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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

July 28, 2017

FINANCE MEMORANDUM

MEMO NO. 17-08

TO: All Department Heads

FROM: Wesley K. Machida
Director of Finance

SUBJECT: Federal Funds - Cash Management Improvement Act (CMIA)

Effective August 1, 2017, the function and responsibility for compliance with the Cash Management Improvement Act (CMIA) of 1990, Public Law 101-453, and its implementing policies, published as 31 CFR Part 205, will be transferred from the Financial Administration Division (FAD) to the Office of Federal Awards Management (OFAM), within the Department of Budget and Finance.

The intent of this federal law is to promote greater efficiency, effectiveness, and equity in the transfer of funds between the federal government and states; neither the federal government nor the State should suffer or benefit financially because of the transfer of cash in support of State administered federal assistance programs. A key component of the CMIA, Subpart A, is the annual Treasury-State Agreement in which major assistance programs (large-dollar programs) are identified using the Schedule of Expenditures of Federal Awards (SEFA) from the most recent audit and included in a Treasury-State Agreement (TSA) to specify how the federal fund transfers will take place for those programs. As part of this transfer of responsibility, OFAM will prepare and submit the Treasury-State agreements for State fiscal years 2016, 2017, and 2018, and successive fiscal years, to the U.S. Department of Treasury to assure state compliance with the CMIA.

If you have any questions, please contact Mr. Mark Anderson, Administrator, Office of Federal Awards Management at 586-3035 or mark.k.anderson@hawaii.gov.

c: Mr. Wayne Horie, DAGS