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MEMORANDUM

To: Chief Fiscal Officers, MMARS Liaisons, and MMMARS Chargeback Liaisons

From: Kevin McHugh, Assistant Comptroller
Thomas Smith-Vaughan, Chief Fiscal Officer

Date: October 26, 2020

Subject: Comptroller Office's FY21 MMARS and HR/CMS Chargebacks

Comptroller Memo FY2021-08

Executive Summary

This memo provides guidance and information regarding two of the Office of the Comptroller's three chargebacks for FY21:

- The MMARS chargeback to support the operation of the financial accounting and reporting system for the Commonwealth; and
- The HR/CMS chargeback to support the payroll and HR operations of the human resources /compensation management system for the Commonwealth.
- For FY21, the plan is to hold the total chargeback steady. Individual agencies or departments may experience year-over-year change because the allocation drivers (such as transactions or paychecks issued) change, but the total chargeback will not increase.

The MMARS chargeback was established to cover the cost of the resources needed to support the operation of the Massachusetts Management and Reporting System (MMARS) for the Commonwealth and is based on an agency's usage of MMARS, determined by actual transaction lines posted to the general ledger. Agencies are charged a proportional share of the authorized chargeback based on their prior year (FY20) actual transaction counts. Pending any significant changes with the FY21 GAA the FY2021 chargeback will be billed at **\$3,742,393.09**. The attached spreadsheet has the breakdown for your reference.

The HR/CMS chargeback was established to cover the cost of the business and functional resources needed to support the ongoing maintenance and operations of the Human Resources /Compensation Management System (HR/CMS) for the Commonwealth. Central management activities and oversight of HR/CMS, provided by CTR and HRD include payroll processing,

time and attendance, maintenance of positions, budgetary accounting, training, tax reporting, and collective bargaining. The Commonwealth made a commitment to keep current with the product changes so that we would not fall behind in supported versions, and implement new features and functionality on a regular schedule. This work requires that the patches, bundles, tax updates, fixes and enhancements be applied to the system. Maintaining and/or creating of e-learning, job aids, resource documents, new defensive queries, data clean-up, creating of test scripts and testing which are ongoing activities of CTR and HRD.

This chargeback is allocated on the number of actual FY2020 paychecks for your agency as well as Time Collection Device (TCD) costs, if applicable, and is for the period from July 2020 to June 2021. Agencies are charged a proportional share of the authorized HR/CMS chargeback based on their usage. Pending any significant changes with the FY21 GAA the FY2021 HR/CMS chargeback will be billed at **\$2,126,925.42**. The attached spreadsheet has the breakdown for your reference.

The Office of the Comptroller is issuing these chargebacks based on the current revised H2 budget presented by the Governor's Office. Should the final GAA result in a different authorized amount for these chargebacks, our office will work with agencies to understand and review the impact before adjusting billable amounts.

Bills for each of the chargebacks will be issued quarterly: October, December, March and May. Departments that have bills of less than \$5,000 for a chargeback will be billed once, in the fall. An IE for each of your chargebacks has been established for your FY2021 estimated bills. Please review and approve your department's Intergovernmental Encumbrance (IE) to final status. The first quarterly bill (or single bill for some departments (ITI) has been entered in MMARS. Buyers are required to make payment on undisputed bills **within 30 days from receipt** of an ITI by completing an ITA (Internal Transaction Agreement).

The document ID standard for FY21 will be the following.

MMARS Chargeback

IE: CTRMMARSCHARGEbkFY21
ITI for One Time Billing: CTRMMARSCHARGEbkFY21
ITI for First Quarterly Billing: CTRMMARSCHARGEfy21Q1

HR/CMS Chargeback

IE: CTRHRCMSCHARGEbkFY21
ITI for One Time Billing: CTRHRCMSCHARGEbkFY21
ITI for First Quarterly Billing: CTRHRCMSCHARGEfy21Q1

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Please forward this memo to the appropriate staff at your agency and direct any questions you may have to Tran Truong at 617-973-2690.

Enc. [FY21 MMARS Chargeback Estimate](#)
[FY21 HR/CMS Chargeback Estimate](#)

cc: Payroll Directors
General Counsels