OSRAP is implementing a Department of Revenue Office of Debt Recovery program called Vendor Payment Offset Program or VPOP. The VPOP program will offset State of Louisiana debt against ISIS vendor payments. The VPOP program will setup one day liens for vendors meeting certain criteria in each nightly cycle.

The VPOP program will be starting in the next few months. To ensure no federal grant payments are incorrectly offset by VPOP, OSRAP is requiring all agencies enter the function code “GRNT” on all payment vouchers or manual warrants entered in ISIS. If this is not done, the payments could and will be reduced by the VPOP program.

Determining whether a grant is a federal grant depends on the legal authority rather than the funding source. Federal grants are grants that are authorized through federal laws or regulations regardless of how the grant payment is funded. For example, if a payment made pursuant to a federal law is 80% federally funded and 20% state-funded, the entire payment would be considered a federal grant and coded to function code “GRNT”.

If you have questions concerning this memo, please call the OSRAP Help Desk at (225) 342-1097 and ask for James.

JBM:jbl