INFORMATION MEMORANDUM

TO: Chairpersons, State Planning Councils
     Directors, State Administering Agencies
     Directors, State Protection and
     Advocacy Agencies

SUBJECT: Payment Management System (PMS)

CONTENT: The Department of Health and Human Services (HHS) has undertaken a major revision of its financial accounting systems. As part of this initiative, effective January 1984, the Payment Management System (PMS) replaced the Departmental Federal Assistance Financing System (DFAFS).

PMS will be the Department's "centralized single payment system and fiscal intermediary between the recipient and the HHS awarding component" and should be the point of contact for all recipients on cash matters.

Attached for your information and reference is a copy of The DHHS Manual for Recipients Financed Under The Payment Management System (PMS). This manual provides information on the Basic Functions of PMS, Methods For Obtaining Federal Cash, Accounting Requirements for Recipients, Recipient Cash Disbursement Reporting to PMS - Requirements and Instructions, Other Recipient Reporting to PMS: Collection of Accounting Data and Other Reporting Considerations, Reconciliation Requirements, Audits and Other Adjustments, and Block Grant Financing.

ATTACHMENT: The DHHS Manual for Recipients Financed Under The Payment Management System (PMS)

EFFECTIVE DATE: January 1984

As corrected, paragraph [a] is revised to read as set forth below. The introductory text is shown for the convenience of the reader.

(a) . . .

(ii) Substantial holdings of a spouse or dependent child.

As corrected, paragraph [a] is revised to read as set forth below. The introductory text is shown for the convenience of the reader.

§ 1386.23 Periodic reports.

In addition to the triennial report, the State Protection and Advocacy Agency must submit:

(a) An annual report describing the activities carried out under the system and any changes made in the system during the previous year and addresses such other items as prescribed by the Secretary and approved under the Paperwork Reduction Act. The report may be in the format of the State's choice.

[Approved by the Office of Management and Budget under control number 0896-0160 expiration date 12/31/86]

3. On page 11780 in § 1386.24(b)(1), remove phrase "e.g., drawing wills and initiating or defending divorce actions."

As corrected, paragraph (b)(1) is revised to read as set forth below. The introductory text of paragraph (b) is shown for the convenience of the reader.

§ 1386.24 Federal financial participation:

(b) Federal financial participation is not allowable for:

(1) Costs incurred for activities on behalf of persons with developmental disabilities to solve problems not directly related to their disabilities and which are faced by the general populace; and

Approved: April 18, 1984.

Robert Sermier,
Deputy, Assistant Secretary for Management Analysis and Systems.

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