PURPOSE AND OVERVIEW:

Provide an overview of the Locality Automated System for Expenditure Reimbursement (LASER) process to reimburse local departments of social services for monthly expenditures submitted for reimbursement for state and federal funds.

RESCINDED POLICY:

Revision of Section 4.05, Finance Guidelines Manual dated May 2015.

GUIDELINE:

OVERVIEW OF LASER REIMBURSEMENT PROCESS

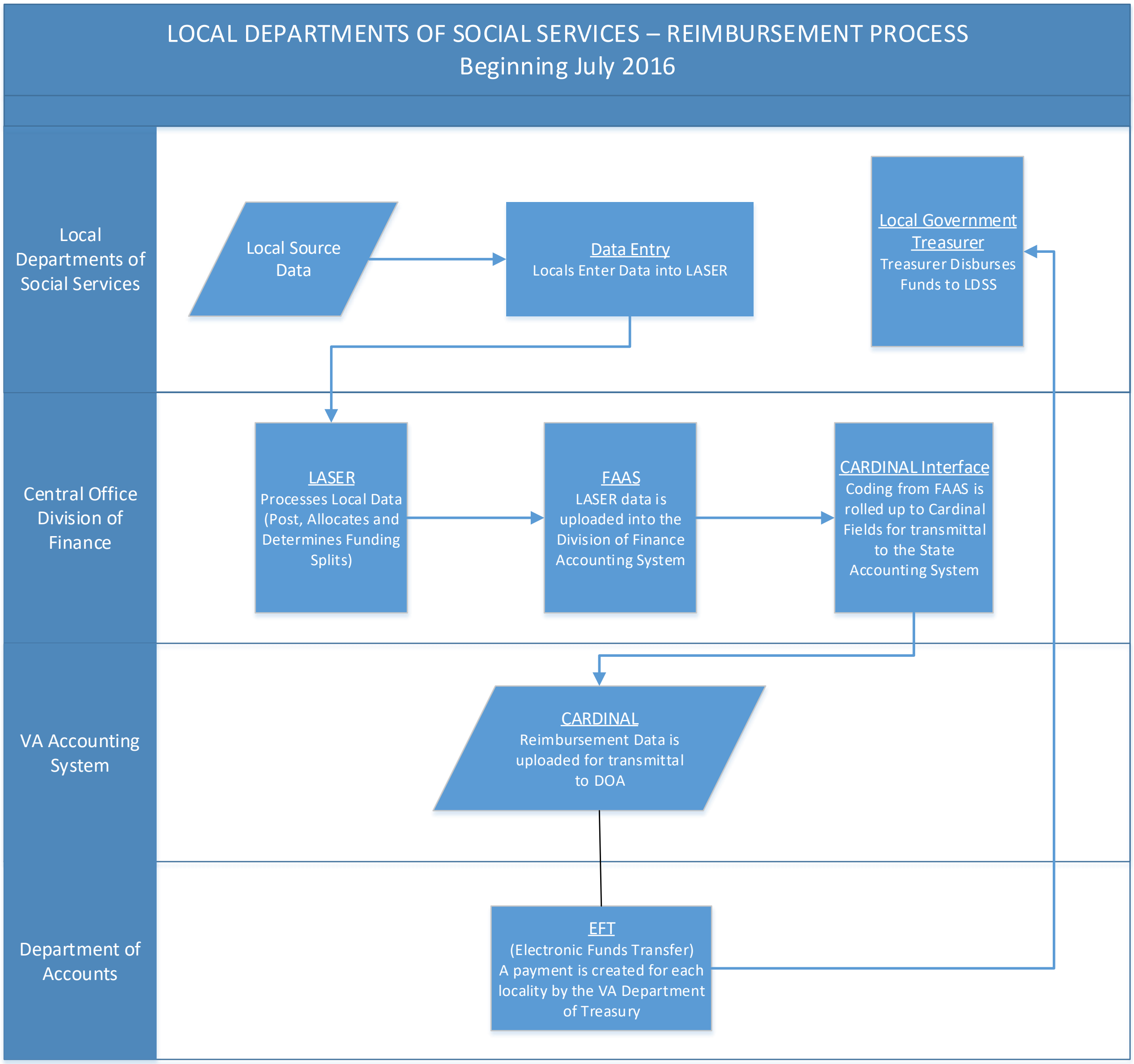
The VDSS Division of Finance uses the Locality Automated System for Expenditure Reimbursement (LASER) to process monthly local agency expenditures submitted for reimbursement for state and federal funds.

When LDSSs enter expenditures into LASER, they assign a specific Cost Code. The selection determines if the expenditure is a direct (not allocated) or indirect charge (to be allocated), and it also determines to which Budget Line it applies. When the LDSS enters the expenditure into LASER, the system automatically checks the budget or funds availability for the direct expenditures.

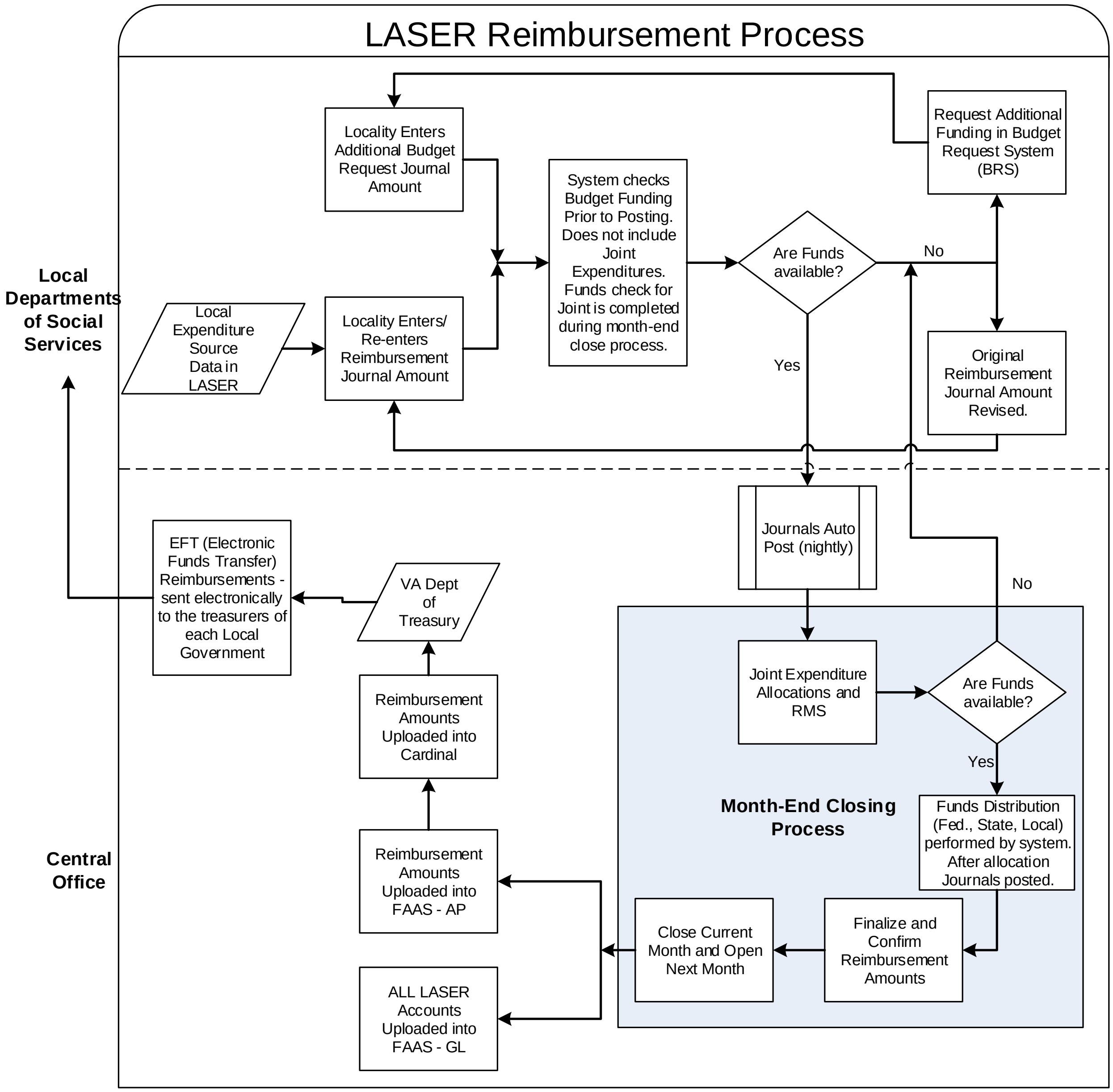
When LDSSs enter indirect expenditures into LASER, an Expenditure Type “B” (base) or “N” (pass-thru) is selected. LASER allocates the indirect expenditures with expenditure type “B” or “N” by using Statewide Random Moment Sampling (RMS) program statistics.

Also, as part of the monthly LASER reimbursement process, the system calculates the distribution of expenditures to applicable funds (federal, state & local) based on predetermined funding split percentages. Refer to the LASER Master Table for more specific information. Electronic payments are made to localities on the last working day of the month for prior month expenditures.

The following process flows pertain to the LASER Reimbursement Process.


LOCAL DEPARTMENTS OF SOCIAL SERVICES – REIMBURSEMENT PROCESS
Beginning July 2016
Local Departments of Social Services
Local Source Data
Data Entry
Locals Enter Data into LASER
Local Government Treasurer
Treasurer Disburses Funds to LDSS
Central Office Division of Finance
LASER
Processes Local Data (Post, Allocates and Determines Funding Splits)
FAAS
LASER data is uploaded into the Division of Finance Accounting System
CARDINAL Interface
Coding from FAAS is rolled up to Cardinal Fields for transmittal to the State Accounting System
VA Accounting System
CARDINAL
Reimbursement Data is uploaded for transmittal to DOA
Department of Accounts
EFT
(Electronic Funds Transfer)
A payment is created for each locality by the VA Department of Treasury

LASER Reimbursement Overview – Continued



LASER Master Table

LDSS personnel enter expenditure data into LASER using the Master Table account number segment combinations. LDSSs may also have the need to enter some case data associated with certain expenditures. The COA structure is designed to collect and classify different expenditure category information in a systematic manner.

There are ten required Master Table segments. The Cost Code is the primary account segment used in LASER. Segments six through ten (below) automatically default based on the Cost Code selected.

The following Master Table segments are used in LASER:

1. **COST CODE:** Accumulates and tracks local government expenditures by task. The first three numbers of the Cost Code are the same as the Budget Line.

2. **FIPS CODE:** Accumulates financial information by local government entity using the number assigned through Federal Information Processing Standards (FIPS) that uniquely identifies each county or independent city.

3. **FUND:** LDSSs classify funding of expenditures as Reimbursable - Fund 1111, Non-Reimbursable (Local Only)- Fund 0033 or Fund 0077 – Exceeds State Allocation. (Review section 3.34 – Non-Reimbursable Fund Codes for additional explanation.)

   During the LASER month-end closing process, all expenditures are further classified as Federal - Fund 1000, State - Fund 0100, or Local - Fund 0500. The Local Fund represents the local match portion of the expenditure.

4. **ACCOUNT:** Classifies the expenditure as a specific activity or service. Normally, Administrative account codes start with the number five (5) and Purchase of Services start with the number six (6). Review Section 4.30 for a complete list.

5. **EXPENDITURE TYPE:** Classifies the expenditure as Administrative Base Budget (B), Administrative Pass Thru (N), Assistance (A), Purchase of Service (P) or Central Service (C). This is needed to differentiate between federal, state, and local funds.

6. **PROGRAM:** Accumulates financial information related to activities designed to achieve specific objectives. This segment reports the costs of programs across both agency and fund lines and provides the basis for forming and controlling program budgets.

7. **GRANT:** Accumulates financial information by federal program funding sources and reporting categories.

8. **PROJECT:** This code is equivalent to the corresponding cost code to which it is assigned. This code is used for the purpose of tracking LASER costs in the Financial Accounting and Analysis System (FAAS).

9. **BUDGET LINE:** Compiles and tracks local government expenditures for all Cost Codes within a specific Budget Line. The first three numbers of the Cost Code is the Budget Line.

10. **CFDA** (Catalog of Federal Domestic Assistance): The Catalog of Federal Domestic Assistance is a list of all domestic assistance programs of the Federal Government. It includes information about a program's authorization, fiscal details, accomplishments, regulations, guidelines, eligibility requirements, information contacts, application and award process.

LASER - Pass-Through Opportunities

A "Pass-Through" is a process whereby applicable LDSS expenditures can be submitted for reimbursement from the federal government, "federal financial participation" (FFP), through the state on condition that the locality provides the necessary financial match. This process occurs when:

- A locality desires to seek reimbursement from federal sources, rather than from the state. This normally occurs when the LDSS has fully expended their state general fund allocation for a particular budget line.
- No additional state funds are available.
- Sufficient federal funds are available and the expenses are allowable.
- Sufficient state appropriation is available.
- The LDSS can provide the necessary financial match.
- The state submits the costs on behalf of the locality and passes along the reimbursement to the LDSS, through LASER.

The majority of available pass-through federal funds are for administrative expenditures only, but there are some exceptions. In addition, most federal funds used for this purpose are the ones that are uncapped - have unlimited funds.
The following LASER Cost Codes can be used for the pass-through reimbursement for allowable expenditures.

- 00204 Staff and Operations Pass-Through
- 89702 Supplemental Nutrition Assistance Program Employment & Training (SNAPET) Participant Expenditures Pass-Through

- 89703 Purchased or Contractual Services for Supplemental Nutrition Assistance Program Employment & Training (SNAPET) components Pass-Through

For more pass-through information refer to: Section 4.25 – LASER Budget Lines and Cost Codes Descriptions.