



Commonwealth of Massachusetts

OFFICE OF THE COMPTROLLER

ONE ASHBURTON PLACE, 9TH FLOOR
BOSTON, MASSACHUSETTS 02108
(617) 727-5000
MACOMPTROLLER.ORG



WILLIAM McNAMARA
COMPTROLLER

August 19, 2020

Honorable Michael J. Rodrigues, Chair
Senate Committee on Ways and Means
State House – Room 212
Boston, MA 02133

Honorable Aaron Michlewitz, Chair
House Committee on Ways and Means
State House – Room 243
Boston, MA 02133

RE: Settlements and Judgments Report for FY20 Quarter 4

Dear Chairman Rodrigues and Chairman Michlewitz:

Pursuant to Section 2 of Chapter 41 of the Acts of 2019, the Office of the Comptroller hereby submits to the House and Senate Committees on Ways and Means a report on payments made from the settlements and judgments account (1599-3384) during the fourth quarter of FY20, as of June 30, 2020.

The [attached report](#) provides information on payees, amounts, and the associated department or agency, of settlements and judgments from appropriation account 1599-3384. This information, including payee names, is posted quarterly on the Comptroller’s transparency website, CTHRU.

In FY2020, \$1,000,000 was appropriated to the settlement and judgment account (1599-3384). In addition, \$1,068,329 was carried forward from FY2019, for a combined total of \$2,068,329.

As the report shows, a total of \$1,247,371.54 was spent during the fourth quarter (Q4) of FY2020. Combined with \$3,812, 983 in spending earlier in FY2020, this has resulted in an account deficiency in the amount of \$2,992,026. See the recap below:

<u>Total Amount Available FY2020</u>	\$ 2,068,329
Amount Expended Q1-Q3	(3,812,983)
<u>Amount Expended in Q4</u>	<u>(1,247,372)</u>
06/30/2020 Balance (Deficiency)	\$ (2,992,026)

Therefore, as of June 30, 2020, the 1599-3384 account will require an appropriation of at least \$2,992,026 to support past expenditures. Please note, however, that final FY20 payments are

made during the accounts payable period (July 1st – August 31st). Therefore, the final deficiency may be larger than the figure shown. The final figure will require funding via a supplemental budget vehicle to clear the deficiency as part of the FY20 closing.

Additionally, pursuant to legislation, a formula is used by which the Secretary of Administration and Finance establishes a spend in anticipation ceiling amount, to which the Comptroller's Office may spend without further authorization. For FY2020, the ceiling was set at \$12,084,884.

<u>Spending Ceiling FY2020</u>	\$ 12,084,884
Amount Expended Q1-Q3	(3,812,983)
<u>Amount Expended in Q4</u>	<u>(1,247,372)</u>
Remaining to Ceiling as of 6/30/20	\$ 7,024,529

The account has \$7,024,529 remaining before payments reach the spend in anticipation ceiling. It would appear highly unlikely, although not impossible, that FY20 spending will approach the anticipation ceiling.

A final expenditure report will be issued shortly after August 31st, which will include final figures. Please let me know if you have any questions regarding this account. Thank you.

Sincerely,

William McNamara
Comptroller of the Commonwealth

WMcN/sp

Enc. [4th Qtr 2020 S & J report](#)

cc: Michael Heffernan, Secretary, Executive Office for Administration and Finance
Christopher Marino, Budget Director, Senate Ways and Means Committee
David Bunker, Budget Director, House Ways and Means Committee
Catharine Hornby, Undersecretary, Executive Office for Administration and Finance