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Michael G. Hudson
Acting State Comptroller

September 25, 2009

MEMORANDUM

TO: Chief Fiscal Officers

FROM: Michael G. Hudson, Acting State Comptroller *MGH*

SUBJECT: Accounts Payable Updates and Issues (2009)

Effective on October 1, 2009, the following changes or clarifications will be in effect. Failure to follow these procedures could result in the delay of voucher processing. Several of these procedures are not new, but will be strictly enforced immediately.

GENERAL: Reminders and New Items - Effective for both FY09 and FY10

- Please refer to the "Accounts Payable Updates and Issues" memo dated August 17, 2007 for the proper method of returning green slips (item 3 of the memo) and for instructions on handling vouchers in Reject status after transmittal to CAS. Further, please notify any of the supervisors in Accounts Payable to delete items from the "SUSF" (Suspense) screen in CAS. Periodically review CAS SUSF for rejected or outdated documents. Review CAS SUSF at the end of the fiscal year and at the end of the Thirteenth (13th) Accounting Period to avoid unpaid vendors. ***Do not submit vouchers to Accounts Payable until they have transmitted to CAS.***
- For purchasing exempt agencies, Material Receipts will be required for purchases that would normally be processed through Purchasing.
- List each invoice separately on the face of the payment voucher and all invoices and any supporting documentation must be attached in the order they appear on the voucher.
- Although cost savings may be achieved by attempting to contract with a company for multiple years, there is no provision of law to permit payment for any year except the current budget year.

- Refer to the End of Fiscal Year memo (found on the Comptroller's website) to the "Reference Guide" on page 11. Although there is not a column representing the 'Order Date', the order date for any BFY 09 transactions to be paid in the 13th accounting period must be before October 1, 2009.
- If a traveler waives any portion of travel expenses to which he is entitled by law, a voluntary waiver of these benefits must be **affixed to the travel statement and signed by the traveler. The traveler's signature as part of the required affidavit does not suffice.**
- Any personal time taken in conjunction with an out-of-state travel claim must be included in the Out-of-State Authorization signed by the Governor or designated official, even if no costs will be incurred by the State
- Services that would be required to be on contract or purchase order may not be imbedded in real property leases. Please consult the Division of Purchasing at (334) 242-7250 or the Fiscal Management Section of the Office of the Comptroller at (334) 353-9275 or (334) 242-4225 for information on establishing purchase orders or contracts, respectively. Contact Jim Yoder in the Office of Space Management at (334) 242-2027 for questions on leases.
- Refer to the Fiscal Policy and Procedures Manual (FPPM) found on-line at http://comptroller.alabama.gov/pages/proc_manual.aspx for the rules and instructions regarding Contract Travel for Group Functions (In-State). The itemization is required by individual.

Effective for FY10 Beginning October 1, 2009

- **When paying vouchers referencing expenditure objects (not revenue source codes or balance sheet codes), you are required to use the vendor's FEIN (vendor number) instead of the MISC or AGCY code. This includes Probate Judges and courts receiving a warrant.**
- Installation of utility line(s) for power, gas, data, voice, etc. by an utility should not be coded to the corresponding utility under 0700. In many cases, the appropriate code will be 0500 02. However, please consult a supervisor in Accounts Payable regarding an individual installation or project.
- Purchases of Copies – 1) Birth Certificate or 2) Bank Records
 - ◆ Purchases of copies of birth certificates or similar documents or bank records under \$500 should be coded to 0900 06 unless a high degree of service is provided in which case they should be coded to 0800 25 and are required to be on a contract/agreement and entered into the contract subsystem. Purchases from other state agencies are required to be on an interagency contract/agreement and entered into the contract subsystem. Work of either kind > \$500 should be on Purchase Order or Professional Services Contract.
 - ◆ Contact Randy Head at (334) 353-9275 or Pam Harris at (334) 242-4225 if you have questions about setting up qualifying work on the contract subsystem.
- Personnel Department analysts are required to be on interagency contract and entered on the contract subsystem. The Buyer should charge this service to 0800 99 – not 0800 21 or 0800 39.

- Mailing Services are now segregated from Postage on Central Mail and Supply invoices. Please code Mailing Services to 0800 26 and Postage to 0700 07.
- Background checks performed by the agency using access to a vendor's database should be coded to 0900 13. If the vendor does the background check and provides the agency with a report, the service should be on purchase order or contract and coded to 0800 25.
- Excess copies on copiers should be coded to 0600 06 along with the leased copier. If the copier is owned and the charge is strictly for copies, code to 0900 06. However, if the copier is owned and the excess copies are part of a maintenance agreement code to 0500 07.
- On the ISD Data Center bill, charges for "Repair Center" should normally be coded to 0500 10 even if the underlying problem included a software element. Confer with Accounts Payable about specific situations.

Should you have any questions about this matter, please contact:

- Tucker Wilson at (334) 242-7057 or Tucker.Wilson@comptroller.alabama.gov
- Jeanne Kennedy at (334) 242-7061 or Jeanne.Kennedy@comptroller.alabama.gov
- Melanie May at (334) 242-4954 or Melanie.May@comptroller.alabama.gov

As always, thank you for your cooperation.

MGH/JTW/mrm