

Program Reimbursement Adjustment Request (PRAR) Supportive Document

Overview

The Massachusetts Office for Victim Assistance's (MOVA) Program Reimbursement Adjustment Request (PRAR) is the process by which MOVA recovers funds from subrecipients that are over or under reimbursed.

Definitions

An overpayment may occur when a subrecipient requests and receives reimbursement for a variety of reasons. These reasons include, but are not limited to, reimbursement for: costs that are not within the approved budget, unallowable costs as defined in the MOVA Grant Sub-recipient Policies & Procedures Manual and federal policies related to MOVA's grants, when backup documentation to support reimbursed costs is unavailable during monitoring activities such as a desk review, duplicate reimbursements, etc.

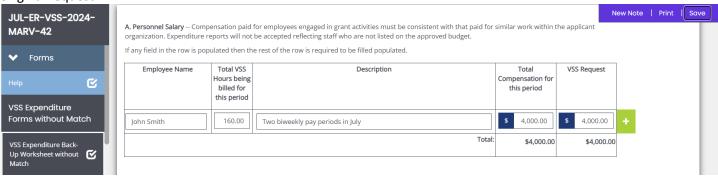
An underpayment may occur when subrecipients underbill or do not bill the grant for allowable costs that are within the approved budget. For example, a subrecipient miscalculates indirect costs or underreports salary costs, resulting in underbilled costs that should be restored within the regular monthly reimbursement cycle.

Overpayment Recovery Process

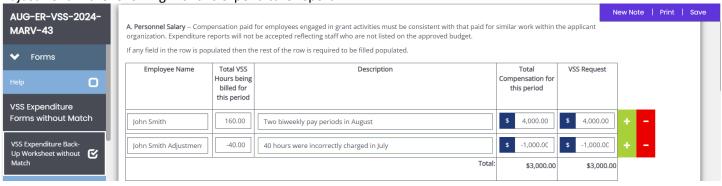
As it is discovered – via desk or expenditure report reviews, or when a subrecipient makes it known that they have been reimbursed or requested reimbursement for the wrong amount – MOVA will initiate overpayment recovery.

For overpayments totaling less than \$2,000.00, with MOVA approval, subrecipients must subtract the overpayment from a future expenditure report within the regular monthly reimbursement cycle. To ensure accuracy of year-to-date spending in the expenditure report summary page, please add the overpayment correction in an individual line item in the same category(s) as the original, overpaid cost(s). See an example below.

Original request:



Adjustment in the following month's expenditure report:



For overpayments totaling \$2,000.00 or more, with MOVA approval, the internal PRAR process will be completed and a credit will be entered in the Massachusetts Management Accounting and Reporting System (MMARS) to recover funds against future reimbursements. If a subrecipient has no future plans to do business with MOVA, the subrecipient must then return funds by physical check. Subrecipients may be asked to provide backup documentation to facilitate this process. See an example of backup documentation below.

In the month of January, expensed salary to VOCA in the value of \$2,307.70.

did not work any VOCA hours for the pay periods paid in January, nor were the hours allocated to VOCA on our payroll runs. Although is on the VOCA contract, the hours that were expensed were not correct. VOCA overpaid by the below values:

Salary = \$2307.70

Fringe = \$323.08

Overhead = \$263.08

Total overpayment = \$2893.86

Please note: a credit may be applied to multiple future reimbursements if funds cannot be recovered in a single reimbursement.

Underpayment Recovery Process

If an underpayment is found, with MOVA approval, subrecipients may request the underpayment amount in future expenditure reports regardless of amount.

State Agencies Exceptions

As state agencies have direct access to MMARS and the Labor Cost Management system (LCM), they may process expenditure corrections at any time and are exempt from the \$2,000.00 threshold. To bring spending in MMARS in line with spending in eGrants, expenditure corrections must be reflected in the affected expenditure report in eGrants.

For example, if travel reimbursement of \$50.00 is erroneously charged to the MOVA grant in September, it should be reflected in the September expenditure report. If an expenditure correction is processed in October, -\$50.00 should be reflected in the October expenditure report.

VendorWeb

Visit <u>VendorWeb</u> to view your payment transactions and credits with the Commonwealth of Massachusetts and refer to the instructions in <u>MOVA's VendorWeb Supportive Document</u>. Below is an example of a credit completed via the PRAR process in VendorWeb.

