Office of the State Controller
Alert # 210

TO: Controllers and Chief Fiscal Officers of State Departments and Higher Education Institutions and Boards

FROM: Robert Jaros, State Controller

DATE: November 30, 2017

SUBJECT: Management Representation Letters
Financial Responsibility and Accountability Act (FRAC)
Federal Reporting Guidance
New Mileage Reimbursement Rates Effective January 1, 2018
Clarification of Alert # 209 Guidance for Institutions of Higher Education
Pay Date Shift Applicability to Institutions of Higher Education
Staff Changes

Management Representation Letters

Please remember that a copy of the signed management representation letter must be submitted to DPA_FARmailbox@state.co.us at the same time it is submitted to the Office of the State Auditor. These representations support the State Controller's representations to the State Auditor regarding the accuracy and completeness of the State's financial statements and Schedule of Expenditures of Federal Awards.

Financial Responsibility and Accountability Act (FRAC)

Annual compliance statements related to the FRAC are due by December 31, 2017 to the DPA_FARmailbox@state.co.us and the Office of the State Auditor. The form can be found online at https://www.colorado.gov/pacific/osc/financial-resources.

Federal Reporting Guidance

The Internal Revenue Service (IRS) requires federal reporting for nonemployee compensation payments. The Office of the State Controller, on behalf of the Departments, sends 1099 MISC and INT (if applicable 1099G) federal reports to vendors and the IRS. By January 31, the State is required to send 1099 forms to vendors AND the FINAL electronic file to the IRS.

To avoid penalties and fines that may be incurred by the paying Department, please use the reports, processes, tables and information provided in the Federal Reporting Guide located on the OSC or CORE websites to assist in generating the correct 1099 for State vendors. Data corrections should be done year-round and MUST be final by the end of the day December 29.

For any questions or issues meeting deadline, please send an email to the Central Management Unit (CMU) secured email address: state_centralapproval@state.co.us with ‘1099 Data Correction’ in the subject line.
New Mileage Reimbursement Rates Effective January 1, 2018

New mileage reimbursement rates effective January 1, 2018 will be posted to the OSC’s website at https://www.colorado.gov/pacific/osc/mileage-reimbursement-rate once available from the IRS.

Clarification of Alert # 209 - Guidance for Institutions of Higher Education

Alert 209 provided guidance for the implementation of 24-30-1310, C.R.S. (Funding for Capital Construction). This statute requires a set aside of funds to assist in financing future projects. 24-30-1310, C.R.S. is applicable to Institution of Higher Education and State Department capital construction projects.

For Institutions of Higher Education, the requirements of this statute only apply to general funded projects and the general fund portion of split-funded projects. The statute does not apply to Institution of Higher Education cash funded projects or the cash funded portion of split-funded projects.

Pay Date Shift Applicability to Institutions of Higher Education

Effective July 1, 2017, the one-day pay date shift in 24-50-104(8), C.R.S. no longer applies to Institutions of Higher Education (IHEs).

Staff Changes

Anthony Bauman – Was promoted to the new CORE Operations, System Administrative Support Manager
Adam Mobley – Joined the Payroll Unit as the State Vehicles Accountant
Brad Treiber – Joined the Internal Audit Unit to assist with the recovery audit
Fei Zhou – Joined the CORE Operations Team

Welcome and congratulations to all!

Note: Several staff have moved to different offices or cubes within the OSC, but are still located on the same floor with the exception of the Central Management Unit (CMU) which has moved to the 3rd floor and Internal Audit which is now on the 5th floor.