



STATE OF MISSISSIPPI
HALEY BARBOUR, GOVERNOR

DEPARTMENT OF FINANCE AND ADMINISTRATION

KEVIN J. UPCHURCH
EXECUTIVE DIRECTOR

**To: State Agency Executive Directors, Agency Finance Directors,
Agency Accounting Directors, Agency HR/Payroll Directors**

From: Cille Litchfield, Deputy Executive Director

Date: October 8, 2009

**Re: Memorandum #13 - Accounting and Cash Management Changes for
All State Agencies REVISED**

Since the passage of the American Recovery and Reinvestment Act of 2009 (ARRA) in February 2009, the Department of Finance and Administration (DFA) has been working with the Office of the Governor, Office of the State Auditor, and other state agencies to determine the most feasible methods for complying with the specific accountability and transparency reporting requirements of the Act. All funds awarded under ARRA must meet stringent and specific requirements over and above the current program specific transparency and reporting requirements.

DFA is charged with the responsibility of collecting the information outlined under Section 1512 of ARRA and submitting it to the federal government beginning October 10, 2009. **Reporting requirements beyond those required for Section 1512 and as mandated by the federal programs are the responsibility of the agencies.**

DFA is also charged with reporting State entity contract information in compliance with Senate Bill 2923, enacted in the 2009 Legislative Session.

Due to the short timelines set for both mandates, DFA has established procedures to collect the data using both new and existing processes. Such procedures will unavoidably require agencies to review, and possibly alter, their current accounting, cash management, and data capture processes. **Please note that these changes will impact all State agencies, regardless of whether or not the agency is a recipient of Stimulus funds.** The following chart has been updated and outlines DFA's approach for compliance and the effective or projected implementation dates for the State's changes. Referenced memos are posted on the MMRS website at www.mmrs.state.ms on the Stimulus page.

Process	Effective or Projected Implementation Date	Activity
COBRA Subsidy	September 1, 2008 June 24, 2009	DFA issued information for COBRA premium subsidy and coverage. See Memo #4. DFA issued procedures for processing COBRA subsidy payments. See Memo #15.
SAAS ARRA Reporting Category Codes	February 27, 2009 Revised October 6, 2009	DFA established reporting category codes for revenues and expenditures related to any and all federal monies received by state agencies under ARRA. See Memo #1.
SPAHRs Payroll	March 1, 2009	DFA notified agencies of changes to payroll withholding tax tables. See Memos #2 and #5.
Funds Certification for SAAS and non-SAAS entities	April 2009 December 2009	DFA provided information to SAAS and non-SAAS entities regarding the requirement to submit a Stimulus Funds Certification. See Memos #7 and #11. SAAS will reject encumbrance and expenditure transactions related to the use of Stimulus funds if no certification has been submitted by the SAAS agency.
Purchasing	April 15, 2009 Revised June 15, 2009	DFA issued Memo #9 to outline changes to the State Purchasing Law as enacted by SB2923.
Financial Awards Terms and Conditions Memo and exhibit	April 23, 2009 Revised May 6, 2009 Clarified September 21, 2009	The Office of the Governor issued Memo #12 to provide guidance and standard award terms to agencies to include in financial assistance awards pursuant to Sections 1512, 1605, and 1606 of ARRA.
SAAS Grants Module	April 24, 2009 September 28, 2009	DFA notified agencies of the requirement to use the SAAS Grants Module for all grants, with the initial emphasis on Stimulus grant monies. See Memo #10. DFA modified SAAS grant module screens to add several data fields to control use of reporting categories for Transparency (MATA), Federal Transparency (FFATA) and Stimulus tracking and reporting. See Memo #25.
Job Posting Requirements – ARRA Funds	July 10, 2009 Revised August 5, 2009	Additional terms and conditions issued as inclusions for contractual agreements for ARRA funded projects (in whole or part) requiring that jobs created under those agreements be posted for recruitment on the Mississippi Online Job Opportunities (MoJo) website. See Memo #14.
Contract Awards and PDFs of Searchable Executed Contracts	Summer 2009	DFA created an online Award/Contract Upload website for use by state agencies and other entities. Notice of Awards for contracts using Stimulus funds must be posted in accordance with SB2923. In addition, for all contracts, whether using Stimulus funds or not, agencies are required to post contract information and to upload a properly redacted PDF of the executed contract or a publicly accessible link to a properly redacted executed contract for public display and query as the contracts are

	December 2009	<p>awarded and/or approved in the various systems (SPAHRs, WebProcure, ITS, GENIE, other). The contract number will be added to the SAAS Contract table along with a flag to indicate whether or not the contract document has been uploaded. No agency using SAAS for payment of these contracts is exempt. This enhancement will satisfy ARRA requirements, requirements for SB2923, and requirements for the Mississippi Accountability and Transparency Act.</p> <p>SAAS transaction processing will use the SAAS Contract table to 'stop' transaction processing if a contract has not been uploaded as required.</p>
SAAS Interfaces	June 16, 2009	DFA notified agencies that SAAS interfaces must be modified to include ARRA reporting category codes, and other defined data fields. See initial Memo #8. DFA worked with specific agencies and issued additional instructions and requirements. See Memo #19.
SPAHRs Personal Services Contracts	Summer 2009	All agencies required to enter FY2010 (and forward) personal services contracts for independent contractors, into SPAHRs to enable capture of specific contract data for interface into the SAAS PASM and other related tables. An online batch interface was made available for use by agencies having large numbers of contracts. No agency using SAAS for payment of these contracts is exempt. See Memo #17.
WebProcure	Summer 2009	Negotiated contracts, will be required to be processed via WebProcure to enable reporting categories and contract numbers for Stimulus reporting, and to properly update the PASM table.
Contract Numbers for Documents in SAAS July 1 – 11, 2009	October 5, 2009	DFA will populate the DCXR table to properly update ledger records in SAAS and MERLIN for transactions associated with contracts that were entered between July 1 and July 11, 2009. See Memo #28.
SAAS Extended Purchasing Modules EPS	December 2009	DFA will modify all encumbrance document processes to include and control use of reporting categories and contract numbers for MATA, FFATA, and ARRA reporting. DFA will provide specific information and instructions affecting agencies' use of the EPS modules prior to implementation of system changes.
SAAS PASM and Related Tables	<p>Summer 2009</p> <p>December 2009</p>	<p>DFA created additional SAAS tables to work with the PASM table to properly capture data and control expenditures related to contracts and required reporting.</p> <p>Controls will be implemented in December. Defined changes to date include:</p> <ol style="list-style-type: none"> 1) ITS' CP1 entries related to technology contracts 2) ITS entries related to EPL contracts 3) PSCRB entries related to personal services

		contracts 4) OPTFM entries related to negotiated contracts 5) SPAHRS personal services independent contractor contracts 6) Agency specific entries related to open-ended, or master contracts
SAAS JV & CR Processes; SAAS CX Process	December 2009	DFA will create two new document types, J9 and C9, to make contract adjustments. DFA will modify the CX document process to control use of reporting categories and contract numbers for Stimulus reporting in order to properly update the PASM table. DFA will provide specific information and instructions affecting agencies' use of the CX document and the two new documents prior to implementation of system changes.
WebProcure	December 2009	Agency specific open-ended, or master contracts, will be required to be processed via WebProcure to enable reporting categories and contract numbers for Stimulus reporting, and to properly update the PASM table.

DFA recognizes that a significant number of systems and process changes occurring in a short period of time will have great impact on state agencies and on the way that the State currently operates. However, we are approaching each change with systemized planning, risk management mitigation, inclusion of state agency staff as appropriate, and a commitment to comply with the mandated requirements as they are finalized at both the Federal and State levels. We appreciate your continued cooperation and assistance as DFA staff contact you for information.

Please contact the MMRS Call Center at 601-359-1343 or mash@dfa.state.ms.us if you have any questions about the above information.