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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: December 10, 2020

Subject: Comptroller Office's FY21 Single Audit Chargeback

Comptroller Memo FY2021-10

Executive Summary

This memo provides guidance and information regarding the Office of the Comptroller's Single Audit Chargeback for FY2021 to support the operation of the financial accounting and reporting system for the Commonwealth.

The Office of the Comptroller is authorized to collect a portion of the cost of the comprehensive statewide Single State Audit. The FY20 audit costs are payable through the FY21 chargeback. A component of the FY20 audit is an IT review of the enterprise payroll system, HR/CMS. If a department did not receive federal funds then a base annual audit charge of \$500 is being billed.

Departments that receive federal program funding are billed based on total federal receipts for the fiscal year. Please refer to the SEFA, Schedule of Expenditures of Federal Awards, for details. Each year funding levels may move their chargeback into higher or lower tiers. These chargeback costs have been approved by the U.S. Department of Health and Human Services and the amount was determined by using the approved methodology as in prior years. The [FY21 rates per agency are attached](#) to this e-mail.

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

Both the Intergovernmental Encumbrance (IE in draft) and the bill (ITI in final) for the FY2020 Single State Audit charges in FY2021 have been entered in the document catalog. **The transaction ID for the IE is: STATESINGLEAUDIT2021.**

Bills will now be issued annually for departments with a chargeback of less than \$5,000. The document ID standard for departments being billed annually will be **STATESINGLEAUDIT2021**. Departments with chargeback amounts greater than \$5,000 will be billed semi-annually with a document standard ID of STATESINGLEAUDIT2101 for the first half. Departments with semi-annual billings will be notified in June of their second semi-annual chargeback. Buyers are required to make payment on undisputed bills **within 30 days from receipt** of an ITI by completing an ITA (Internal Transaction Agreement).

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 Single Audit Chargeback](#)

cc: General Counsels
MMARS Chargeback Liaisons
Internal Distribution