



Federal Financial Management Business Use Cases for Apply-to-Perform

Release FY2026M



Table of Contents

Purpose	1
Business Use Case Structure	1
Change Log	2
Apply-to-Perform Business Use Cases	3
080.FFM.L2.01 Grant with Accrual and Offset	3
080.FFM.L2.02 Administrative Grant Closeout.....	13



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.

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.



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.



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.

Change Log

Item Changed	Summary of Change	Rationale
	No modifications were made with this update.	



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.



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

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.
- 2.3 Grant award recipients are required to register in the GSA System for Award Management (SAM), with some exceptions such as individuals. GSA SAM is a common source for establishing grant award recipients in the Grants Management (GRM) system. Grant award recipient (payee) information provided by the GRM system to the FM system is used only when grant award recipient (payee) information is not available from GSA SAM.
- 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 The agency has Treasury's approval to check for entity adverse information using the Treasury Do Not Pay (DNP) Portal data sources. Prior to issuing the grant award, the agency's grants management (GRM) solution used the Treasury DNP Portal to check for entity adverse information. Prior to processing a payment request, the agency's FM system provides entity matching information and the Treasury DNP Portal returns entity match results information indicating data source was not searched, no entity match was found, or an entity match was found. If an entity match is found, a manual hold is placed on the payment request in the agency's FM system. Finance personnel review each data source's entity match detail information, contact the appropriate agency office to perform additional entity information research, and determine whether the payee should be whitelisted or not in the Treasury DNP Portal and the payment request should be released for processing or canceled in the agency's FM system.
- 2.8 Tolerance percentages or amounts between obligation and commitment amounts and between expenditure and obligation amounts have been established.
- 2.9 Treasury performs disbursing functions for the agency. The agency provides payment disbursement schedule information to the Treasury Payment Automation Manager (PAM) for domestic mailed check and ACH payments, to the International Treasury Service (ITS.gov) for international mailed check, ACH, and wire transfer payments, and to the Treasury Secure Payment System (SPS) for domestic wire transfer (same day) and instant (FedNow) payments.
- 2.10 The agency receives summary disbursement schedule acceptance information from Treasury PAM. The agency provides summary disbursement schedule certification information to Treasury SPS and the Disbursing Officer certifies the disbursement schedule using Treasury SPS.

Federal Records Management

- 3.1 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



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

temporary Federal records unless agency personnel designate a specific FFM federal record as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.

- 3.2 FFM Federal records are retained for a period of 7 years from the FFM event date if the retention period for a specific type of FFM Federal record has not been established in the National Archives General Records Schedules (GRS) (ERM.010.030). If special circumstances occur such as an order, law, or business justification, the temporary Federal record's retention period is changed (ERM.030.040) or the permanent Federal record's 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 records hold is placed, the Federal record is locked down until the records 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 converted to an acceptable format and/or 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 approved for disposal and disposed (ERM.030.010, ERM.030.020, ERM.030.030) or prepared for transfer, transferred to NARA, and removed from the FFM solution (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.



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)	<ul style="list-style-type: none"> • Grantee information • Grant award decision information • Agency historical data and informed opinion 	<ul style="list-style-type: none"> • 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)		<ul style="list-style-type: none"> • Request for funds availability check 	<ul style="list-style-type: none"> • Funds availability response
3		a. Approve and issue grant award b. Provide Award Recipient (payee) information c. Request to record obligation of funds (GRM.030.010 Grant Award Issuance)	<ul style="list-style-type: none"> • Funds availability response • Award information 	<ul style="list-style-type: none"> • Approved award information • Award Recipient (payee) information • Request to record obligation of funds



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	<p>a. Retrieve Award Recipient (payee) information from GSA (FFM.030.010 Payee Setup and Maintenance)</p> <p>b. Update Award Recipient (payee) information (FFM.030.010 Payee Setup and Maintenance)</p> <p>c. Receive and process request to record obligation of funds, confirm difference between obligation amount and commitment amount does not exceed tolerance percentage/amount, liquidate grant program commitment (FFM.030.020 Obligation Management)</p> <p>d. Obligate funds for grant award (FFM.030.020 Obligation Management)</p>		<ul style="list-style-type: none"> Award Recipient (payee) information Request to obligate funds 	<ul style="list-style-type: none"> Updated Award Recipient (payee) information Appropriate commitment liquidation and obligation GL entries created with reference to source information



080.FFM.L2.01 Grant with Accrual and Offset				
Typical Flow of Events				
	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
5	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)
6		Receive grant performance and financial reports and determine grant accrual liability (GRM.040.020 Grant Performance Review)	<ul style="list-style-type: none"> Grant performance and financial reports Estimate of Award Recipient expenses incurred but not yet invoiced 	<ul style="list-style-type: none"> Request to record estimated grant liability accrual
7	Receive and process estimated grant liability accrual information (FFM.090.030 Accrual and Liability/Asset Processing)		<ul style="list-style-type: none"> Request to record estimated grant liability accrual 	<ul style="list-style-type: none"> Appropriate liability accrual GL entries created with reference to source information
8	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



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

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
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)	<ul style="list-style-type: none"> Award Recipient invoice Award Recipient award history information 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> Request for funds availability check 	<ul style="list-style-type: none"> Funds availability response
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)	<ul style="list-style-type: none"> Funds availability response Award Recipient invoice Grant payable offset information 	<ul style="list-style-type: none"> Approved Award Recipient invoice information Award Recipient (payee) information Request for payment of approved invoice offset by previous overpayment
12	a. Retrieve Award Recipient (payee) information from GSA (FFM.030.010 Payee Setup and Maintenance)		<ul style="list-style-type: none"> Award Recipient (payee) information Treasury entity match results information 	<ul style="list-style-type: none"> Updated Award Recipient (payee) information Treasury entity matching information



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

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
	<ul style="list-style-type: none"> b. Update Award Recipient (payee) information (FFM.030.010 Payee Setup and Maintenance) c. Provide Award Recipient (payee) entity matching information to Treasury (FFM.030.010 Payee Setup and Maintenance) d. Use Treasury entity match results information to determine whether Award Recipient (payee) adverse information exists and execute appropriate actions (FFM.030.010 Payee Setup and Maintenance) e. Receive and process request for payment of approved invoice offset by previous overpayment (FFM.030.080 Payment Processing - Grant Payments) f. Confirm difference between expenditure amount and obligation amount does not exceed tolerance percentage/amount 		<ul style="list-style-type: none"> • Request for payment of approved invoice offset by previous overpayment 	<ul style="list-style-type: none"> • Appropriate obligation liquidation and payable GL entries created with reference to source information • Payment transaction • Appropriate receivable reversal GL entries created with reference to source information



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

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
	(FFM.030.020 Obligation Management) g. Establish payable and generate payment transaction (FFM.030.080 Payment Processing - Grant Payments) h. Liquidate the obligation (FFM.030.020 Obligation Management) i. Close receivable based on payment offset information (FFM.060.050 Public Receivable Monitoring and Maintenance)			
13	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



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

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
14	a. If appropriate, warehouse payment transaction until time for disbursement b. Generate and provide payment disbursement schedule information to Treasury c. Retrieve summary disbursement schedule acceptance information from Treasury d. Generate and provide summary disbursement schedule certification information to Treasury e. Certify disbursement schedule (FFM.030.110 Payment Disbursement)		<ul style="list-style-type: none"> Payment Transaction Summary disbursement schedule acceptance information 	<ul style="list-style-type: none"> Payment disbursement schedule information ^(FR) Appropriate disbursement-in-transit GL entries created with reference to source information Appropriate disbursement confirmation GL entries created with reference to source information Summary disbursement schedule certification information ^(FR) Award Recipient receives payment offset by previous overpayment
15	Post appropriate budgetary, proprietary, and/or memorandum entries to the general ledger (GL) (FFM.090.020 General Ledger Posting)		<ul style="list-style-type: none"> GL entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)



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 expected financial and performance report and invoice for a previous grant award are not received by the federal 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.



080.FFM.L2.02 Administrative Grant Closeout

Federal Records Management

- 3.1 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 agency personnel designate a specific FFM federal record as having permanent value because of high dollar value, media attention, historical value, research value, or other extenuating circumstances.
- 3.2 FFM Federal records are retained for a period of 7 years from the FFM event date if the retention period for a specific type of FFM Federal record has not been established in the National Archives General Records Schedules (GRS) (ERM.010.030). If special circumstances occur such as an order, law, or business justification, the temporary Federal record's retention period is changed (ERM.030.040) or the permanent Federal record's 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 records hold is placed, the Federal record is locked down until the records 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 converted to an acceptable format and/or 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 approved for disposal and disposed (ERM.030.010, ERM.030.020, ERM.030.030) or prepared for transfer, transferred to NARA, and removed from the FFM solution (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.



080.FFM.L2.02 Administrative Grant Closeout

Typical Flow of Events

	FFM Event	Non-FFM Event	Input(s)	Output(s) / Outcome(s)
1		Verify remaining obligation amounts and initiate grant administrative close out (GRM.040.050 Grant Award Closeout)	<ul style="list-style-type: none"> Award Recipient status information 	<ul style="list-style-type: none"> Grant administrative closeout information Request to deobligate grant award funds
2	Receive and process request to deobligate grant award funds (FFM.030.020 Obligation Management)		<ul style="list-style-type: none"> Request to deobligate grant award funds 	<ul style="list-style-type: none"> 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)		<ul style="list-style-type: none"> GL Entries 	<ul style="list-style-type: none"> Appropriate GL accounts updated ^(FR)