FFM Business Use Cases for Apply-to-Perform

Release FY 2024

Table of Contents

Budget Formulation-to-Execution → Acquire-to-Dispose → Request-to-Procure → Procure-to-Pay → Bill-to-Collect → Record-to-Report → Agree-to-Reimburse → **Apply-to-Perform** → Hire-to-Retire → Book-to-Reimburse → Apply-to-Repay

Purpose

The Federal Financial Management (FFM) Business Use Cases reflect the business needs, or requirements that an agency must follow in the financial management community. This document is part of the FFM Business Use Case Library and contains the business use cases associated with the Apply-to-Perform Business Process. The *Federal Financial Management Business Use Case Library Overview* should be referenced in conjunction with this document for guidance on understanding and applying the FFM Business Use Cases to agency financial operations.

Appendix A provides a list of the documents in the FFM Business Use Case Library.

Business Use Case Structure

The sections of the FFM business use cases are described below.

Business Use Case Identifier: includes information about the key underlying components. The notation for a business use case identifier is as shown.

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End-to-End Business Process ID | Functional Area | Business Scenario Level | Business Use Case Number

Figure 1: The notation for a business use case identifier.

Business Scenario(s) Covered: identifies differing situations or conditions that occur when executing an end-to-end business process and reflect the scope and complexity of federal government agency missions.

Business Actor(s): identifies the typical offices or roles performing events in the business use case.

Synopsis: provides a summary of the events that take place within the business use case.

Assumptions and Dependencies: includes context information about events that have occurred prior to the first event identified in the business use case or outside of the business use case and dependencies on events accomplished in other business use cases. There are several common assumptions that are established for all business use cases. Additional assumptions or dependencies are included if needed for the specific business use case.

FFMSR ID Reference(s): includes a list of the Federal Financial Management System Requirements (FFMSR) that apply for the business use case.

Budget Formulation-to-Execution	Acquire-to-Dispose	Request-to-Procure	Procure-to-Pay	Bill-to-Collect	Record-to-Report	Agree-to-Reimburse	Apply-to-Perform	Hire-to-Retire	Book-to-Reimburse	Apply-to-Repay

Initiating Event: identifies the event that triggers the initiation of the business use case.

Typical Flow of Events: includes the Federal Financial Management (FFM) and non-FFM events that may occur to complete the business scenario(s) included in the business use case. The non-FFM events are provided for business context. Also included are the inputs and outputs or outcomes that one would expect to occur during or as a result of the event.

Budget Formulation-to-Execution → Acquire-to-Dispose → Request-to-Procure → Procure-to-Pay → Bill-to-Collect → Record-to-Report → Agree-to-Reimburse → **Apply-to-Perform** → Hire-to-Retire → Book-to-Reimburse → Apply-to-Repay

Apply-to-Perform Business Use Cases

080.FFM.L2.01 Grant with Accrual and Offset

End-to-End Business Process: 080 Apply-to-Perform

Business Scenario(s) Covered

- Accruals for Grants
- Grant Disbursement Offsets

Business Actor(s)

Program Office; Finance Office; Award Recipient

Synopsis

A discretionary award (i.e., grant) is issued by a federal agency to the Award Recipient. The Award Recipient was overpaid for a previous award from the same grant program. The award is a significant percentage of the program budget. The Award Recipient's progress is monitored and financial and performance reports are received. The Award Recipient submits an invoice to request payment. Disbursement is made with a partial offset to recover the previous overpayment.

Assumptions and Dependencies

General

1.1. There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

1.2. There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

1.3. Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

1.4. Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

1.5. Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

1.6. All predecessor activities required to trigger the Initiating Event have been completed.

1.7. Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

Business Use Case Specific

2.1. Funds have been committed for the grants program.

2.2. The agency has and uses a process for estimating accrual liability amounts.

080.FFM.L2.01 Grant with Accrual and Offset

2.3.   The Award Recipient has had awards with the federal agency and is set up in the FM system.

2.4.   Grant award transactions are provided to the FM system on a per award basis (i.e., not aggregated across awards).

2.5.   The Award Recipient sends invoices to the program office and does not receive any payments in advance.

2.6.   The overpayment from a previous grant was drawn from the same fund as the newly awarded grant and an associated receivable has been established.

2.7.   Tolerance percentages or amounts between obligation and commitment amounts and between expenditure and obligation amounts have been established.

Federal Records Management

3.1.   In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, the types of digital objects received or created during FFM events (Business Use Case Inputs or Outputs) that are considered FFM Federal records (ERM.010.010, ERM.010.020) are specified with a superscript (FR). FFM Federal records are managed as temporary Federal records unless they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.

3.2.   For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record retention period is extended (ERM.040.040).

3.3.   During the retention period of an FFM Federal record: appropriate access levels are maintained (ERM.020.010); associated metadata (e.g., record identifier, creator, creation date, security classification, access rights) and an audit trail of changes to Federal record content, metadata, and access level are maintained (ERM.020.020); if a litigation hold is placed, the Federal record is locked down until the litigation hold is lifted to ensure no changes can be made (ERM.020.030); if needed to satisfy a Freedom of Information Act, Congressional, or e-discovery request, the Federal record is made available (ERM.020.040); and if needed because of technology obsolescence, the Federal record is migrated to another repository to serve out its retention period (ERM.020.050).

3.4.   Once an FFM Federal record has met its records retention period, it is disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.1.2; 2.2.1; 2.2.2

Initiating Event: A federal agency selects an Award Recipient for a discretionary grant.

Budget Formulation-to-Execution | Acquire-to-Dispose | Request-to-Procure | Procure-to-Pay | Bill-to-Collect | Record-to-Report | Agree-to-Reimburse | **Apply-to-Perform** | Hire-to-Retire | Book-to-Reimburse | Apply-to-Repay

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		a. Prepare grant award documentation b. Request funds availability check (GRM.030.010 Grant Award Issuance)	• Grantee information • Grant award decision information • Agency historical data and informed opinion	• Award information • Award budget • Request for funds availability check
2	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		• Request for funds availability check	• Funds availability response
3		a. Approve and issue grant award b. Provide Award Recipient (payee) information c. Request obligation of funds (GRM.030.010 Grant Award Issuance)	• Funds availability response • Award information	• Approved award information • Award Recipient (payee) information • Request to obligate funds

Budget Formulation-to-Execution | Acquire-to-Dispose | Request-to-Procure | Procure-to-Pay | Bill-to-Collect | Record-to-Report | Agree-to-Reimburse | **Apply-to-Perform** | Hire-to-Retire | Book-to-Reimburse | Apply-to-Repay

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
4	a. Receive and update Award Recipient (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive request to obligate funds, confirm difference between obligation amount and commitment amount does not exceed tolerance percentage/amount, liquidate grant program commitment (FFM.030.020 Obligation Management) c. Obligate funds for grant award (FFM.030.020 Obligation Management)		• Award Recipient (payee) information (FR) • Request to obligate funds (FR)	• Updated Award Recipient (payee) information • Appropriate commitment liquidation GL entries created with reference to source information • Appropriate obligation GL entries created with reference to source information
5	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
6		Receive grant performance and financial reports and determine grant accrual liability (GRM.040.020 Grant Performance Review)	• Grant performance and financial reports • Estimate of Award Recipient expenses incurred but not yet invoiced	• Estimated grant accrual liability information

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
7	Receive and process grant accrual liability information (FFM.090.030 Accrual and Liability Processing)		• Estimated grant accrual liability information (FR)	• Appropriate accrual liability GL entries made with reference to supporting information
8	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated (FR)
9		a. Receive and review Award Recipient invoice b. Determine adjusted payment amount due to previous overpayment (payable offset) c. Request funds availability check (GRM.030.020 Grant Award Payment Processing)	• Award Recipient invoice • Award Recipient award history information	• Grant payable offset information • Request for funds availability check
10	Receive and process request for funds availability check (FFM.010.020 Fund Allocation and Control)		• Request for funds availability check	• Funds availability response

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
11		a. Approve Award Recipient invoice b. Provide Award Recipient (payee) information c. Request payment of approved invoice offset by previous overpayment (GRM.030.020 Grant Award Payment Processing)	• Funds availability response • Award Recipient invoice • Grant payable offset information	• Approved Award Recipient invoice • Award Recipient (payee) information • Request for payment of approved invoice offset by previous overpayment
12	a. Receive and update Award Recipient (payee) information (FFM.030.010 Payee Setup and Maintenance) b. Receive and process request for payment of approved Award Recipient invoice offset by previous overpayment (FFM.030.080 Payment Processing - Grant Payments) c. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount and liquidate obligation (FFM.030.020 Obligation Management)		• Award Recipient (payee) information (FR) • Request for payment of approved invoice offset by previous overpayment (FR) • Disbursement confirmation information	• Updated Award Recipient (payee) information • Appropriate payable GL entries created with reference to source information • Payment transaction • Appropriate obligation liquidation GL entries created with reference to source information • Appropriate accrual reversal GL entries created with reference to source information • Appropriate receivable liquidation GL entries created with reference to source information

| Budget Formulation-to-Execution | Acquire-to-Dispose | Request-to-Procure | Procure-to-Pay | Bill-to-Collect | Record-to-Report | Agree-to-Reimburse | Apply-to-Perform | Hire-to-Retire | Book-to-Reimburse | Apply-to-Repay |

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
	d. Generate payment transaction (FFM.030.080 Payment Processing - Grant Payments) e. Liquidate the obligation (FFM.030.020 Obligation Management) f. Close receivable based on payable offset information (FFM.060.030 Public Receivable Credit Memo and Adjustment Processing) g. Generate disbursement schedule (FFM.030.110 Payment Disbursement) h. Certify payment of disbursement schedule (FFM.030.110 Payment Disbursement) i. Receive confirmation of disbursement (FFM.030.120 Payment Confirmation)			• Certified disbursement schedule ^(FR) • Appropriate disbursement-in-transit GL entries created with reference to source information • Appropriate disbursement-in-transit liquidation GL entries created with reference to source information • Appropriate disbursement GL entries created with reference to source information • Award Recipient receives payment offset by previous overpayment

Use Case 080.FFM.L2.01 Grant with Accrual and Offset

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
13	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL entries	• Appropriate GL accounts updated [FR]

| Budget Formulation-to-Execution | Acquire-to-Dispose | Request-to-Procure | Procure-to-Pay | Bill-to-Collect | Record-to-Report | Agree-to-Reimburse | Apply-to-Perform | Hire-to-Retire | Book-to-Reimburse | Apply-to-Repay |

080.FFM.L2.02 Administrative Grant Closeout

End-to-End Business Process: 080 Apply-to-Perform (Grants Management)

Business Scenario(s) Covered

- Administrative Grant Closeout

Business Actor(s)

Program Office; Finance Office; Award Recipient

Synopsis

An accrual liability for a previous grant award is established by a federal agency. An expected financial and performance report and invoice are not received by the agency. The Award Recipient is determined to be no longer operating and the award is administratively closed.

Assumptions and Dependencies

General

1.1. There may or may not be automated (near/real-time or batch) interfaces between functional areas/functions/activities or between provider solutions/systems.

1.2. There is no presumption as to which activities are executed by which actor, or which activities are automated, semi-automated, or manual.

1.3. Supporting information for general ledger transactions includes sub-ledger entries when sub-ledgers are used.

1.4. Appropriate attributes (e.g., object class and project) are included as part of the accounting string.

1.5. Relationships between use cases are described in the Framework for Federal Financial Management Use Cases found in the related overview document.

1.6. All predecessor activities required to trigger the Initiating Event have been completed.

1.7. Funds availability checks are performed against appropriations/fund accounts for obligating funds, and against obligations for disbursing funds in accordance with OMB A-11, Section 150.2.

Business Use Case Specific

2.1. No illegal activity occurred against the terms of the grant agreement.

2.2. The Award Recipient has been paid for all work that has been invoiced.

2.3. The Award Recipient has received no payments to which it was not entitled.

2.4. No commitments or obligations have been made for future fiscal years.

Federal Records Management

3.1. In accordance with National Archives General Records Schedules (GRS) and other Federal records management standards, the types of digital objects received or created during FFM events (Business Use Case Inputs or Outputs) that are considered FFM

Budget Formulation-to-Execution → Acquire-to-Dispose → Request-to-Procure → Procure-to-Pay → Bill-to-Collect → Record-to-Report → Agree-to-Reimburse → **Apply-to-Perform** → Hire-to-Retire → Book-to-Reimburse → Apply-to-Repay

080.FFM.L2.02 Administrative Grant Closeout

Federal records (ERM.010.010, ERM.010.020) are specified with a superscript (FR). FFM Federal records are managed as temporary Federal records unless they stand out as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.

3.2. For each type of FFM Federal record, a retention period is established (ERM.010.030) and, if special circumstances occur such as an order, law, or business justification, a temporary Federal records retention period is changed (ERM.030.040) or a permanent Federal record retention period is extended (ERM.040.040).

3.3. During the retention period of an FFM Federal record: appropriate access levels are maintained (ERM.020.010); associated metadata (e.g., record identifier, creator, creation date, security classification, access rights) and an audit trail of changes to Federal record content, metadata, and access level are maintained (ERM.020.020); if a litigation hold is placed, the Federal record is locked down until the litigation hold is lifted to ensure no changes can be made (ERM.020.030); if needed to satisfy a Freedom of Information Act, Congressional, or e-discovery request, the Federal record is made available (ERM.020.040); and if needed because of technology obsolescence, the Federal record is migrated to another repository to serve out its retention period (ERM.020.050).

3.4. Once an FFM Federal record has met its records retention period, it is disposed (ERM.030.010, ERM.030.020, ERM.030.030) or transferred to NARA (ERM.040.010, ERM.040.020, ERM.040.030).

FFMSR ID Reference(s): 1.1.2; 1.1.4; 2.2.1

Initiating Event: Agency learns the Award Recipient is no longer operating.

Budget Formulation-to-Execution | Acquire-to-Dispose | Request-to-Procure | Procure-to-Pay | Bill-to-Collect | Record-to-Report | Agree-to-Reimburse | Apply-to-Perform | Hire-to-Retire | Book-to-Reimburse | Apply-to-Repay

Use Case 080.FFM.L2.02 Administrative Grant Closeout

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		Verify grant outstanding accrual liability and remaining obligation amounts and initiate grant administrative close out (GRM.040.050 Grant Award Closeout)	• Award Recipient status information	• Grant outstanding accrual liability amount • Grant administrative closeout information • Request to reverse outstanding grant accrual liability • Request to deobligate grant award funds
2	a. Receive and process request to reverse outstanding grant accrual liability (FFM.090.030 Accrual and Liability Processing) b. Receive and process request to deobligate grant award funds (FFM.030.020 Obligation Management)		• Request to reverse outstanding grant accrual liability (FR) • Request to deobligate grant award funds (FR)	• Appropriate accrual liability adjustment GL entries created with reference to source information • Appropriate deobligation GL entries created with reference to source information
3	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		• GL Entries	• Appropriate GL accounts updated (FR)

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Appendix A: FFM Business Use Case Library Documents

<u>Library Document Content</u>	<u>Business Use Case Document Name</u>
FFM Business Use Case Library	FFM Business Use Case Library Overview
010 Budget Formulation-to-Execution	FFM Use Cases 010 Budget Formulation-to-Execution
020 Acquire-to-Dispose	FFM Use Cases 020 Acquire-to-Dispose
030 Request-to-Procure	FFM Use Cases 030 Request-to-Procure
040 Procure-to-Pay	FFM Use Cases 040 Procure-to-Pay
050 Bill-to-Collect	FFM Use Cases 050 Bill-to-Collect
060 Record-to-Report	FFM Use Cases 060 Record-to-Report
070 Agree-to-Reimburse	FFM Use Cases 070 Agree-to-Reimburse
080 Apply-to-Perform	FFM Use Cases 080 Apply-to-Perform
090 Hire-to-Retire	FFM Use Cases 090 Hire-to-Retire
100 Book-to-Reimburse	FFM Use Cases 100 Book-to-Reimburse
110 Apply-to-Repay	FFM Use Cases 110 Apply-to-Repay