

State of Alabama



Department of Finance
Office of the Comptroller
Montgomery, Alabama 36130-2602

TO: Agency Accounting Contacts

DATE: June 2, 2016

SUBJECT: IMPORTANT CHANGE – Comptroller Billing FY 16

Please forward to your agency chief fiscal officer and other staff as needed. Fiscal year 16 and 17 are major transition years for the state's financial accounting system. STAARS central accounting system implementation for Track 1 & 3 agencies resulted in additional transaction volumes for comptroller billing. For a number of agencies, these transaction volumes are significantly higher than the Central Accounting System (CAS) volumes when the original billing rates were calculated. The result is an increase in monthly charges to some agencies. A significant number of agency billings remained constant or decreased. However, an equally significant number of agencies have experienced substantially higher charges than previous fiscal years.

The higher charges for a portion of state agencies has presented some unique billing challenges. Without question, the higher charges should be reduced to prevent excess cost recovery. My staff will adjust billings for agencies with excess charges to bring overall charges more in line with previous years. The billing adjustments will be made retroactively to the first billing month of this fiscal year, based on the first six months transaction history. Subsequent adjustments will be made on a month by month basis.

Comptroller office staff are calculating and preparing to make adjustments as follows:

1. Agency adjustments to reduce billing will be either:
 - a. % reduction of total charges,
 - b. % reduction of specific transaction types
2. Determination will be made based on each affected agency transaction volumes
3. Automated billing process will continue
4. Initially ITA and ITI's will be adjusted retroactively 6 months back to October, 2015
5. April 2016 forward will be adjusted month by month
6. Each agency adjusted will receive a paper copy of their adjusted invoice through the warrant distribution boxes after the payments are processed.

The adjustment process will remain in place for FY 16 and 17. Adjusted billing will be tracked and monitored to identify any material changes that result in excess charges. Significant billing changes will be addressed as needed. After the start of FY 18, this office will recalculate all rates based on all agency STAARS transaction volumes and implement a new Comptroller billing plan.

Any questions concerning this change and billing adjustments to reduce charges should be addressed to Karen Brown @ Karen.Brown@Comptroller.alabama.gov or Pam Harris @ Pam.Harris@Comptroller.alabama.gov in Fiscal Management.

Sincerely,

Tom White