



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

BEVERLY EAVES PERDUE
GOVERNOR

CHARLES E. PERUSSE
STATE BUDGET DIRECTOR

June 25, 2009

MEMORANDUM

TO: Agency Heads and Chancellors of Universities
Chief Financial Officers of Agencies and Universities
Chief Information Officers of Agencies and Universities

FROM: Charles Perusse, State Budget Director *Charles E. Perusse*
David McCoy, State Controller *David McCoy*
Dempsey Benton, Economic Recovery and Investment Office Director *Dempsey Benton*

RE: Procurement, Accounting, and Grants Systems Changes

To accommodate tracking of state spending for purposes of Executive Order 4 (OpenBook Government for North Carolina) and oversight of the American Recovery and Reinvestment Act (ARRA) funds, some of the state's procurement, accounting, and grants systems are making changes in data elements and data exchange. The systems affected are: Interactive Purchasing System (IPS), NC E-Procurement, North Carolina Accounting System (NCAS), Grants Information Center (GIC), and Community Resource Information System (CRIS).

This communication is to alert agency management concerning system changes that will be effective July 1, 2009. It is absolutely essential that you share the attached information with agency division heads, grants managers, planning staff, procurement officers, internal auditors, and any others involved in data input regarding purchasing, payments, and grants.

In addition to becoming aware of these system changes, please observe our memo dated June 11, 2009 regarding use of a new form for creating centers for ARRA funds.

Further details and training information will be forthcoming. If you have immediate questions please contact Kathleen Crawford, NC OpenBook Project Manager, at 919-807-4755 or Kathleen.Crawford@its.nc.gov.

Because of the importance of timely, accurate and complete information, we again encourage you to disseminate this memo to the key grant, fiscal and procurement staff in your agency.

Thank you.

Upcoming System Changes to Support the NC OpenBook and ARRA Oversight Efforts

The following systems will be changed as described effective July 1, 2009.

Interactive Purchasing System (IPS), Department of Administration

The Interactive Purchasing System (IPS) allows all state departments, community colleges, institutions, and universities to enter a requisition to Purchase and Contract electronically. The entity is able to view the status of the requisition as it moves through the predetermined processes within Purchase and Contract. Invitations for bids are solicited through the Internet. IPS also has a bidding system in which procurements are publicized online by all state departments, community colleges, institutions, public schools, and some local governments. Vendor registration through *Vendor Link NC* provides e-mail notifications of bidding opportunities.

System change:

- A new choice of bid type will specify "recovery funding." If a bid is being issued using federal recovery funds, "recovery funding" is the bid type that must be selected.

NC E-Procurement, Department of Administration

NC E-Procurement is an internet-based purchasing system that offers electronic purchase order processing and enhanced administrative functions to buyers and suppliers, resulting in operational efficiencies and cost savings. This enterprise-wide system allows government entities to aggregate their purchases to obtain better prices from their suppliers. The purchasing system also enables users to submit electronic quotes to vendors and evaluate vendor's responses electronically.

System changes:

- Users will associate an awarded IPS Bid Number, Federal Award Number, and a Grants Information Center (GIC) Grant ID at the line item level.
- Identification of American Recovery and Reinvestment Act (ARRA) fund usage will be determined by the system based upon line item accounting selections made by the user.
- E-Procurement user training will be included in the standard monthly application updates. Future communications will include details regarding training options and Frequently Asked Questions.

North Carolina Accounting System (NCAS), Office of the State Controller

The North Carolina Accounting System (NCAS) is an automated transaction processing system that is used by most state agencies to account for and report their financial transactions. The functionality provided by the system includes general ledger, budgetary control, purchasing (including P-card reconciliation), accounts payable, accounts receivable and inventory management.

System changes:

- The federal award number will be passed from NC E-Procurement to the subsequent purchase order in NCAS; however, agencies that create purchase orders directly in NCAS will be required to enter the federal award number on transactions.

- The federal award number, if applicable on GIC transactions, will not be carried on the NCAS invoice/payments record. Therefore, NCAS agencies may have to process GIC transactions as matching payments against a purchase order coded with the federal award number. Coding schemes are in place to accommodate adding local governments to GIC reporting in the future (this requirement will not occur July 1).
- The bid number will be added as a new field in E-Procurement, and the value entered there will be passed to the subsequent purchase order in NCAS. NCAS agencies that create purchase orders directly in NCAS must enter the bid number on their transactions when applicable.

Grants Information Center (GIC), Office of State Auditor/OSBM

The NC Grants Information Center (GIC) provides up-to-date information about state and federal grants awarded from state agencies to non-state entities for the current period and for past state fiscal years. It is designed to allow funding agencies to enter awards and disbursement data directly into the database in real time. Grantees enter annual grants reporting information required under NC General Statute 143C-6.23. Standard reports, ad hoc searches, and full information for particular grants are available through the on-line system.

System changes:

- New fields that must be completed are Federal Award Number (if the project is funded by recovery money), CRIS ID, DUNS number for grantee, and county of service.

Community Resource Information System (CRIS), Office of State Budget and Management

The Community Resource Information System (CRIS) provides descriptive information about state government financial assistance programs and other services. CRIS records are linked to awards data in the GIC for presentation in NCOpenBook.

System changes:

- CRIS program records will need to be added or updated to reflect all ARRA programs in an ongoing manner, including funds to non-state entities and local governments. CFDA numbers will be required when appropriate; a CFDA field will be added to the CRIS data entry screen for this purpose.
- OSBM will maintain a master table of federal award information in the CRIS system as a daily feed to NC E-Procurement.

Note: The federal award number referenced above is found on the letter of notification of the recovery funds award from the federal government to the state agency. It is a key element in all ARRA tracking.

ARRA is the acronym for American Recovery and Reinvestment Act.