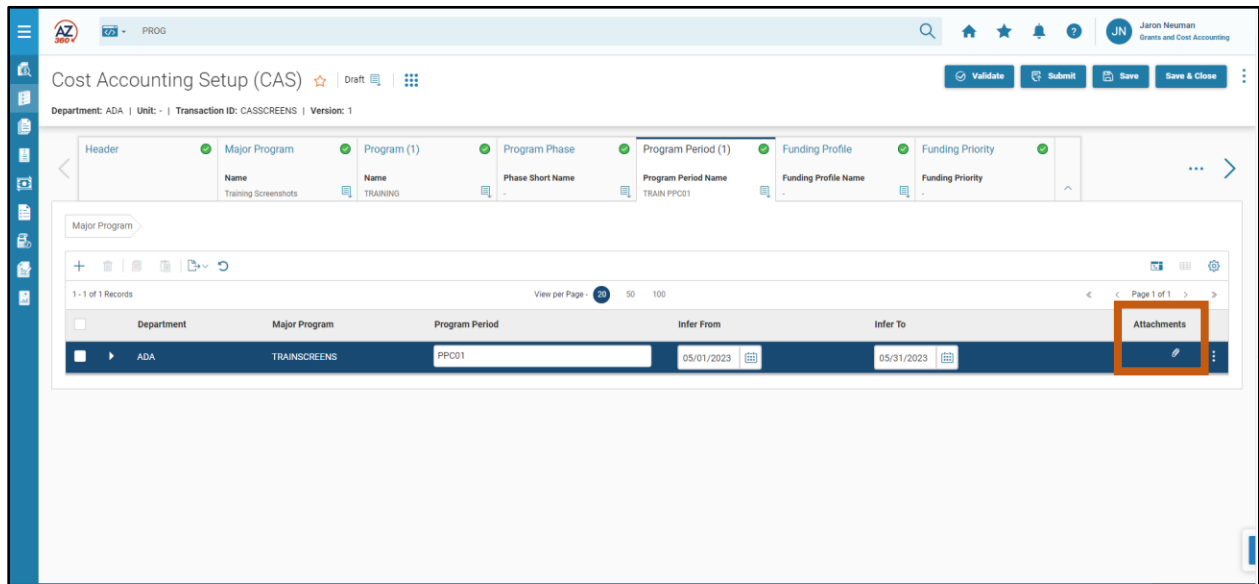
Note: Award documentation cannot be attached to the Header tab of a CAS/CAM. Documentation can only be attached to the cost structure component tabs, such as Program Period.

Cost Accounting Reference Tables

Section Objectives

In this section, the following processes are introduced:

- Identify each of the Cost Accounting Reference Tables, including their Page Codes.

- View each table.

- Review the Search options to find records on each table.

Cost Accounting Reference Table Overview

Earlier in the manual, we discussed that CAS (or CAM) transactions create (or update) records on the various cost structure reference tables. Accounting transactions containing Cost Accounting COA elements validate against the information on these reference tables.

The sections and fields on each reference table are the same sections and fields as on each reference table's corresponding tabs in the CAS (or CAM). Key fields regarding the CAS transaction were discussed previously in this manual and as a result specific fields on the reference tables will not be discussed in detail in this section. The goal of this section is to help users understand how they can search the reference tables to view their current cost structure information.

Note: View and search the reference tables directly in order to understand how cost structures are currently configured. Reviewing previous CAS or CAM may be misleading, as they may contain old information that does not reflect how the cost structure is currently configured.
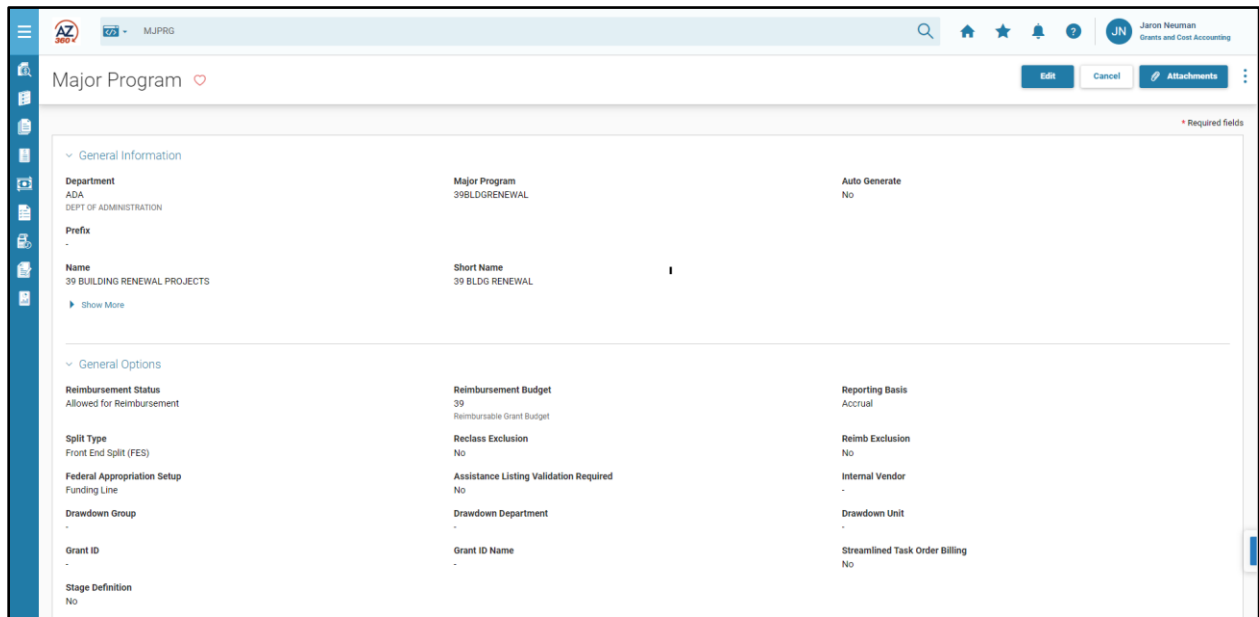
Major Program (MJPRG)

The Major Program tab of CAS/CAM writes information to the Major Program reference table. The page code for the table is MJPRG.

Key search options for Major Program include Department, Major Program, Name, Drawdown Group, and Grant ID.
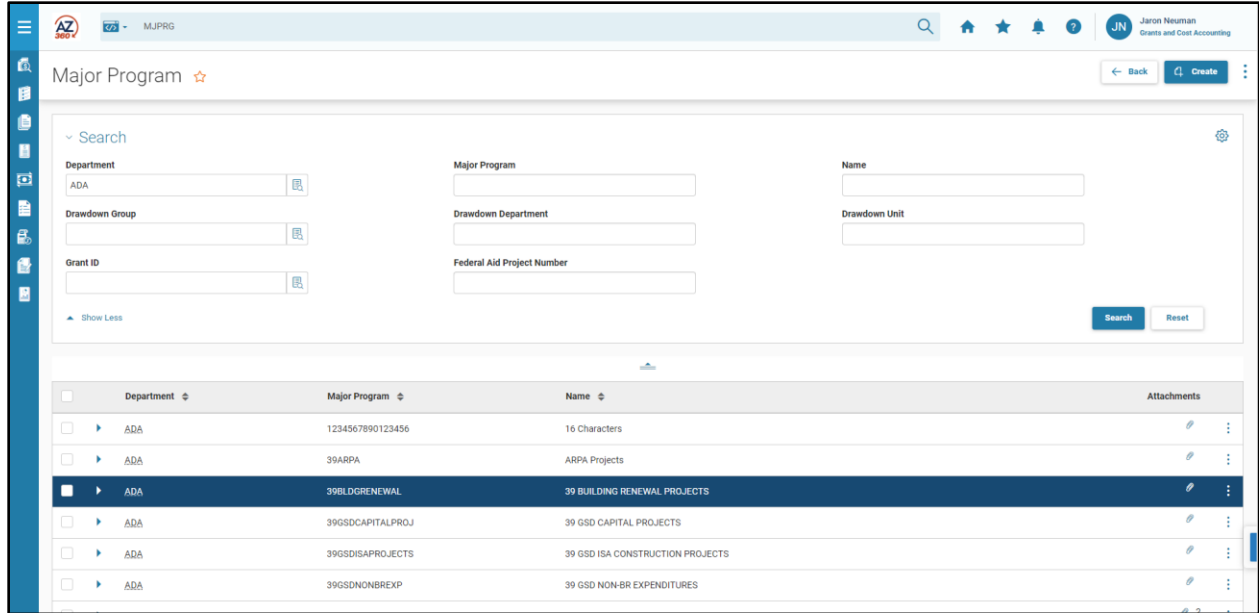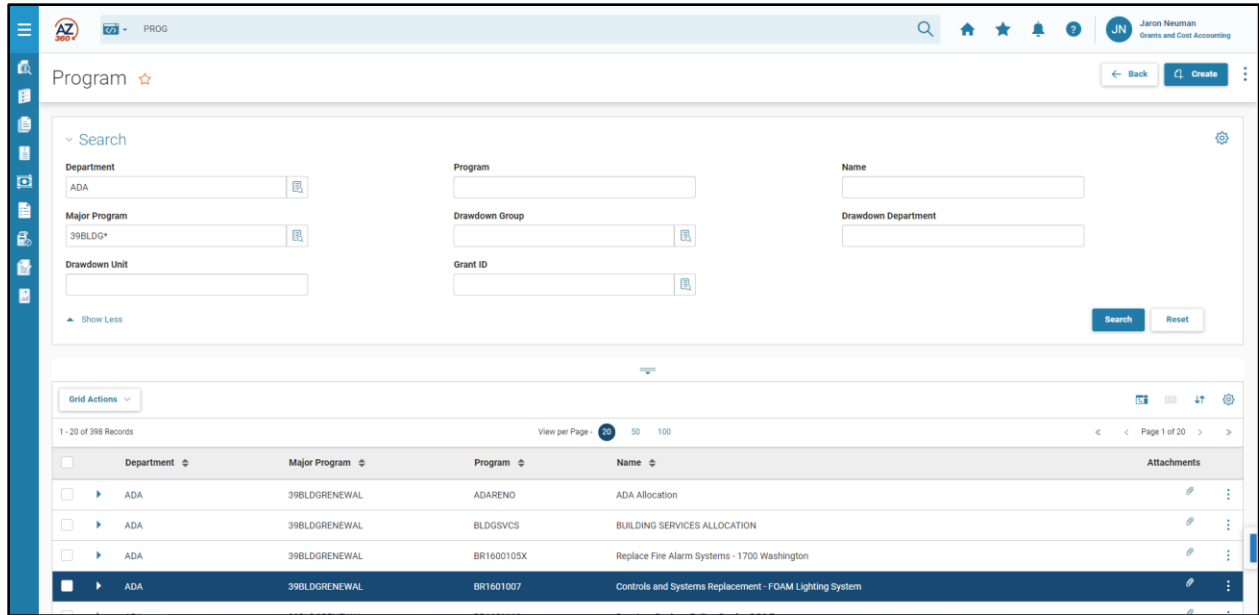
Viewing a Major Program record allows users to see its current configuration. The information in the record will be the same as the information entered on the most recent CAS or CAM processed for the Major Program record. Major Program records contain the same sections as the Major Program tab of the CAS: General Information, General Options, Rollups, Highway Project, and Overhead.
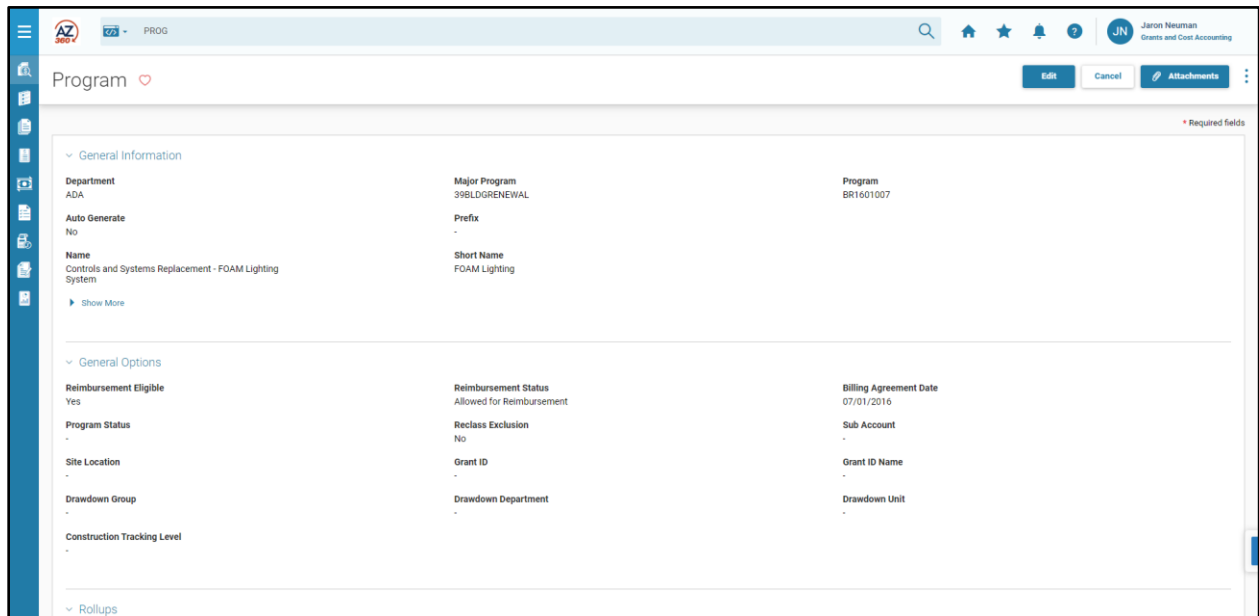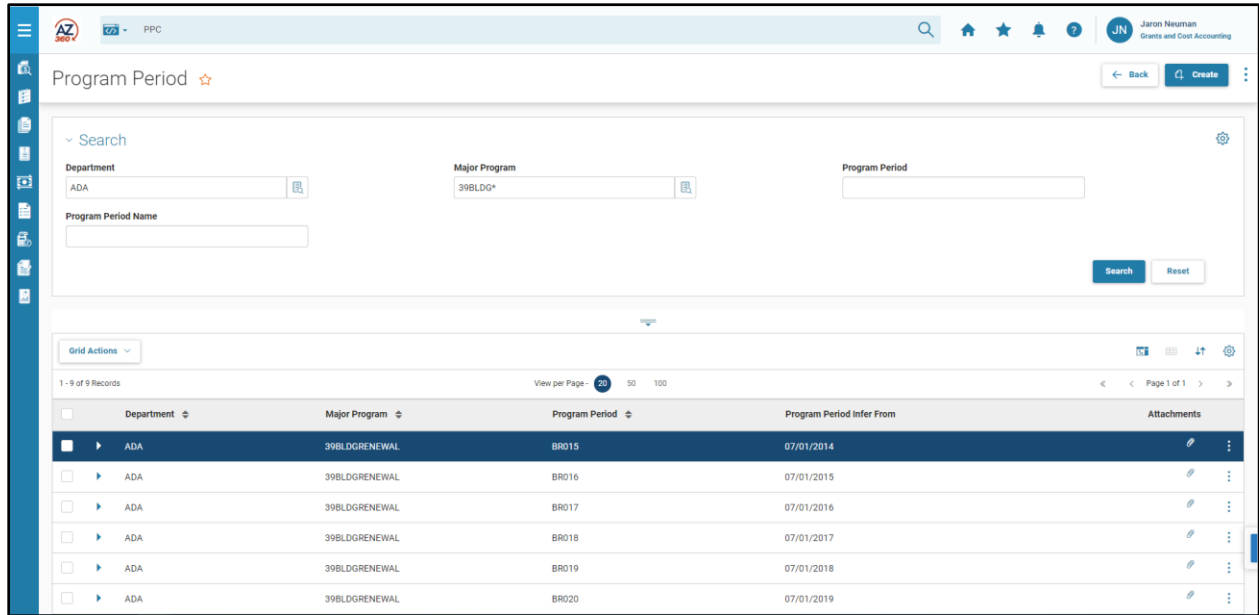

Program (PROG)

The Program tab of CAS/CAM writes information to the Program reference table. The page code for the table is PROG.

Key search options for Program include Department, Program, Name, Major Program, Drawdown Group, and Grant ID.

Viewing a Program record allows users to see its current configuration. The information in the record will be the same as the information entered on the most recent CAS or CAM processed for the Program record. Program records contain the same sections as the Program component of the CAS: General Information, General Options, Rollups, Highway Project, and Program Dates.
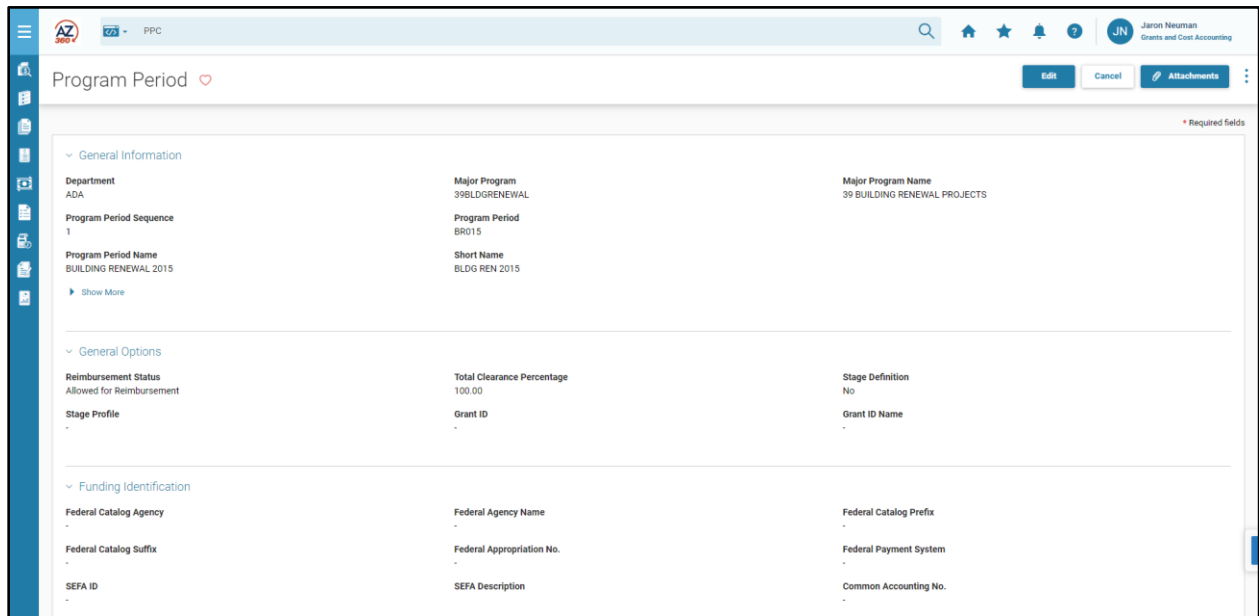

Program Period (PPC)

The Program Period tab of CAS/CAM writes information to the Program Period reference table. The page code for the table is PPC.

Search options for Program include Department, Major Program, Program Period, and Program Period Name.

Viewing a Program Period record allows users to see its current configuration. The information in the record will be the same as the information entered on the most recent CAS or CAM processed for the Program Period record. Program Period records contain the same sections as the Program Period component of the CAS: General Information, General Options, and Funding Identification.

Program Phase (PHPRG)

The Program Phase tab of CAS/CAM writes information to the Program Phase reference table. The page code for the table is PHPRG.

Search options for Program include Department, Phase and Program.

Viewing a Program Phase record allows users to see its current configuration. The information in the record will be the same as the information entered on the most recent CAS or CAM processed for the Program Phase record. Program Phase records contain the same sections as the Program Phase component of the CAS: General Information, General Options, and Highway Project.


Funding Profile (FPRFLST)

The Funding Profile, Funding Priority, and Funding Lines tabs of CAS/CAM write information to the Funding Profile reference table. The page code for the table is FPRFLST.

Search options for Program include Department, Major Program, and Funding Profile.
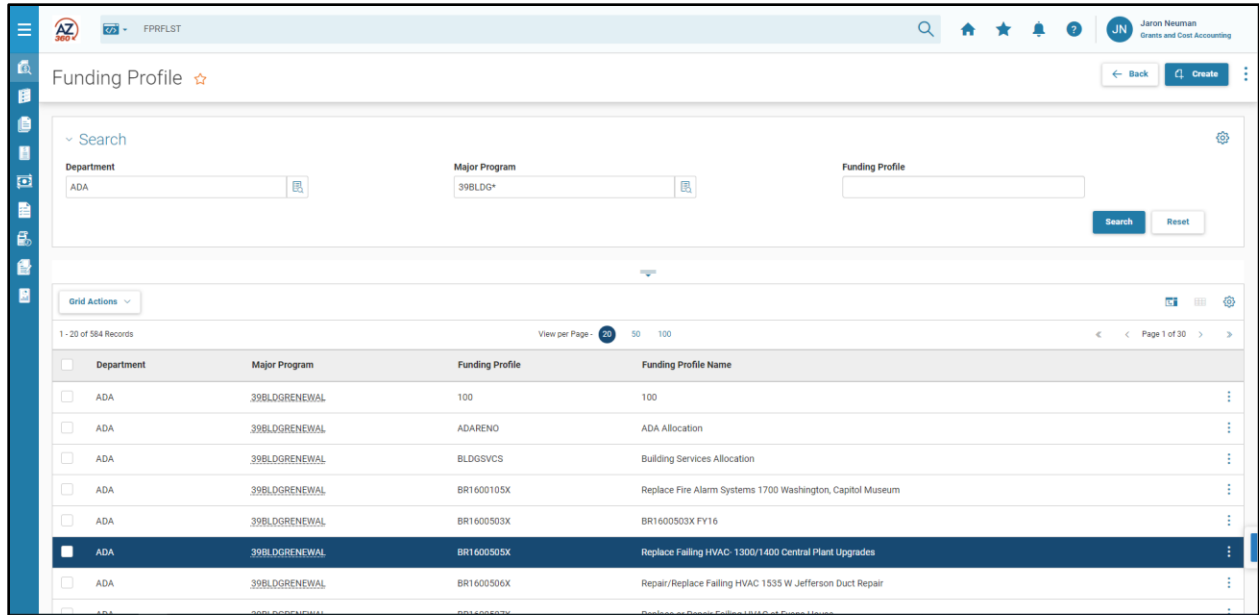
Viewing a Funding Profile record allows users to see its current configuration. The information in the record will be the same as the information entered on the most recent CAS or CAM processed for the Funding Profile. Viewing a Funding Profile allows users to view the records for the entire hierarchy of the Funding Profile using the tabs for Funding Profile, Funding Priority, and Funding Line.

Funding Profile records contain the same sections as the Funding Profile tab of the CAS: General Information, and Reimbursement Options.
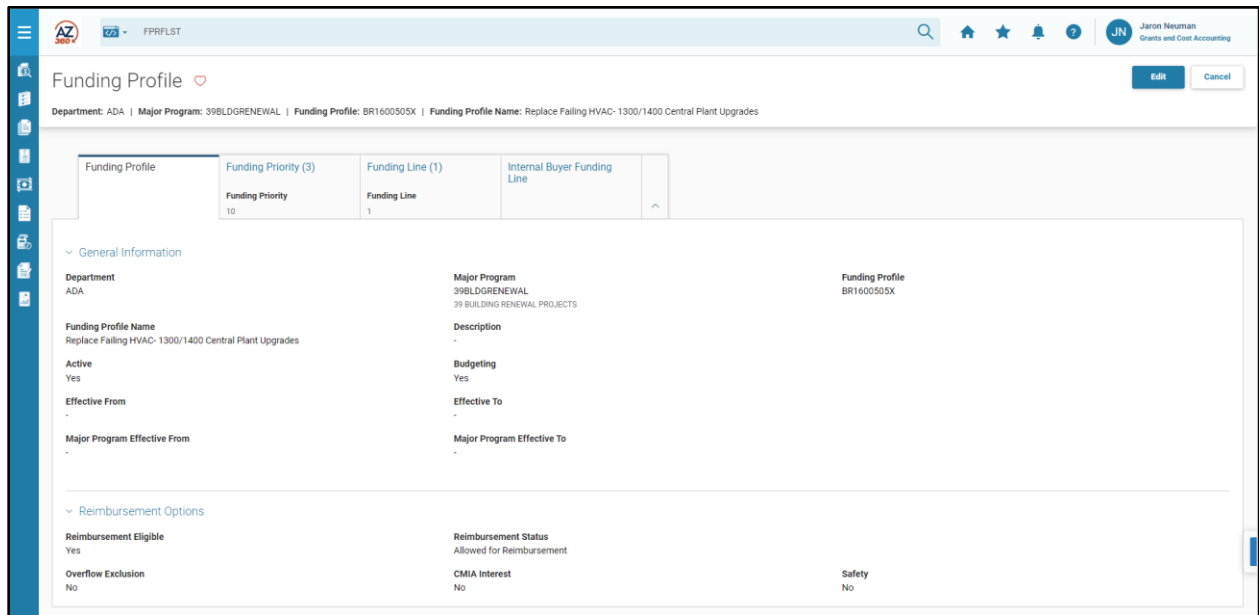
Funding Priority records contain a Reimbursement Options section, the same as on the Funding Priority tab of the CAS.

Funding Line records contain the same sections as the Funding Line tab of the CAS: Reimbursement Options, Reimbursement COA, Front End Split COA, and Funding Identification.

Note: If a user wants to view the information for a specific Funding Line of a Funding Profile with multiple Funding Priorities, they must first navigate and select the Funding Priority with which the Funding Line is associated. Funding Lines are child records of Funding Priorities, and the system will only populate information on the Funding Line tab for Funding Lines associated with the currently selected Funding Priority.

Cost Accounting Setup (CAS) Transactions

Section Objectives

In this section, the following processes are introduced:

- Create a CAS transaction to create a new cost structure to track grant financial activity.

- Attach the Grant Award to the Cost Accounting structure at the Program Period level.

- Use the Budget tab of the CAS to create budget transactions (BGPDE and BGPDR) for the cost structure.

- View the BGPDE and BGPDR transactions created from the CAS transaction.

- View the budget lines created by the BDPDR and BGPDE transactions.

- Create an entry on the Funding Profile Inference 4 (FPI4) record on the CAS transaction.

Note: The following page contains the Notice of Award that is being used in the scenario that follows. Refer back to it as needed.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Notice of Award

Award# 1 NU51PS005142-01-00

FAIN# NU51PS005142

Federal Award Date: 04/21/2021

Recipient Information

1. Recipient Name

Arizona Department of Health
150 N 18th Ave
Phoenix, AZ 85007-3232
[NO DATA]

2. Congressional District of Recipient
07

3. Payment System Identifier (ID)
1866004791D1

4. Employer Identification Number (EIN)
866004791

5. Data Universal Numbering System (DUNS)
804745420

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

8. Authorized Official

Federal Agency Information

CDC Office of Financial Resources

9. Awarding Agency Contact Information

10. Program Official Contact Information

Federal Award Information

11. Award Number
1 NU51PS005142-01-00

12. Unique Federal Award Identification Number (FAIN)
NU51PS005142

13. Statutory Authority
PHS ACT, SECT. 318 (42U.S.C. SEC 247C)

14. Federal Award Project Title
Viral Hepatitis C

15. Assistance Listing Number
93.270

16. Assistance Listing Program Title
Adult Viral Hepatitis Prevention and Control

17. Award Action Type
New

18. Is the Award R&D?
No

Summary Federal Award Financial Information

19. Budget Period Start Date 05/01/2021 **- End Date** 04/30/2022

20. Total Amount of Federal Funds Obligated by this Action $315,000.00

20a. Direct Cost Amount $256,250.00

20b. Indirect Cost Amount $58,750.00

21. Authorized Carryover $0.00

22. Offset $0.00

23. Total Amount of Federal Funds Obligated this budget period $0.00

24. Total Approved Cost Sharing or Matching, where applicable $0.00

25. Total Federal and Non-Federal Approved this Budget Period $315,000.00

26. Project Period Start Date 05/01/2021 **- End Date** 04/30/2026

27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period Not Available

28. Authorized Treatment of Program Income
ADDITIONAL COSTS

29. Grants Management Officer – Signature

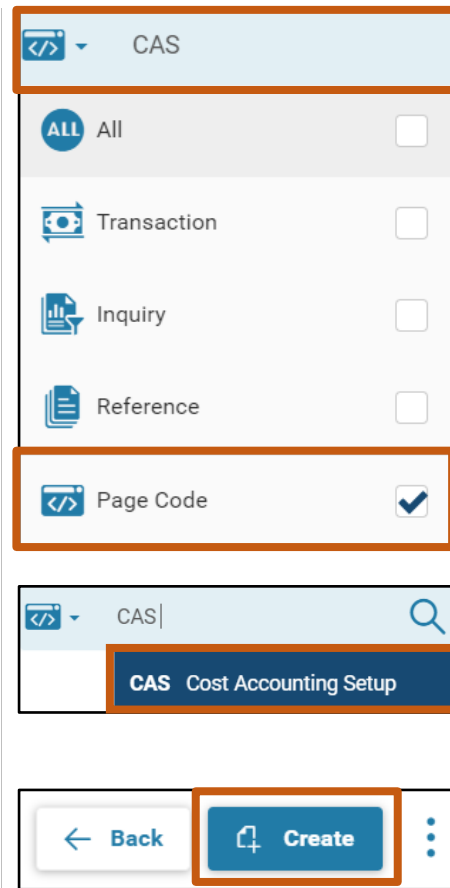Grants Management Officer, Team Lead

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Creating a CAS

CAS transactions can be created using the Financial Transaction Catalog, from a Quicklink on the user's Grants and Cost Accounting role homepage or from the Global Search field. Scenarios in this manual utilize the Global Search field method.

Create a CAS 🧑‍🏫
Scenario 1 Congratulations! The State of Arizona has received a Notice of Award from the Centers for Disease Control and Prevention (CDC). Use a CAS transaction to create a new Major Program, Program, Program Period, Funding Profiles, a program budget transaction and a reimbursement budget transaction for the new grant.
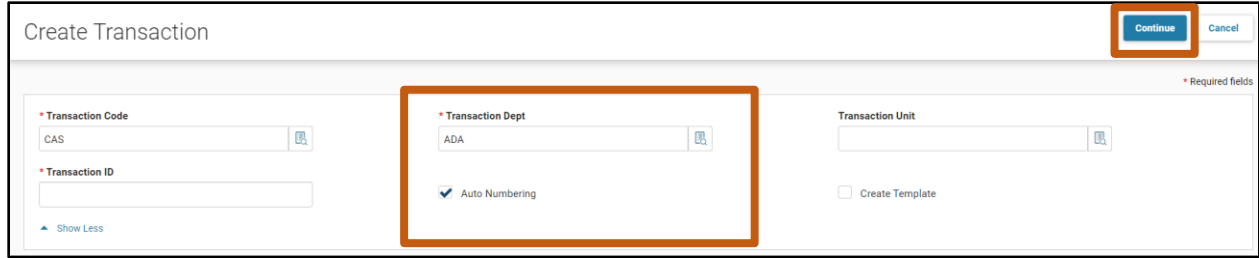
Log in to the AZ360 **Home Page**. Create a CAS.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *CAS*.

4. In the drop down menu that generates, select **CAS Cost Accounting Setup**. The CAS Financial Transaction page will generate.
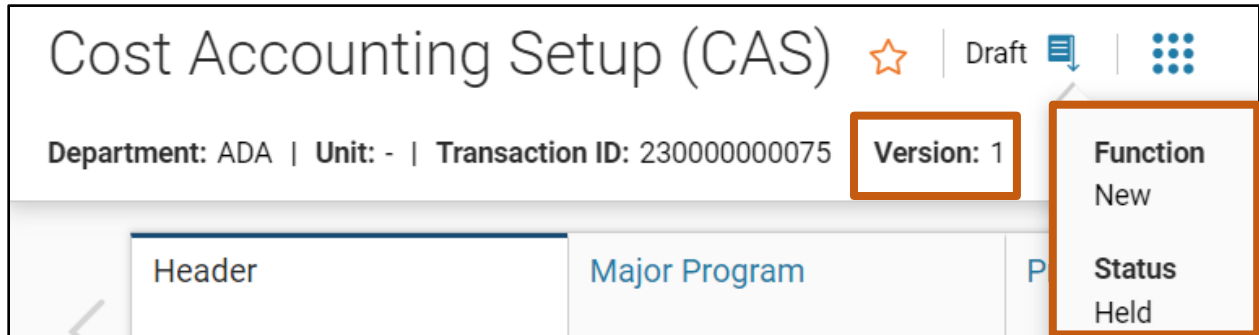
5. Click the **Create** button.

6. In the **Transaction Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

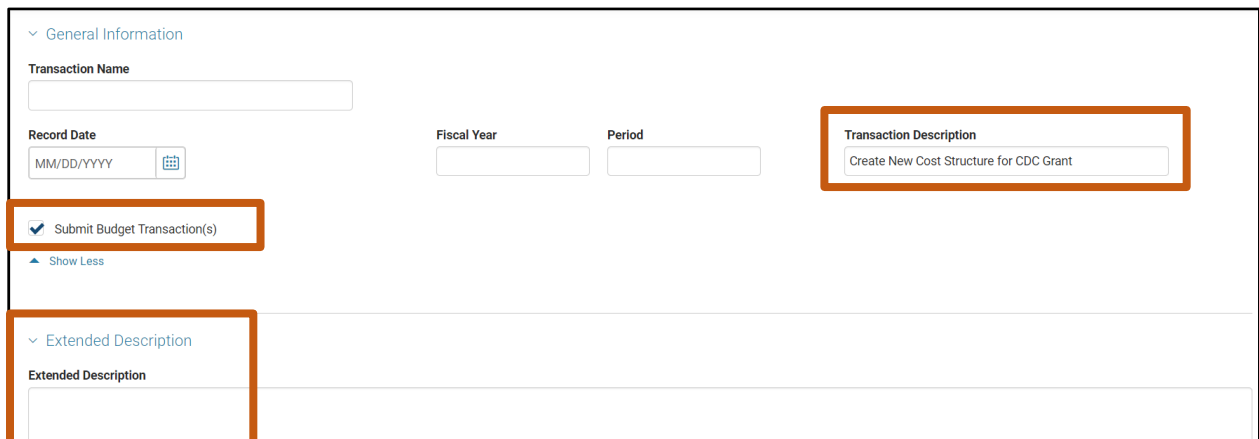7. Select **Auto Numbering** check box.

8. Click **Continue**.

9. A new CAS transaction will generate and opens to the Header tab. Note that the transaction is in **Draft**, the **Version** number is **1**, the **Function** is **New** and the **Status** is **Held**.

Complete the **Header** tab of the CAS.

1. In the **General Information** section, in the **Transaction Description** field, enter the reason for the CAS. If more than 60 characters are required to describe the reason for the CAS, use the **Extended Description** field in the Extended Description section instead. For this scenario, enter *Create New Cost Structure for CDC Grant*.

2. For this scenario, leave the **Submit Budget Transaction(s)** checkbox checked, which is the system default setting.

3. Click the **Major Program** tab.
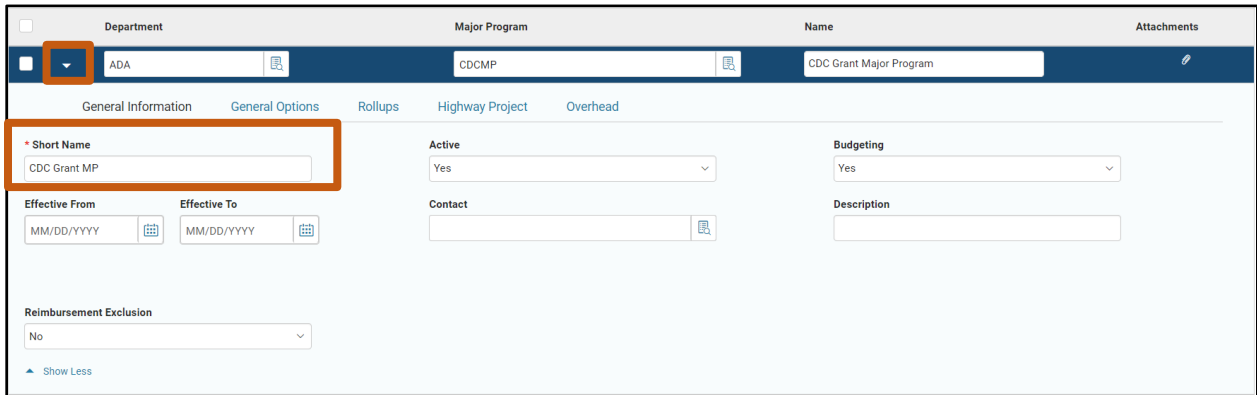
Complete the **Major Program** tab of the CAS.

1. On the blue line:

   a. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

   b. In the **Major Program** field, enter a code to identify the Major Program. In this scenario, enter *CDCMP*.

   c. In the **Name** field (Required), enter a description for the Major Program. In this scenario, enter *CDC Grant Major Program*.

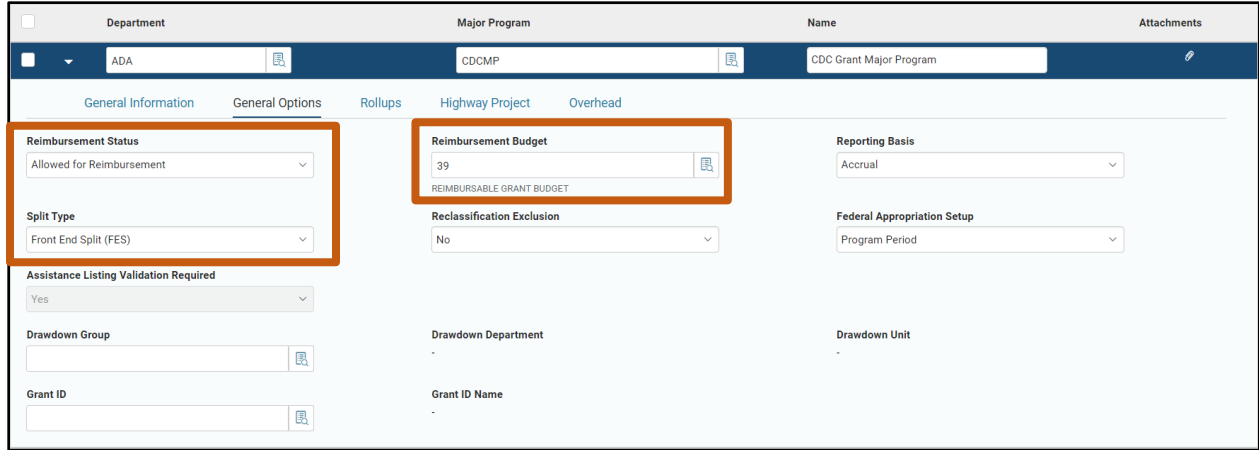2. Click the **Expand** caret on the blue line.

3. In the **General Information** section:

   a. In the **Short Name** field (Required), enter a short description for the Major Program. In this scenario, enter *CDC Grant MP*.
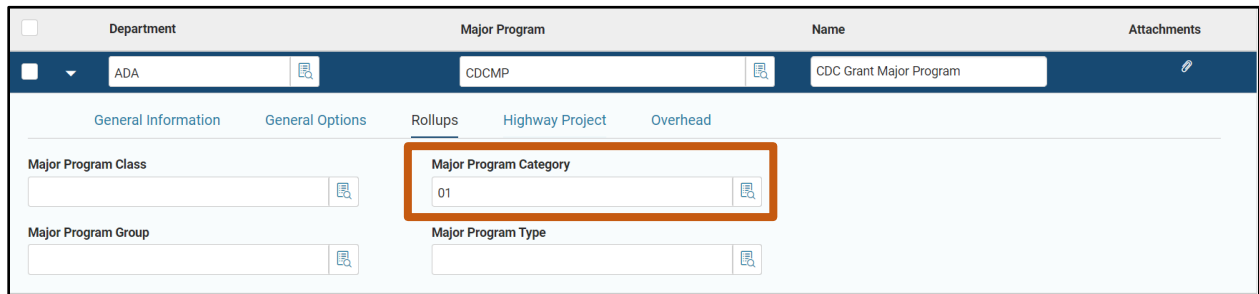
4. In the **General Options** section:

   a. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu. This scenario will be creating a cost structure that will use Front End Split to allow AZ360's reimbursement cycle to generate transactions. The Major Program's Reimbursement Status must be set to Allowed for Reimbursement for the reimbursement cycle to occur for the cost structure.

   b. In the **Reimbursement Budget** field, select **39** (Reimbursable Grant Budget) from the pick list.

   c. In the **Split Type** field, select **Front End Split (FES)** from the drop down menu.

5. In the **Rollups** section:

   a. In the **Major Program Category** field, select *01* (FEDERAL GRANT-DIRECT FROM FEDERAL GOVERNMENT) from the pick list. The grant in this scenario is directly received by the State of Arizona from the federal government, in this case the CDC.

Validate the transaction.

1. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays in the upper left corner of the screen: **Transaction validated successfully**.

2. There will also be a second message; a non-blocking warning: **The Funding Profile does not exist. (A4167).** This occurs because the Major Program has been set as a Front End Split with a Reimbursable Budget, which requires a Funding Profile. The Funding Profile has not yet been added, but will be added later in the CAS scenario.
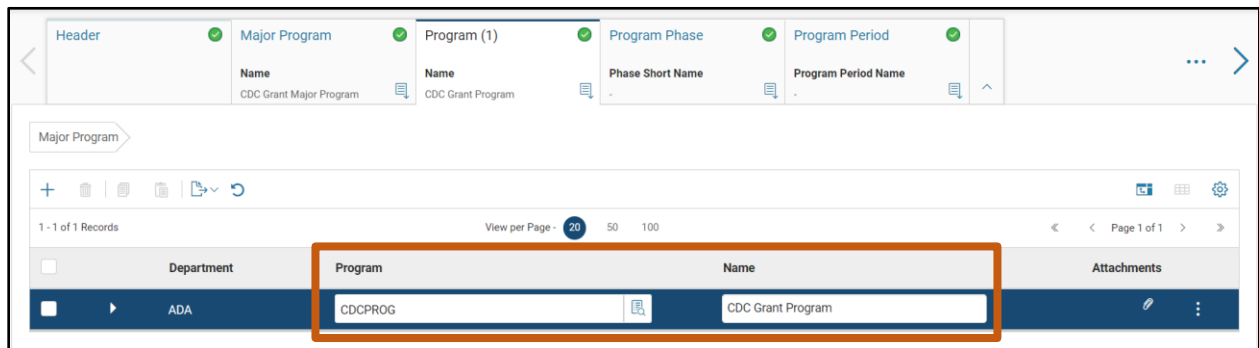

3. Click the **Program** tab.

Complete the **Program** tab of the CAS.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Program line.

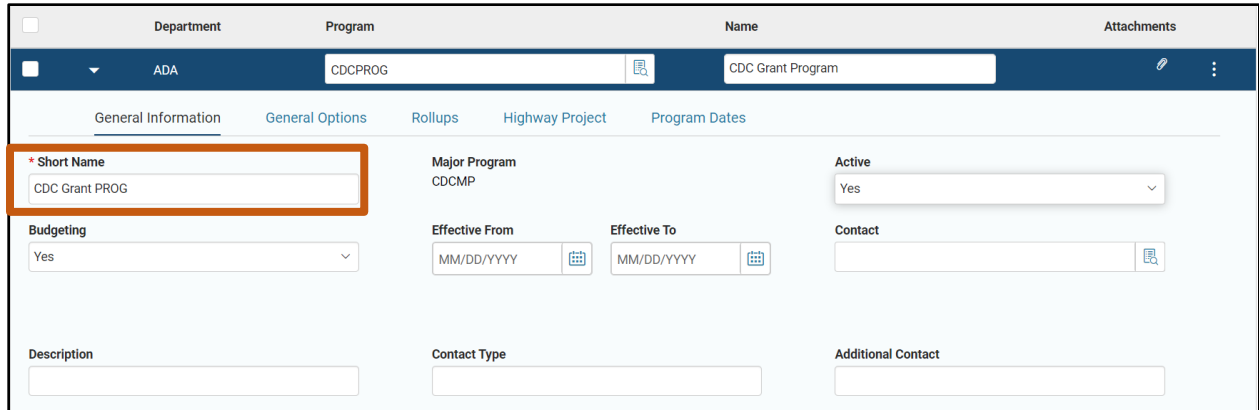2. In the **Program** field, enter a code to identify the Program. In this scenario, enter *CDCPROG*.

Note: Write down or make a note of the Program code. It will need to be entered in the Funding Profile Inference and Budget tabs of the CAS, later in the scenario.

3. In the **Name** field (Required), enter a descriptive name for the Program. In this scenario, enter *CDC Grant Program*.

4. Click the **Expand** caret.

5. In the **General Information** section:

   a. In the **Short Name** field (Required), enter a short description for the Program. In this scenario, enter *CDC Grant PROG*.
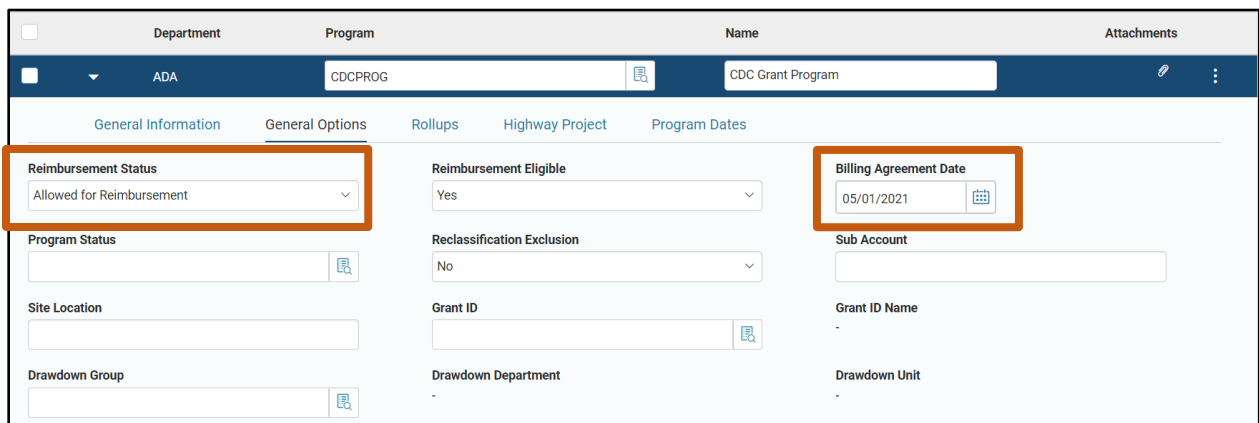
6. In the **General Options** section:

   a. In the **Billing Agreement Date** field, enter *05/01/2021*. This is the Project Period Start Date, per the example grant award.

   b. In the Reimbursement Status field, ensure that Allowed for Reimbursement is selected.
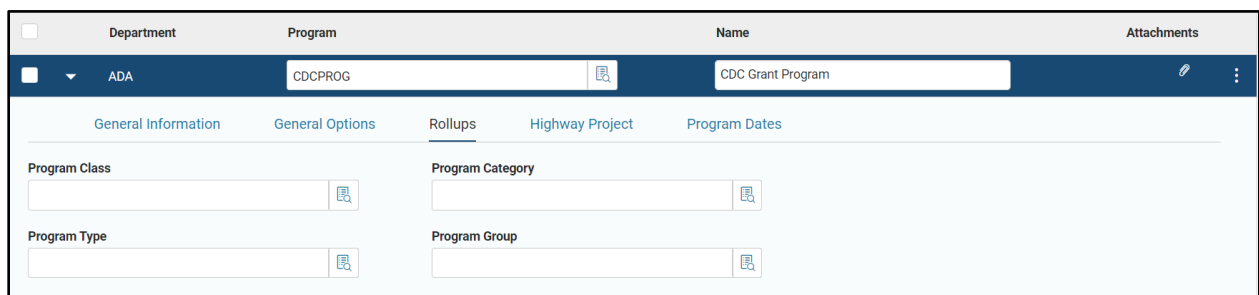
7. In the **Rollups** section:

   a. View the available fields. In this scenario, all fields are left blank. A Major Program Category type of 01 was entered on the Major Program tab to identify this cost structure as a direct federal grant. Placing the rollup on the Program would be redundant and is not necessary.

Validate the transaction.

1. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays in the upper left corner of the screen: **Transaction validated successfully**.

2. There will also be a second message; a non-blocking warning: **The Funding Profile does not exist. (A4167).** This occurs because the Major Program has been set as a Front End Split with a Reimbursable Budget, which requires a Funding Profile. The Funding Profile has not yet been added, but will be added later in the CAS scenario.

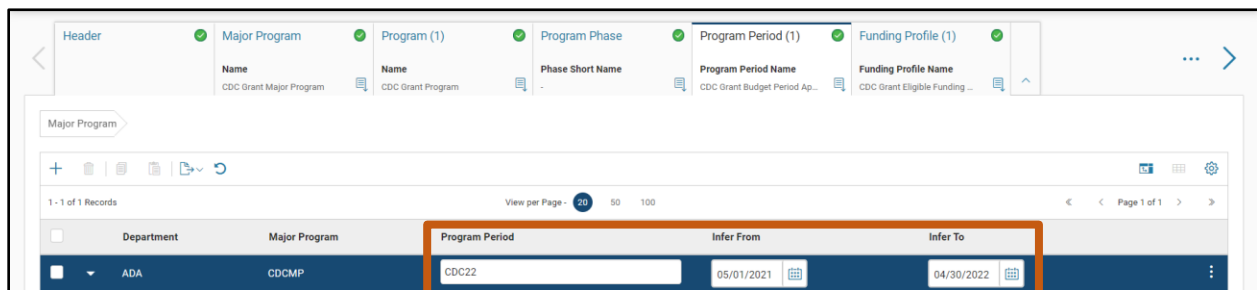3. Click the **Program Period** tab.

Complete the **Program Period** tab of the CAS.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Program Period line.

2. In the **Program Period** field, enter a code to identify the Program Period. In this scenario, enter *CDC22*.

Note: Write down or make a note of the Program Period code. It will need to be entered in the Funding Profile Inference and Budget sections of the CAS, later in the scenario.
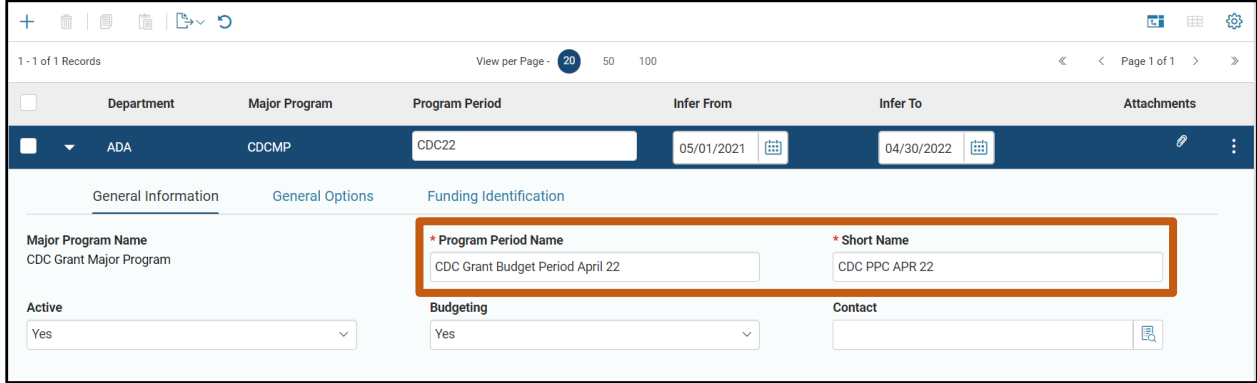
3. In the **Infer From** field (Required), enter *05/01/2021*.

4. In the **Infer To** field (Required), enter *04/30/2022*.

Note: The Program Period inference dates are dependent on departmental inference needs, but typically equal an award period or fiscal year. For this scenario example, the budget period dates are taken from the example award.

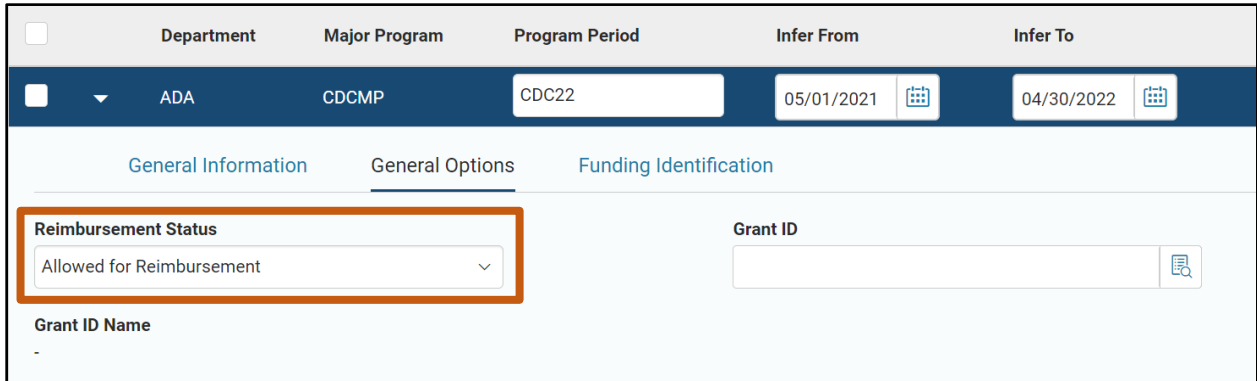5. Click the **Expand** caret.

6. In the **General Information** section:

a. In the **Name** field (Required), enter a descriptive name for the Program Period. In this scenario, enter *CDC Grant Budget Period April 22*.

b. In the **Short Name** field (Required), enter a descriptive name for the Program Period. In this scenario, enter *CDC PPC APR 22*.

7. In the **General Options** section:

a. In the Reimbursement Status field, ensure that Allowed for Reimbursement is selected.

8. In the **Funding Identification** section: (Note: This section is important for year-end reporting as it is where Assistance Listing or SEFA ID is entered in order to report on federal grants).

a. Select the pick list for **Federal Catalog Agency** field. The Assistance Listing of the grant award is 93.270, so the Federal Catalog Prefix is 93. In the pick list, enter *93* in the **Federal Catalog Prefix** search field. Click **Search**.

b. Select **DCAP** (DHHS Centers for Disease Control and Prevention) from the list that generates.

c. Click **OK**. Note that the **Federal Catalog Prefix** field in the Funding Identification Section has automatically updated to **93** based on this selection.

9. In the **Federal Catalog Suffix** field, select **270** (Viral Hepatitis Prevention and Control) from the pick list.

Now that the Funding Identification information per the award documentation has been entered, the supporting award documentation needs to be attached to the Program Period per SAAM Policy 7065.

1. On the Program Period blue line, click the **paper clip icon**.

2. Upload the award documentation file and click **Close**. A number will appear next to the paper clip icon that indicates the number of files that have been uploaded as attachments.
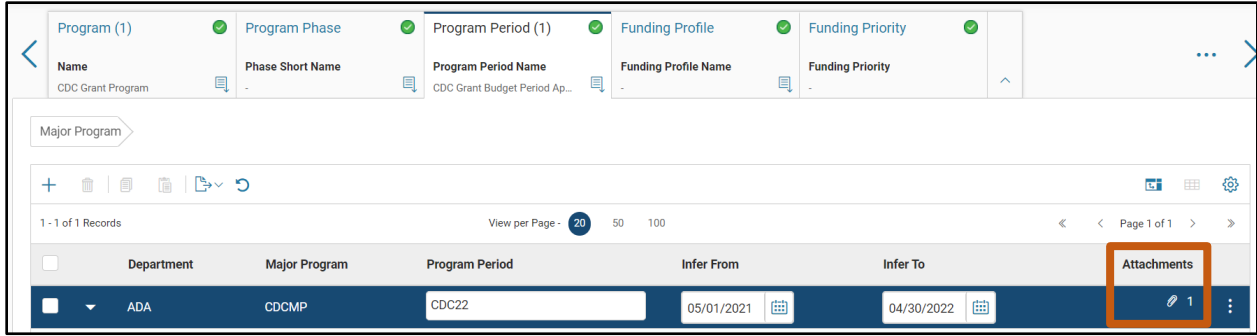
Validate the transaction.

1. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays in the upper left corner of the screen: **Transaction validated successfully**.

2. There will also be a second message; a non-blocking warning: **The Funding Profile does not exist. (A4167)**. This occurs because the Major Program has been set as a Front End Split with a Reimbursable Budget, which requires a Funding Profile. The Funding Profile has not yet been added, but will be added later in the CAS scenario.

3. Click the **Funding Profile** tab.
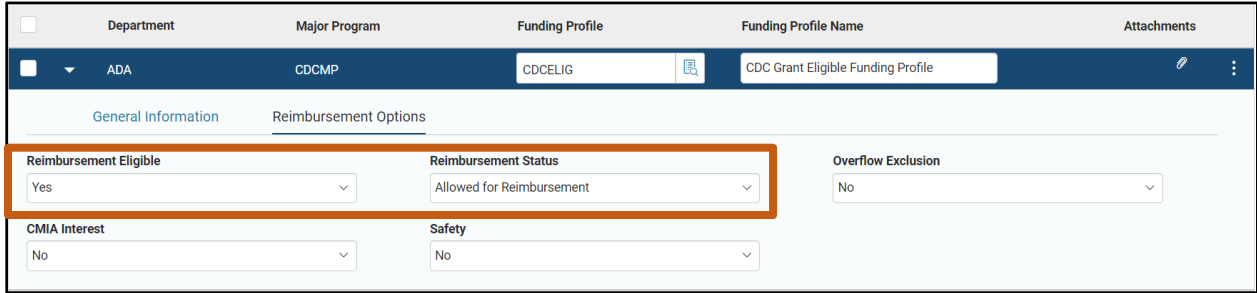
Complete the **Funding Profile** tab of the CAS. (Note: This scenario requires an eligible Funding Profile which can utilize the reimbursement cycle to generate transactions for the federal grant).

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Funding Profile line.

2. In the **Funding Profile** field, enter a code to identify the Funding Profile. In this scenario, select **CDCELIG** from the pick list.

3. In the **Funding Profile Name** field (Required), enter a description name for the Funding Profile. In this scenario, enter *CDC Grant Eligible Funding Profile*.

4. Click **Save**.

5. Click the **Expand** caret.

6. In the **Reimbursement Options** section:

   a. Ensure the Reimbursement Eligible field selection is Yes.

   b. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.
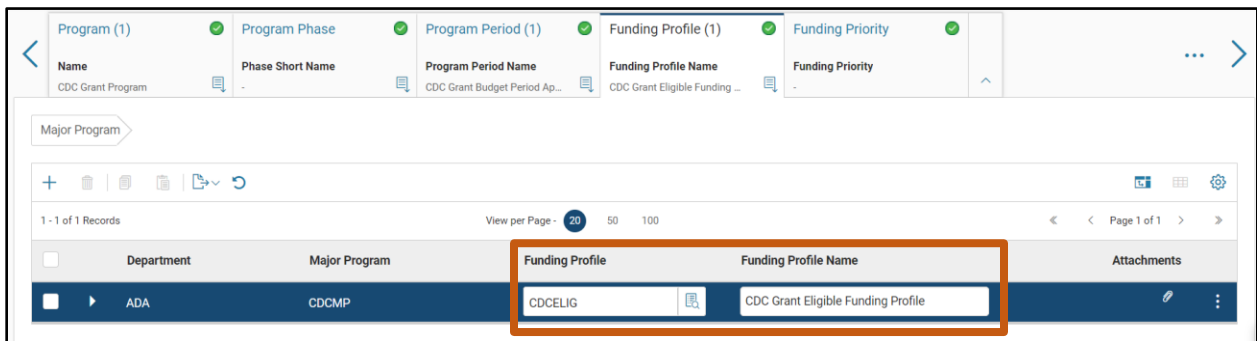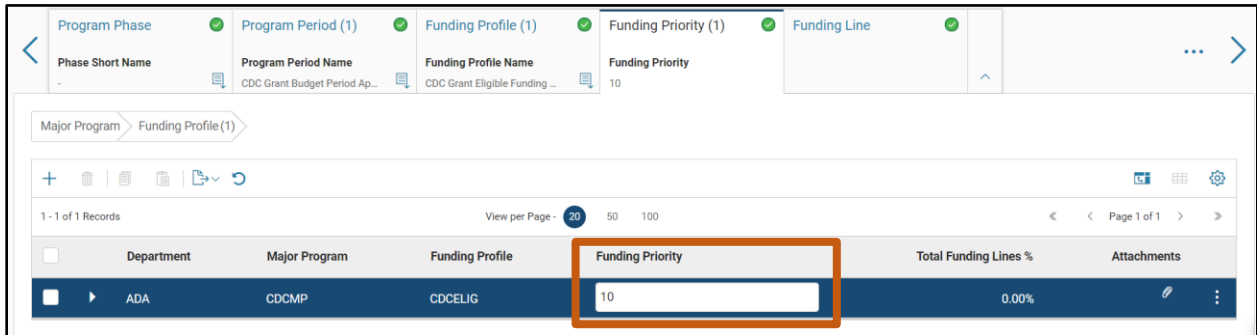

Validate the transaction.

1. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays- **Transaction validated successfully**.

2. Now that a Funding Profile has been created, the non-blocking warning message **The Funding Profile does not exist. (A4167)** no longer appears.

3. Click the **Funding Priority** tab.

Complete the **Funding Priority** tab of the CAS.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Funding Priority line.

2. In the **Funding Priority** field, enter *10*.

Note: It is recommended to start Funding Priorities at 10 and not 1 so users have the ability to create a priority before 10 if needed.

3. Click **Save.**

4. Click the **Funding Line** tab.

Complete the **Funding Line** tab for the federal Funding Priority 10 line.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Funding Line.

2. Click the **Expand** caret.

3. In the **Reimbursement Options** section:

   a. In the **Reimbursement Eligible** field, select **Yes** from the drop down menu.

   b. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.

   c. In the **Reimbursement Frequency** field, select **Daily** from the drop down menu.

   d. In the **Reimbursement Output Type** field, select **Generate Receivables Only** from the drop down menu.

   e. In the **Reimbursement %** field, enter *50*.

   f. In the **AR Unit** field, enter *ALL*.

   g. In the **Customer ID** field, select **FEDAGCY00009** (Department of Health and Human Services) from the pick list. The grantor from our example grant award is the Centers for Disease Control and Prevention, which is a part of the Department of Health and Human Services.

   h. In the **Billing Profile** field, select **COST** from the pick list.

   i. In the **CMIA Method** field, select **Average Clearance** from the drop down menu.

4. Click **Save**.

5. In the **Reimbursement COA** section:

    a. In the **Revenue** field, select a Revenue Source code from the pick list. In this scenario, select **4211** (FEDERAL GRANTS – OPERATING). This is the federal funding line on the eligible funding profile, so its revenue is federal. Revenue is the only required field in the Reimbursement COA section.

    b. The remaining fields on this tab are completed based on department procedure.

6. In the **Front-End Split COA** section. All fields in this section are completed based on department procedure:

    a. In the **FES Fund** field, enter the appropriate fund. In this scenario, enter *AD2000*. Fund 2000 is the Federal Grants fund and the funding line is for a federal grant. This field is being utilized in this example for training purposes.

    b. In the **FES Sub Fund** field, enter the appropriate sub fund. In this scenario enter, *200007*. Note that this field is normally optional or dependent on departmental needs. This field is being utilized in this example for training purposes.

c. In the **FES Appr Unit** field, enter the appropriate appropriation unit. In this scenario, enter *AD20000*. Note that this field is normally optional or dependent on departmental needs. This field is being utilized in this example for training purposes.

	Department	Major Program	Funding Profile	Funding Priority	Funding Line	Total Buyer Line %	Attachments
▼	ADA	CDCMP	CDCELIG	10	1	0.00%	✎ ⋮

Reimbursement Options   Reimbursement COA   Front End Split COA   Funding Identification

FES Fund
AD2000

FES Appr Unit
AD20000

FES Unit

FES Function

FES Sub Fund
200007

7. In the **Funding Identification** section:

a. Fields in the Funding Identification section of the Funding Line will remain blank for this example. Key federal funding information was entered in the Program Period tab instead of this section.

8. Click **Save**.

	Department	Major Program	Funding Profile	Funding Priority	Funding Line	Total Buyer Line %	Attachments
▼	ADA	CDCMP	CDCELIG	10	1	0.00%	✎ ⋮

Reimbursement Options   Reimbursement COA   Front End Split COA   Funding Identification

Grant ID

Pre-Defined Other Funding Source ID
- Select -

Federal Catalog Agency

Federal Catalog Prefix

Federal Catalog Suffix

Federal Agency Name
-

Other Funding Source ID

SEFA ID

SEFA Description

Demo ID

Grant ID Name
-

Federal Appropriation Number

Funding Allocation ID

Common Accounting Number

Complete the **Funding Line** tab for the state Funding Priority 10 line.

1. In the **Tab Level Actions**, click the "**+**" icon to add a *second* Funding Line.

2. Select the new funding line. Note: The line will turn blue when selected.

3. Click the **Expand** caret.

4. In the **Reimbursement Options** section:

a. In the **Reimbursement Eligible** field, select **Yes** from the drop down menu.

b. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.

c. In the **Reimbursement Frequency** field, select **None** from the drop down menu.

d. In the **Reimbursement Output Type** field, select **None** from the drop down menu.

e. In the **Reimbursement %** field, enter *50*.

5. Click **Save**.

6. In the **Front-End Split COA** section. All fields in this section are completed based on department procedure:

a. In the **FES Fund** field, enter the appropriate fund. In this scenario, enter *1000*. Fund 1000 is the General Fund and this funding line is for the state-funded portion of this grant.

Validate the transaction.

1. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays in the upper left corner of the screen: **Transaction validated successfully**.

Complete the **Funding Profile Inference** tab of the CAS.

1. Click the **Funding Profile Inference** tab.

2. In the **Tab Level Actions**, click the "**+**" icon to add a new line.

3. In the **Funding Profile Inference** field, select *FPI4* (Funding Profile Inference) from the drop down menu. FPI4 is being utilized in this example for training purposes.

4. In the **Program** field, enter the Program code *CDCPROG*, which is the code for the Program created in the CAS.

5. In the **Program Period** field, enter the Program Period code *CDC22*, which is the code for the Program Period created in the CAS.

6. In the **Funding Profile** field, enter *CDCELIG*.

7. In the **Reimbursement Eligible** field, select **Eligible** from the drop down menu.

8. Click **Save**. The Department and Major Program fields infer upon saving.

9. Click the **Budget** tab.
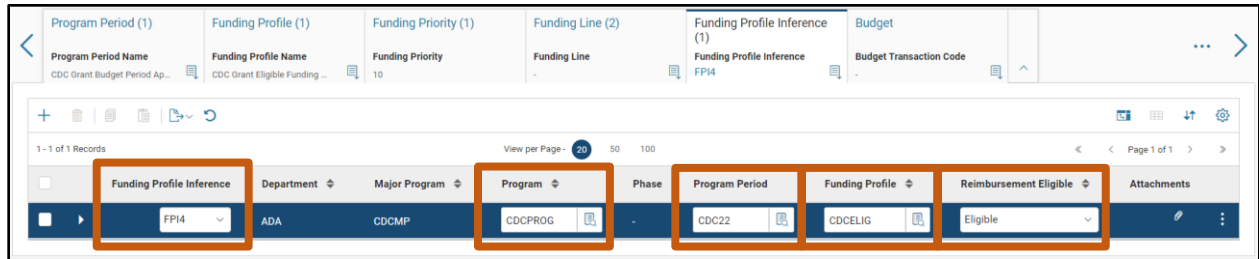
Complete the **Budget** tab for the Reimbursement Budget for the CDC Grant.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new line.

2. In the **Budget Transaction Code** field, select **BGPDR** (Reimbursable Grant Budget) from the pick list.

3. In the **Program** field, enter *CDCPROG*. This is the Program created earlier in the scenario.

4. In the **Program Period** field, enter *CDC22*. This is the Program Period created earlier in the scenario.

5. In the **Funding Profile** field, enter *CDCELIG,* the code for the Funding Profile.

6. In the **Funding Priority** field, enter *10*.

7. In the **Dollar Amount** field, enter the amount of the grant. In this scenario, enter *630,000*. *Note: Per the award documentation, the federal funding for the project period of this award is $315,000. Two funding lines were created in this scenario, to each be 50% of Funding Priority 10. One funding line represents the federal portion; the second represents a state match. The federal Funding Line is $315,000, so the state matching portion represented by the second Funding Line is also $315,000. Thus, the total budget for Funding Priority 10 is $630,000.*

8. In the **Event Type** field, select **BG22** (Award Reimbursable Budget) from the pick list.

Complete the **Budget** tab for the Program Expense Budget for the CDC Grant.

1. On the **Budget** tab, in the **Tab Level Actions**, click the "**+**" icon to add a new line.

2. In the **Budget Transaction Code** field, select **BGPDE** (Grant Budget) from the pick list.

3. In the **Program** field, enter *CDCPROG*. This is the Program created earlier in the scenario.

4. In the **Program Period** field, enter *CDC22*. This is the Program Period created earlier in the scenario.

5. In the **Dollar Amount** field, enter the amount of the grant. In this scenario, enter *630,000*.

6. In the **Event Type** field, select **BG01** (Adopt an Expense Budget) from the pick list.

Validate and submit the transaction for approval.

1. Click **Validate** to check for errors. If any errors exist, fix the errors and click **Validate** again. If the validation is successful, the following message is displayed in the upper left corner of the screen: **Transaction validated successfully.**

2. Click **Submit** to submit the transaction for approval. If submission is successful, the following message is displayed in the upper left corner of the screen: **Transaction submitted successfully – Pending Approval.**

3. Click **Close.**

4. Click **Home** icon to return to the home page.

Researching Cost Accounting Records

This section reviews the tables and records that are updated by the Cost Accounting Setup and Modification transactions, including the cost structure refrence tables, created budget transactions, and the budget inquiry tables.

View the Cost Structure

When submitted to Final Phase, the CAS/CAM transaction updates all of the reference tables represented by the CAS/CAM transaction components (Major Program, Program, Program Phase, etc.). The records on the reference tables are what accounting transactions (encumbrances, expenditures, transfers, etc.) containing Cost Accounting COA validate against.

View the Records on the Cost Structure Reference Tables
Scenario 2 Now that the CAS has moved to final phase, cost accounting structure records have been written to the cost structure reference tables. Navigate to each of the cost structure reference tables to view the new records created by the CAS.

Viewing the Major Program Reference Table.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *MJPRG*.

4. In the drop down menu that generates, select **MJPRG Major Program.** The MJPRG page opens.

5. In the **Major Program** field, enter the Major Program code created in the CAS. In this scenario, enter *CDCMP*.

6. Click **Search**. A grid of results populates.

7. Locate the desired Major Program line from the grid of results.

8. Click the **3-dot** menu of the selected blue line.

9. Select **View** from the menu options.

10. Review the data for the MJPRG record. The data matches the data entered into the Major Program tab of the CAS transaction that created the record.

Viewing the Program Reference Table.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *PROG*.

4. In the drop down menu that generates, select **PROG Program**. The PROG page opens.
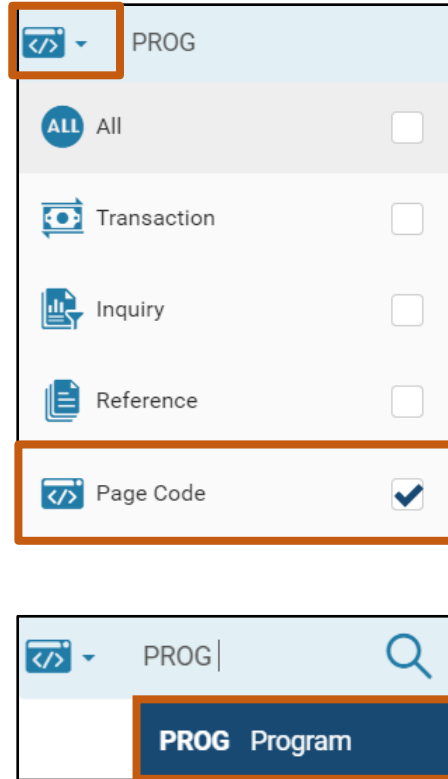
5. In the **Program** field, enter the Program code created in the CAS. In this scenario, enter *CDCPROG*.

6. Click **Search**. A grid of results populates.

7. Locate the desired Program line from the grid of results.

8. Click the **3-dot menu** of the selected blue line.

9. Select **View** from the menu options.
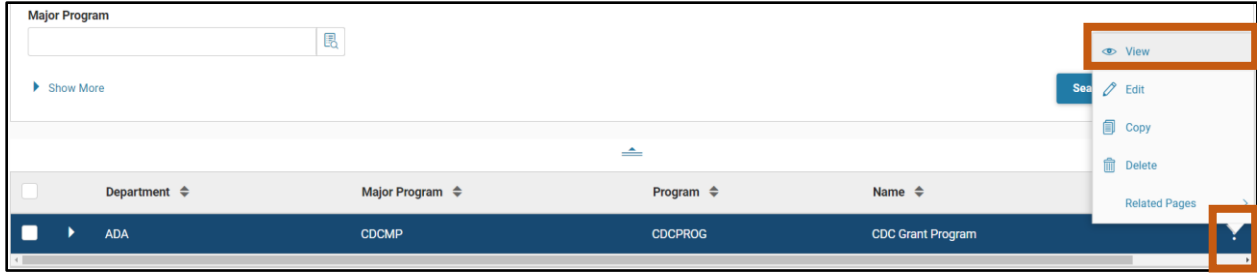
10. Review the data for the PROG record. The data matches the data entered into the Program tab of the CAS transaction that created the record.
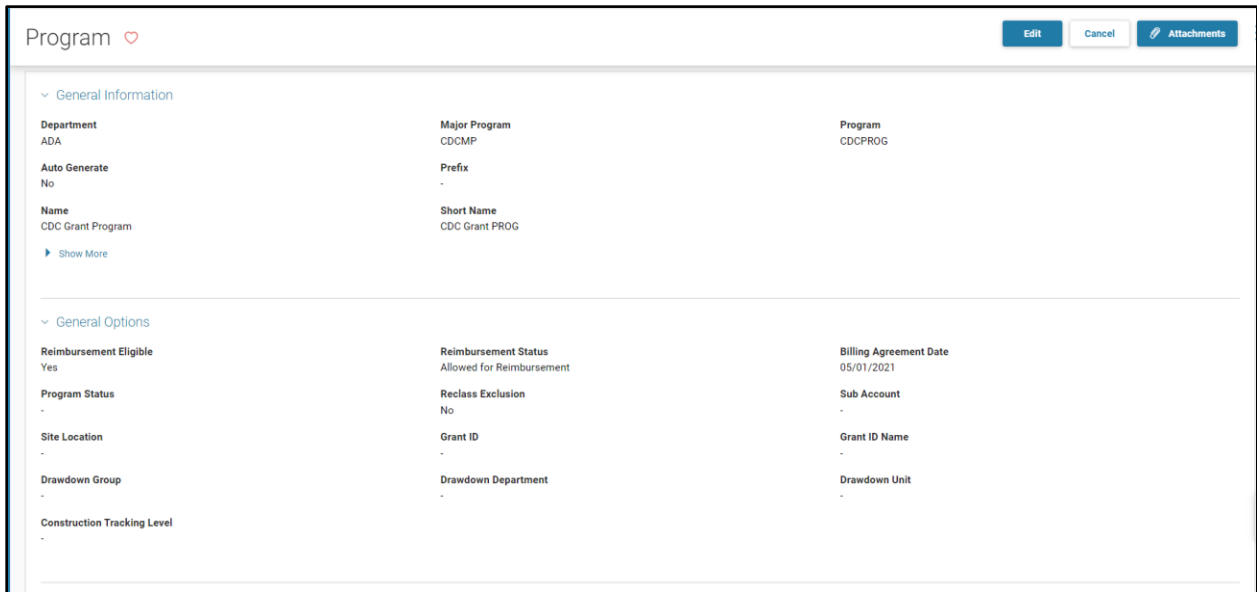
Viewing the Program Period Reference Table.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *PPC*.

4. In the drop down menu that generates, select **PPC Program Period**. The PPC page opens.
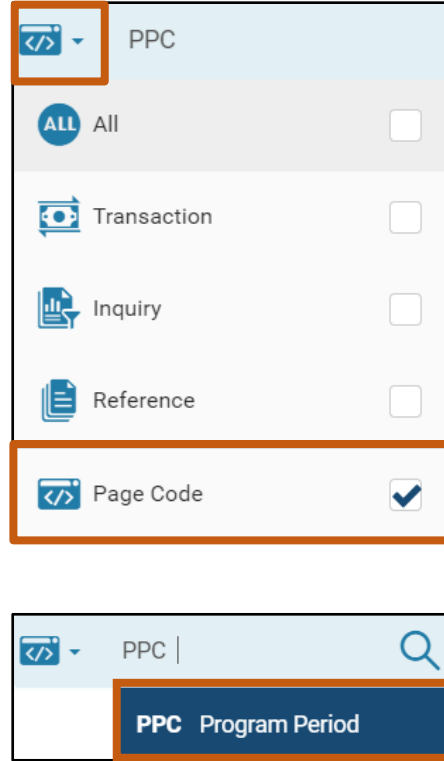
5. In the **Major Program** field, enter the Major Program code created in the CAS. In this scenario, *CDCMP*.

6. Click **Search**. A grid of results populates.
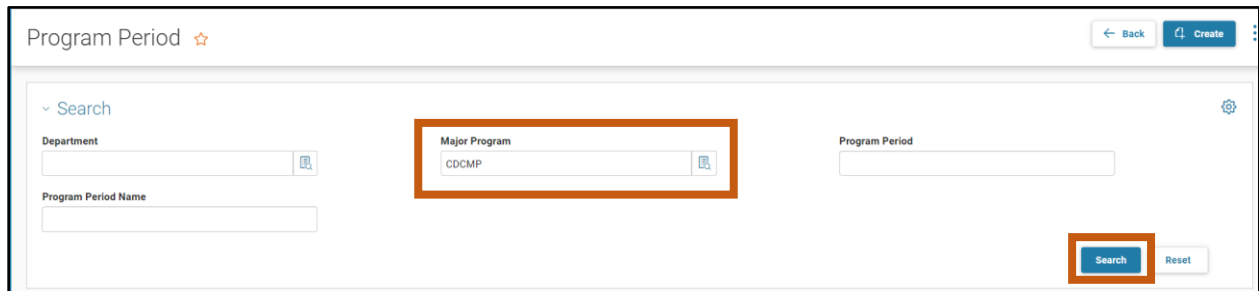
7. Locate the desired Program Period line from the grid. In this scenario, it will be the Program Period created in the CAS example, CDC22.

8. Click the **3-dot menu** of the selected blue line.

9. Select **View** from the menu options.
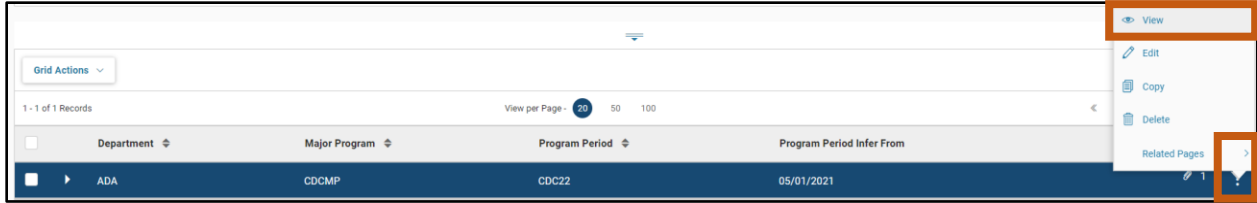
10. Review the data for the PPC record. The data matches the data entered into the Program Period tab of the CAS transaction that created the record. The documentation attached to the Program Period of the CAS may also be downloaded from the record by using the Attachments button.
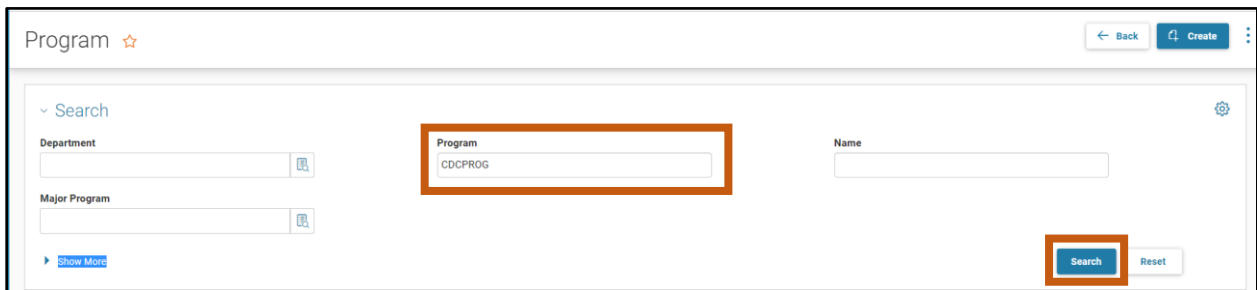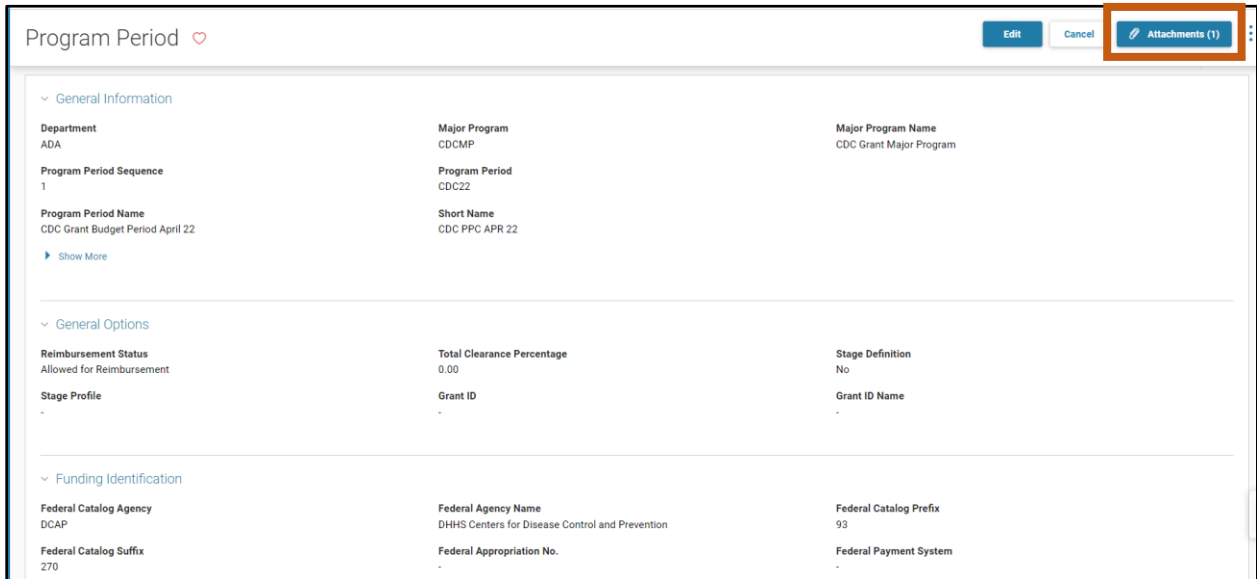

Search and view Funding Profile(s) records.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *FPRFLST*.

FPRFLST

ALL All ☐

Transaction ☐

Inquiry ☐

Reference ☐

Page Code ✔

4. In the drop down menu that generates, select **FPRFLST Funding Profile Select**. The FPRFLST page opens.
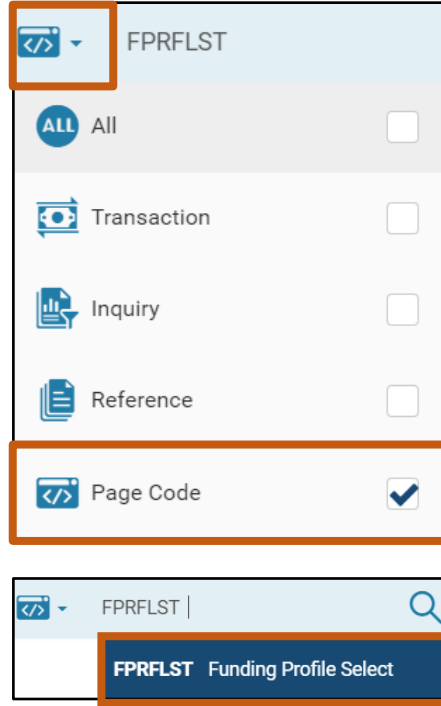
FPRFLST

FPRFLST Funding Profile Select

5. In the **Major Program** field, enter the Major Program code created in the CAS. In this scenario, enter *CDCMP.*

6. In the **Funding Profile** field, enter the Funding Profile code created in the CAS. In this scenario, enter *CDCELIG.*

7. Click **Search**. A grid of results populates.

Funding Profile ☆   ← Back   ⊕ Create

ⱽ Search   ⚙

Department   Major Program   Funding Profile
                                    CDCMP   CDCELIG

                                                                    Search   Reset

8. Select the Funding Profile line from the grid.

9. Click the **3-dot menu** of the selected blue line.

10. Select **View** from the menu options.

11. Review the data for the Funding Profile record. The data matches the data entered into the Funding Profile tab of the CAS transaction that created the record.

12. Click the **Funding Priority** tab. Use the **Expand** caret in the lines to expand the information of the Funding Priority.

13. Review the data for the Funding Priority record. The data matches the data entered into the Funding Priority tab of the CAS transaction that created the record.
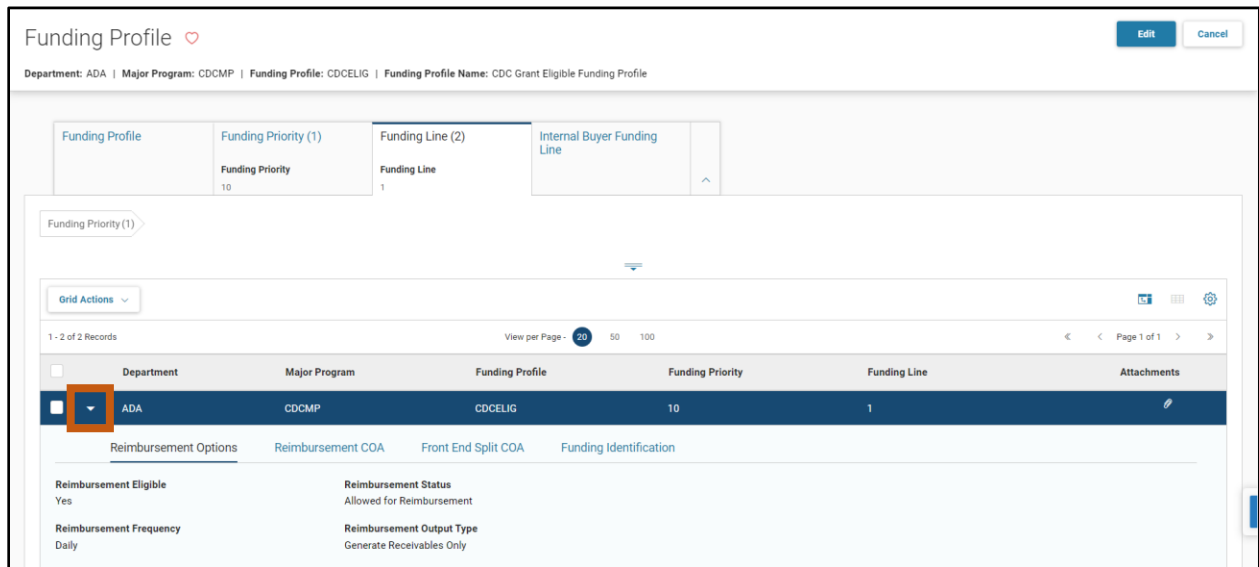
14. Click the **Funding Line** tab. Use the **Expand** caret in the lines to expand the information of the Funding Line. **Reimbursement Options** is the section of the Funding Line shown by default.

15. Review the data for the Reimbursement Options of the Funding Line record. The data matches the data entered into the Funding Line tab of the CAS transaction that created the record.

16. Click the **Reimbursement COA** section.

17. Review the data for the Reimbursement COA of the Funding Line record. The data matches the data entered into the Funding Line tab of the CAS transaction that created the record.

18. Click the **Front End Split COA** section.

19. Review the data for the Front End Split COA of the Funding Line record. The data matches the data entered into the Funding Line tab of the CAS transaction that created the record.

20. Click the **Funding Identification** section.

21. Review the data for the Funding Identification of the Funding Line record. The data matches the data entered into the Funding Line tab of the CAS transaction that created the record.

Cost Accounting Transaction History (CADHIST)

Upon the finalization of CAS or CAM transactions, records are created on the Cost Accounting Transaction History (CADHIST) page with the following information from the transaction: Department, Major Program, Program, CAS transaction identifiers (Transaction Code, Transaction Department, Transaction ID, and the User ID of the user who created the transaction.) The CADHIST page's search options can be used to find any CAS or CAM transaction that has impacted the Major Program (MJPRG) or Program (PROG) reference tables.

Changes to the cost structure may result in changes of how accounting transactions post to cost structures or how cost structure information appears on reports. CADHIST allows users to see how a cost structure was set up in the past, and to identify when changes were made to the cost structure.

Searchable filter fields include Department, Major Program, Program, and Created Date.
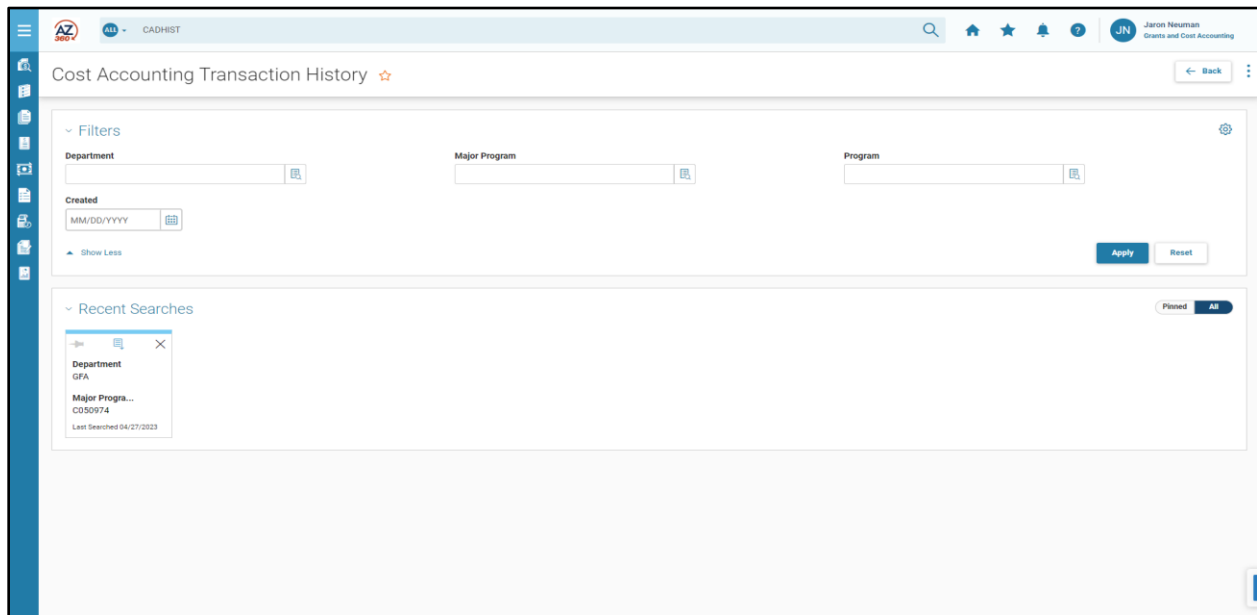
View CADHIST Table	
Scenario 3 The CAS transaction has been submitted to Final Phase. Locate the CAS that created this new project using the CADHIST table.	

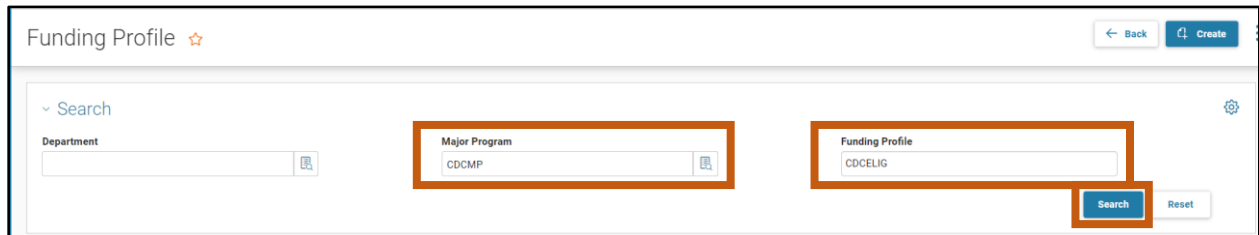Locate the CAS transaction using the CADHIST table.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *CADHIST*.

4. In the drop down menu that generates, select **CADHIST Cost Accounting Transaction History**. The CADHIST page opens.
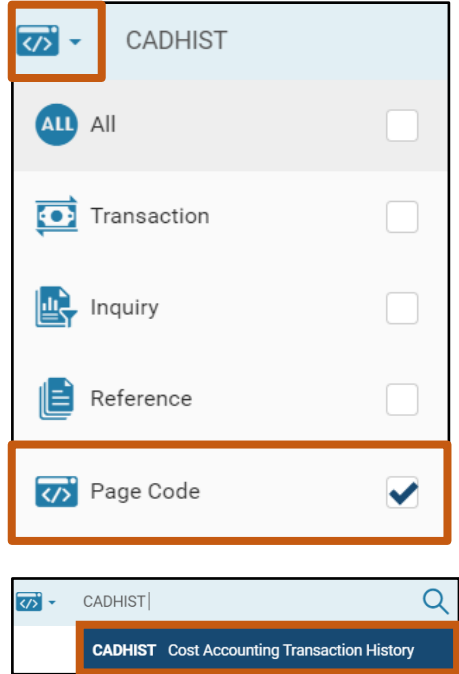
5. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

6. In the **Major Program** field, enter the Major Program code. In this scenario, enter *CDCMP*.

7. Click **Apply**.
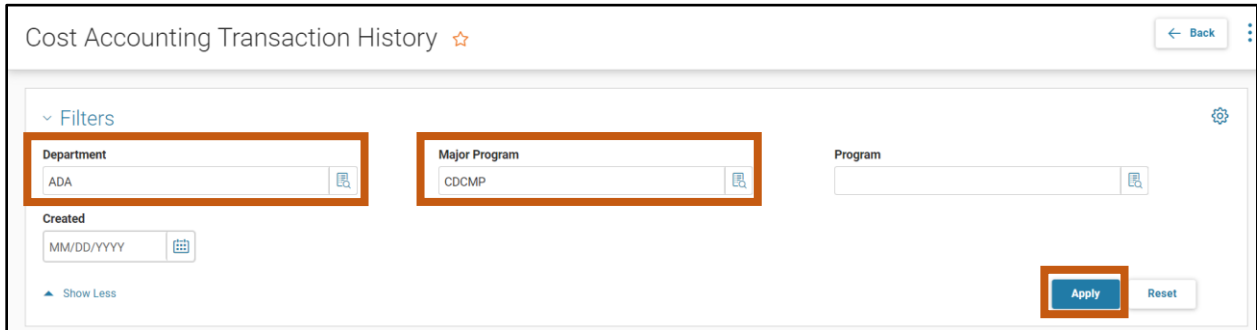
8. The CAS that created Major Program CDCMP appears in the grid of results. Click the link under **Cost Accounting Transaction** to navigate to the CAS in Final phase.

Note: CADHIST is useful for researching the history of Cost Accounting structures and identifying the transactions that updated the Cost Accounting reference tables. However, to understand how a cost structure is currently configured, it is recommended to directly review the reference tables. CAS (and CAM) transactions found via CADHIST are historical records that may not contain current information.

Navigate to budget transactions created in the CAS using the CADHIST table.

View the BGPDE Transaction created by the CAS

Scenario 4
View the BGPDE transaction, review the budget lines on the BGPDE, and return to the home page.

Navigate to and review the BGPDE transaction.

1. Complete the steps from the "View CADHIST Table" scenario to find and open the CAS transaction that generated budget transactions.

2. On the CAS, click on the **Created Transactions** tab to view the budget transactions created by the CAS.
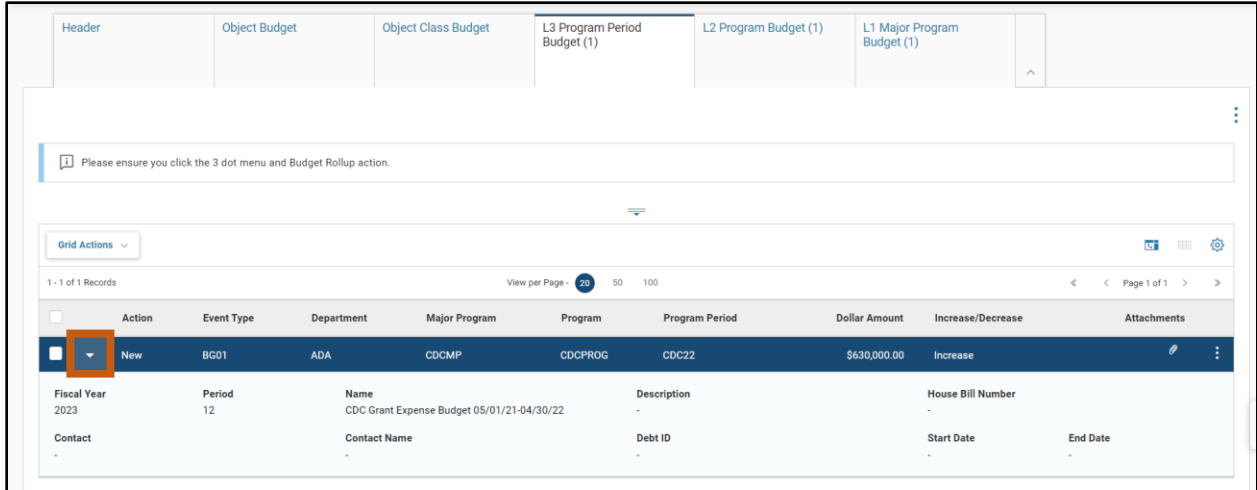
3. Click on the link for the BGPDE Transaction.

4. Click the **L3 Program Period Budget** tab. Click the **Expand** caret and view the information for the single budget line at this summary level.

5. Click the **L2 Program Budget** tab. Click the **Expand** caret and view the information for the single budget line at this summary level.

6. Click the **L1 Major Program Budget** tab. Click the **Expand** caret and view the information for the single budget line at this summary level.

7. Click **Close** on the BGPDE. The Created Transaction tab of the CAS is displayed again.

Note: The BGPDR Transaction generated by the CAS can be viewed in a similar manner to the BGPDE. Select the BGPDR Transaction line on the Created Transactions Tab of the CAS, instead of the BGPDE.

Navigate to Budget lines created by the BGPDE using the Budget Inquiry Page BQ38LV3

Scenario 5.
Once a BGPDE moves to final phase, it writes to budget lines on budget tables in AZ360. Navigate to BQ38LV3 to view the program budget line created by the BGPDE.

Navigate and review the BQ38LV3 table.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *BQ38LV3*.

4. In the drop down menu that generates, select **BQ38LV3 Period Expense.** The BQ38LV3 page opens.
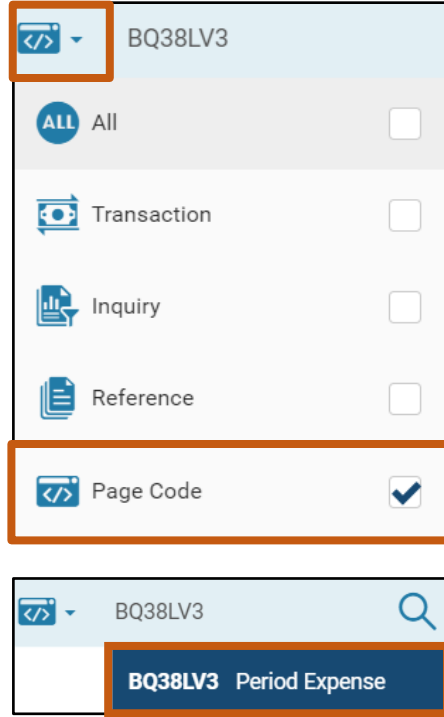
5. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

6. In the **Major Program** field, enter the Major Program code. In this scenario, enter *CDCMP*.

7. Click **Apply**. The Budget Line created by the BGPDE will display in the grid of results.
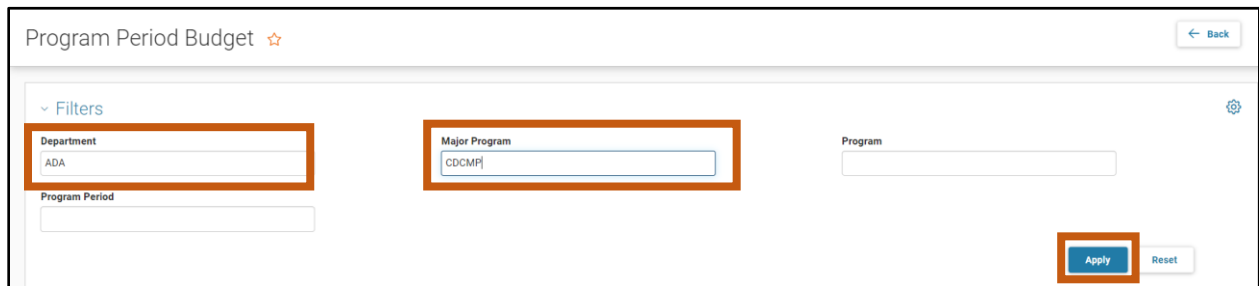
8. Click the **Expand** caret in the blue line of the search results to expand the information of the budget line. View the sections of the budget. The **Expense Actuals** section of the budget line shows expenditures, encumbrances, and charges that have posted against the budget, along with the available unexpended and unobligated budget that remains.

9. The Budgeted Amounts section of the budget line shows the adopted budget, along with any amendments and transfers made into or out of the budget.

Note: The Program budget is populated in the Adopted budget field and the Adopted budget field contains a link to the BGPDE that created the budget.

10. The 3-dot menu on the budget line can be used to navigate to neighboring levels of the current budget level selected. Click on the **3-dot menu**. Then, click on **Related Pages**, and select **Program Budget** from the menu that appears. AZ360 navigates to the Program Budget Line for the cost structure (Page Code BQ38LV2).

11. Click **Home** icon to return to the home page.

Navigate to Budget lines created by the BGPDR using the Budget Inquiry Page BQ39LV2

Scenario 6.
Navigate to BQ39LV2 to view the reimbursable budget lines created by the BGPDR transaction, then return to the Home Page.

Navigate and review the BQ39LV2 table.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *BQ39LV2*.

4. In the drop down menu that generates, select **BQ39LV2 Funding Line.** The BQ39LV2 page opens.
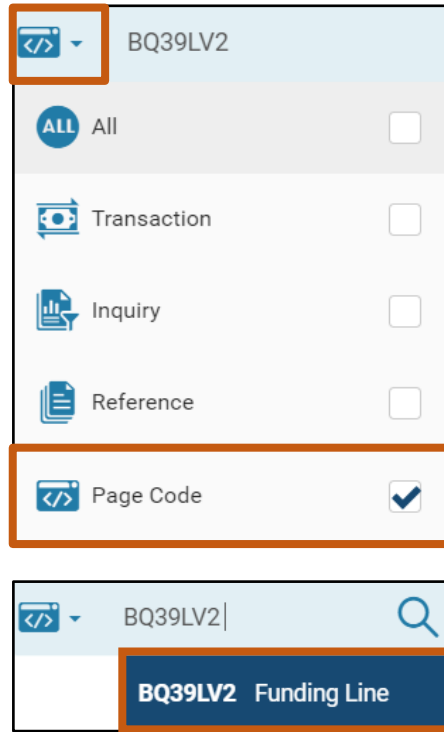
5. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

6. In the **Major Program** field, enter the Major Program code. In this scenario, enter *CDCMP*.

7. Click **Apply**. Two budget lines created by the BGPDR will appear in the grid of results, one for Funding Line 1, and another for Funding Line 2.
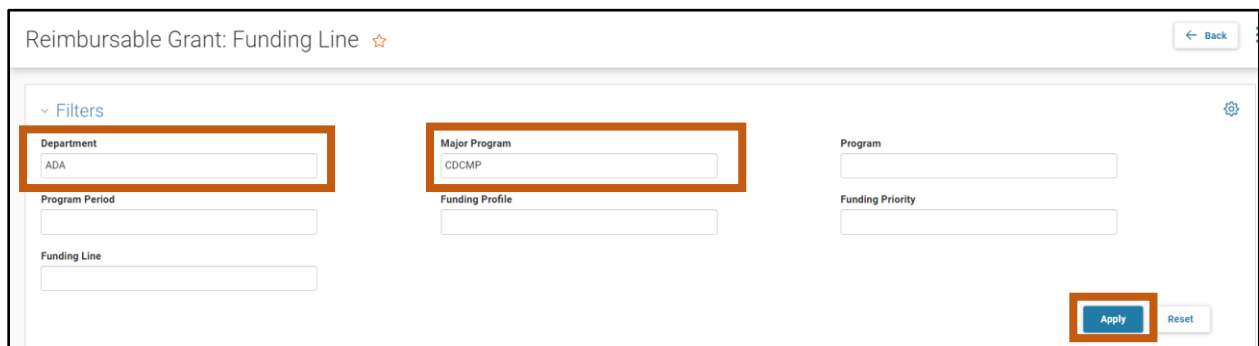
8. Click the **Expand** caret in the blue lines of the search results to expand the information of the two budget lines. View the sections of the budgets. The **Expense Actuals** section of the budget lines shows expenditures, encumbrances, and charges that have posted against the budget, along with the available unexpended and unobligated budget that remains.

9. The Budgeted Amounts section of the budget line shows the adopted budget, along with any amendments and transfers made into or out of the budget.

Note: The Reimbursable budget is populated in the Awarded budget field and the Awarded budget field contains a link to the BGPDR that created the budgets.

10. Click **Home** icon to return to the home page.

Cost Accounting Modification (CAM) Overview

Section Objectives

In this section, the following processes are introduced:

- Review how a CAM is different from a CAS.

- Understand that CAM transactions must be used to modify any existing cost structure component.

- Understand that CAM transactions should always be used to make any additional component elements on an existing Major Program cost structure.

- Introduce and understand the importance of the CAM transaction's Load Details option.

- Review the tabs of the CAM, and understand where the Load Details options are located in the tabs.

CAM Introduction

The CAM updates records on the reference tables of the cost accounting components. The purpose of the CAM transaction is to facilitate a more efficient means of modifying information for existing cost accounting records, and to add new elements (Program, Funding Profile, Program Period, etc.) to existing Major Program cost structures.

The only thing that a CAM cannot create is a new Major Program. Once a Major Program exists through use of the CAS, agencies should always use CAM transactions to add or modify any elements of the cost structure going forward.

Note #1: In AZ360, it is not possible to delete cost structure elements once they are established on the reference tables after a CAS or CAM creates the elements when it moves to final phase. Existing elements can be modified with a CAM, including deactivating them so the element(s) can no longer be used on accounting transactions.

Note #2: A common misconception is that an existing cost structure element can be deleted by excluding it in a CAM. This does not delete the cost structure element. Excluding an existing cost structure element in a CAM only means that the existing cost structure element will not be modified by the CAM.

CAM Transaction Modifications

The CAM allows for the modification of records on the following reference table pages:

- Major Program (MJPRG)
- Program (PROG)
- Program Period (PPC)
- Program Phase (PHPRG)
- Funding Profile/Priority/Line (FPRFLST)
- Funding Profile Inferences (see Table 2 for details)

Similar to the CAS, the associated reference tables are updated with information from the CAM transaction once it is submitted to Final Phase.

- CAM transactions can also create shell budget transactions that must go through a separate budgetary workflow approval process, just like the CAS.

Note: Before initiating a new CAM transaction, users may want to use the Financial Transaction Catalog to search for CAMs in Draft or Pending Phase, to be sure that a CAM transaction has not already been created to implement the necessary updates.

Once submitted to Final Phase, the CAM transaction does not allow any further modifications, versions or cancellations. If any modifications to cost accounting reference tables are subsequently needed, the changes may be made through another CAM transaction.

CAM Feature - Load Details Option

The Load Details option is a very important feature of a CAM, that does not exist in a CAS. These options pull existing Cost Accounting structure information from the reference tables into the CAM, reducing data entry time, improving data integrity, and reducing errors. The Load Details option exists on the Major Program, Program, Program Phase and Funding Profile tabs of the CAM. These options will be discussed in further detail in the following CAM tab sections.

Note #1: The Load Details option should always be used when modifying existing cost structure elements to ensure accurate information is in the CAM. These options simplify data entry and ensure current data is loaded into the CAM.

Note #2: Users should never copy previous CAMs. Copied CAMs can contain old data and frequently result in errors. Use the Load Details option to simplify data entry.

CAM Feature – Add/Modify Line Toggle

Most tabs of the CAM (including Program, Program Period, Funding Profile, Funding Priority and Funding Line) allow users to select whether the line is an Add (new) line or Modify (existing) line. This feature is not available for Major Program. (Reminder: A CAM cannot create a new Major Program. That requires use of a CAS transaction).

Note: Any line loaded into the CAM via the Load Details option must be a Modify line. Lines for new cost structure elements that do not yet exist on the reference tables must be an Add line.
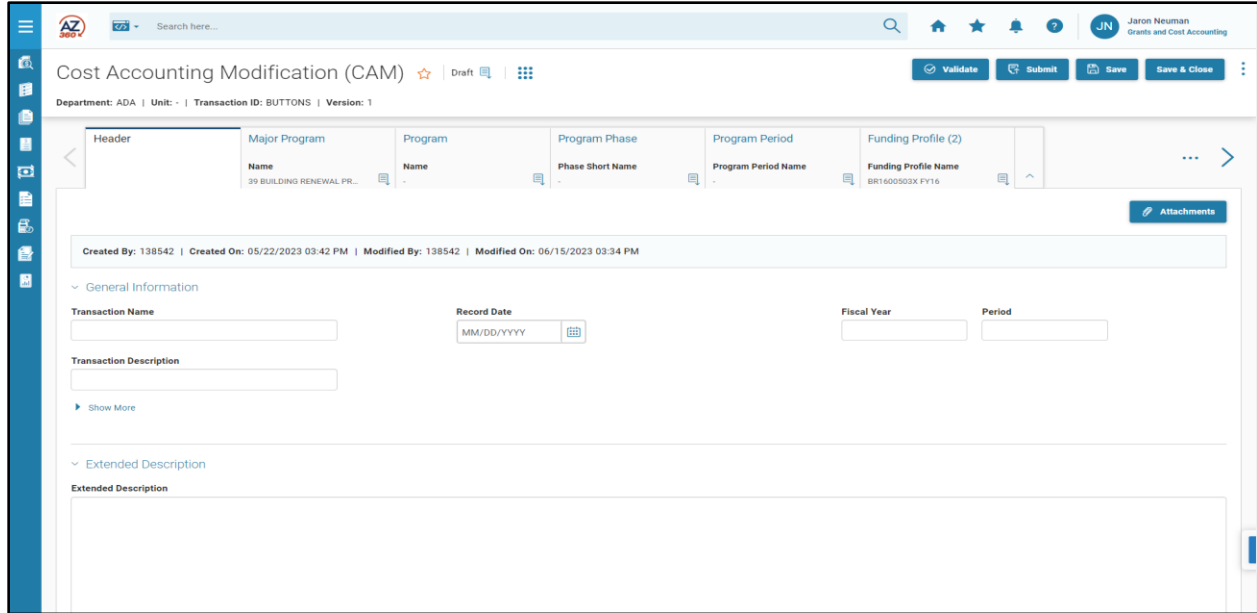
CAM Transaction Tabs

CAM transactions consist of the same tabs as the CAS transaction. The tabs have the same relationships to one another as described for the CAS transaction. The tabs on the CAM contain the same fields as the tabs on the CAS, and the fields on the CAM have the same relationships as the fields on the CAS. However, there are some fields that cannot be changed once they are established on the reference tables by a CAS, and thus are not able to be modified by a CAM.

The following discussion of the CAM focuses on the features and aspects of the CAM that make the CAM different from the CAS. Refer to the "Cost Accounting Setup (CAS) Overview" section of this manual for information on the purpose of each field. The Created Transactions tab on a CAM behaves in the same manner as its counterpart on a CAS transaction and is not discussed in this section as a result.

Header Tab

The Header tab stores values that apply to all tabs of the CAM transaction. The General Information section contains descriptive fields and date information common to most transaction headers. There are no differences between the Header tab of a CAM compared to the same tab of the CAS.

Major Program Tab

The Major Program tab allows for modification of information related to a Major Program record. A Major Program must be included on each CAM and only one Major Program may be entered. Separate CAM transactions must be submitted for each Major Program, if it is desired to make modifications to multiple Major Programs.

The CAM transaction updates an existing Major Program record on the MJPRG table, either by modifying the existing attributes or by adding cost structure component records to the Major Program. A Major Program cannot be created using a CAM transaction. Notice how there is not an add/modify line toggle option for Major Program.

Select the Major Program record to be modified from the pick list, click the 3-dot menu, Related Actions, then click the Load Major Program Details option to retrieve the data for that record from the MJPRG page.
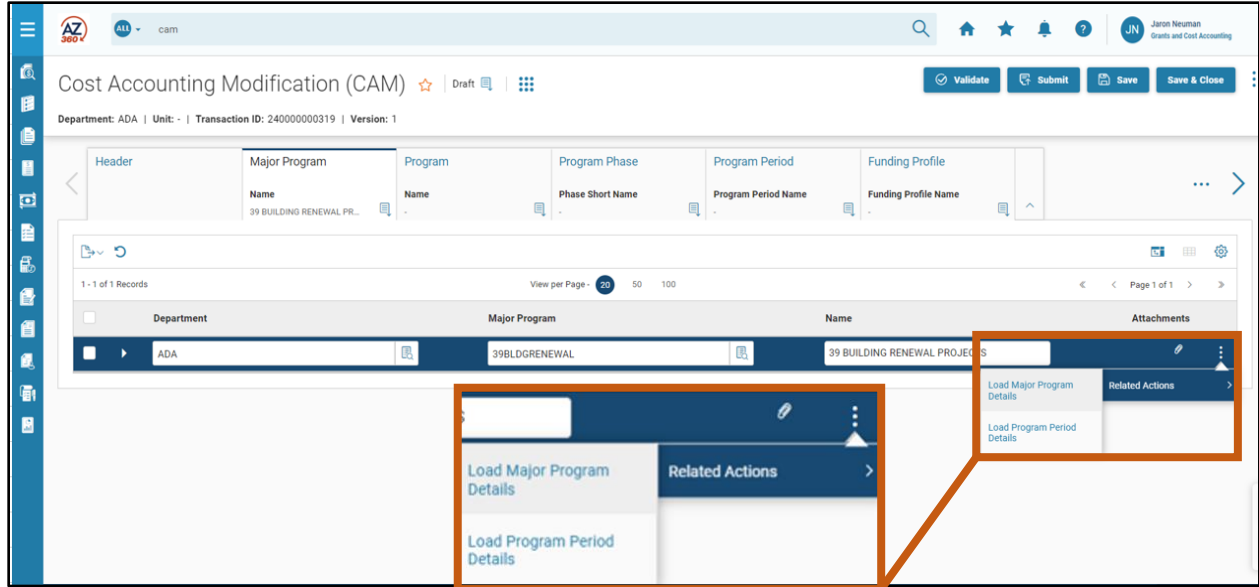
The Major Program tab of the CAM also contains the Load Program Period Details option. If Program Period records for a Major Program need to be modified, click the Load Program Period Details option to load the Program Period data into the CAM. All existing Program Period records for that Major Program will be loaded into the Program Period tab of the CAM transaction.

Note: The Load Program Period Details option is located on the Major Program because Program Period records are child records of a specific Major Program. All Program Period Records for the Major Program are loaded into the CAM, as opposed to only selected records.

If there are no changes to be made to an existing Program Period record, the Program Period details are not required to be loaded in a CAM.

Program Tab

The Program tab of the CAM can be used to create new Programs associated to the Major Program, or can be used to modify details of existing Programs. Multiple lines are allowed.

When entering data to create a new Program, insert a new line, then select Add from the Line Type drop down menu. The remaining sections and fields in this tab are completed in the same manner as the Program tab on a CAS transaction.
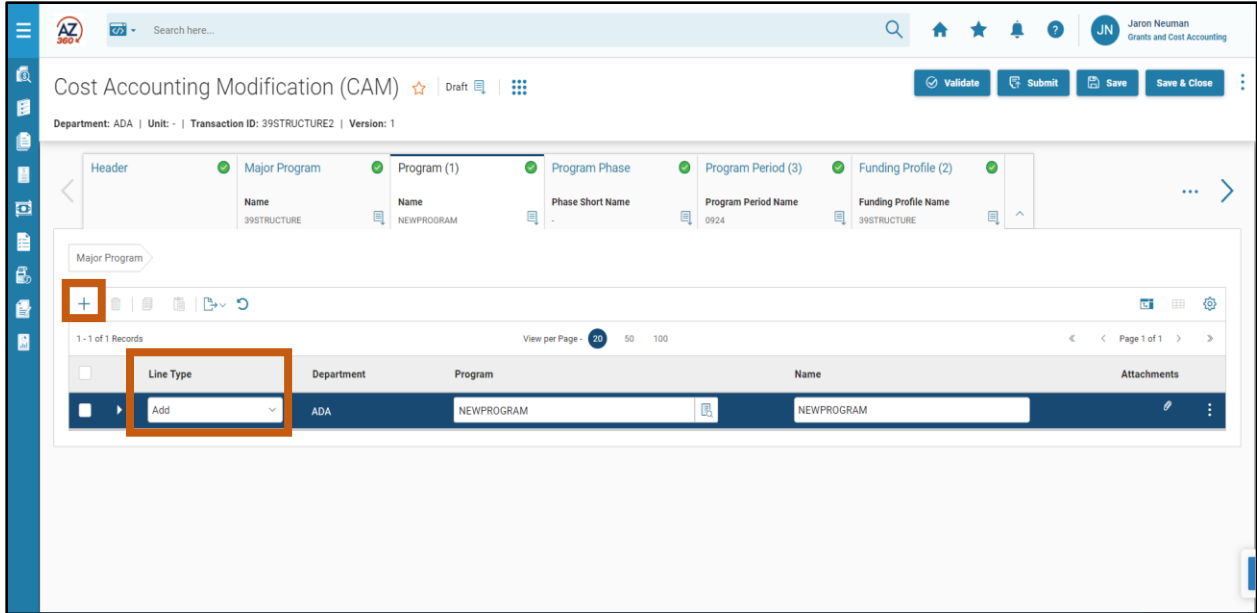
To modify data for an existing Program, insert a new line, then select Modify from the Line Type drop down menu. Then, select the Program to be modified from the Program pick list (only Programs associated with the Major Program selected on the CAM will be presented on the pick list). Click the 3-dot menu, Related Actions, then click Load Program Details option to load the Program data of the existing Program from the PROG table. All available fields in the Program component of the CAM, except the Program code field, can be modified.
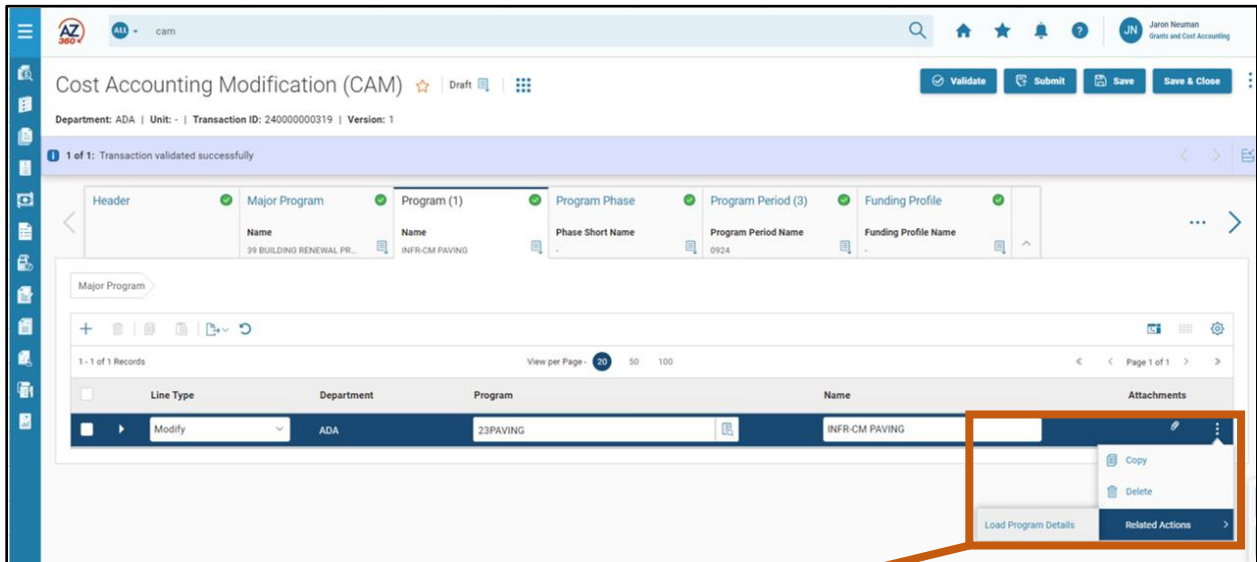
If multiple Programs must be updated for the Major Program, users must individually select and load each Program record that needs to be updated. There is not an option to load all Program records associated to a Major Program in one step.
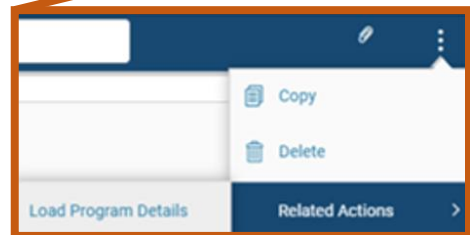
Program Phase Tab

Within the CAM transaction, each Program Phase line is a child record of the Program line; therefore, the appropriate Program record must first be loaded or added in the Program tab before a Program Phase record can be added or modified in the Program Phase tab. Multiple lines are allowed. Like the Program tab, the Line Type field is used to identify whether a user is adding or modifying a Program Phase record.

If a user is entering data for a new Program Phase, insert a new line, and select Add from the Line Type field drop down menu. Then, the remaining tabs and fields in this tab are completed in the same manner as the Program Phase tab on a CAS transaction.
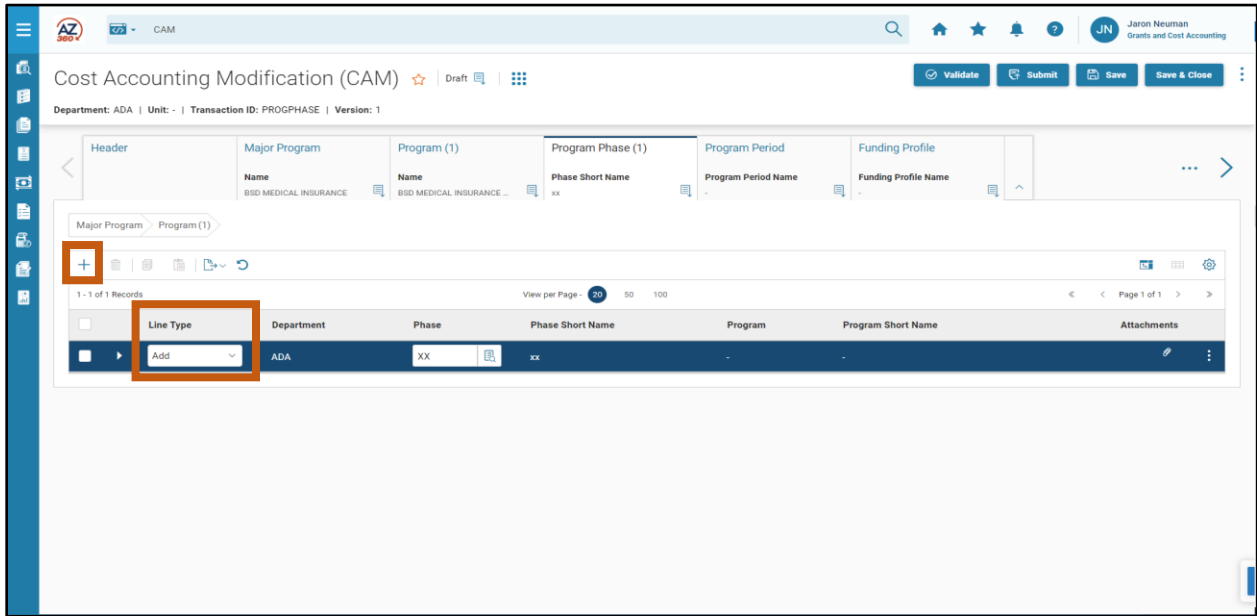
To modify data for an existing Program Phase, insert a new line, then select Modify from the Line Type field drop down menu. Select the existing Phase from the Phase pick list (only Program Phase records associated with the Program the user selected on the CAM will be presented on the pick list). Click the 3-dot menu, Related Actions, then click Load Program Phase Details option to load the Program Phase data from the PHPRG table and populate associated fields in the Program Phase tab of the CAM transaction. All fields in the Program Phase tab of the CAM, except the Department and Program fields, may then be modified.
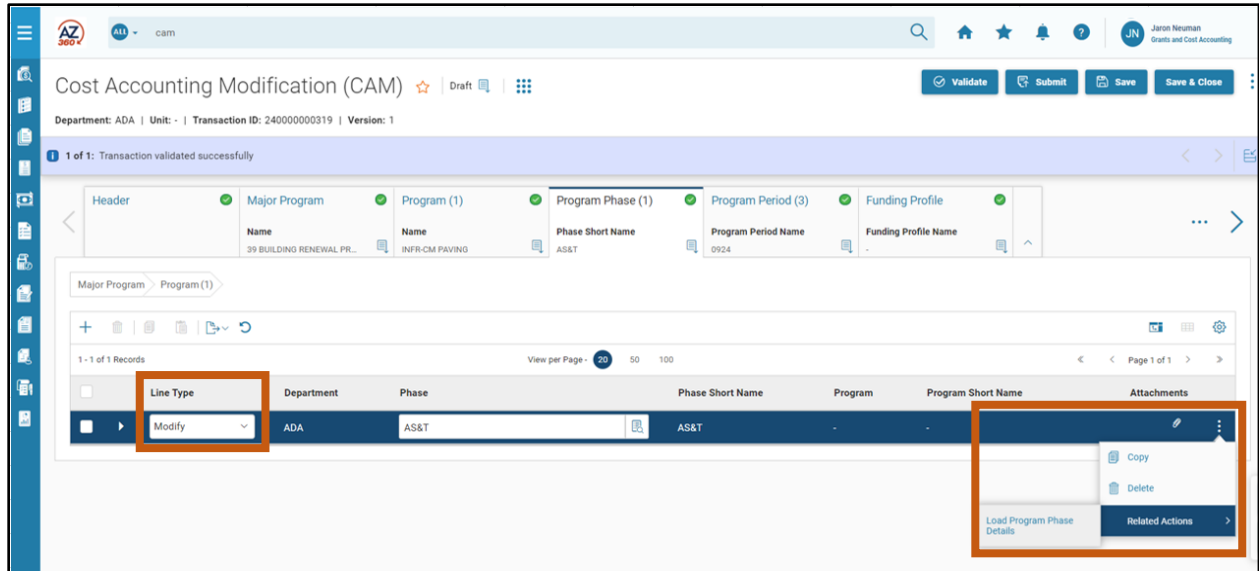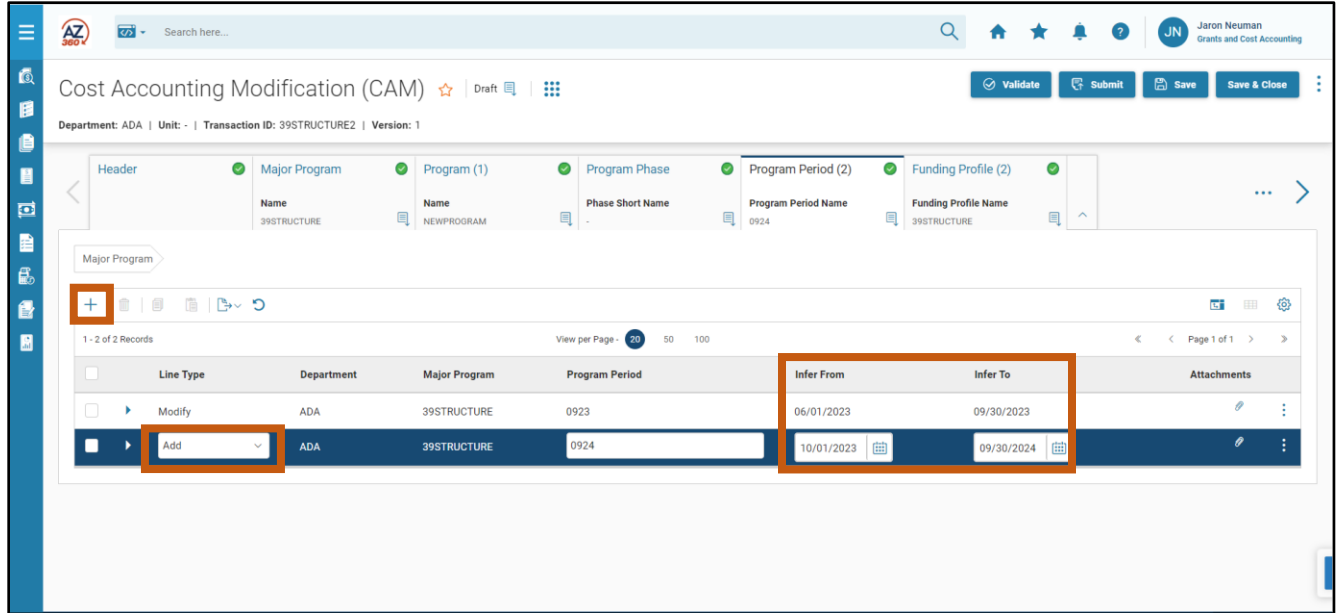
If there are multiple Program Phase records that must be updated for the Program, users must individually select and load each Program Phase record that is being updated. There is not an option to load all Program Phase records associated to a Program in one step.

Program Period Tab

The Program Period tab of the CAM can be used to create new Program Periods associated to the Major Program, or can be used to modify details of existing Program Periods.

If a user is entering data for a new Program Period, insert a new line, and select Add from the Line Type field drop down menu. Then, the remaining tabs and fields in this tab are completed in the same manner as the Program Period tab on a CAS transaction.
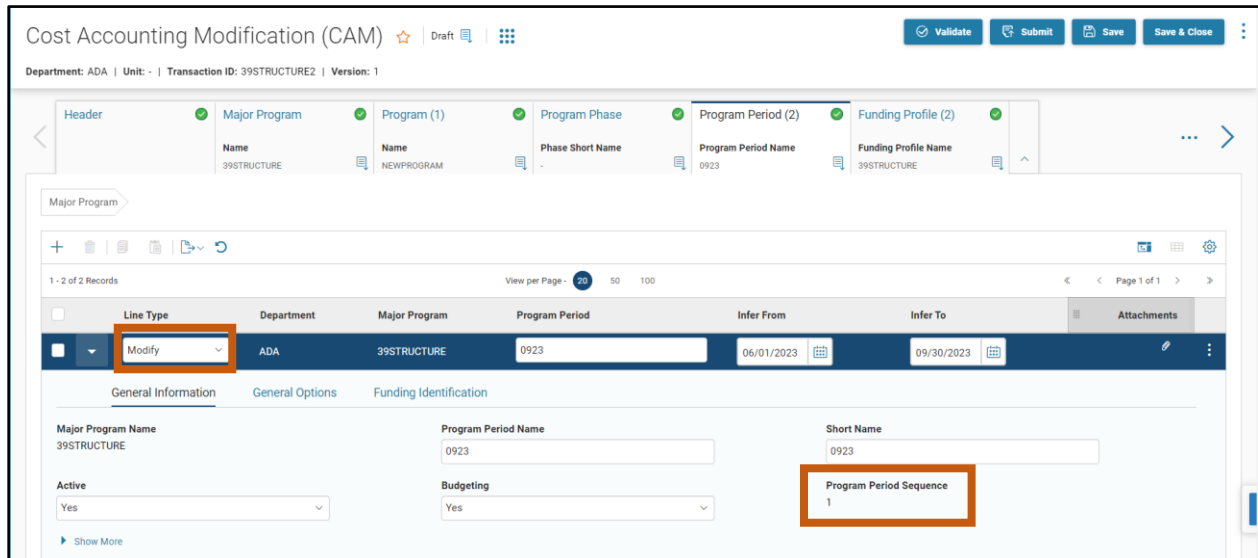
It is best practice to load existing Program Period records before adding a new record, since Infer From and Infer To dates of Program Periods of a Major Program cannot overlap. This is done by using the Load Program Period Details option on the Major Program tab of the CAM. Loading the existing Program Periods allows users to see the current inference dates of all Program Periods, so users can be sure that dates on the new PPC record do not overlap with dates on existing PPC records. If the Infer From or Infer To dates specified in the new record fall within the dates previously established in the PPC table, an error will occur when validating the CAM.

To modify an existing Program Period, loading the existing records using the Load Program Period Details option is always required. Users cannot manually enter Modify lines for Program Periods on a CAM. If they do, the error **Program Period Sequence is required.** will be seen upon validation.

The Program Period Sequence is automatically assigned to Program Period records by AZ360 as they are written to the PPC table when CAS or CAM transactions add new Program Periods. The Program Period Sequence is required in order to modify existing Program Periods and can only be included in CAM transactions by loading the existing record details. Program Period Sequence cannot be entered, edited or reassigned by users.

Note: Program Periods loaded into a CAM have their Line Type field automatically set to Modify.
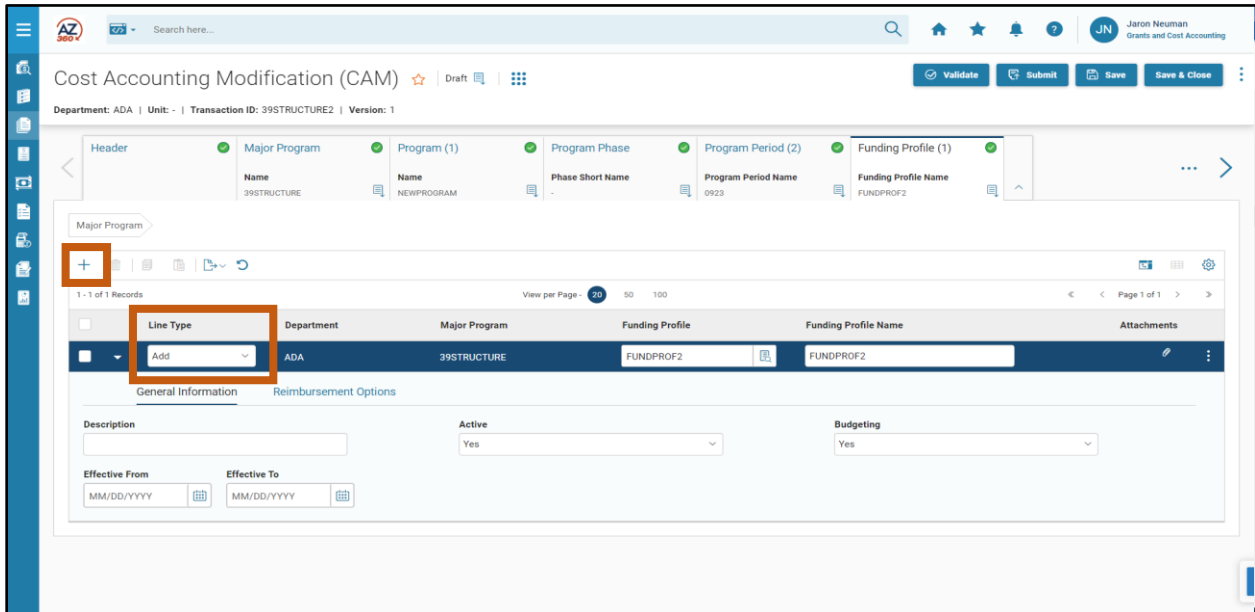
Funding Profile Tab

The Funding Profile tab is used to create new Funding Profile hierarchies, or to modify an existing Funding Profile. Similar to the other tabs, the Line Type field is used to identify whether a user is adding or modifying a Funding Profile record.

To enter data for a new Funding Profile, insert a new line, and select Add from the Line Type field drop down menu. The tabs and fields in this tab are completed in the same manner as the Funding Profile tab on a CAS transaction.

Note: Remember that the entire Funding Profile hierarchy needs to exist in order for Funding Profiles to be inferred and used as COA on accounting transactions. If a CAM is creating a new Funding Profile, then Funding Priority(ies) and Funding Line(s) will also need to be created.

To modify data for an existing Funding Profile, insert a new line, then select Modify from the Line Type drop down menu. Then, select the Funding Profile to be modified from the Funding Profile pick list (only Funding Profiles associated with the Major Program selected on the CAM will be presented on the pick list).

Click the 3-dot menu, Related Actions, then click Load Funding Profile Details option to load the Funding Profile data of the existing Funding Profile from the FPRFLST table. All available fields in the Funding Profile tab of the CAM, except the Funding Profile code field, can be modified.

Note: Selecting Load Funding Profile Details loads details of the entire Funding Profile hierarchy, including all existing Funding Priorities and Funding Lines. Loading Funding Profile details is required to modify information for any existing element of a Funding Profile hierarchy.
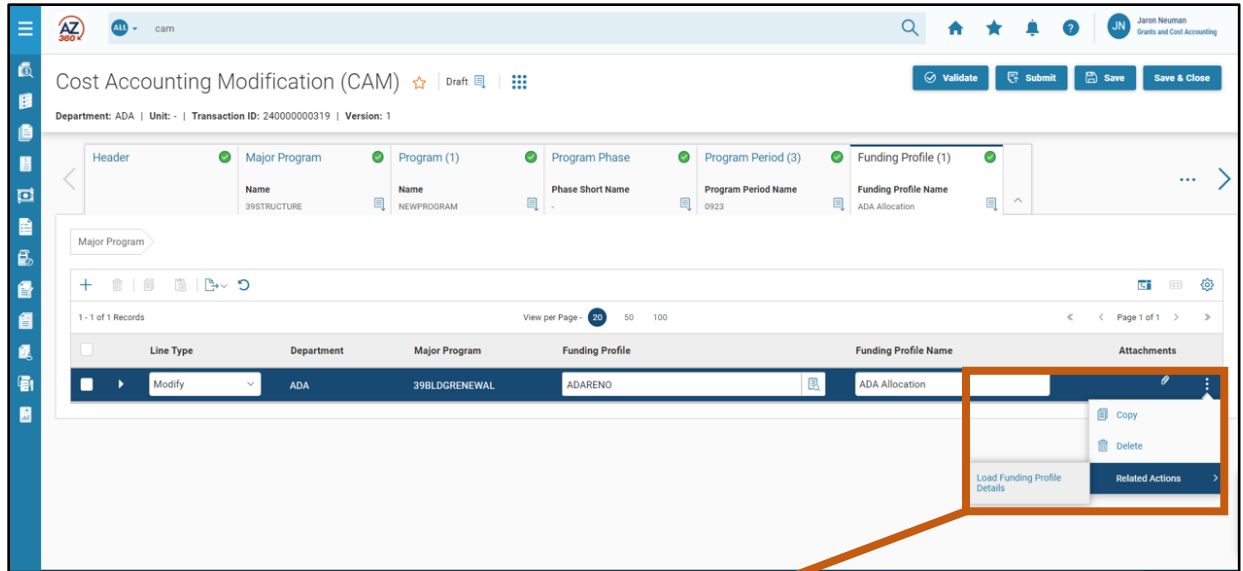
If there are multiple Funding Profile records that must be updated for the Major Program, users must individually select and load each Funding Profile record that is being updated. There is not an option to load all Funding Profile records associated to a Major Program in one step.
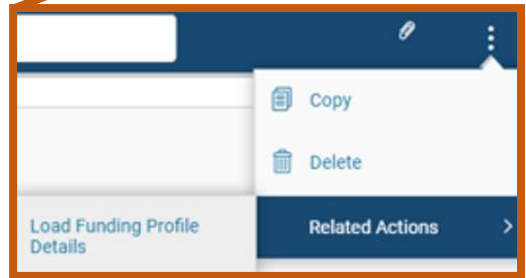
Funding Priority Tab

Each Funding Priority line is a child record of the Funding Profile line; therefore, whether adding or modifying a Funding Priority, the Funding Profile tab must first be populated. Multiple Funding Priority lines are allowed for each Funding Profile. Similar to the other tabs, the Line Type field is used to identify whether a user is adding or modifying a Funding Profile record.

To enter data for a new Funding Priority, insert a new line and select Add from the Line Type drop down menu. The remaining sections and fields in this tab are completed in the same manner as the Funding Priority tab on a CAS transaction.
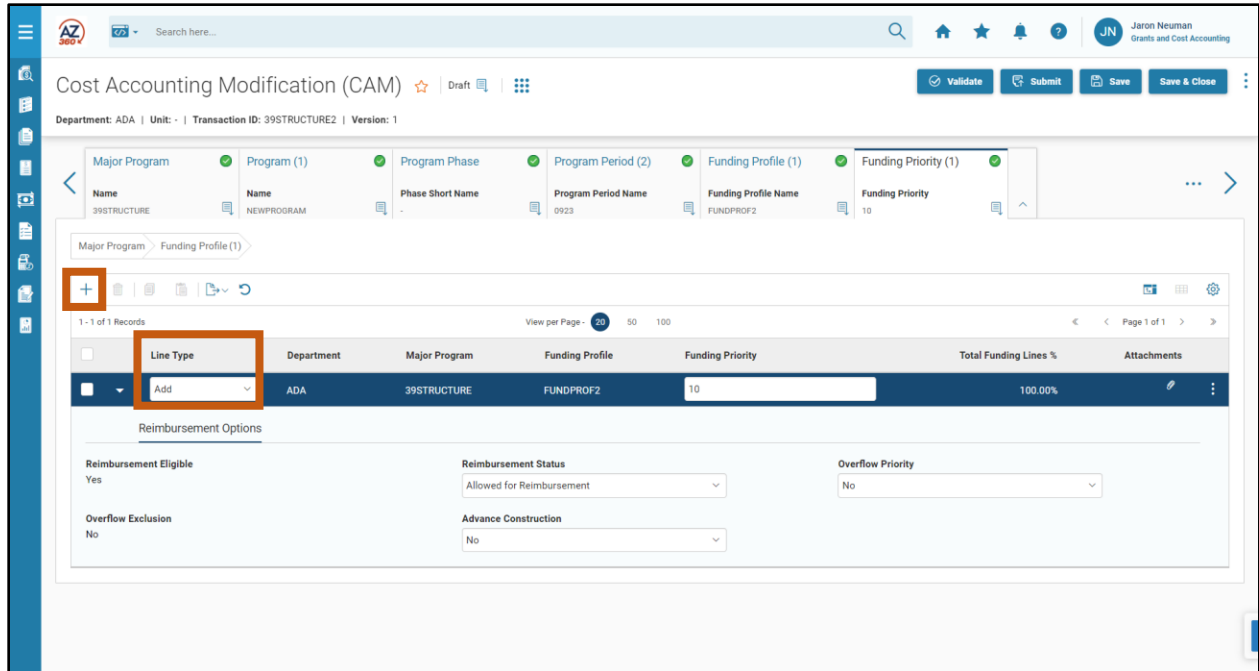
Modifying an existing Funding Priority requires loading the Funding Profile hierarchy that the Funding Priority belongs to. Funding Profiles are loaded using the Load Funding Profile Details option on the Funding Profile tab. Loaded Funding Priority information will automatically have its line type set to Modify.

Note: The Funding Priority tab will only populate information for Funding Priorities that are child records of the currently selected blue line Funding Profile on the Funding Profile tab. Ensure that the Funding Profile selection is correct before modifying information on the Funding Priority tab.

Once the existing Funding Priority attributes are loaded into the CAM and selcted, they can be modified. Only the Reimbursement Status, Overflow Priority, and Advance Construction fields can be changed on the Funding Priority. Funding Priority Information is rarely modified. Changes to information on a Funding Profile hierarchy usually occur at the Funding Profile or Funding Line tabs, based on departmental needs.
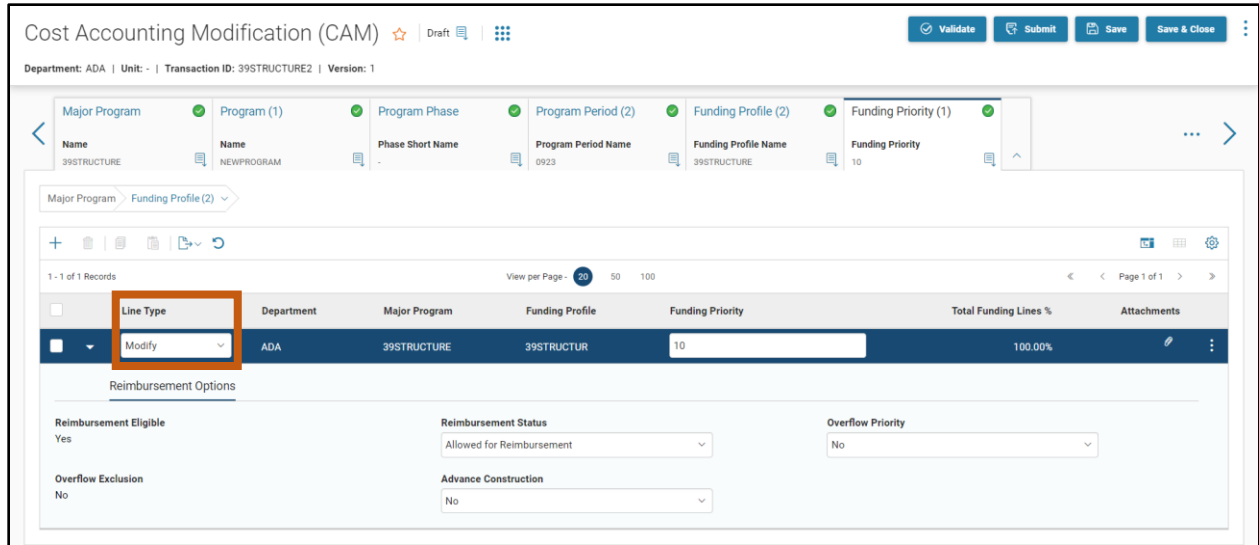
Funding Line Tab

In CAM transactions, Funding Line(s) are child record(s) of the Funding Priority line. Therefore, the approprite Funding Priority Line must be populated and selected before navigating to the Funding Line tab. Multiple Funding Lines are allowed for each Funding Priority, but the Reimbursment % of all Funding Lines must total to 100%.

Similar to the other tabs, the Line Type field is used to identify whether a Funding Line is being added or modified.

To enter data for a new Funding Line, insert a new line and select Add from the Line Type drop down menu. The remaining sections and fields in this tab are completed in the same manner as the Funding Line tab on a CAS transaction.
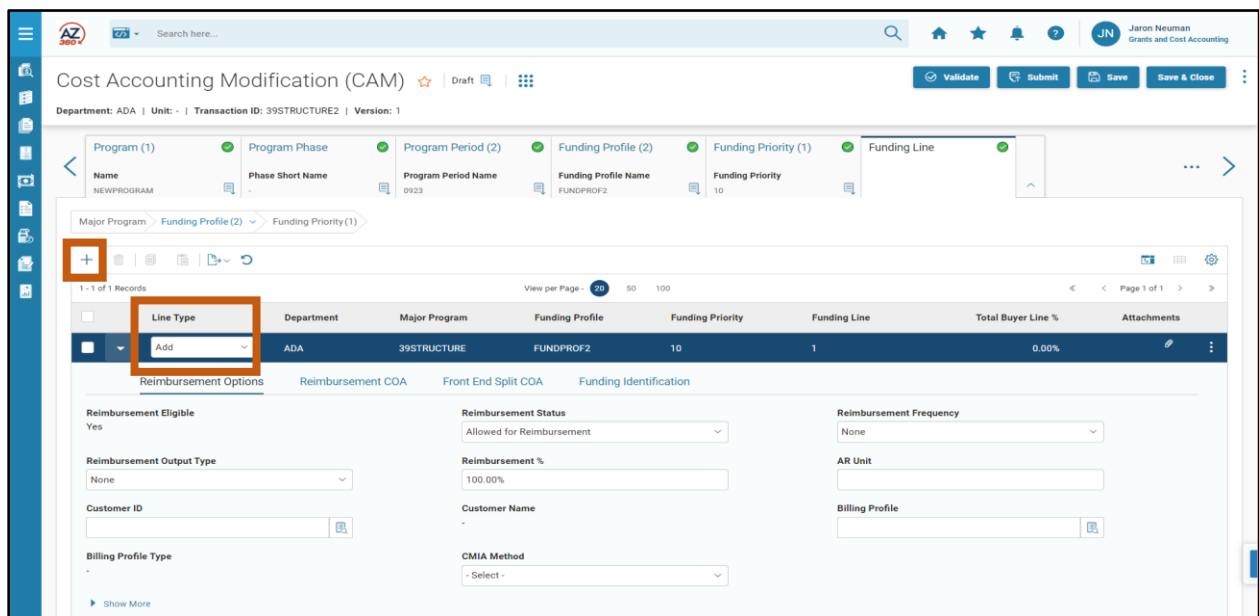
Modifying an existing Funding Priority requires loading the Funding Profile hierarchy that the Funding Line belongs to. To modify an existing Funding Line record, first select the Funding Profile record on the

Funding Profile tab and then click the Load Funding Profile Details option. The loaded Funding Lines will automatically have their line types set to Modify. Once the existing Funding Line attributes are loaded into the CAM and selcted, the usable fields can be modified.

Note: The Funding Line tab will only populate information for Funding Lines that are child records of the currently selected blue line Funding Priority on the Funding Priority tab. Ensure that the Funding Priority selection is correct before modifying information on the Funding Line tab.
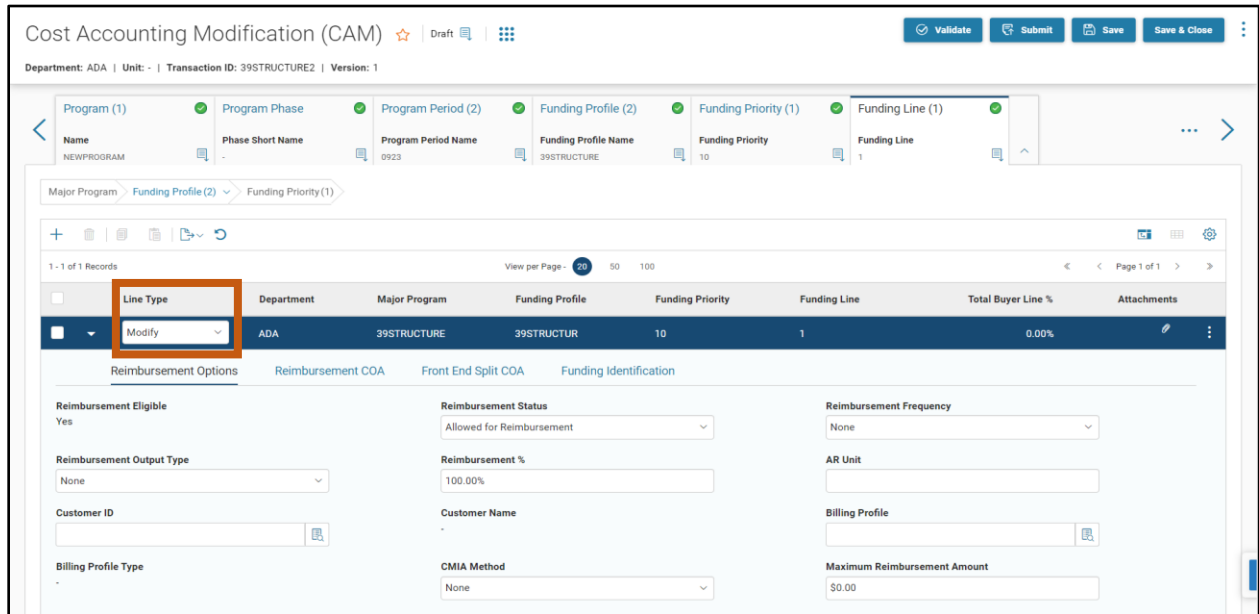
Funding Profile Inference Tab

The Funding Profile Inference tab allows the CAM to create or modify records on the various FPI pages. While Funding Profile Inference is not a child record of any cost accounting COA element, the Funding Profile Inference tab can only create or modify FPI records for the Major Program loaded in the CAM.

The CAM Funding Profile Inference tab allows line types of Add or Modify, but there is no option to load existing values from the FPI pages. Values must be manually entered to set the Cost Accounting COA inference rule combination in the same manner as described for the CAS transaction.

Note: Use of the Funding Profile Inference tab is optional. Agencies have direct access to the Funding Profile Inference reference tables and can enter their funding profile inference combinations directly, rather than using the CAS or CAM to create combination records. Since existing records cannot be loaded into a CAM, users may find it easier to modify existing records by directly accessing the tables. Users should refer to their departmental procedures.
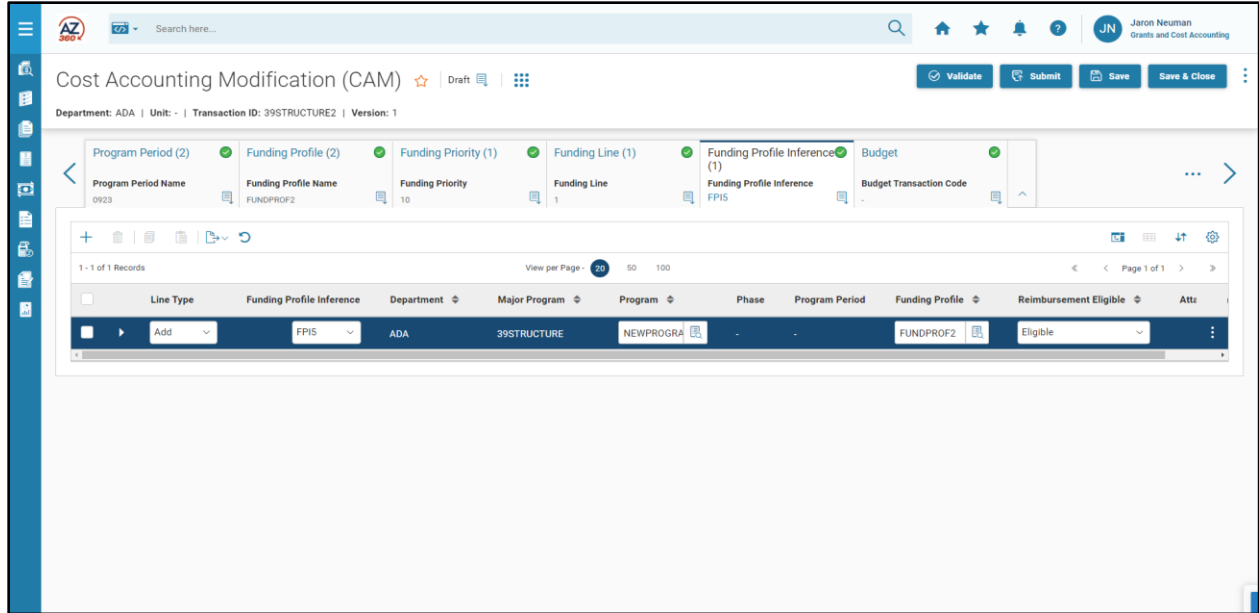
Budget Tab

The Budget tab on the CAM can be used to create shell budget transactions for cost accounting structures. As with the CAS, the types of budget transactions which can be created are:

- Program Period Budget – BGPDE (Budget Structure 38)
- Program Period Reimbursable Budget – BGPDR (Budget Structure 39)
- Program Phase Budget – BGPHE (Budget Structure 37)
- Phase Reimbursable Budget – BGPHR (Budget Structure 40)

The Budget tab on a CAM allows users to create budget transactions using Action field options New, Modify, Deactivate or Reactivate. There is no option to load existing budget information, if the intent is to modify an existing budget. Users can manually enter existing budget line information to modify that budget line. The Action field also contains a Delete option, but cost structure budgets cannot be deleted once an accounting transaction posts to it. This contrasts with the CAS transaction, which only allows for the creation of new budgets. Otherwise, the Budget tab on a CAM is similar to the Budget tab on a CAS.
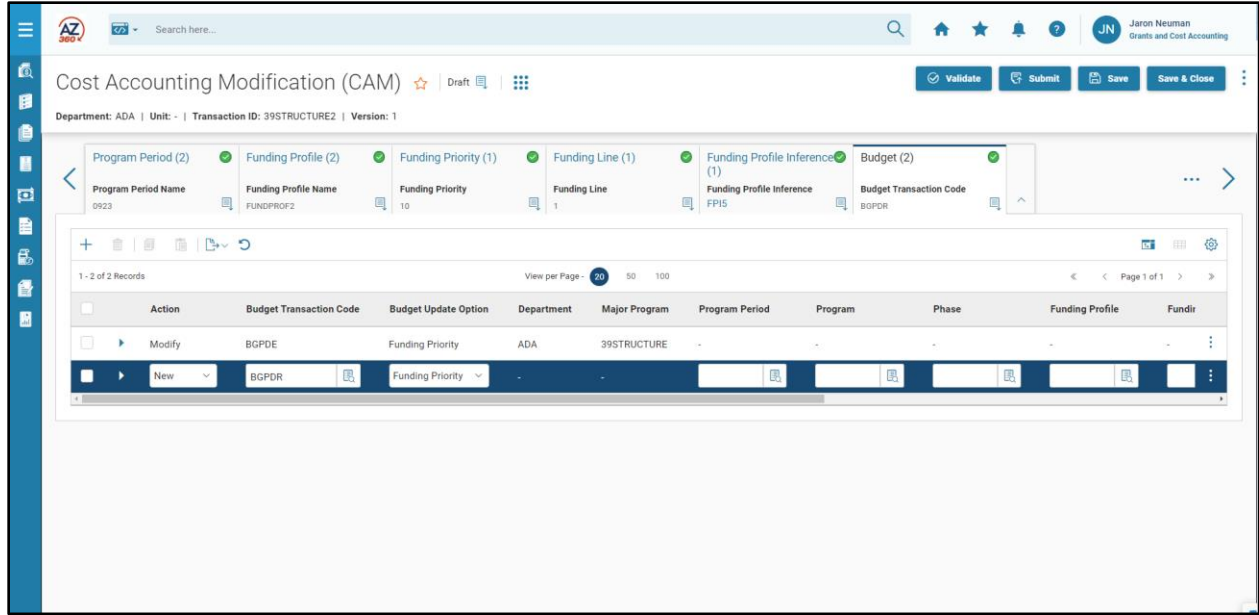
Note: All of the cost accounting budget transactions can be created separately, outside of a CAS or CAM. Most agencies do not use the Budget tab and create their budget transactions separately. Users should refer to their departmental procedure.

Guidance on budget transactions for cost accounting structures is covered in the **AZ360 Manual - Budgetary Control** and associated training available at https://gao.az.gov/resources/training/gao-training-resources. AZ360 Budgetary Control training includes instructions on how to create budget transactions without using the CAS (or CAM) Budget tab.

Cost Accounting Modification (CAM) Transactions

In this section and scenario that follows, the following processes and concepts are introduced:

- Create a CAM transaction to update information on a cost structure that is used to track grant financial activity.

- Load the existing information from the cost accounting reference tables into the CAM by using the various Load Details options.

- Create a new Program Period to track a new budget period or award of an ongoing grant program.

Creating a CAM

CAM transactions can be created using the Financial Transaction Catalog, from a Quicklink on the user's Grants and Cost Accounting role homepage or from the Global Search field. The scenario in this manual utilizes the Global Search field method.

Creating a CAM Transaction	![instructor icon]

Scenario 7

Congratulations! A user has received $300,000 in additional federal funding for the next budget period of the CDC Grant. The new budget requires that the state cover 25% of the total program expenditures budgeted at $400,000.

Modify the previously created cost structure for the CDC grant by creating a CAM to:

- Update a descriptive field on the Program record to demonstrate the CAM's ability to modify records.
- Add a new Program Period for the Major Program to track the new budget year.
- Add a new Funding Profile with reimbursement percentage splits of 75%/25%.

Note #1: Always create new CAM transactions whenever a cost structure needs to be modified. Do not copy previous CAMs. Copying previous CAMs can result in errors or out-of-date information being reintroduced to cost structures.

Note #2: Best practice is to add a description of the desired changes in the Transaction Description box of the CAM Header. This helps reviewers understand the purpose of the CAM.

Log in to the AZ360 **Home Page**. Create a CAM.

1. Click the **Expand** caret next to the **Global Search** field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *CAM*.

4. In the drop down menu that generates, select **CAM Cost Accounting Modification**. The CAM Financial Transaction page will generate.
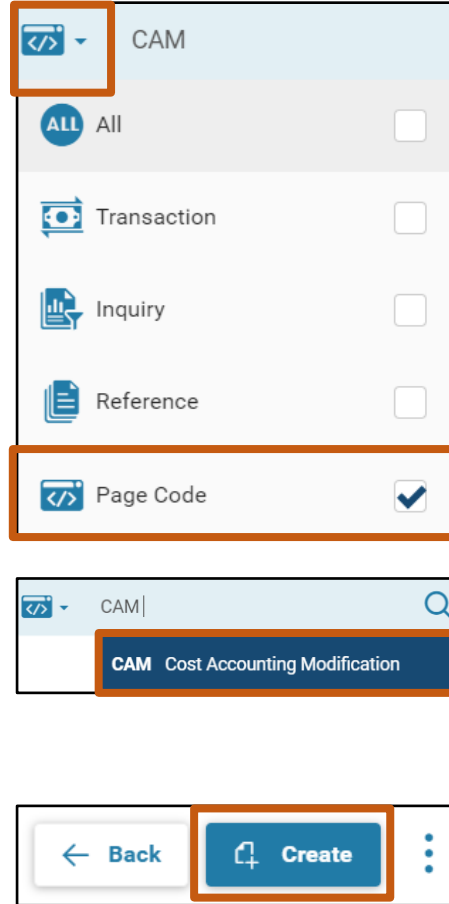
5. Click the **Create** button.

6. In the **Transaction Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

7. Select **Auto Numbering** check box.

8. Click **Continue**.

9. A new CAM transaction will generate and opens to the Header tab. Note that the transaction is in **Draft** phase, the **Version** number is **1**, the **Function** is **New** and the **Status** is **Held**.
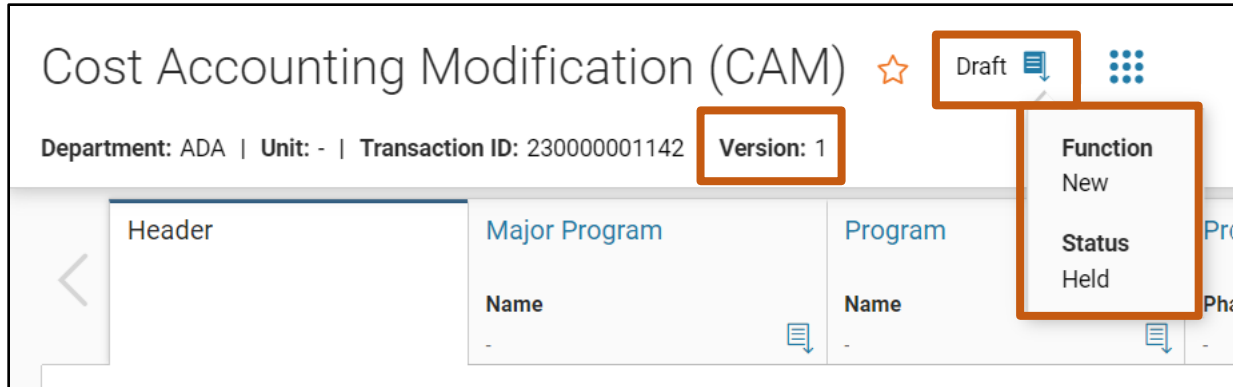
Complete the **Header** tab of the CAM.

1. Enter a description for the purpose of the CAM in either the **Transaction Description** field, or the **Extended Description** field, if more than 60 characters are required. For this scenario, enter "*Modify Cost Structure for CDC Grant – Add New Program Period and Update Split Percentage*" in the **Extended Description** field, since the description is more than 60 characters.

2. For this scenario, leave the Submit Budget Transaction(s) checkbox checked, which is the system default setting.
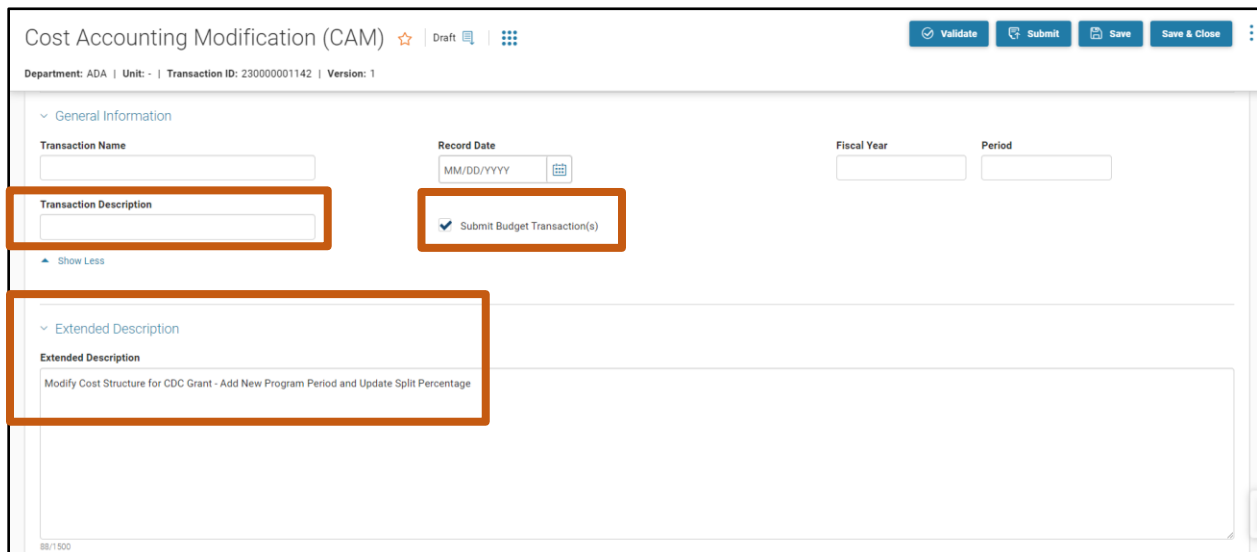
3. Click the **Major Program** tab.

Complete the **Major Program** tab of the CAM.

1. On the blue line:

   a. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

    b.   In the **Major Program** field, enter a code to identify the Major Program. In this scenario, enter *CDCMP*.

    c.   Click the **3-dot** menu, **Related Actions**, then click **Load Major Program Details**. All of the current data on the MJPRG reference table for Major Program record CDCMP loads into the CAM. Verify that the Major Program Details have loaded into the CAM by reviewing the data.
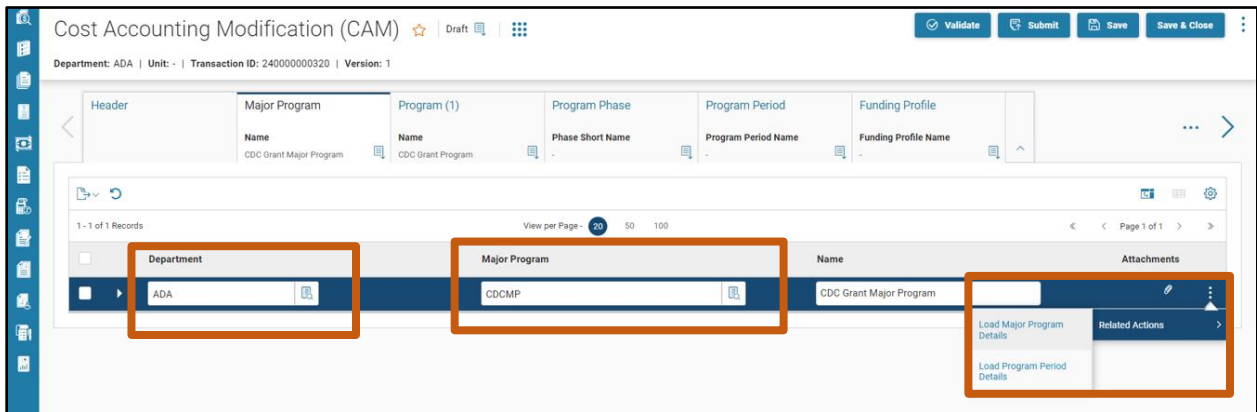
2.   Click the **Expand** caret.

3.   In the **Rollups** section:

    a.   Observe that the Major Program Category field has populated as type 01. (Reminder: When the CAS in the first scenario established Major Program CDCMP, we set the Major Program Category rollup as 01).
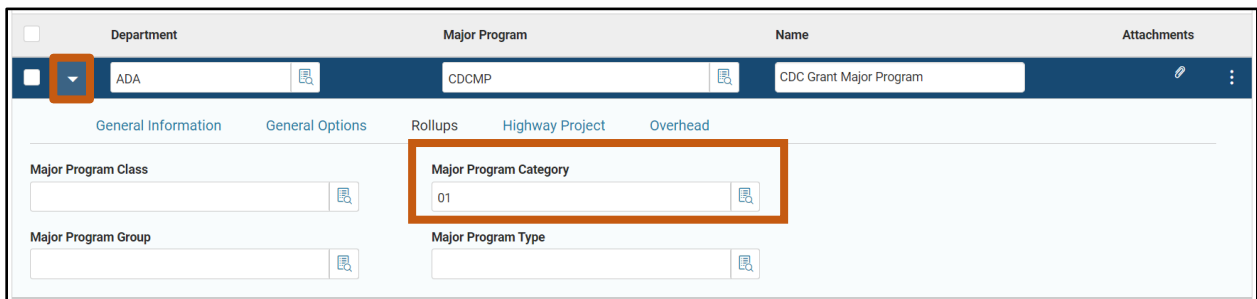
4.   Click **Save**.

5.   Click on the **Program** tab.

Complete the **Program** tab of the CAM.

    1.   In the **Tab Level Actions,** click the "**+**" icon to add a new Program line.

    2.   In the **Line Type** field, select **Modify** from the drop down menu.

3. In the **Program** field, select **CDCPROG** from the pick list.

4. Click the **3-dot** menu, **Related Actions**, then click **Load Program Details**. All of the current data on the PROG reference table for Program record CDCPROG loads into the CAM.
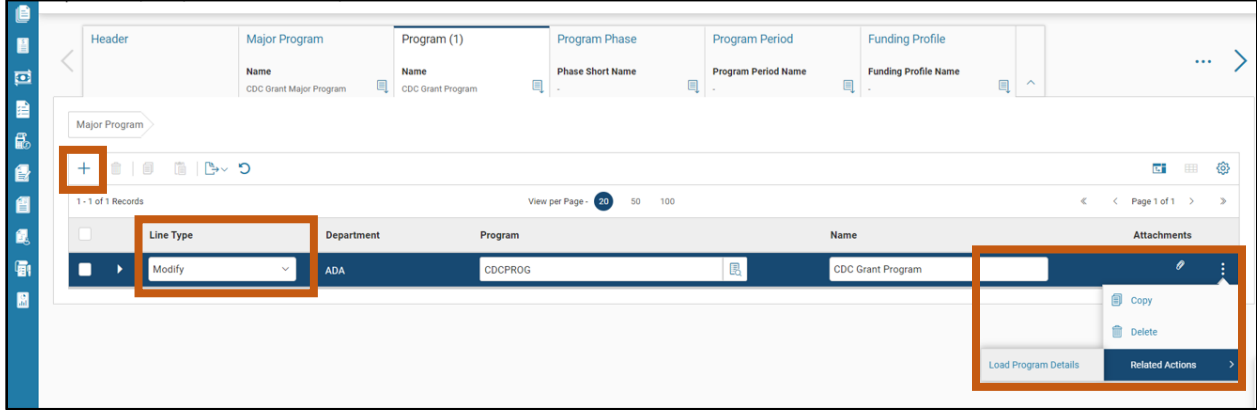
5. Click the **Expand** caret.

6. In the **General Information** section:

   a. Change the **Short Name** field to *CDC Program*.

Note: The above step demonstrates the ability of the CAM to change existing data.

7. Click **Save**.
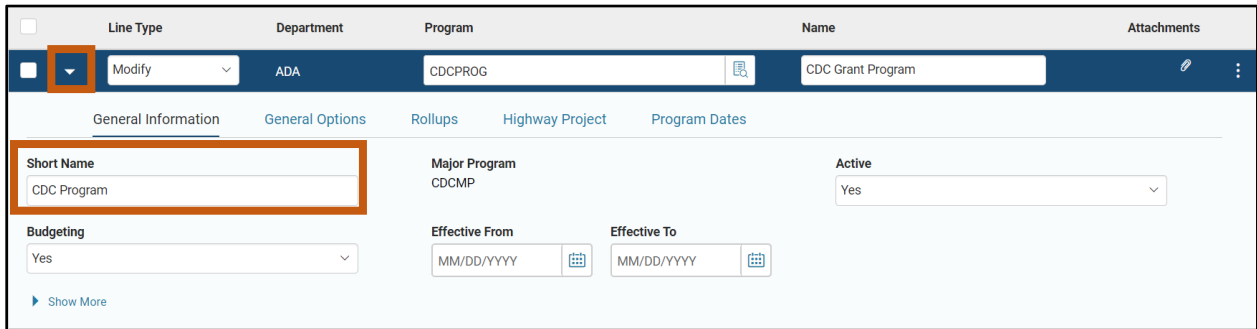
8. Click the **Program Period** tab.

On the **Program Period** tab, load the existing Program Period into the CAM.

1. Notice that the grid in this tab is currently empty.
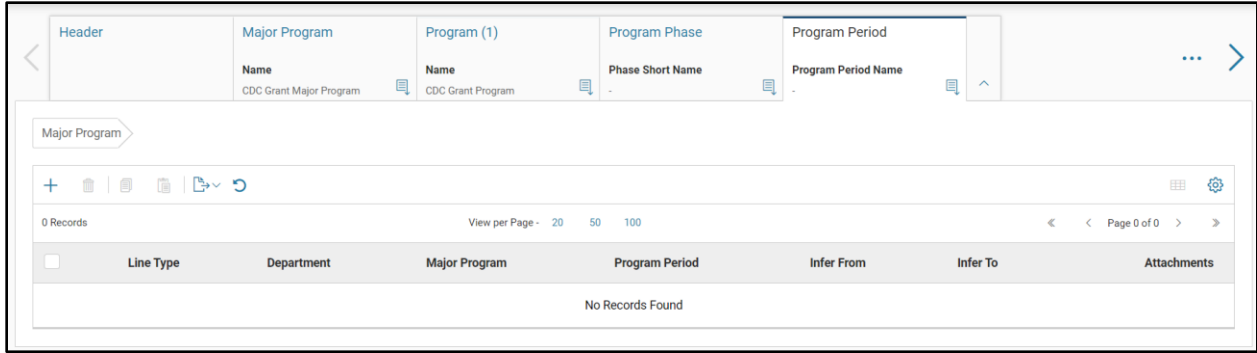
2. Click on the **Major Program** tab. The Major Program tab contains the Load Program Period Details feature because Program Periods are child records of the Major Program.

3. Click the **3-dot** menu, **Related Actions**, then click **Load Program Period Details**. The existing Program Period on the PPC reference table that is associated to Major Program record CDCMP loads into the CAM.
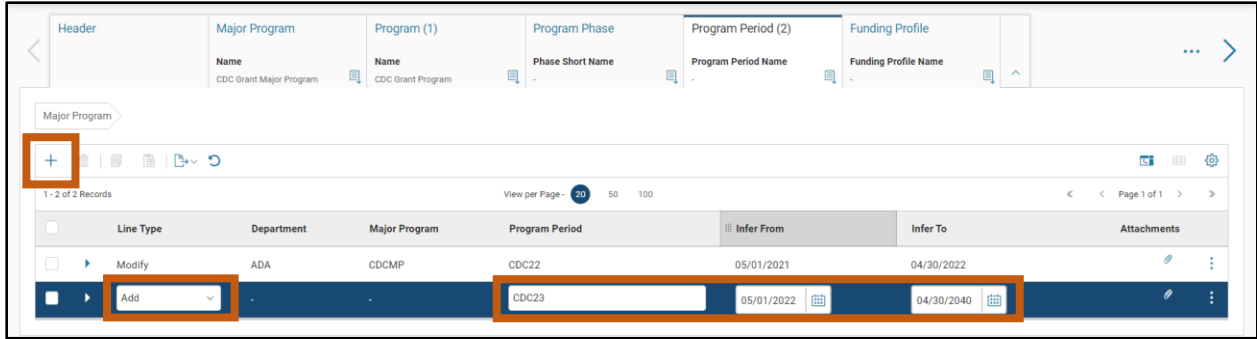
Note: The Load Program Period Details selection on the Major Program is a very important concept. It is the only way for existing Program Periods to be brought into a CAM. Existing Program Periods cannot be manually entered in the Program Period tab without errors occuring.

4. Click on the **Program Period** tab. Notice that the existing Program Period, **CDC22**, has been loaded into the grid with a Line Type of **Modify**.
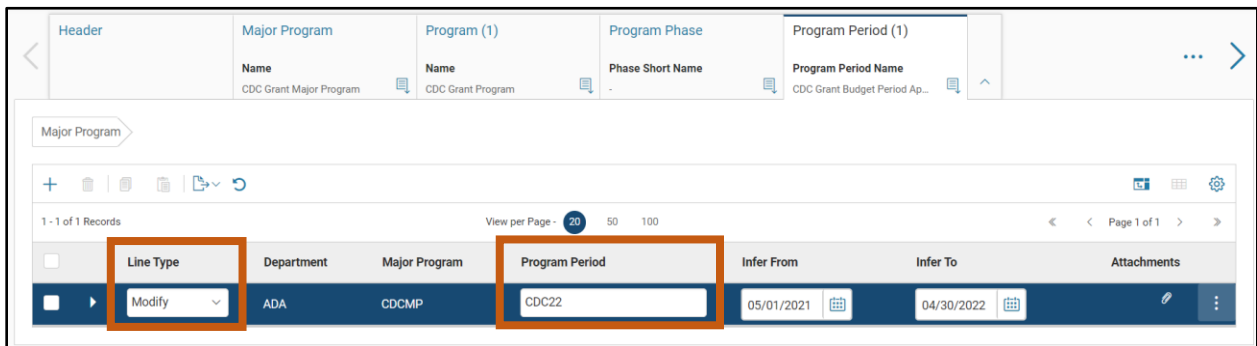
On the **Program Period** tab, create a new Program Period in the CAM.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Program Period line.

2. In the **Line Type** field, select **Add** from the drop down menu.

3. In the **Program Period** field (Required), enter *CDC23* as the Code to identify the Program Period.

4. In the **Infer From** field (Required), enter *05/01/2022*.

5. In the **Infer To** field (Required), enter *04/30/2040*.
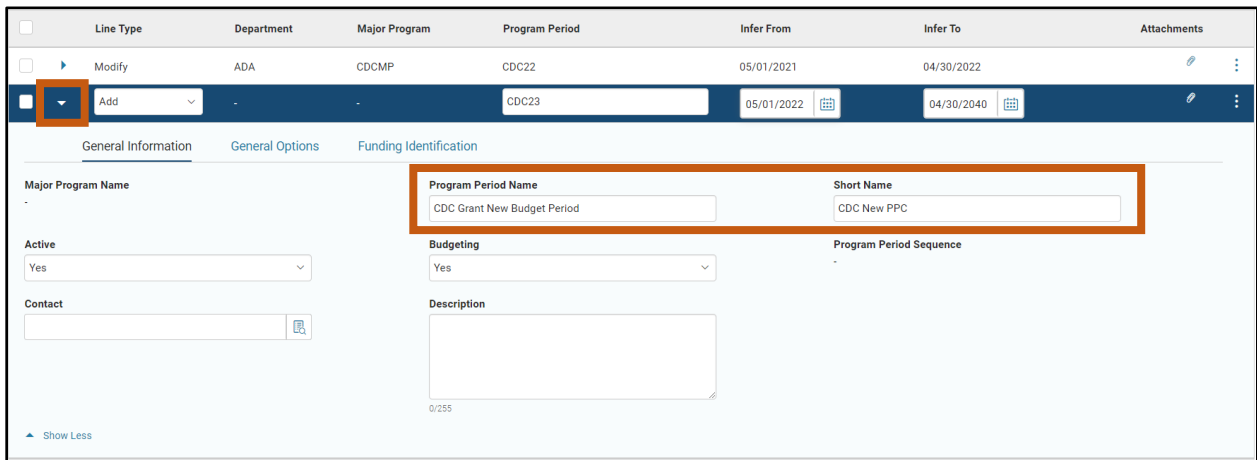
6. Click the **Expand** caret on the new Program Period line.

7. In the **General Information** section of the new Program Period:

    a. In the **Program Period Name** field (Required), enter a descriptive name for the Program Period. In this scenario, enter *CDC Grant New Budget Period*.
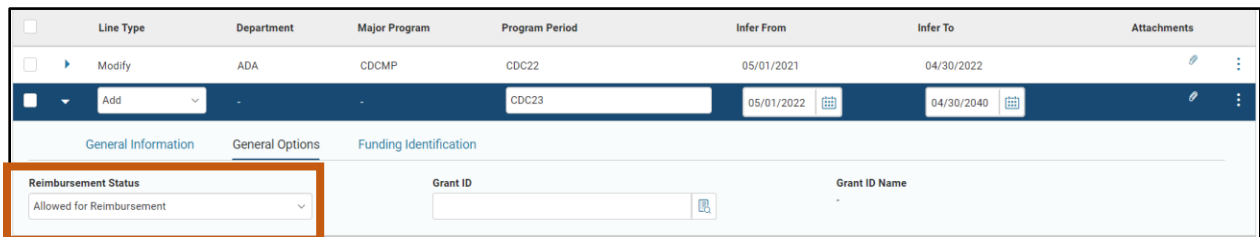
    b. In the **Short Name** field (Required), enter a descriptive name for the Program Period. In this scenario, enter *CDC New PPC*.

8. In the **General Options** section:
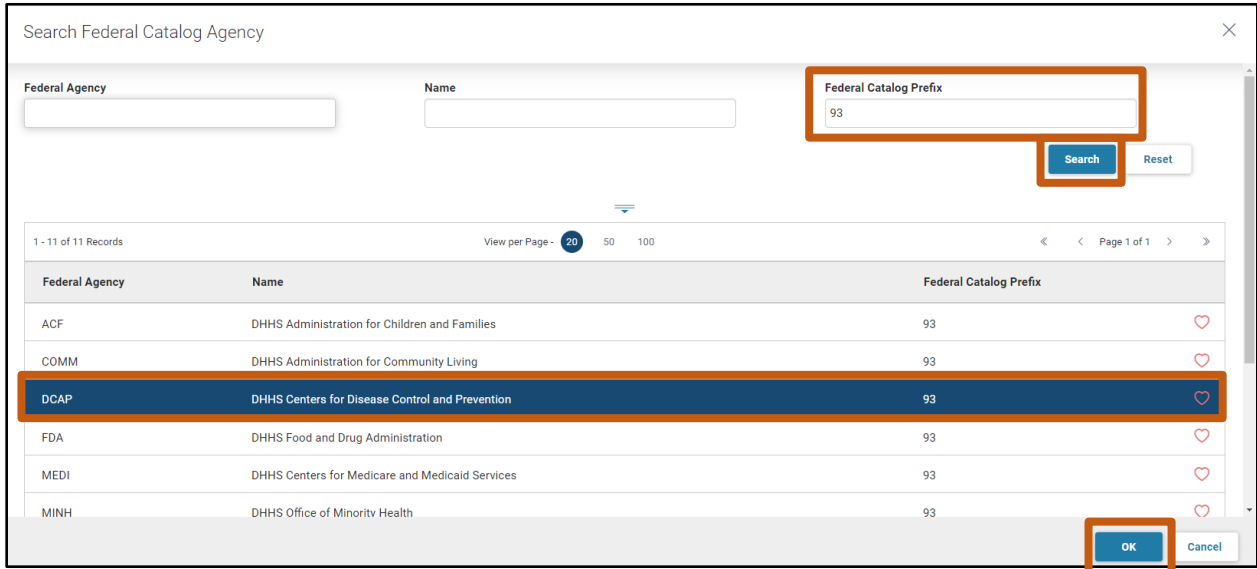
    a. In the Reimbursement Status field, ensure that Allowed for Reimbursement is selected.

9. In the **Funding Identification** section:

a. Select the pick list for the **Federal Catalog Agency** field. The Assistance Listing of our grant award for our new Program Period is the same as our existing Program Period, 93.270. Our Federal Catalog Prefix is 93. In the pick list for Federal Catalog Agency, enter *93* in the **Federal Catalog Prefix** search field. Click **Search**.

b. Select **DCAP** (Centers for Disease Control and Prevention) from the pick list.

c. Click **OK**. Note that the **Federal Catalog Prefix** field in the Funding Identification Section has automatically updated to **93** based on this selection.

10. In the **Federal Catalog Suffix** field, select **270** (Viral Hepatitis Prevention and Control) from the pick list.

11. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again.

12. Click the **Funding Profile** tab.

Complete the **Funding Profile** tab by creating a new Eligible Funding Profile with a different split percentage in the Funding Profile tab of the CAM.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Funding Profile line.

2. In the **Line Type** field, select **Add** from the drop down menu.

3. In the **Funding Profile** field (Required), enter a code to identify the new Funding Profile. In this scenario, enter *CDCELIG2*.

4. In the **Funding Profile Name** field (Required), enter a descriptive name for the Funding Profile. In this scenario, enter *CDC Grant Eligible Profile 75/25*.

5. Click **Save**.
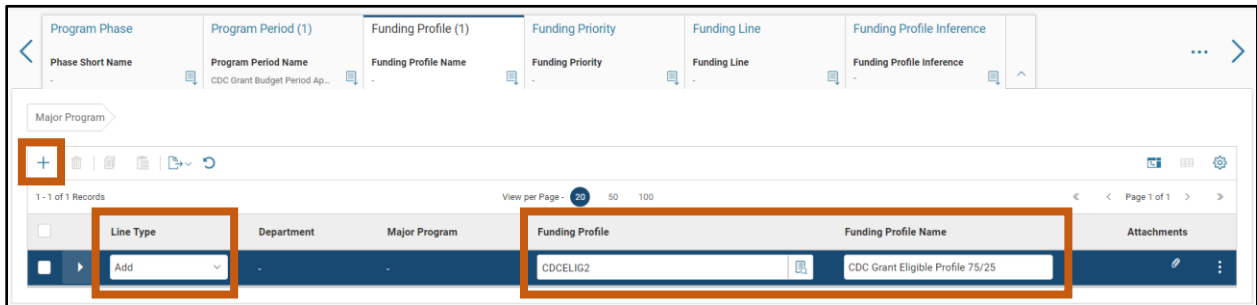
6. Click the **Expand** caret.

7. In the **Reimbursement Options** section:

    a. Ensure the Reimbursement Eligible field selection is set to Yes.

    b. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.
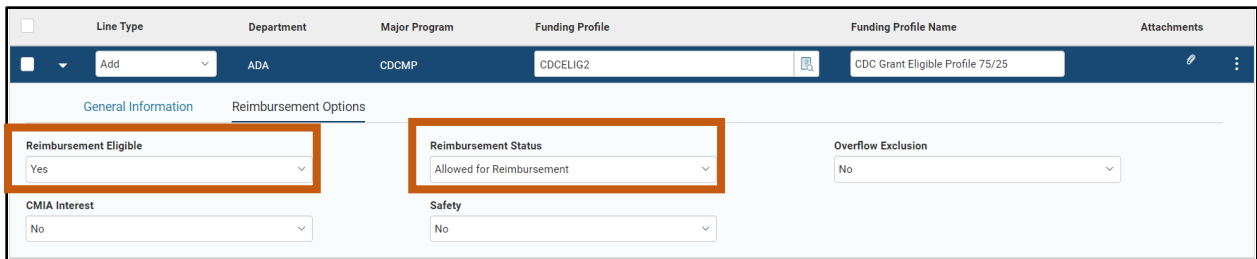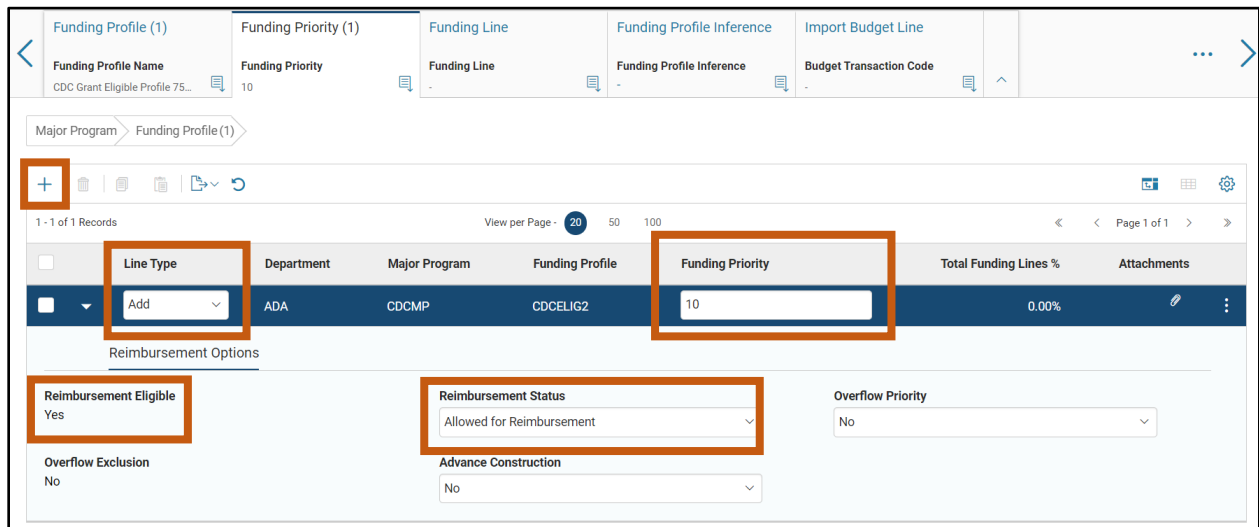
8. Click the **Funding Priority** tab.

Complete the **Funding Priority** tab for the new Funding Profile.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Funding Priority line.

2. In the **Line Type** field, select **Add** from the drop down menu.

3. In the **Funding Priority** field (Required), enter *10*.

4. Click the **Expand** caret.

5. In the **Reimbursement Options** section:

    a. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.

6. Click **Save**. AZ360 will automatically change the **Reimbursement Eligible** field to **Yes**, the selection for the same field on the Funding Profile tab.

7. Click the **Funding Line** tab.

Complete the **Funding Line** tab for the federal Funding Line (75%).

1. In the **Tab Level Actions**, click the "**+**" icon to add a new Funding Line.

2. In the **Line Type** field, select **Add** from the drop down menu.

3. Click the **Expand** caret.

4. In the **Reimbursement Options** section:

    a. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.

    b. In the **Reimbursement Frequency** field, select **Daily** from the drop down menu.

    c. In the **Reimbursement Output Type** field, select **Generate Receivables Only** from the drop down menu.

    d. In the **Reimbursement %** field (Required), enter *75*.

    e. In the **AR Unit** field, enter *ALL*.

    f. In the **Customer ID** field, select **FEDAGCY00009** (Department of Health and Human Services) from the pick list. The grantor from our example grant award is the Centers for Disease Control and Prevention, which is a part of the Department of Health and Human Services.

    g. In the **Billing Profile** field, select **COST** from the pick list.

    h. In the **CMIA Method** field, select **Average Clearance** from the drop down menu.

5. Click **Save**. AZ360 will automatically change the **Reimbursement Eligible** field to **Yes**, the selection for the same field on the Funding Profile tab.

	Line Type	Department	Major Program	Funding Profile	Funding Priority	Funding Line	Total Buyer Line %	Attachments
☐ ▼	Add	ADA	CDCMP	CDCELIG2	10	1	0.00%	📎 ⋮

Reimbursement Options   Reimbursement COA   Front End Split COA   Funding Identification

Reimbursement Eligible	Reimbursement Status	Reimbursement Frequency
Yes	Allowed for Reimbursement	Daily
Reimbursement Output Type	**Reimbursement %**	**AR Unit**
Generate Receivables Only	75.00%	ALL
Customer ID	Customer Name	**Billing Profile**
FEDAGCY0009	Department of Health and Human Services	COST
Billing Profile Type	**CMIA Method**	Maximum Reimbursement Amount
-	Average Clearance	$0.00
Match Type	Bank Account	Customer Type
- Select -		Federal (CMIA)
Internal Customer	Split Type	Fiscal Year
No	Front End Split (FES)	2023

▲ Show Less

6. In the **Reimbursement COA** section:

a. In the **Revenue** field, enter a Revenue Source code from the pick list. In this scenario, select **4211** (FEDERAL GRANTS – OPERATING). This is the federal funding line on the eligible funding profile, so its revenue is federal. Revenue is the only required field in the Reimbursement COA section.

b. The remaining fields on this tab are completed based on departmental procedures.

Line Type	Department	Major Program	Funding Profile	Funding Priority	Funding Line	Total Buyer Line %	Attachments
Add	ADA	CDCMP	CDCELIG2	10	1	0.00%	

Reimbursement Options | Reimbursement COA | Front End Split COA | Funding Identification

Fund

Appr Unit

Unit

Object

Activity

Sub Fund

Sub Unit

Revenue
4211

Sub Activity

7. In the **Front-End Split COA** section. All fields in this section are completed based on department procedure:

a. In the **FES Fund** field, enter the appropriate fund. In this scenario, enter *AD2000*. Fund 2000 is the Federal Grants fund and the funding line is for a federal grant. This field is being utilized in this example for training purposes.

b. In the **FES Sub Fund** field, enter the appropriate sub fund. In this scenario enter, *200007*. Note that this field is normally optional or dependent on departmental needs. This field is being utilized in this example for training purposes.

c. In the **FES Appr Unit** field, enter the appropriate appropriation unit. In this scenario, enter *AD20000*. Note that this field is normally optional or dependent on departmental needs. This field is being utilized in this example for training purposes.

Line Type	Department	Major Program	Funding Profile	Funding Priority	Funding Line	Total Buyer Line %	Attachments
Add	ADA	CDCMP	CDCELIG2	10	1	0.00%	

Reimbursement Options | Reimbursement COA | Front End Split COA | Funding Identification

FES Fund
AD2000

FES Appr Unit
AD20000

FES Sub Fund
200007

FES Unit

Complete the **Funding Line** tab for the state Funding Line (25%).

1. In the **Tab Level Actions**, click the "**+**" icon to add a *second* Funding Line.

2. Select the new funding line. Note: The line will turn blue when selected.

3. In the **Line Type** field, select **Add** from the drop down menu.

4. Click the **Expand** caret.

5. In the **Reimbursement Options** section:

    a. In the **Reimbursement Status** field, select **Allowed for Reimbursement** from the drop down menu.

    b. In the **Reimbursement Frequency** field, select **None** from the drop down menu.

    c. In the **Reimbursement Output Type** field, select **None** from the drop down menu.

    d. In the **Reimbursement %** field (Required), enter *25*.

6. Click **Save**. AZ360 will automatically change the **Reimbursement Eligible** field to **Yes**, the selection for the same field on the Funding Profile tab.

7. In the **Front-End Split COA** section. All fields in this section are completed based on department procedure:

    a. In the **FES Fund** field, enter the appropriate fund. In this scenario, enter *1000*. Fund 1000 is the General Fund and this funding line is for the state-funded portion of this grant.

8. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays in the upper left corner of the screen: **Transaction validated successfully**.

9. Click the **Funding Profile Inference** tab.

Complete the **Funding Profile Inference** tab of the CAM.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new line.

2. In the **Line Type** field, select **Add** from the drop down menu.

3. In the **Funding Profile Inference** field, select **FPI4** (Funding Profile Inference) from the dropdown menu. FPI4 is being utilized in this example for training purposes.

4. In the **Program** field, enter the Program code *CDCPROG*. This is the existing Program on the cost structure.

5. In the **Program Period** field, enter the Program Period code *CDC23*, the code for the new Program Period created in this CAM.

6. In the **Funding Profile** field, enter *CDCELIG2,* the code for the new Funding Profile code created by this CAM.

7. In the **Reimbursement Eligible** field, select **Eligible** from the drop down menu.
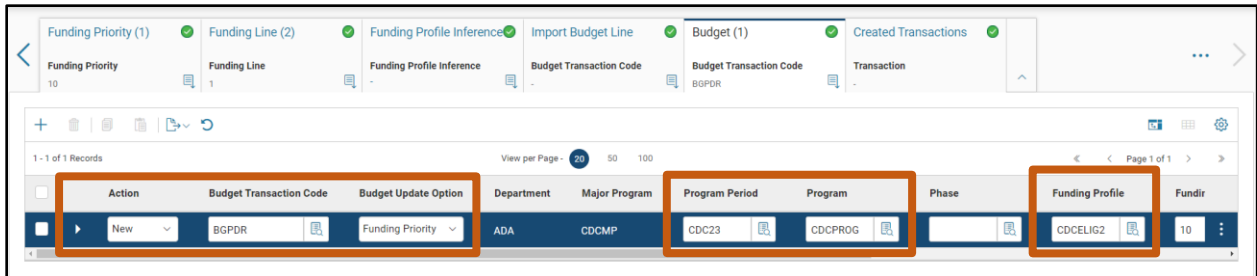
8. Click **Save**.

9. Click the **Budget** tab.
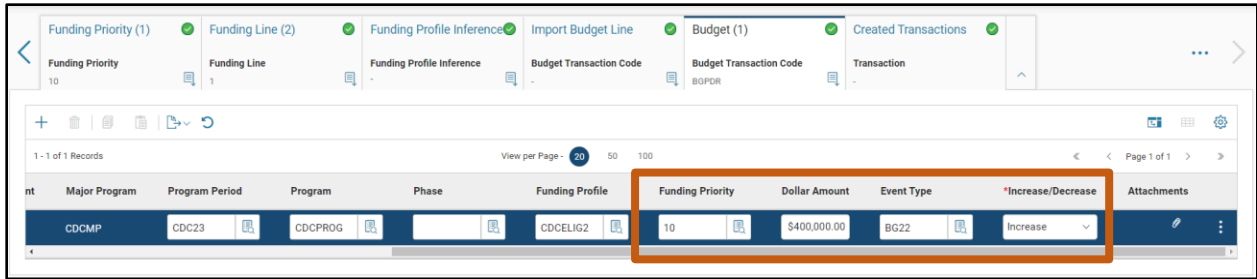
Complete the **Budget** tab for the Reimbursement Budget for the New Award Budget.

1. In the **Tab Level Actions**, click the "**+**" icon to add a new line.

2. In the **Action** field, select **New** from the drop down menu.

3. In the **Budget Transaction Code** field, select **BGPDR** (Reimbursable Grant Budget) from the pick list.

4. In the **Budget Update Option** field, select **Funding Priority** from the drop down menu.

5. In the **Program** field, enter *CDCPROG*. This is the existing Program on the cost structure.

6. In the **Program Period** field, enter *CDC23*. This is the new Program Period created in this CAM scenario.

7. In the **Funding Profile** field, enter *CDCELIG2.* This is the new Funding Profile created in this CAM scenario.
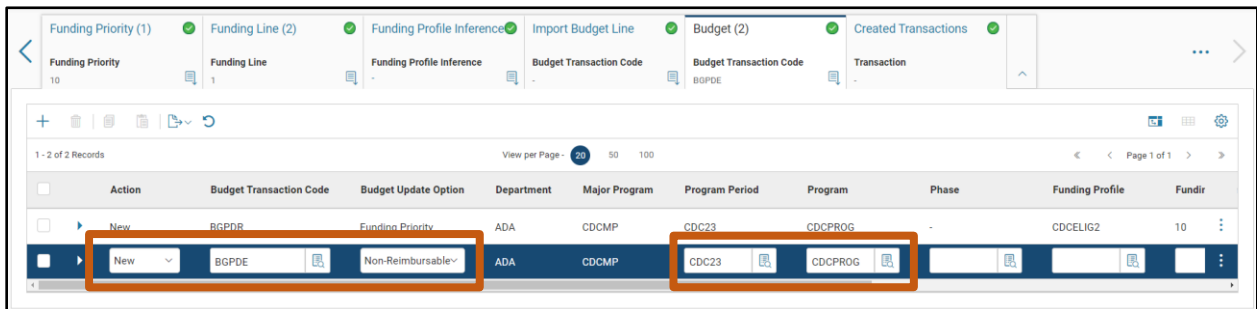
8. In the **Funding Priority** field, enter *10*.

9. In the **Dollar Amount** field, enter the amount of the grant. In this scenario, enter *400,000*.
   Note: Our scenario is a 75% federal/25% state-funded split where the federal grantor is providing $300,000 in funding and the state must provide $100,000. Thus, the total budget for the Funding Priority is $400,000.

10. In the **Event Type** field, select **BG22** (Award Reimbursable Budget) from the pick list.

11. Ensure the **Increase/Decrease** field selection is set to **Increase**, which is the default for a new budget line.
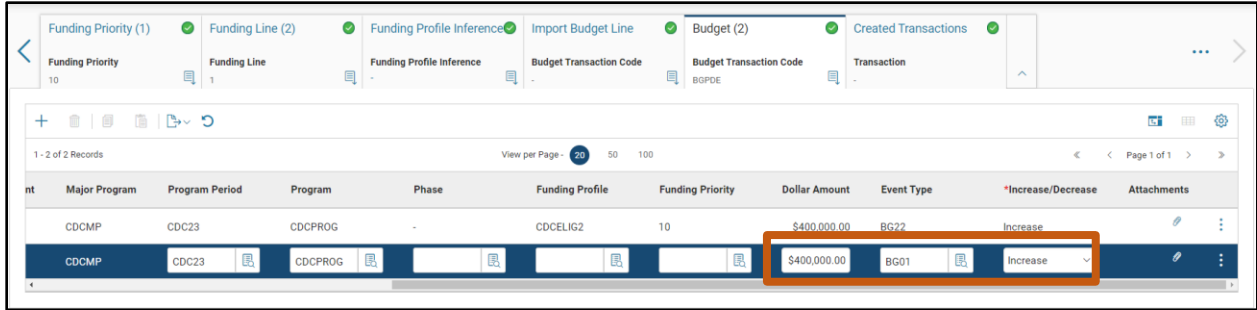
Complete the **Budget** tab for the Program Expense Budget for the New Award Budget.

1. On the **Budget** tab, in the **Tab Level Actions**, click the "**+**" icon to add a new line.

2. In the **Action** field, select **New** from the drop down menu.

3. In the **Budget Transaction Code** field, select **BGPDE** (Grant Budget) from the pick list.

4. In the **Budget Update Option** field, select **Non-Reimbursable** from the drop down menu.

5. In the **Program** field, enter *CDCPROG*. This is the existing Program on the cost structure.

6. In the **Program Period** field, enter *CDC23*. This is the new Program Period created in this CAM scenario.

7. In the **Dollar Amount** field, enter the amount of the grant. In this scenario, enter *400,000*.

8. In the **Event Type** field, select **BG01** (Adopt an Expense Budget) from the pick list.

9. Ensure the **Increase/Decrease** field selection is **Increase**, which is the default for a new budget line.

Validate and submit the transaction for approval.

1. Click **Validate** to check for errors. If any errors exist, fix the errors and click **Validate** again. If the validation is successful, the following message is displayed: **Transaction validated successfully**.

2. Click **Submit** to submit the transaction for approval. If submission is successful, the following message is displayed: **Transaction submitted successfully – Pending Approval**.

After the CAM goes through the workflow approval process and is in Final phase, the Cost Accounting Reference Tables will be updated with the information from the CAM. In addition, one BGPDE and one BGPDR budget transaction will generate. The budget transactions must go through their own separate workflow approval process before the budget lines are created.

Expending Program Funds

Section Objectives

In this section, the following processes are introduced:

- Identify the COA section of an expenditure transaction as the location that COA elements associated with Cost Accounting are entered in AZ360.

- Create a General Accounting Expense (GAX) transaction to expend grant funds.

- Review the impact of expenditures on the grant budget inquiry pages.

- Identify ways to prevent and correct data entry errors.

Section Overview

As a recap, the following processes have been completed: established a grant in the cost structure, established a reimbursement and program budget for the grant, and viewed the budget status of a grant using the budget inquiry pages. This section of the manual explains how expenditures are associated with a grant or project in AZ360.

Recording a Non-Commodity Based Payment in AZ360

Most procurement transactions originate in the Arizona Procurement Portal (APP) and are interfaced to AZ360, but some expenditures for services are processed for payment in AZ360. Both types of transactions can be associated to a project or grant by populating the appropriate fields in the COA section of the Accounting line of the transaction. This lesson will focus on a non-commodity based payment created in AZ360, but the concepts also apply to transactions that originate in APP.

Recording a non-commodity based payment in AZ360 consists of the following two steps:
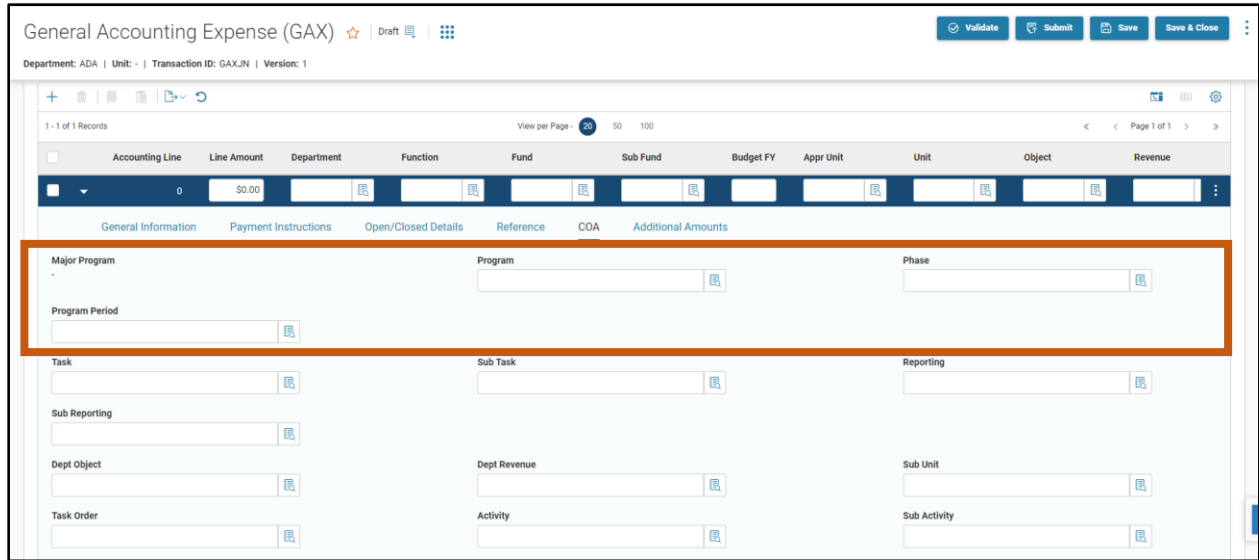
1. Requesting payment for the service.

2. Disbursing payment to the vendor for the service.

Only the first step is addressed in this section.

Once an initial transaction is established in AZ360, the COA elements are copied to the subsequent transactions in the business process without additional data entry. This is accomplished by using the Copy Forward feature. For example, once a GAX transaction is created in AZ360, the COA elements coded on the GAX transaction are copied forward to the Automated or Manual Disbursement (AD or MD) transaction.

Associating a Financial Transaction with a Grant or Project

AZ360 financial transactions contain an Accounting tab, and there is at least one Accounting line in each Accounting tab. Each Accounting line contains a COA section used to identify the COA elements to be associated with that financial transaction. The COA section of the Accounting line is where cost accounting COA elements are entered to associate the financial transaction with the appropriate project or grant.

COA Section of Accounting Lines

The Program field is the primary field used to associate an expenditure transaction with the grant or project's cost structure. The Program can be selected from the pick list. The Major Program field is automatically inferred by AZ360 based on the Program and can not be manually entered or selected.

Note: Notice how the Major Program does not have an editable field in the previous screenshot.

For projects utilizing the optional Phase field, the Phase is selected from the pick list to identify the project Phase the expenditure is associated with.

For grants and projects, the Program Period will be inferred based on the date of record for the transaction, but can also be manually selected to override the inference, if needed. Fiscal Year, Budget Year, or any other time constraint does not confine Program Periods, thus multiple Program Periods can be used concurrently to ensure payments are posted to the appropriate Program Period.

Other fields such as Activity, Sub Activity, Location and Sub Location may be populated if required by department procedure and project needs.

Recording Funding Profile Information and Funding Splits

Often, grant and project expenditures are funded by two or more sources. This is called a funding split. An example would be a federally-funded grant or project with a funding split that is 80% federally-funded with a 20% state match. Agencies utilizing Funding Profiles can record the details of the funding split on the Funding Profile hierarchy, but the Funding Profile, Funding Priority(s), and Funding Line(s) cannot be manually entered on the Accounting line. Instead, they are inferred on the transaction's Posting line, based upon the entry made in the appropriate funding profile inference page.

When a GAX (or other transaction) that contains a Major Program code is validated, AZ360 automatically evaluates the settings on the MJPRG record. If the Split Type is Front End Split, AZ360 searches the Funding Profile Inference pages for a Funding Profile to infer. Then, Posting lines are generated to reflect the funding agreement details entered on the Funding Lines.

Create a General Accounting Expense (GAX) Transaction

Create a GAX and View the Impact of Front End Split on Posting Lines

Scenario 8

Now that a Cost Accounting structure and corresponding budgets for the federal grant have been established, an expenditure transaction will be created to post against the Cost Accounting elements of the structure.

Create a GAX transaction to request a payment of $1,000 for professional services related to the CDC Grant. Submit to Final Phase and view the Posting lines to view the impact of the front end split, funding profile inference, and Program Period inference dates.

Note: This scenario requires that the Major Program, Program, Program Period, Funding Profile hierarchies, funding profile inferences, and initial budget lines for the CDC Grant have been established.

Log in to the AZ360 **Home Page**. Create a GAX transaction.

1. Click the **Expand** caret next to the Global Search field.

2. Select the **Page Code** option.

3. In the **Global Search** field, enter *GAX*.
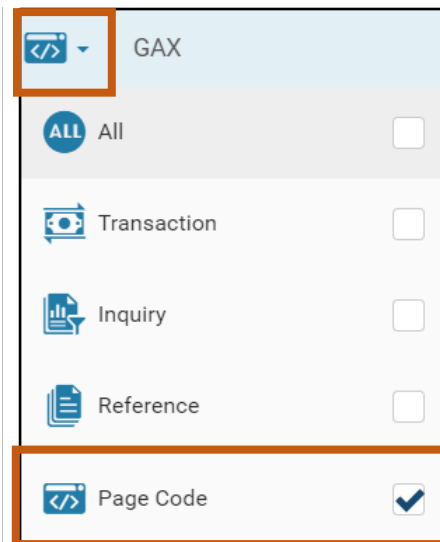
4. In the drop down menu that generates, select **GAX General Accounting Expense**. The GAX Financial Transaction page will generate.
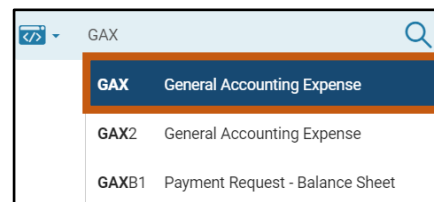
5. Click the **Create** button.

6. In the **Transaction Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

7. Select **Auto Numbering** check box.

8. Click **Continue**.

9. A new GAX transaction will generate and opens to the Header tab. The transaction is in **Draft** Phase and Version number is **1**.

10. Click the **Vendor** tab.

Complete the **Vendor** tab of the GAX.

1. In the **Tab Level Actions,** click the "**+**" icon to add a new Vendor line.

2. In the **Vendor Customer** field, enter the vendor being paid. In this scenario, enter *00010422* (HEALTH NET ACCESS INC).

3. Click **Save**. Other fields on the Vendor tab of the GAX such as Alias/DBA, Address Code and Vendor Contact ID will auto populate based on the information on the Vendor Customer page (VCUST) record for the vendor.
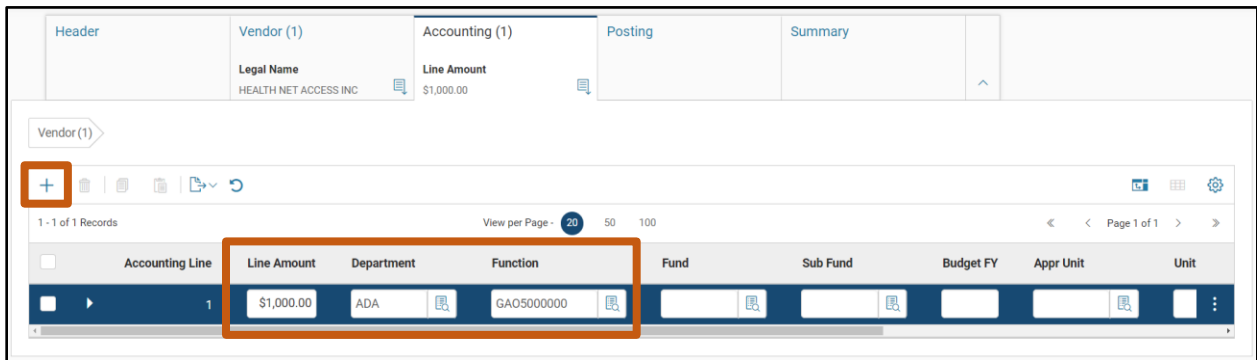
4. Click the **Accounting** tab.

Complete the **Accounting** tab of the GAX.
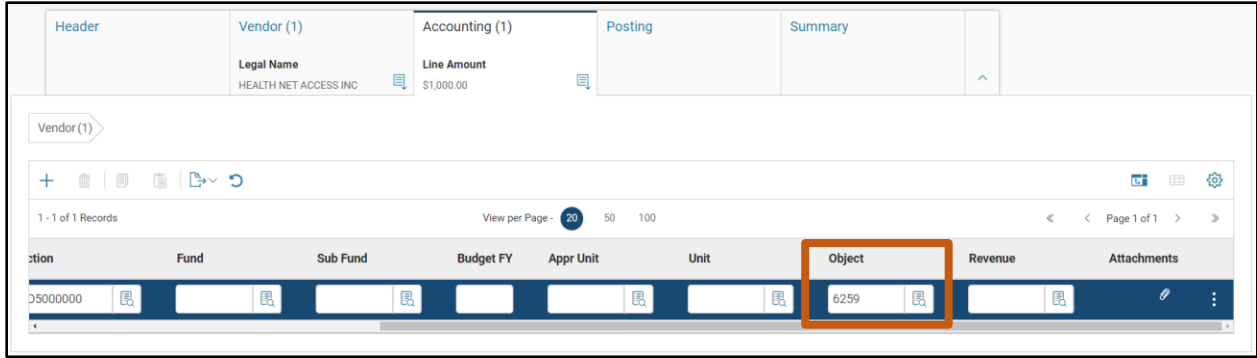
1. In the **Tab Level Actions,** click the "**+**" icon to add a new Accounting line.

2. On the blue line:

    a. In the **Line Amount field**, enter the amount of the payment. In this scenario, enter $*1000*.

    b. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

    c. In the **Function** field, enter the user's department function number. In this scenario, enter *GAO5000000.*

3. Scroll to the right of the blue line.

4. In the **Object** field, enter the user's department object number. In this scenario, enter *6259*.
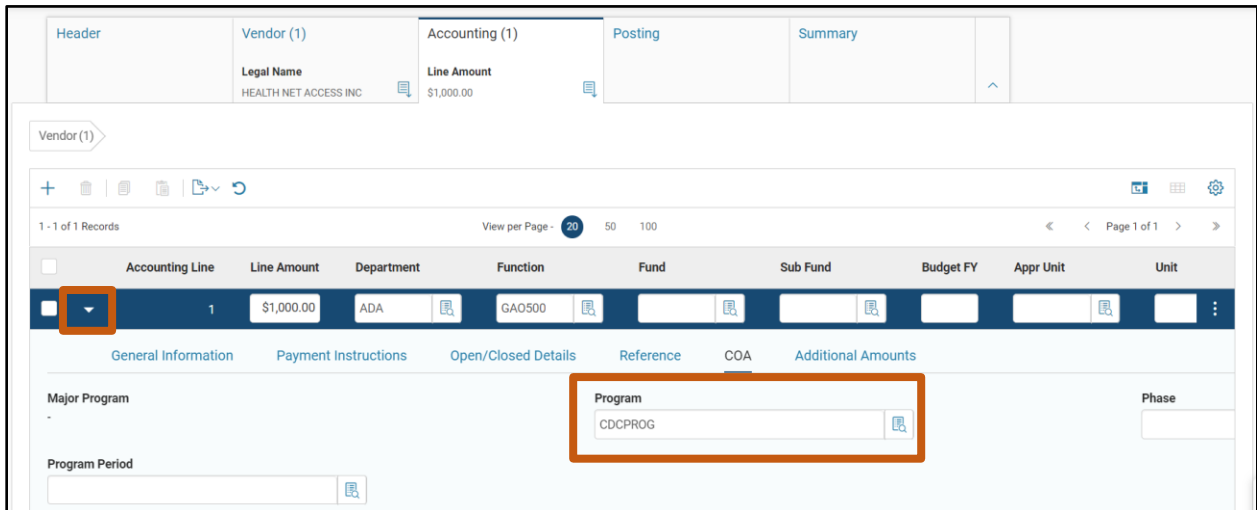
5. Click the **Expand** caret.

6. In the **COA** section:

    a. In the **Program** field, enter *CDCPROG*, the only Program for the CDC Grant.

7. Scroll down in the COA section of the Accounting Line.

8. In the **Dept Object** field, enter the user's department object number. In this scenario, enter *6259*.

9. Click **Save**.

10. Click the **Validate** button to check for errors. If any errors exist, correct the errors and click the **Validate** button again. If the validation is successful, the following message displays in the upper left corner of the screen: **Transaction validated successfully**.

11. Notice that other COA have inferred upon validating the transaction.

Note: Program Period is one of the COA that has been inferred in this scenario. Program Periods can be manually entered, but this scenario is showcasing how the Program Period Inference Date logic infers the Program Period.

Review the **Accounting** and **Posting** tabs of the GAX.

1. Click the **Accounting** tab to view the Accounting lines.

2. In the **COA** section:

   a. Notice that some COA have been inferred into the Accounting Line based on the Function Inference, including Fund and Appropriation Unit.

   b. Notice that Program Period CDC23 has also inferred into the Accounting Line. The Program Period was inferred by the Program Period Inference Date logic. In the previous "Creating a CAM Transaction" scenario, Program Period CDC23 was created with an inference date range of 05/01/2022 to 04/30/2040. The record date of the GAX transaction (06/30/2023 in this example) is within the inference date range of the Program Period, so the AZ360 automatically selected CDC23 as the Program Period to infer into the transaction.

   c. Also, notice that the Funding Profile, Funding Priority and Funding Line are not COA included on the Accounting Line. Most transaction types, including GAX, do not allow Funding Profile hierarchy information to be entered on Accounting Lines. Funding Profile information is inferred directly into the Posting Lines.

3. Click the **Posting tab** to view the Posting Lines.

    a. Notice that there are two Posting Lines, even though there was only one Accounting Line. Posting Line 1 has a Posting Amount of $750 and Posting Line 2 has a Posting Amount of $250.

4. Click the **Expand** caret to expand the information for Posting Line 1.

5. Click the **COA** section of Posting Line 1, the federal-funded Funding Line, and scroll down to review the COA on the Posting Line.

    a. Notice that Funding Profile CDCELIG2 was inferred into the Posting Line. This inference occurred based on the FPI4 page entry that included Program Period CDC23 as criteria to infer Funding Profile CDCELIG2. This FPI4 page entry was created in the "Creating a CAM Transaction" scenario that created Program Period CDC23.

Note: Remember that Funding Profile CDCELIG2 was created with one funding Priority with two funding lines, a 75% federal Funding Line, and a 25% non-federal (state-funded) Funding Line.

6. Notice that Posting Line 1 ($750) inferred the COA included in the Front End Split COA section of Funding Line 1, the federal Funding Line, including Fund AD2000, the Federal Grants Fund. Any COA fields without an entry in the Front End Split COA section of the Funding Line retained the COA from the Accounting Line of the GAX.

7. Click the **Expand** caret to expand the information for Posting Line 2.

8. Click the **COA** section of Posting Line 2, the state-funded Funding Line, and review the COA.

   a. Notice that Posting Line 2 ($250) inferred the COA included in the Front End Split COA section of Funding Line 2. Any COA fields without an entry in the Front End Split COA section of the Funding Line retained the COA from the Accounting Line of the GAX.

9. Notice that Posting Line 2 ($250) inferred the COA included in the Front End Split COA section of the Funding Line 2, the state Funding Line, including Fund 1000, the General Fund.

	2	External AE	D011	Disb Payable	D001	$250.00	Standard	A

General Information   COA

Fund	Sub Fund	Appr Unit
1000	-	AD00001

Department	Unit	Sub Unit
ADA	5101	-

10. Now that the Posting Lines have been viewed to identify the 75% federal/25% non-federal split, the transaction can be submitted.

11. Click **Submit** to submit the transaction for approval. If submission is successful, the following message is displayed: **Transaction submitted successfully – Pending Approval**.

Review the Status of a Cost Accounting Budget

Navigating to the budget inquiry pages, including briefly reviewing the Budgeted Amounts section of budget lines, was demonstrated earlier in this manual. Now that a GAX has been processed in the scenario detailed above, the Reimbursement (39) budget lines can be reviewed to observe the GAX's impact on the accounting transaction and the front-end split process.

The Budget Line and Expense Actuals section of the Budget Line displays expenditure activity throughout the lifecycle of the project or grant.

The Budget Line itself provides information on the Awarded budget, Encumbrances and Cash and Accrued expenses. In addition, AZ360 calculates and displays the remaining budget in the Uncommitted, Unobligated, Unexpended Accrued, Unexpended Cash, and Available Balance fields of the Expense Actuals section of the budget.

View the Impact of Front End Split on the Reimbursement Budget (39 Budget) Inquiry Tables

Scenario 9

Now that a GAX transaction has been finalized, its impact on the front end split on the budgets will be observed to ensure they posted correctly.

Navigate to the Reimbursable Grant: Funding Line (BQ39LV2) to view the impact of the GAX transaction on the Reimbursable Budget.
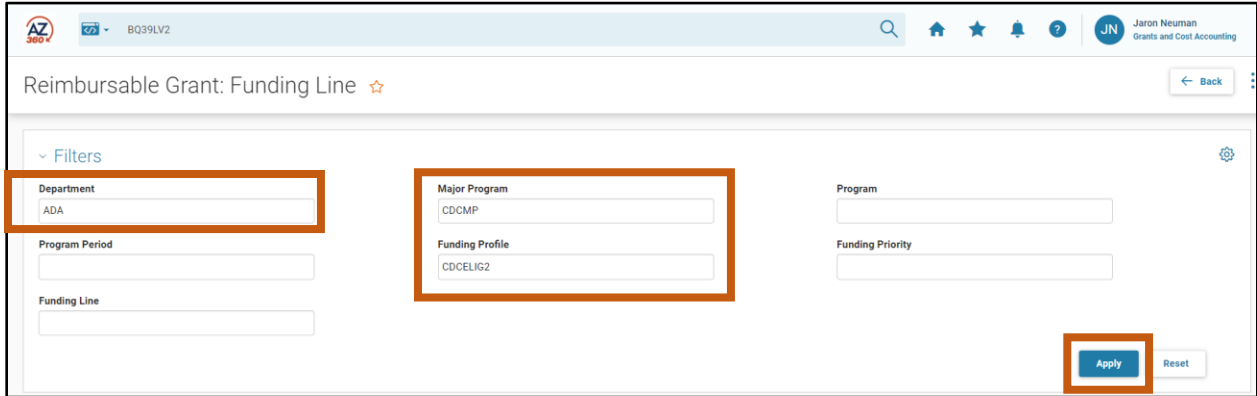
Log in to the AZ360 **Home Page**. Navigate to the Budget Structure 39 Level 2 Budget Inquiry page.

1. Complete the steps from the "Navigate to Budget lines created by the BGPDR using the Budget Inquiry Page BQ39LV2" scenario to generate the BQ39LV2 table.

Search for and Review the Status of the Reimbursable Budget Lines for the CDC Grant.

1. In the **Department** field, enter the user's department 3-digit code. In this scenario, enter *ADA*.

2. In the **Major Program** field, enter *CDCMP*.

3. In the **Funding Profile** field, enter *CDCELIG2*.

4. Click **Apply.**
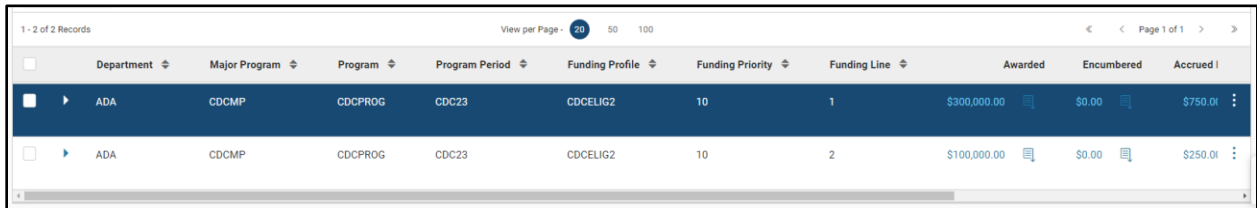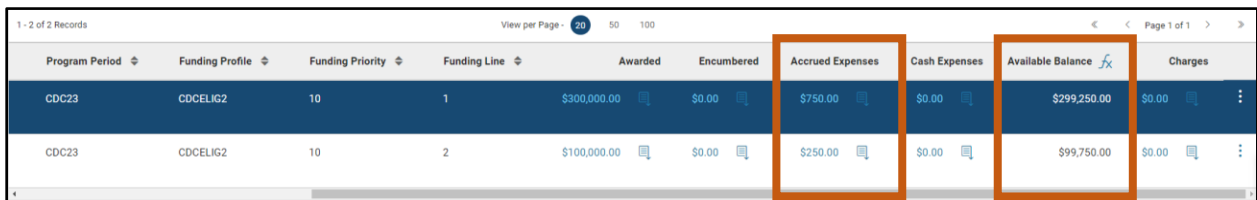
5. Notice that two budget lines display in the summary grid after applying the search filters. One line is for Funding Line 1 – the federal Funding Line, and the other line is for Funding Line 2 – the state Funded Line.

6. Scroll right on the results grid to view the Accrued Expenses and Available Balance. Notice that there are $750 in Accrued Expenses for Funding Line 1, the federal Funding Line. Also note, Funding Line 2 has $250 in Accrued Expenses.

7. Click the link embedded in the $750 Accrued Expenses amount for line 1. A Detailed Transaction Listing of Accrued Expenses impacting the budget line will appear. In this case, the only transaction is the GAX that was processed in the previous example.

8. Click the link in the GAX row under **Transaction Identifier** to navigate to the GAX transaction that created the Accrued Expense. The GAX transaction that was processed earlier will appear on screen. Remember, a $1000 expense went through the front-end split process, with 75% of the expense posting to the federal funding line, and 25% of the expense posting to the state-funded line. This explains the Accrued Expenses of $750 on Funding Line 1 and $250 on Funding Line 2.

Detailed Transaction Listing				← Back ⋮
⌄ Filters				⚙
Transaction Code	Transaction Dept		Transaction ID	
				Apply Reset
Grid Actions ⌄				📊 ▦ ⚙
1 - 1 of 1 Records		View per Page - 20 50 100		« ‹ Page 1 of 1 › »
Transaction Code	**Transaction Dept**	**Transaction ID**	**Transaction Identifier**	**Accrued Expenses**
☐ GAX	ADA	230000022062	GAX ADA 230000022062	$750.00
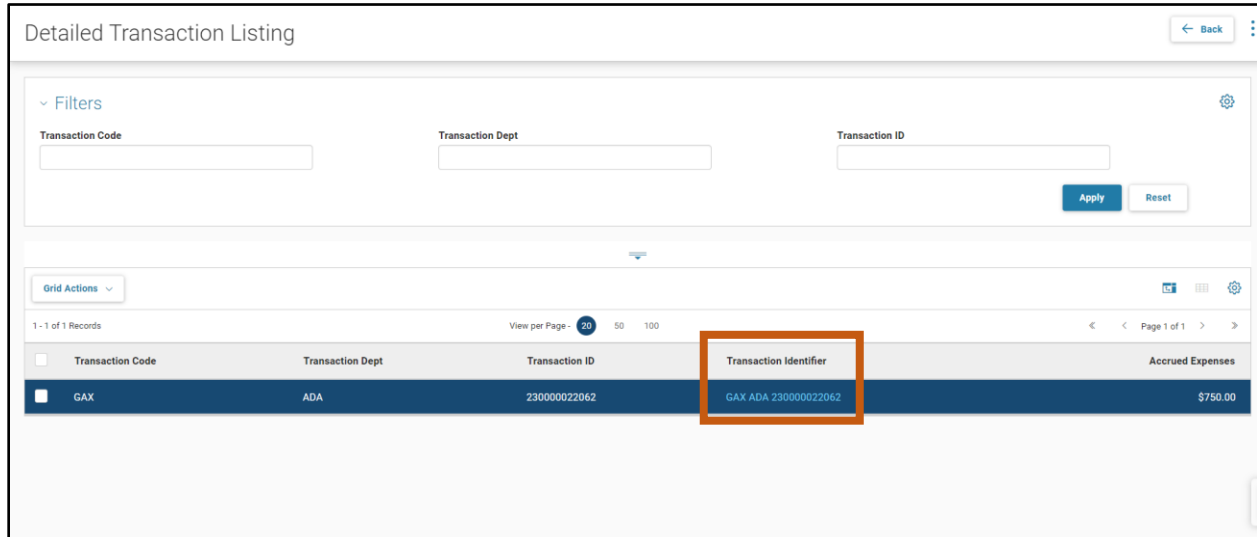
9. Click **Close** button on the GAX to return to the Detailed Transaction Listing.

10. Click **Back** to return the BQ39LV2 page.

11. Click **Home** icon to return to the home page.

For more information on how to navigate budget transactions in AZ360, refer to the "Budget Query Pages" section of the **AZ360 Manual - Budgetary Control** available at https://gao.az.gov/resources/training/gao-training-resources.

Prevention of and Correction of Errors

Data entry errors for Cost Accounting activities may occur at any point during the lifecycle of a project or grant. The steps necessary to correct errors will depend upon the error, what data was entered incorrectly, at what point in the lifecycle the error is discovered, and the details of the funding agreement with the federal agency for each specific project.

Accounting Templates and Function Codes

The use of accounting templates and function codes simplifies data entry for the user by establishing most of the correct COA elements to use for a specific type of project or grant expenditure. For example, an accounting template or function code may be established for each project, containing the correct COA elements, including the correct Program and Phase elements for a project expenditure. Then, when the user selects the appropriate Accounting Template, very few COA elements must be manually entered on the Accounting line. For additional information regarding the creation of accounting templates and function codes, see the "Function Versus Accounting Template" section of the **AZ360 Manual – General Accounting** available at https://gao.az.gov/resources/training/gao-training-resources.

AZ360 Cost Accounting Validation Rules

AZ360 Cost Accounting functionality includes rules that help ensure accurate data entry. For example, error messages will be generated if a user attempts to enter a Phase for a project that has not been established on the Program Phase page. Or, an error will be generated if insufficient budget remains for a project expenditure. The messages will provide information about the data element that triggered the AZ360 rule.

Required, Valid, and Invalid Chart of Accounts (COA) Tables

AZ360 provides several tables that may be used to ensure that the COA elements entered on the Accounting lines are present when required, or either valid or invalid combinations. These tables are optional and may not be used for all cost structures. Available tables are:

- Program Activity Requirement (PRGREQ)
- Valid Unit Program Combination (VUPROG)
- Valid Phase/Event Types (VPHEVNT)
- Invalid Phase/Event Types (IPHEVNT)

Workflow

Accounting transactions may not result in errors in AZ360, but may still be incorrect. For example, the incorrect Program Period may be selected for an expenditure. Transactions in AZ360 are not final until the transaction is approved by all individuals on the workflow for that transaction. It is important for transaction approvers to carefully review the COA elements on the Posting Lines of a transaction, including Cost Accounting COA, prior to approving it. If data entry errors have been made, the transaction can be rejected for correction of the error(s).

Correction of Drawdown Errors

If an error is identified after the drawdown request has been submitted and the reimbursement deposited by the state, then the steps necessary to correct the error will depend upon the funding agreement with the Grantor: the federal agency may ask the state to adjust it against the next bill or it may require a refund for the incorrect amount drawn. Whenever possible, the error will be corrected by creating a modification version of the original, incorrect transaction.

Closing a Cost Structure Component

Section Objective

In this section, the following process is introduced:

- Identify the mechanisms available to close a cost structure component tracking a project or grant.

Closing a Cost Structure Component Overview

When no further transactions are allowed for a grant or project, the project is closed. The Cost Accounting COA elements corresponding to closed grant or projects should be deactivated to prevent further transactions from posting to the grant or project. The Active Status Flag in AZ360 is used to indicate whether a COA element is active or inactive. A project or grant is closed by selecting *No* in the Active status flag on the appropriate Cost Accounting COA element. The optional Effective From and Effective To date fields on the Major Program and Program also control the ability to process transactions for that Cost Accounting COA element.

Active Status Flag
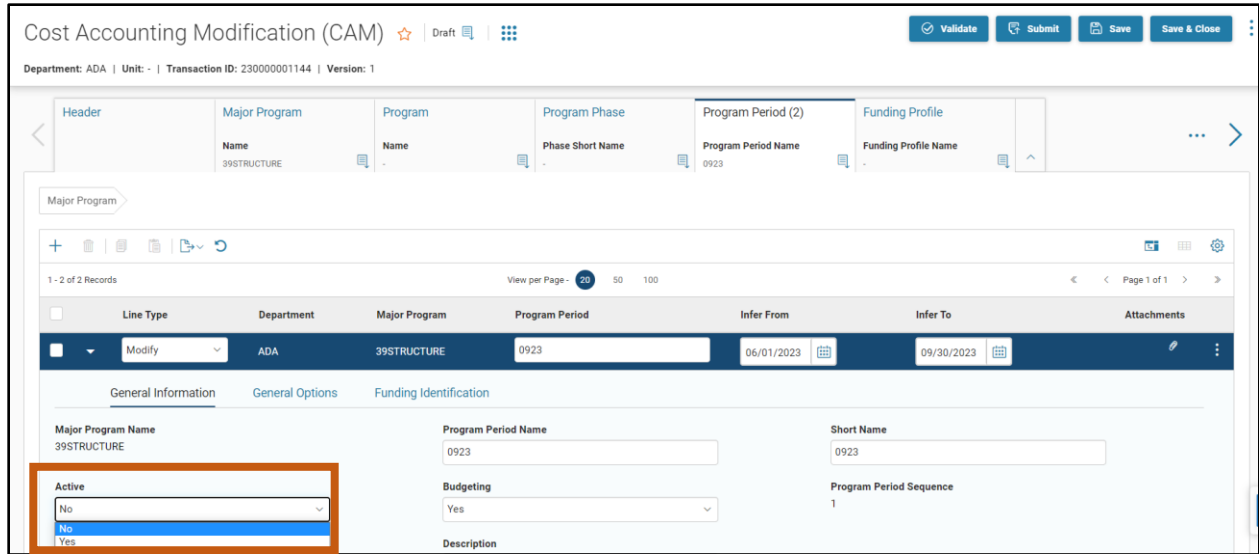
The Active status flag is found on the Major Program (MJPRG), Program (PROG), Program Phase (PHPRG), Program Period (PPC), and Funding Profile (FPRFLST) pages. Transactions will not process to a COA element if the Active status flag is set to *No*. This flag should remain as *Yes* on all pages until all transactions for that project or grant are processed. Then, the appropriate COA elements can be closed by processing a CAM to change the Active flag to *No*.

Individual grants or projects are usually tracked via Program Periods or Programs, therefore, a project or grant is normally closed by changing the Active status on the PROG or PPC page; however, this status flag may optionally be used on the PHPRG or FPRFLST pages.

Changing the Active status flag to *No* on the Major Program will prevent all transactions from processing to any elements associated with the cost structure. Users should take care to only deactivate the specific cost structure element(s) that should be closed.

For example, to close out a Program Period, the high level steps are:

1. Refer to the "Creating a CAM Transaction" scenario earlier in this manual.

2. Follow the directions to load the Major Program, Program, and Program Period.

3. Close out the Grant Award on the Program Period by changing the **Active Status Flag** on the **General Information** section of the Program Period to **No**.

4. Validate and Submit the CAM to close out the Program Period.

Effective From and Effective To Date Fields

The Effective From and Effective To date fields are found on the Major Program (MJPRG), Program (PROG), Program Phase (PHPRG), and Funding Profile (FPRFLST) pages. The use of the effective date fields is optional and depends on department procedure.

The Effective From and Effective To date fields on these pages may be used to control the date range that transactions can be posted to the element. Transactions will not post to a cost structure element if the record date of the transaction is before the Effective From date or after the Effective To date. The effective dates can be modified or removed by processing a CAM to update them. Refer to department procedure and program or project requirements.

Note that using effective dates on the Major Program will prevent transactions from posting to any cost structure elements associated to a Major Program Cost Structure, when the system date is outside of the effective date range.

Decentralized Cost Accounting Chart of Account Elements

All of the Cost Accounting COA elements are department-specific. This means that each entry made on a table to create a cost structure includes a Department code. In addition, some of the tables used to create Major Program and Program rollups are also decentralized. A complete list of all Cost Accounting reference tables that are decentralized is as follows:

- Major Program
- Major Program Type (Rollup)
- Major Program Group (Rollup)
- Program
- Program Type (Rollup)
- Program Group (Rollup)
- Funding Profile
- Phase
- Program Phase
- Program Period
- Stage Profile
- Task Order

Refer to department procedure for guidance on which elements each department is using.

Cost Accounting Reporting

Section Objectives

In this section, the following process is introduced:

- Review reports related to cost accounting.

Cost Accounting Interactive infoAdvantage Reports

The key reports needed to support the AZ360 Cost Accounting business processes are listed below and can be found in the infoAdvantage, 1-Statewide Reports folder. Included with some of the reports are the data elements (prompts) that are available. The reports listed are current as of the publication of this manual and may no longer be available.

- **FIN-AZ-CA-N170a** – *CMIA Interest Liability* – The report captures the CMIA Interest Liability Calculation. Within the report, user-based filter options are available for the following data elements: CFDA, To Date, Interest, Department, Fund Group, and From Date.
- **FIN-AZ-GM-C075** – *Inception to Date Grant Awards vs. Expenditures* – The report captures year to date total revenue from all Revenue Sources, total expenditures, and the remaining award amount for a Grant. Within the report, user-based filter options are available for the following data elements: Fiscal Year (FY), APD, Department, Program Period, CFDA, and Major Program.

Resource Section

Appendix A – Cost Structure Resources

Cost Structure Models

The required and optional elements in the AZ360 cost structure may be combined in different ways to meet the Cost Accounting needs of the specific grant or project. Eight models of cost structures have been established for use by departments. Based upon the structure element required for each grant or project, the department selects the appropriate model to establish the cost structure in AZ360. Therefore, departments may use one or more models depending on their Cost Accounting needs. The structure elements and associated models are defined further below.

Table 3: Cost Structure Models

	MODEL							
	1	2	3	4	5	6	7	8
Structure Elements								
Track Expenditures and Revenue by Project Activities (Phases)	X							X
Track Expenditures and Revenue by Time Periods (Program Period)		X	X	X	X	X	X	
Three level structure with one Major Program roll-up fields as the top tier	X	X			X	X	X	X
Four level structure with one of the Major Program roll-ups fields as the top tier			X					
Budget Elements								
Budget Expenditures by Project Activities (Phases)	X							X
Budget Expenditures by Time Period (Program Period)		X	X	X	X	X	X	
Reimbursable Grant					X	X	X	X
Funding Elements								
Funded by a single Federal Grant (Assistance Listing) by Program Period, no Front End Split				X				
Funded by a single Federal Grant (Assistance Listing), renewable each year					X			
Funded by a single Federal Grant (Assistance Listing) which covers multiple years					X			
Funded by a single Federal Grant (Assistance Listing) for each year's appointment						X		
Funded by multiple grants and/or multiple Assistance Listings simultaneously							X	X
Funded by State fund matches					X	X	X	X

Cost Structure Model 1

Model 1 is used for activity-based, non-reimbursable, and internally funded projects. It is characterized by the following elements:

- Track Expenditures and Revenue by Project Activities (Phases)
- Three level structure with Major Program as the top tier
- Budget Expenditures by Project Activities (Phases)

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Program
- Phase

- Program Period
- Program Expense Budget

Cost Structure Model 2

Model 2 is used for time period-based, non-reimbursable, and internally funded projects. It is characterized by the following elements:

- Track Expenditures and Revenue by Time Periods
- Three level structure with Major Program as the top tier
- Budget Expenditures by Time Periods

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Program
- Program Period
- Program Expense Budget

Cost Structure Model 3

Model 3 is used for time period-based, non-reimbursable, and internally funded projects with additional structure levels. It is characterized by the following elements:

- Track Expenditures and Revenue by Time Periods
- Four level structure with one of the Major Program roll-up fields as the top tier
- Budget Expenditures by Time Periods

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Major Program Group
- Program
- Program Period
- Program Expense Budget

Cost Structure Model 4

Model 4 is used for time period-based, externally funded projects with a renewable Assistance Listing number at the Program Peorid. This model does not use the Front end split functionality. It is characterized by the following elements:

- Track Expenditures and Revenue by Time Periods
- Three level structure with Major Program as the top tier
- Budget Expenditures by Time Periods
- Funded by a single Federal Grant (Assistance Listing), renewable each year
- Funded by a single Federal Grant (Assistance Listing) which covers multiple years, but requires no renewing effort
- Funded by state fund matches

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program

- Program
- Program Period

Cost Structure Model 5

Model 5 is used for time period-based, reimbursable and/or externally funded projects with a renewable Assistance Listing number at the Funding Line. It is characterized by the following elements:

- Track Expenditures and Revenue by Time Periods
- Three level structure with Major Program as the top tier
- Budget Expenditures by Time Periods
- Reimbursable Grant
- Funded by a single Federal Grant (Assistance Listing), renewable each year
- Funded by a single Federal Grant (Assistance Listing) which covers multiple years, but requires no renewing effort
- Funded by state fund matches

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Program
- Program Period
- Funding Profile
- Funding Priority
- Funding Line
- Program Expense Budget
- Reimbursement Budget
- Funding Profile Inference

Cost Structure Model 6

Model 6 is used for time period-based, reimbursable and/or externally funded projects with new Assistance Listing numbers each year recorded on the Program Period. It is characterized by the following elements:

- Track Expenditures and Revenue by Time Periods
- Three level structure with Major Program as the top tier
- Budget Expenditures by Time Periods
- Reimbursable Grant
- Funded by a new single Federal Grant (Assistance Listing) for each year's apportionment
- Funded by state fund matches

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Program
- Program Period
- Funding Profile
- Funding Priority
- Funding Line
- Program Expense Budget

- Reimbursement Budget
- Funding Profile Inference

Cost Structure Model 7

Model 7 is used for time period-based, reimbursable and/or externally funded projects with multiple grants at the Funding Line level. It is characterized by the following elements:

- Track Expenditures and Revenue by Time Periods
- Three level structure with Major Program as the top tier
- Budget Expenditures by Time Periods
- Reimbursable Grant
- Funded by multiple grants and/or multiple Assistance Listings simultaneously
- Funded by state fund matches

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Program
- Program Period
- Funding Profile
- Funding Priority
- Funding Line
- Program Expense Budget
- Reimbursement Budget
- Funding Profile Inference

Cost Structure Model 8

Model 8 is used for activity-based, reimbursable and/or externally funded projects with multiple grants at the Funding Line. It is characterized by the following elements:

- Track Expenditures and Revenue by Project Activities (Phases)
- Three level structure with Major Program as the top tier
- Budget Expenditures by Project Activities (Phases)
- Reimbursable Grant
- Funded by multiple grants and/or multiple Assistance Listings simultaneously
- Funded by state fund matches

To meet these Cost Accounting needs, this type of project will utilize the following cost structure elements. For several elements, more than one entry will be needed.

- Major Program
- Program
- Phase
- Program Period
- Funding Profile
- Funding Priority
- Funding Line
- Program Expense Budget
- Reimbursement Budget
- Funding Profile Inference

Appendix B – Cost Accounting Process Overviews

The AZ360 automated reimbursement process is supported by several automated batch processes. For additional information, please refer to the AZ360 Cost Accounting Run Sheets, which are available in the AZ360 Application Help, or contact a user's agency's GAO Liaison.

Reimbursement Process

The full scope of the Cost Accounting Reimbursement functionality is divided into *three required processes:*

- Reimbursement Selection and Calculation Job
- Reimbursement Generation Job
- Reimbursement Output Job

The three required processes are inter-related and must be executed in a sequential order.

Reimbursement Selection and Calculation Job

The Reimbursement Selection and Calculation chain has four jobs:

- Reimbursement Selection
- Load Transaction from XML
- Submit Transaction
- Cleanup

The Reimbursement Selection and Calculation process:

- Gathers reimbursable transactions
- Verifies that the Posting Codes within each gathered reimbursable transaction allows the transaction to be reimbursed
- Applies funding split rules for Back End Splits (if applicable), and
- Creates input file for the subsequent Reimbursement Generation process

The Reimbursement Selection Parameters (REIMSEL) table is used to provide instructions for the running of the Cost Reimbursement Selection process.

Reimbursement Generation Job

The Reimbursement Generation process selects transaction records for reimbursement based upon the two parameter tables described below. Just because a transaction is eligible for reimbursement does not mean that it will be used for the very next running of the overall reimbursement processes.

The Reimbursement Generation Parameters (REIMGEN) table, as well as the Reimbursement Frequency Date (FREQDT) table, is used to provide instructions for the running of the Reimbursement Generation process. The latter table, for example, indicates the reimbursement frequency characteristic of a grant or project which the system will look for the next time the overall reimbursement processing occurs. A reimbursement frequency of Daily would have related transactions picked up by reimbursement processes more frequently than a reimbursement frequency of Monthly or Quarterly.

Reimbursement Output Job

The Reimbursement Output process generates the actual drawdown request for grants such as FHWA file, Receivable (RE) transactions, Cash Receipt (CR) transactions (for pre-paid grants), or Internal Exchange Transaction (IET) transactions for the portion of the reimbursable expenditure funded internally.

The Reimbursement Output Parameters (REIMOTPT) table is used to provide instructions for the running of the Cost Reimbursement Output process.

Reclassification Process

The Reclassification process is organized into two different processes as described below:

Normal Reclassification

During the life of a Cost Accounting entity (for example, project, grant, or job), the financial structure of the reimbursement funding and cost eligibility will require modification. These modifications are due to a variety of factors to include: changes in the agreement amounts with an external funding source, changes in the eligibility of certain types of reimbursable expenditures, or errors in the setup of the grant or project. The Reclassification process is executed when there are retroactive changes in the agreement amounts with an external funding source, changes in the eligibility of certain types of reimbursable expenditures, or setup errors. The process may be run in Report, Update, or Report and Update modes.

When the need for reclassifying program transactions is identified, and the department determines it is ready to run the process in Update mode, the department will configure the parameter entries for the Reclassification process, which are entered into the Reclassification Parameter Screen:

- Automatic Overflow Indicator – This Yes/No toggle is selected as *No* for normal reclassification.
- Transaction Date From and To – These fields are optional and may be used to identify specific begin and end dates for the reclassification process.
- Department – This field is required and is used to identify the department code for the Major Program requiring reclassification.
- Major Program – This field is required and is used to identify the Major Program code requiring reclassification.
- Funding Profile – This field is required and is used to identify the Funding Profile requiring reclassification.
- Phase – This field is optional and is used if a specific Phase requires reclassification.
- Program – This field is optional and is used if a specific Program requires reclassification.
- Program Period – This field is optional and is used if a specific Program Period requires reclassification.

Once the parameters for the process have been identified, the GAO schedules the Reclassification process to be run in Update mode based upon the department requirements. The process generates the following updated transactions (if necessary, based on the reclassification parameters):

- Automated Disbursement (AD)
- Charge Transaction (CH)
- Internal Transaction Approval (ITA)
- Internal Transaction Initiator (ITI)
- Internal Exchange Transaction (IET)
- Manual Disbursement (MD)
- Payroll Expenditure Correction (PYRL)
- Issue Confirmation (CI)
- Stock Transfer Receipt (TR)
- Over-the-Counter (OC)
- Stock Return (SN)

- Cash Receipt (CR)

If any of the transactions are generated with errors, the GAO reviews and resolves the errors, with help from the department if needed.

Automatic Overflow Recapture

Changes to funding or eligibility may free up monies, which can be applied against transactions that were previously not eligible for reimbursement due to exceeding the funding limitations. These amounts would have been applied to the overflow priority in a Funding Profile and, with the new funding rules established, may now be eligible for reimbursement.

It is important to note these two processes are independent of each other and must be executed separately. In addition, when the reclassification process is executed in the normal reclassification mode or automatic overflow recapture mode, the reclassification process identifies the original transactions required to be reclassified and creates the appropriate adjusting transactions to affect the changes.

When the Automatic Overflow Recapture indicator is set to Yes, the reclassification process will look for any programs that have Overflow costs (that is, the overflow priority has billed balances). If there are any of these programs with Overflow, which also have had a funding change (that is, additional dollars added, a new priority added ahead of the Overflow priority – determined by a previous priority with available dollars), the reclassification process will automatically include these programs in the reclassification process. This process eliminates the need to identify all Programs with Overflow costs in the reclassification parameters.

It is important to note that the Automatic Overflow Recapture indicator only affects the input to the reclassification process. Once these Overflow Reclassifications are included in the input, they are processed just like any other Reclassification.

This Automatic Overflow Recapture process is executed when the following conditions exist:

- The Automatic Overflow Recapture indicator is set to Yes.
- This process can be executed when funds are spent from a temporary budget and funds become available in a real budget.
- A temporary budget is associated with a Funding Priority with an Overflow Indicator of Y. Online edits are in place to ensure that only the last Funding Priority within a Profile can be defined as Overflow.
- This process looks at the Funding Split Log for Funding Priorities that are marked as Overflow, if it finds one it will see if there are any funds available in the other Priorities associated with the same Funding Profile.

Appendix C – Terminology

Table 4 – Terminology

Term	Description
Activity	An optional department-specific Chart of Accounts element used to capture additional information. Refer to department procedure for the use of the Activity field and valid Activity codes.

Term	Description
Automated reimbursement process	The series of three optional AZ360 batch jobs that are used to select transactions for reimbursement, calculate drawdown requests, and generate Receivable (RE) and/or Cash Receipt (CR) transactions, in accordance with funding rules established within the cost structure for each grant or project setup to use the automated reimbursement process.
Cost Accounting	The process of accumulating, analyzing, and reporting cost information related to grant, project, program, and job activities.
Cost Accounting Modification (CAM) Transaction	The transaction that is used to modify various reference pages and budgets related to a project or grant. May be used to add or delete entries on some reference pages related to a project or grant.
Cost Accounting Setup (CAS) Transaction	The transaction that is used to set up the various reference pages and budgets related to a project or grant.
Cost Structure	The specialized Chart of Accounts elements in AZ360 that that provide specific controls and tracking capabilities for transactions that support project and grant activities.
Drawdown Groups	Enable the system to group expenditures for reimbursement (draws) across different Departments, Major Programs, and Programs. Drawdown Groups are optional and can be defined at the Major Program or Program level.
Front End Split Process	One of two methods to perform funding source calculations in AZ360: the second is the back end split (the back end split method is not used by the State of Arizona and will not be discussed in this manual). The front end split process directs AZ360 to perform funding source calculations for expenditures at the point of transaction entry. Front end split adjusts the input transaction to infer and record the accounting codes and the funding participation information at the time of entry. Front end split is set at the Major Program level.
Function	Used when creating transactions to reduce input errors by inferring values based on transaction type and department.
Funding Line	Represents a funding source within a Funding Priority. It identifies the funding source, the percentage of expenditures the funding source will fund, the draw frequency, the revenue code, and any associated restrictions. A Funding Priority must have at least one Funding Line but may have multiple Funding Lines. The Funding Line is also used to store information needed for other purposes, such as Federal Appropriation Number and Assistance Listing number. Funding Lines are set up only for the projects and grants that use the AZ360 automated reimbursement or front end split process and a reimbursement budget structure.
Funding Priority	Part of the Funding Profile hierarchy. It represents the sequence of funding. Each Funding Profile includes at least one Funding Priority, and each Funding Priority has at least one Funding Line. For projects and grants having sequential spending requirements, funding priorities are established to represent the sequence. Funding Priorities are set up only for the projects and grants that use the AZ360 automated reimbursement or front end split process and a reimbursement budget structure.

Term	Description
Funding Profile	The top level of the Funding Profile hierarchy, which identifies funding relationships within a Major Program. The hierarchy is a structure with three levels: Funding Profile, Funding Priority, and Funding Line. Funding Profiles are set up only for the projects and grants that use the AZ360 automated reimbursement or front end split process and a reimbursement budget structure.
Funding Profile Inference	Allows AZ360 to identify the Funding Profile to default into expenditure transactions based on the Chart of Accounts elements entered on the transaction. Funding profile inferences are required when using the AZ360 automated reimbursement process, or when using the front end split process for manually calculated reimbursements.
Funding Source	Identifies the type of resources used to pay for the project or grant (federal, state or other).
Funding Split	The mechanism that takes a single Accounting line for an expenditure and splits it between multiple funding sources based on funding profile and funding profile inference set up. The type of funding split for a cost structure is entered on the Major Program record.
Location	An optional Chart of Accounts element.
Major Program	The highest level element of the cost structure. A Major Program identifies a project or grant or a grouping of projects or grants.
Major Program Category	A hierarchical inferred element used for reporting at the statewide level.
Cost Structure	The collection of specialized Chart of Accounts elements in AZ360 that that provide specific controls and tracking capabilities for transactions that support project and grant activities.
Phase	The Chart of Accounts element used to identify different Phases within a Project. Examples are scoping, design, construction, etc.
Program	Identifies a project or grant, or a division of a project or grant. An individual Program is assigned to one and only one Major Program, while a Major Program may have multiple Programs (but must have at least one).
Program Budget Structure (Non-reimbursement budget structure)	Used to control how project/grant funds are expended. Budget Structure 38 (Program Period Budget) is the most commonly used program budget structure. Budget Structure 37 (Program Phase Budget) is used for cost structures requiring budget control at the Phase level.
Program Category	A hierarchical inferred element used for reporting at the statewide level.
Program Group	A hierarchical inferred element used to group projects for reporting purposes at the department level.
Program Period	Defines time periods for Cost Accounting activities (the award period and/or the grantor's fiscal year).
Program Phase	A page that is used to associate a Phase to a Program.
Program Type	A hierarchical inferred element used for reporting at the department level.
Reclassification	An automated process used to apply new funding profile information to existing financial transactions in AZ360. For example, the Reclassification process can be used to generate a bill to the Federal Highway Administration (FHWA) for eligible expenses previously paid out of state funds.

Term	Description
Reimbursement budget structure	Must be used for those projects that are using the automated reimbursement or front end split functionality in AZ360. The most common reimbursement budget structure is Budget Structure 39 (Program Period Reimbursable Budget). If budgetary control is needed at the Program Phase level, Budget Structure 40 (Phase Reimbursable Budget) is used.

Appendix D – List of Acronyms

Table 5 – Acronyms

Acronym	Definition
AD	Automated Disbursement transaction
AZ360	Statewide Financial Management System
APD	Accounting Period
CACR	Cost Account Cash Receipt transaction
CARE	Cost Accounting Receivable transaction
BGPDE	Budget transaction for Budget Structure 38
BGPDR	Budget transaction for Budget Structure 39
BGPHE	Budget transaction for Budget Structure 37
BGPHR	Budget transaction for Budget Structure 40
BGPD66	Budget transaction for Budget Structure 66
CACT	Customer Account Options page
CADHIST	Cost Accounting Transaction History
CAM	Cost Accounting Modification transaction
CAS	Cost Accounting Setup transaction
CFDA	Assistance Listing Number
CH	Charge Transaction
CR	Cash Receipt transaction
FEDAGCY	Federal Agency page
FES	Front end split
FHWA	Federal Highway Administration
FPI1	Funding Profile Inference 1 page
FPI2	Funding Profile Inference 2 page
FPI3	Funding Profile Inference 3 page
FPI4	Funding Profile Inference 4 page
FPI5	Funding Profile Inference 5 page
FPPPAPPR	Funding Profile Inference by Program Period and Appropriation page
FPRFLST	Funding Profile Select page
FREQDT	Frequency Date page
GAO	General Accounting Office
GAX	General Accounting Expenditure transaction
GFPI	Grant Funding Profile Inference page
GLM	Grant Lifecycle Management
IET	Internal Exchange Transaction
ITA	Internal Transaction Approval transaction
ITI	Internal Transaction Initiator transaction
JCA	Cost Accounting Journal

Acronym	Definition
JV	Journal Voucher transaction
JVC	Cost Accounting Journal Voucher transaction
MD	Manual Disbursement transaction
MJPRG	Major Program page
MJPCAT	Major Program Category page
MJPGRP	Major Program Group page
PCAT	Program Category
PFPI	Program Funding Profile Inference page
PHASE	Phase page
PHPRG	Program Phase page
PPC	Program Period page
PRGREQ	Program Activity Requirement page
PROG	Program Setup page
PSTAT	Program Status page
PTYP	Program Type page
RE	Receivable transaction
REIMGEN	Reimbursement Generation Parameter page
REIMHIST	Reimbursement History page
REIMOTPT	Reimbursement Output Parameter page
REIMSEL	Reimbursement Selection Parameter page
SEFA	Schedule of Expenditures of Federal Award
VCUST	Vendor Customer page