

Bureau of Finance

Fiscal Manual



Alabama Department
of Mental Health
connecting mind and wellness

September 2024

The Alabama Department of Mental Health's (ADMH) Bureau of Finance (BOF) coordinates the ADMH's centralized Accounting, financial reporting, budgeting, purchasing, vendor/provider/employee payments, and contract & grant financial management. The BOF includes the following offices: Accounting Operations, Accounts Payable, Budget, Compensation Services, Contracts & Grants, and Contracts & Purchasing.

Accounting Operations

The Office of Accounting Operations manages the ADMH's financial services and supports cash management, financial reporting, voucher processing, and disbursing of State and Federal funds.

Statutory Requirements

All fees, receipts, and income collected or received by the ADMH are deposited into the State Treasurer's Office or an approved State depository to credit a special fund as required by law (*Code of Alabama 1975*, §41-4-92, as amended). The State of Alabama Department of Finance, Division of Control and Accounts, also known as the State Comptroller's Office, controls and records all payments into and out of the State Treasurer's Office and each special fund and account. The Comptroller's Office also audits receipts and receivables (*Code of Alabama 1975*, §41-4-50, as amended).

The State of Alabama Accounting & Resource System (STAARS) serves as a tool for the ADMH to accumulate data for various purposes, including budgetary control, budgetary reporting, and financial reporting. The system also facilitates the ADMH's budgetary operation during the fiscal year.

After the fiscal year-end, the Comptroller's Office systematically requests accruals and other adjustments for the Annual Comprehensive Financial Report (ACFR). These adjustments are made in conformity with Generally Accepted Accounting Principles (GAAP) as required by the Governmental Accounting Standards Board (GASB) and ensure the ACFR is a reliable reflection of the ADMH's financial standing. This approach instills confidence in the accuracy of the ADMH's financial reporting.

Journal Vouchers

Journal vouchers (JVs) record accounting events not recorded by other STAARS transactions. In STAARS, journal voucher transactions are used to enter accounting journal entries in the centralized and decentralized Chart of Accounts (COA) levels. The ADMH uses journal vouchers to correct errors and record other accounting transactions.

The ADMH follows a specific process, when preparing journal voucher forms. These forms are created using centralized and decentralized accounting codes and then submitted to the Comptroller's Office with supporting documentation. Journal voucher transactions are used for:

- Corrections to accounting codes on previously entered expenditure transactions;
- Cost allocation processing;
- GHRs Accounting entries;
- Recording investments, inventory, and receivables information in STAARS, including accruals for the ACFR; &
- Recording year-end Accounts Payable in STAARS for each fund.

Corrections

Most of the JVs the ADMH uses are to correct coding errors. These journal vouchers are entered into STAARS, where final approval is provided by the Fiscal Management Division of the Comptroller's Office. The journal voucher must include debit and credit entries to produce the required accounting effects. The Fiscal Management Division of the Comptroller's Office approves JV transactions in STAARS Financial.

Cost Allocation

The ADMH also produces and submits cost allocation journal vouchers into the STAARS Financial system. These transactions are identified by prefixing the transaction number with the letters CA (for cost allocation) and do not require backup documentation.

GHRM Payroll Transactions

The Global Human Resources Management (GHRM) Division of the Comptroller's Office creates journal vouchers during payroll processing. These journal vouchers are posted to STAARS automatically as JVPRII transactions without action by the ADMH. They do not require approval by the Comptroller's Office.

Balance Sheet Transactions

The ADMH periodically submits balance sheet information to the Comptroller's Office. These balance sheet entries are examined for accuracy and completeness. Information (e.g., investments, inventory, and receivables) from the ADMH's balance sheet accounts are obtained and provided to the Comptroller's Office via journal vouchers.

Cash Transfers

If the ADMH has appropriated funds to be transferred from the General Fund (GF), Education Trust Fund (ETF), Special Mental Health Trust Fund (SMHTF), or Personnel Costs, the Office of Accounting Operations requests a transfer from the Comptroller's Office. Accounting Operations completes a Request for Cash Transfer (FRMS-51) form. The FRMS-51 form is furnished by the Comptroller's Office and assigned a unique transfer identification number. The completed transfer request form is sent to the Fiscal Management Division of the Comptroller's Office to be processed.

- General Fund transfers are completed twice each month.
- Education Trust Fund transfers are completed once each month.
- Special Mental Health Trust Fund transfers are completed twice per quarter.
- Personnel cost transfers are completed once each quarter.

Cash Receipts

Cash Receipt (CR) documents are used to record revenues and other financing sources, such as bond proceeds, and record balance sheet receipts and refunds of disbursements. Cash Receipts are categorized into three (3) main types: revenues and other financing sources, balance sheet receipts, and refunds of disbursements.

Revenues

Deposits of revenues include taxes, fees, fines, interest, rent, grants, and Federal funds. The required revenue codes are event type, fund, department, unit, and revenue source code. Please refer to the ADMH's applicable COA for all revenue codes.

Other Financing Sources – Bond Proceeds

The proceeds from bond issues are not revenues but are other financing sources for the ADMH. The required codes are event type, fund, department, unit, and the appropriate revenue source code (0750 - 0756).

Refunds of Prior-Year Disbursements

If the ADMH receives a refund of monies disbursed in error during a previous fiscal year, the deposit must be coded as a refund of prior-year disbursements. The required codes are event type, fund, department, unit, and revenue source code 0684.

Balance Sheet Receipts

Cash receipts that involve a balance sheet account are not revenue. The proceeds from liquidating investments and agency fund receipts are two (2) examples of balance sheet receipts.

Investment Proceeds

To deposit the proceeds of an investment liquidation, the required codes are event type, fund, department, unit, and balance sheet account.

Agency Fund Receipts

An agency fund type accounts for assets held for other funds, governments, or individuals. Agency funds have no revenues, expenditures, or fund balances. The required codes are event type, fund, department, unit, and balance sheet liability account.

Refunds of Salary Overpayments

If an employee is overpaid, they must refund the money to the State. The ADMH Office of Accounting Operations deposits the refund by completing the cash

receipt document and including the following codes: event type, fund, department, unit, and balance sheet account 9050.

The ADMH Office of Compensation Services must also complete and submit a Salary Overpayment Refund Form (FRMS-5) to the GHRs Division of the Comptroller's Office, RSA Union, 2nd Floor, Room 282. This form provides the information necessary to process the refunded amount correctly. For prior calendar year overpayments, the ADMH Offices of Compensation Services Personnel must contact the GHRs Hotline at (334) 242-2188 before collecting the amount due from an employee.

Document Flow

The ADMH deposits money received into a State Treasurer's Office bank account. Accounting Operations enters cash receipt data into STAARS Financial using the centralized and decentralized Accounting COA. The deposit documentation/slip is attached to the STAARS cash receipt document.

Uncertified deposits received by the State Treasurer's Office without the ADMH's related CR document are called "board items." When the Treasurer's Office certifies these deposits, the ADMH completes and submits the necessary CR document to the State Treasurer's Office.

Refunds of Disbursements

Disbursed and Refunded in the Current Year

If the ADMH receives a refund of monies disbursed in error during the current fiscal year and charged to the current budget year, such as an overpayment to a vendor, the cash receipt document must be coded precisely as the original disbursement and include event type, fund, department, unit, appropriation, function, expenditure object, and vendor code.

If a State employee is making a refund for overpayment of In-State travel expense reimbursement, the ADMH must submit a negative travel GAXTI document, instead of a cash receipt document.

Correcting or Modifying a Cash Receipt

Cash receipt modifications correct or modify COA elements on original Cash Receipt documents. A modification to the original cash receipt document is completed for each certificate being corrected or modified. A reason code must be entered on all accounting lines being corrected. Once a deposit has been reconciled in STAARS Financial, no modifications to the total dollar amount of the CR are allowed. Only corrections to the COA elements (with a net effect of zero) are permitted.

Correction of Prior-Year Receipts

A cash receipt modification is used to correct a prior-year cash receipt document, while the Thirteenth Accounting Period is open. Modifications that do not add or remove cash to or from a fund are coded to the Thirteenth Accounting Period. Modifications involving revenues and balance sheet accounts to reclassify deposits from one (1) fund to another are only coded to the prior budget year. The fiscal year and accounting period are left blank.

Bad Checks

Checks Deposited & Returned During Current Fiscal Year

Deposited checks returned by the bank for insufficient funds during the current fiscal year require the preparation of an Insufficient Funds (NSFI) document for each bad check returned by the Treasurer's Office. The Accounting lines of the NSFI document are negative and reference the same COA elements as the related bad check.

Year-End Encumbrance Procedures

An encumbrance is an account used to record the amount of purchase orders and contracts chargeable to an appropriation. Encumbrances are obligations related to unperformed contracts and do not include unenforceable commitments or spending intentions. Therefore, the encumbered fund balance at year-end should not include requisitions and other intentions to spend money.

State Purchasing establishes a deadline for accepting requisitions for the current fiscal year. They also establish a date in September when all existing

requisitions must be converted to purchase orders and revisions sent to State Purchasing for processing. On September 30th of each fiscal year, all unencumbered money reverts to the General Fund, or other fund from which the appropriation was made. During the last quarter of the fiscal year, the applicable ADMH Fiscal Managers (FMs) review the **Encumbrance and Liquidation report** and identify open purchase orders for modification or closure. This report determines the most current encumbered and unencumbered balances by fund.

Accounts Payable Journal Voucher (APJV)

Before September 30th, all ADMH Programs/Divisions provide estimated accounts payable to the Office of Accounting Operations. These accounts payable represent a liability of the State for goods and services received, but not paid for, by the end of the fiscal year. Accounts Payable, identified by agency, fund, appropriation class, and major object code, reserve a portion of the related fund balance to cover these liabilities adequately.

After the Chief Financial Officer's (CFO) review, Accounting Operations submits a year-end Accounts Payable journal voucher (APJVI) document for each applicable unit code. APJVIs ensure sufficient cash and budget authority are available during the Thirteenth Accounting Period.

NOTE: When formulating APJVIs, do not include capital outlay lines (Appropriation 050 or other capital outlay units). However, sufficient cash must be available for these capital outlay appropriations and purchase order (PO) documents.

Reversions

By statute, all unencumbered balances of appropriations revert to the State Treasurer's Office at the end of each fiscal year and are credited to the General Fund, or the particular fund from which the appropriations were made. The exceptions to this are appropriations for the purchase of land or the erection of buildings and new construction or maintenance of roads and bridges in the State highway system. These appropriations continue in effect until completion of the project for which the appropriations were made (*Code of Alabama 1975, §41-4-93*). Encumbered balances revert to the fund from which the

appropriation was initially made one (1) year after the initial fiscal year closes, except capital outlay appropriations.

The ADMH's Commissioner is responsible for the accuracy of the amount to be reverted. The Examiners of Public Accounts audits the ADMH on the accuracy of the reversion amount, the validity of the encumbrance amounts, and year-end Accounts Payable.

Thirteenth Accounting Period

The State's Accounting records remain open for approximately two (2) months following September 30th. This period allows the payment of outstanding obligations at year-end and permits other accounting adjustments before State-level financial statements are published. The CFO provides detailed instructions for year-end processing by July or August of each fiscal year. During the Thirteenth Accounting Period, adjustments to the cash account (Balance Sheet 1001) for a prior-year error in the original certification are not allowed.

infoAdvantage Reports

Revenue Summary Report by Accounting Period (AFIN-AR-001A)

The **Revenue Summary report (AFIN-AR-001A)** lists recognized revenues and cash collected for the current period and the fiscal year-to-date.

Expected & Collected Revenue Report (FIN-REV-MHA270)

The **Expected & Collected Revenue report (FIN-REV-MHA270)** is an infoAdvantage report that summarizes revenue expected and collected by type and fund, based on the fiscal year. The totals are year-to-date totals.

Responsibilities by Position

- **Accounting Manager**
 - Supervises/coordinates Accounting Operations activities
 - Prepares monthly & annual financial statements
 - Maintains general ledger via proper use of GAAP
 - Monitors daily cash flow and estimated cash requirements to ensure sufficient cash

- Manages Dedicated Statutory Fund (DSF) account
- Prepares special analysis of revenue & expenditures and participates in special assignments, as needed
- Performs all duties in the absence of the Accounting Operations Accountant
- **Accountant**
 - Reviews/verifies/files monthly Contingency Fund reconciliation
 - Prepares journal vouchers for the Revenue Collection account
 - Prepares monthly correcting journal vouchers for program payrolls
 - Posts monthly expenditures for quarterly Medicaid cost allocation billing
 - Prepares cash receipts for general operating fund revenues
 - Assists with oversight of the DSF account
 - Reviews/verifies/files monthly Patient fund reconciliation
 - Prepares annual employee, vehicle, and property certifications for the Division of Risk Management
 - Prepares vouchers and related worksheets for health insurance premium refunds, reimbursement of resident/patient payroll accounts, and Interdepartmental Transfers (IDTs)
 - Assists Accounting Operations Manager with coordinating activities, including daily document approvals via the STAARS Financial system.

Office of Accounting Operations Contact Information

Position	Phone Number
Accounting Manager	(334) 242-3005
Accountant	Vacant

Accounts Payable

The Office of Accounts Payable accurately and efficiently processes vendor and provider payments and employee reimbursement requests, per the ADMH, State Comptroller, State, and Federal rules and procedures. As such, the Office of Accounts Payable staff must know the applicable policies and procedures when processing all payment documents and verify all required forms are correct before processing.

Statutory Requirements

The State Comptroller must determine that specific statutory requirements are met, and sufficient funds and budgetary authority exist before honoring a claim or an account against the State. The payment request document and the required supporting documentation are audited to determine that the claim is legal and accurate. STAARS verifies the ADMH's available cash, appropriation, allotment, and expense budget balances before processing warrants. Some of the specific code sections, which address legal requirements for particular types of payments, are referenced below.

Finance Rules and Regulations (Fiscal Procedures) §41-4-35
Travel Expense §36-7-20 through 25 and §41-4-57

Document Types

Accounts Payable processes and approves several different types of payments for vendor and employee reimbursements. Each payment requires a purchase order for goods, services, or non-commodity-based payment requests. Each document type has additional documentation and requirements to be met before payments are processed. Accounts Payable uses the ADMH's COA to code payments. Please refer to the Quick Reference section for related Job Aids. The most commonly used document types are:

- Receiver (RC)
- Invoice (IN)
- Commodity Payment Request (PRC)
- General Accounting Expense (GAX)
- Building Rental & Leases (GAXLI)

- In-State Employee Travel Payment (GAXT1)
- Out-of-State Travel Payment (GAXT2)
- Prior-Year Payment (GAXB1, ITAB1, & PRC)
- Board of Adjustment (GAXB1, & ITAB1).

Receiver Document (RC)

Receiver documents are the STAARS documents by which the ADMH takes possession of goods ordered or services rendered. Quantities (or Service Contract amounts) are physically counted and recorded on the RC document. RC documents record the receipt of commodity-based goods or services and can reference all award documents. A PO3/DO3 document must be created before a related RC document may be created.

Invoice Document (IN)

Once goods or services are ordered and received, the vendor sends an invoice documenting the amount owed. An IN document is entered into STAARS Financial to record the invoice number and date. An IN document must reference related RC and PO3/DO3 documents.

Commodity Payment Request Document (PRC)

Once the IN document has been submitted, it is copied and moved forward to create the PRC document. A PRC document generates checks and EFT payments. A PRC document must reference related IN, RC, and PO3/DO3 documents.

General Accounting Expense Document (GAX)

The GAX document generates a non-commodity-based payment request. Payments made using the GAX document include utilities, general reimbursements, and non-employee reimbursements (Board Members or Temporary Workers).

General Accounting Expense/Expenditure (GAXLI)

The GAXLI document makes non-commodity-based payment requests, such as building rental & lease. This process is the same as a regular GAX payment. However, it is only used to pay for building rentals and leases.

In-State Employee Travel Document (GAXT1)

The GAXT1 document is used to request In-State travel payments for employees. The payment is made to the employee as part of their payroll check. In-State non-employee travel is requested on the regular GAX.

Out-of-State Travel Document (GAXT2)

The Out-of-State Employee and Non-Employee Travel GAX (GAXT2) is used to request payment for Out-of-State travel for both employees and non-employees.

Prior-Year Payment Claim Documents (GAXB1, ITAB1, or PRC)

Per Act 2023-500, the State Comptroller, with the approval of the State Finance Director, may approve a request for payment that an agency failed to process in a prior fiscal year, if the State Comptroller determines the vendor is entitled to the funds. RC, IN, and PRC payments are generated if a PO3/DO3 is related to the prior-year payment.

Board of Adjustment (BOA) Claim Documents (GAXB1 or ITAB1)

Any valid invoice the ADMH receives during the applicable fiscal year should be promptly paid. If payment processing does not occur during the related fiscal year or its Thirteenth Accounting Period, the invoice is subject to referral to the BOA for payment consideration. The ADMH's Bureau of Legal Services usually forwards approved BOA claims to the BOF for payment processing.

Quick Reference

Additional information and related STAARS Financial Job Aids are at the following link: <X:\Workgroups\ADMH\Common Forms and Information\AP Job Aids>.

Responsibilities by Position

Responsibilities are divided based on desk tasks and working titles. All Accounts Payable staff members use the same instructions for processing payment types. Also, specific vendors/payment types rotate each fiscal year. A summary of responsibilities includes:

- **Senior Accountant**
 - Supervises Accounts Payable Staff
 - Approves all documents for payment
 - Processes WEX, employee travel (In-State Per Diem, In-State Actual & Necessary Expenses, and Out-of-State), all service invoices, & prior-year payment claims
 - Discards STAARS Financial documents, as needed
 - Requests duplicate checks
- **Accounting Technician**
 - Performs all duties in the absence of the Accounts Payable Manager
 - Discards STAARS Financial documents, as needed
 - Processes employee travel (In-State Per Diem, In-State Actual & Necessary Expenses, and Out-of-State), software, utility, subscription, vehicle/office equipment lease invoices, & prior year payment claims
 - Audits/mailed checks
- **Account Clerk**
 - Performs all duties in the absence of the Accounting Technician
 - Processes employee & non-employee travel (In-State Per Diem, In-State Actual & Necessary Expenses, and Out-of-State), office supply, pest control, delivery/disposal/pick-up service invoices, prior-year payment claims, & BOA claims

Office of Accounts Payable Contact Information

Position	Phone Number
Accounts Payable Manager	(334) 242-3799
Accounting Technician	(334) 242-3895
Account Clerk	(334) 353-7511
Account Clerk	(334) 242-3622
Accounting Manager	(334) 242-3611

Budget

The Office of Budget compiles and manages the annual Budget Request and formulates/manages the annual Operations Plan and Budget Revisions via all applicable State and Federal rules and procedures.

Budgeting Process

The State of Alabama’s Budget Management Act, Section 41-19-1 et seq., Code of Alabama 1975, requires every agency to submit an annual budget request to the Executive Budget Office (EBO) to develop the Governor’s Annual Budget each year.

The formulation of the Alabama Department of Mental Health (ADMH) budget begins with the various Divisions and the Budget Office preparing estimates of expenditure requirements for the next fiscal year for presentation to the Commissioner. The State’s fiscal year starts October 1st and ends September 30th.

ADMH’s Budgeting Cycle



Budget Request

A budget is prepared for each fund, agency, appropriation class, and function by object category. Each is explained below and located in Exhibit A of these procedures. As a part of the budget request process, the ADMH submits an EBO Form 9 (Employee Staffing Plan) indicating the number of positions and totals by classification for the entire Agency. The information is provided in an Excel spreadsheet and resembles the information below:

FTE*	FULL TIME	PART TIME	DIVISION	ORG CODE	ACTIVITY	NAME	TITLE CODE	RAISE DATE	GRADE	STEP	BASE PAY RATE	PROJ SALARY	LONGEVITY	FICA	RETIREMENT	HEALTH	TOTA BENEFITS	SRV YR
			223	4030		0 Employee Name	A1500	1/1/2024	74	12	2,386	60,416	0	4,622	9,667	11,160	25,449	4
			223	4030		0 Employee Name	G7000	8/1/2024	68	20	2,327	57,220	800	4,438	9,155	11,160	24,753	15
			223	4040		0 Employee Name	K3000	12/1/2023	77	15	2,976	75,672	800	5,850	12,108	11,160	29,118	15

The Office of Budget provides each ADMH Division with its current staffing plan to assist with projecting salary and benefit amounts for the upcoming budget year. The staffing plan includes the following information at a minimum:

- Number of Full & Part-time Employees;
- Division & Reporting Code;
- Employee’s Name;
- Title Code;
- Anticipated Raise Date;
- Pay Grade & Step;
- Base Pay Rate;
- Projected Salary;
- Benefits (i.e., Longevity, FICA, Retirement, & Health); &
- Years of Service.

The budget request is due to the EBO on November 1st of each year, as required by law (§41-4-84, Code of Alabama 1975). An example of a budgeting calendar for the ADMH is detailed below:

Date	Process
November 1 st	ADMH Budget Request due to EBO
November 1 st – December 20 th	EBO hearing with ADMH
December 1 st	EBO provides preliminary budget information to Governor
December 8 th	EBO revenue projections finalized
January 8 th	Governor’s budget recommendations finalized
January 21 st – 31 st	Appropriations bills prepared and printed
February 4 th	Governor presents budgets to Legislature
February 4 th – May 18 th	Regular Session of Legislature

June 15 th	EBO Operations Plan Instructions provided to ADMH
July 31 st	ADMH Operations Plan due to EBO

The Governor’s recommended budget consists of three (3) parts:

- Part I - Governor’s budget message and pertinent fiscal data,
- Part II - Detailed appropriations request for each State agency and educational institution, &
- Part III – Proposed appropriation and revenue bills needed to implement Parts I and II recommendations.

The appropriations recommendations, subject to change by the Legislature, are adopted as the **appropriations acts**. These acts identify the source of funding and programmatic (functional) areas for authorized expenditures. *The Alabama Constitution and statutes require a balanced budget for annual financial operations.*

Appropriations

Once the appropriations bills are passed by the Legislature and signed (“enacted”) by the Governor or otherwise becomes law, the annual budget is approved. The adopted budgets for the General Fund and Education Trust Fund primarily determine the ADMH’s appropriations. The ADMH **may not** spend more than the amount appropriated by the Legislature.

Appropriations authorize the ADMH to make expenditures and incur obligations for specific purposes at a program level. The program level is an appropriation class in the Budget Formulation and Management (BFM) System. The EBO is responsible for entering the appropriations amounts into the BFM System, and the ADMH must add the specific details and balance by fund, agency, appropriation class, and function.

Unlawful Use of Appropriations

It is unlawful for any employee or trustee, commissioner, director, manager, building committee, or other officer or person connected with any other department, institution, bureau, board, commission, or other State agency to

expend any appropriation for any purpose other than that for which the money was appropriated, budgeted, and allotted.

The Governor has the power and authority to suspend all appropriations and allotments if it is determined that the ADMH has used appropriations for any purpose other than that for which the money was appropriated, budgeted, and allotted. This suspension may remain in effect until the diverted or wrongfully expended funds have been replaced (Code of Alabama 1975, §41-4-95, as amended).

Emergency Appropriations

The general appropriation bills contain a specific sum (not to exceed two percent of the total appropriation bill) for emergency appropriations. If the ADMH requests an allotment from the Departmental Emergency Fund, this request must be written to the Director of Finance. These allotments are made only for authorized purposes for which no specific appropriation has been made or for which an insufficient appropriation was inadvertently made (Code of Alabama 1975, §41-4-94, as amended).

Allotments

As part of the budgeting process, allotments are established for the ADMH. An allotment is a quarterly division of the appropriations into amounts encumbered or expended during a fiscal quarter. Allotments are determined from the budgeted quarterly amount on the ADMH's annual operations plan, as approved by the EBO. The general allotment guideline is 25% of the appropriation per quarter. If a Division does not spend all of the allotment in a quarter, the unused amount carries over and becomes available for the next quarter (only within the same fiscal year).

At any point during the fiscal year, the amount available for expenditure is determined by the year-to-date allotment amount minus the year-to-date expenditures and encumbrances. Encumbrances are obligations of State funds and reserve a portion of the annual appropriation and allotments.

Available = YTD Allotment – YTD Expenditures + YTD Encumbrances

Operations Plans

After the passage of the appropriation bills, the ADMH must prepare an annual plan for the operation of each of its authorized programs (earmarked programs). The operations plan aims to ensure the objectives of the Legislature’s appropriations are met. The EBO must receive an operations plan for every fund, appropriation class, and function by July 31st. Each ADMH Division must prepare an operations plan, which includes budgeting expenditures by quarter for each fund, appropriation class, function, and unit by major object expenditure category. A typical timeline for the preparation of the operations plan is:

Month	Activity
April	ADMH Operations Plan Calendar Completed
May	ADMH Payroll file Requested for staffing plans
	ADMH Operations Plan Calendar provided to ADMH Divisions
	ADMH-Related Appropriations Bills and Operations Plan Forms Distributed
June	ADMH Divisions Submit Proposed Operations Plans to Office of Budget (Near the end of the month)
	EBO Instructions provided to ADMH (Mid-June)
	ADMH Division Operations Plans Presented to Commissioner
	ADMH Operations Plans presentations updated
	Final ADMH Operations Plans due to Office of Budget (Near end of the month)
July	ADMH Operations Plans rolled up to Agency level (May be modified until July 15 th)
	Commissioner Provides Final Approval
	ADMH Operations Plans entered into the BFM System
	ADMH Operations Plans due to EBO July 31 st (by law)

Other items the Office of Budget considers when preparing operations plans are:

- Supplemental Appropriations;
- Cost of Living, SEIB, & Inflationary Increases;
 - Quarterly Allotments (if more than 25%, an explanation must be provided at the time of submission)

- Draw Down Schedules (General Fund, Education Trust Fund, and Special Mental Trust Fund); &
- Quarterly Performance Indicators.

Expense Budgets

Once the EBO has approved the operations plan, the Office of Budget is responsible for entering each ADMH budget in the STAARS Financial system by October 1st. As transactions are processed throughout the year, the total expenditures and encumbrances may not exceed the related expense budget lines in STAARS Financial. The obligated amount may not exceed the amount of budget authority at the major object code level. The obligated amount is defined as **Obligated = Expenditures + Encumbrances**.

Expended Amount	The total expenditures processed for the budget fiscal year, including payment vouchers, journal vouchers, etc.
Encumbered Amount	The total amount of all outstanding purchase orders (POs), delivery orders (DOs), and other encumbrance-related documents (e.g., GAE, MAPI, etc.)

Note: The pre-encumbered amount is the total amount of all outstanding requisitions and does not obligate budget authority.

Operations Plan Revisions

Operations plan revisions, also referred to as increasing spending authority, are required when:

- Additional dollars are received during the fiscal year, which were not included in the original operations plan
- Examples include:
 - Receipt of additional Federal grant funds;
 - Additional “allotment” to the amount included in the original operations plan is necessary for the current or subsequent quarters;
 - Adjustments are needed between line items of major object categories to better reflect expenditures;

- A reduction in appropriation and allotment is necessary, due to proration or a shortfall in receipts; &
- An appropriation class (program) change is needed (requires Governor's approval).

An appropriation is requested upon approval of the ADMH's Commissioner. The "appropriation" revisions must be documented with a request (or program change) letter and a signed EBO Form 101. Changes between appropriation classes are only made by the Governor. These transfers and changes are reported to the Legislature quarterly (Code of Alabama 1975, §41-19-10, as amended).

Any change in appropriation amount also requires revising the ADMH's EBO Form 8 (Operations Plan). Once the Governor approves, the Office of Budget submits changes via the BFM and STAARS Financial systems. Some allotments are revised during the fiscal year. Revising an allotment requires modifying the EBO Form 8 and EBO Form 101. Operations plan revisions are made only in the current and/or remaining quarters. No revisions for prior quarters are accepted.

Each ADMH Division should submit an EBO Form 8 to the Office of Budget, by the 15th of each month, as needed. The EBO Form 8 should ***only reflect the amount of change***, not the revised budget amount. All totals must balance. Any change that reduces a previous amount is shown in brackets. The changes between object categories **OR** in total expenditures must balance with the change in the total source of funds.

Quarterly Performance Reports (QPRs)

The Budget Management Act (Code of Alabama 1975, §41-19-10, as amended) mandates the Department of Finance report quarterly to the Governor and the Legislature on the operations of each State agency relating actual accomplishments to those planned. Therefore, the Department of Finance requires a quarterly list of the ADMH's performance indicators in conjunction with the Operations Plan. At the end of each quarter, the Office of Budget enters

the actual QPR data for each performance indicator into the BFM system for the EBO's use.

Budget Status Reports (BSRs)

The BSR is produced for each of the ADMH Division's financial areas to review the current budget, expenditures, encumbrances, and uncommitted balances over a certain period. It compares actual results to budget estimates achieved during the designated period and provides information to prepare year-end forecasts.

Preparing a BSR helps one understand how close the estimated budget was to the actual financial numbers during a specific Accounting Period, which could be a month, quarter, or year. An easy five-step guide is:

- Evaluate current spending,
- Compare current spending with the estimated budget,
- Analyze variances and understand causes,
- Document findings and share them with management, &
- Performance is based on findings.

The BSR allows each ADMH Division to identify any concerns preventing it from reaching its goals and any adjustments needed during the fiscal year. The financial areas and the BOF can determine how accurate or reasonable their financial predictions were for the previous period. Reviewing the information helps to adjust upcoming budgets and make more realistic future predictions.

At the beginning of each month, the Office of Budget disseminates monthly reports to the respective ADMH Division/Facility FMs.

infoAdvantage Reports

Obligations vs. Budget – Structure 32	Division Bryce - 0201
Obligations vs. Budget – Structure 32	Division Central Office - 0404
Obligations vs. Budget – Structure 32	Division DD - 0313
Obligations vs. Budget – Structure 32	Division MI - 0205
Obligations vs. Budget – Structure 32	Division MS Harper - 0223
Obligations vs. Budget – Structure 32	Division Special Services - 0501

Obligations vs. Budget – Structure 32	Division Substance Abuse – 0217
Obligations vs. Budget – Structure 32	Division Taylor Hardin – 0206
Obligations vs. Budget – Structure 32	Division UAB – 0203
AFIN-BUD-027	Budget vs. Actuals for Budget Structure 37
FIN-REV-MHA270	Expected and Collected Revenue
AFIN-BUD-004	Budget Management Report

The **Obligations vs. Budget—Structure 32 report** provides the budgets, expenditures, and encumbrances for State-funded budgets by Division. Please refer to the COA for a listing of unit codes.

Example of the Obligations vs Budget – Structure 32 Report:

Department 061 - Mental Health
Fund 0661 - Mental Health Operations
Unit BE55 - Bryce Education Trust Fund

Bryce Hospital

Object Class	Current Debits/ (Credits) Activity to Encumbrances	Current Period Expenditures	Current Period Total Obligations	YTD Encumbrances	YTD Expenditures	YTD Total Obligations	Annual Budget Amount	Unobligated Budget Balance
0100 - Personnel Costs	\$0.00	\$482.12	\$482.12	\$0.00	\$3,043.22	\$3,043.22	\$100,000.00	\$196,956.78
0200 - Employee Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80,000.00	\$160,000.00
0500 - Repairs and Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,920.00	\$17,840.00
0600 - Rentals and Leases	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$67,684.00	\$135,368.00
0800 - Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$247,552.00	\$495,104.00
0900 - Supplies, Materials, and Operating Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$66,943.00	\$133,886.00
1000 - Transportation Equipment Operations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$970.00	\$1,940.00
Total for Appropriation 421 - Institutional Treatment and Care Mentally Ill	\$0.00	\$482.12	\$482.12	\$0.00	\$3,043.22	\$3,043.22	\$572,069.00	\$1,141,094.78
Total for Unit BE55 - Bryce Education Trust Fund	\$0.00	\$482.12	\$482.12	\$0.00	\$3,043.22	\$3,043.22	\$572,069.00	\$1,141,094.78

The report for the Central Office includes Agency Administration, Central Administration, Mental Illness Administration, Developmental Disabilities Administration, and Substance Abuse Administration.

The **AFIN-BUD-027 report** provides the budgets, expenditures, and encumbrances for Federally funded budgets by program code for each major program. Please refer to the COA for program and major program codes.

Example of the AFIN-BUD-027 Report:

Report ID: AFIN-BUD-027
Run Date: 2/1/24
Run Time: 10:29:19 AM

State of Alabama
Budget vs Actuals for Budget Structure 37



Department 061- Mental Health

Major Program 23SABG- 2023 SA BLOCK GRANT

Program 231082- 23 SABG ADMIN

Phase Code	Current Period Encumbrances	Current Period Expenditures	Current Period Total Obligations	ITD Encumbrances	ITD Expenditures	ITD Total Obligations	Budget Amount	Unobligated Budget Balance
Total for Program Code- 231082	(\$19,617.67)	\$114,085.25	\$94,467.68	\$268,545.36	\$320,628.57	\$589,173.93	\$2,607,925.00	\$2,018,751.07

Program 231290- 23 SABG SET ASIDE WOMAN

Phase Code	Current Period Encumbrances	Current Period Expenditures	Current Period Total Obligations	ITD Encumbrances	ITD Expenditures	ITD Total Obligations	Budget Amount	Unobligated Budget Balance
1100	\$0.00	\$0.00	\$0.00	(\$0.00)	\$1,769,177.01	\$1,769,177.01	\$1,769,177.01	\$0.00
Total for Program Code- 231290	\$0.00	\$0.00	\$0.00	(\$0.00)	\$1,769,177.01	\$1,769,177.01	\$1,769,177.01	\$0.00

Program 231292- 23 SABG SET ASIDE WOMAN

Phase Code	Current Period Encumbrances	Current Period Expenditures	Current Period Total Obligations	ITD Encumbrances	ITD Expenditures	ITD Total Obligations	Budget Amount	Unobligated Budget Balance
1100	(\$118,950.66)	\$118,950.66	\$0.00	\$678,972.31	\$396,235.69	\$1,075,208.00	\$1,324,125.99	\$248,917.99
Total for Program Code- 231292	(\$118,950.66)	\$118,950.66	\$0.00	\$678,972.31	\$396,235.69	\$1,075,208.00	\$1,324,125.99	\$248,917.99

Program 231580- 23 SABG GENERAL TREATMENT

Phase Code	Current Period Encumbrances	Current Period Expenditures	Current Period Total Obligations	ITD Encumbrances	ITD Expenditures	ITD Total Obligations	Budget Amount	Unobligated Budget Balance
0800	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00	\$54,000.00	\$53,000.00
1100	\$0.00	\$0.00	\$0.00	\$121,847.48	\$9,685,335.38	\$9,807,182.86	\$12,171,257.00	\$2,364,074.14
Total for Program Code- 231580	\$0.00	\$0.00	\$0.00	\$121,847.48	\$9,686,335.38	\$9,808,182.86	\$12,225,257.00	\$2,417,074.14

Program 231582- 23 SABG GENERAL TREATMENT

Phase Code	Current Period Encumbrances	Current Period Expenditures	Current Period Total Obligations	ITD Encumbrances	ITD Expenditures	ITD Total Obligations	Budget Amount	Unobligated Budget Balance
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The **FIN-REV-MHA270 report** provides collected funds/revenues for each Division by activity codes. The activity codes are located in the COA. The Division codes are as follows:

Division Code	Division Name
0404	Administration (including Agency Administration, Central Administration, Mental Illness Administration, Developmental Disabilities Administration, & Substance Abuse Administration)
0201	Bryce Hospital
0206	Taylor Hardin Facility
0223	Mary Starke Harper Facility
0203	East Alabama Medical Center
0205	Mental Illness (MI) Community
0217	Substance Use (SU) Community
0313	Developmental Disabilities (DD) Community
0501	Special Services

Only use the Collected Revenue column on the report for BSR purposes. Each ADMH Division is responsible for rolling up (combining) the **budgets, expenditures, and encumbrances** for all applicable units and/or programs

into one (1) total, before populating the BSR template using the previously described reports. If the Division does not have a rolling-up process, the Office of Budget has a worksheet to share.

Report ID: FIN-REV-0270		State of Alabama				
Run Date: 02/01/2024		STAARS				
Run Time: 11:23:35 AM		MH - Expected Revenue and Collected Revenue				
		For BFY 2024 Accounting Period 4				
Division - 0205						
BFY	Fund	Activity	Revenue Source	Dept Revenue Source	Expected Budget Revenue	Collected Revenue
2024	0661	CRST	0800	SGFD	\$476,576.00	\$417.51
2024	0661	MBBR	0800	SGFD	\$9,785,844.00	\$3,422,367.51
2024	0661	MBBR	0800	SMHF	\$9,785,844.00	\$264,760.06
2024	0661	MCIT	0800	SGFD	\$900,000.00	\$350,825.81
2024	0661	MDIP	0800	SETF	\$79,500.00	\$30,380.21
2024	0661	ME55	0800	SETF	\$1,267,159.00	\$484,233.42
2024	0661	ME56	0800	SETF	\$4,500,000.00	\$1,719,634.52
2024	0661	MECM	0825	MDMI	\$6,434,976.00	\$1,503,490.57
2024	0661	MECS	0800	SETF	\$1,364,047.00	\$436,629.34



The BSR template is provided to the ADMH’s Division Fiscal Managers at the beginning of each fiscal year. All budgeted expenditures and sources of revenue are provided. The template is designed to standardize budget status reporting across all Divisions. The Division submissions are due to the Office of Budget by the 10th of each month. Submissions must be emailed to the ADMH’s Senior Budget Analyst and Budget Officer.

Upon completion of the BSR report, the revised budget, expenditures, encumbrances, and total uncommitted funds are reconciled to the **Budget Management Report**, by appropriation and function. This report is organized into the following segments:

- Budget by Agency,
- Budget by Appropriation Class,
- Budget by Appropriation Class and Fund,
- **Budget by Appropriation Class, Fund, and Function (use this segment),**
- &
- Budget by Appropriation Class, Fund, Function, and Appropriation Unit.

The only ADMH areas with limited use of the Budget Management report are the **Facilities and Special Services**. Those appropriations and function codes include multiple units and are prepared by different individuals. In addition, some Divisions must add multiple sections of the report to reconcile to the total. For example, Substance Use has three (3) sections for appropriation 425, because it receives funds from three (3) different funding sources (0661, 0676, and 1822):

Fund 0661

Department: 061 - Mental Health

Appropriation Class: 425 - Substance Abuse Program

Fund: 0661 - Mental Health Operations

Function: 0234 - Community Services/Sa

Object Category	Annual Budget	Expenditures	Encumbrances	Total Obligations	Unobligated Budget Balance	Pre-Encumbrances	Total Commitments	Uncommitted	% of Budget Committed
0100 - Personnel Costs	\$74,148.00	\$31,705.25	\$0.00	\$31,705.25	\$42,442.75	\$0.00	\$31,705.25	\$42,442.75	42.76%
0200 - Employee Benefit	\$28,621.00	\$12,907.44	\$0.00	\$12,907.44	\$15,713.56	\$0.00	\$12,907.44	\$15,713.56	45.10%
0800 - Services	\$3,103,378.00	\$286,546.97	\$2,468,050.39	\$2,754,597.36	\$348,780.64	\$0.00	\$2,754,597.36	\$348,780.64	88.76%
0900 - Supplies, Mat'l, And Operating	\$1,304,500.00	\$80,611.65	\$85,653.10	\$166,264.75	\$1,138,235.25	\$0.00	\$166,264.75	\$1,138,235.25	12.75%
1100 - Grants And Benefits	\$104,136,582.00	\$16,671,626.68	\$9,209,850.50	\$25,881,477.18	\$78,255,104.82	\$0.00	\$25,881,477.18	\$78,255,104.82	24.85%
Total:	\$108,647,229.00	\$17,083,397.99	\$11,763,553.99	\$28,846,951.98	\$79,800,277.02	\$0.00	\$28,846,951.98	\$79,800,277.02	26.55%

Fund - Source of Funds	Annual Budget	Expenditures	Encumbrances	Total Obligations	Unobligated Budget Balance	Pre-Encumbrances	Total Commitments	Uncommitted	% of Budget Committed
0661 - Mental Health Operations	\$108,647,229.00	\$17,083,397.99	\$11,763,553.99	\$28,846,951.98	\$79,800,277.02	\$0.00	\$28,846,951.98	\$79,800,277.02	26.55%
Total:	\$108,647,229.00	\$17,083,397.99	\$11,763,553.99	\$28,846,951.98	\$79,800,277.02	\$0.00	\$28,846,951.98	\$79,800,277.02	26.55%

Fund 0676

Department: 061 - Mental Health

Appropriation Class: 425 - Substance Abuse Program

Fund: 0676 - Indigent Offenders Treatment Fund

Function: 0234 - Community Services/Sa

Object Category	Annual Budget	Expenditures	Encumbrances	Total Obligations	Unobligated Budget Balance	Pre-Encumbrances	Total Commitments	Uncommitted	% of Budget Committed
1100 - Grants And Benefits	\$115,000.00	\$23,609.92	\$31,077.58	\$54,687.50	\$60,312.50	\$0.00	\$54,687.50	\$60,312.50	47.55%
Total:	\$115,000.00	\$23,609.92	\$31,077.58	\$54,687.50	\$60,312.50	\$0.00	\$54,687.50	\$60,312.50	47.55%

Fund - Source of Funds	Annual Budget	Expenditures	Encumbrances	Total Obligations	Unobligated Budget Balance	Pre-Encumbrances	Total Commitments	Uncommitted	% of Budget Committed
0676 - Indigent Offenders Treatment Fund	\$115,000.00	\$23,609.92	\$31,077.58	\$54,687.50	\$60,312.50	\$0.00	\$54,687.50	\$60,312.50	47.55%
Total:	\$115,000.00	\$23,609.92	\$31,077.58	\$54,687.50	\$60,312.50	\$0.00	\$54,687.50	\$60,312.50	47.55%

Fund 1822

Department: 061 - Mental Health

Appropriation Class: 425 - Substance Abuse Program

Fund: 1822 - Opioid Treatment and Abatement Fund

Function: 1210 - Opioid Settlement

Object Category	Annual Budget	Expenditures	Encumbrances	Total Obligations	Unobligated Budget Balance	Pre-Encumbrances	Total Commitments	Uncommitted	% of Budget Committed
1100 - Grants And Benefits	\$8,500,000.00	\$0.00	\$0.00	\$0.00	\$8,500,000.00	\$0.00	\$0.00	\$8,500,000.00	0.00%
Total:	\$8,500,000.00	\$0.00	\$0.00	\$0.00	\$8,500,000.00	\$0.00	\$0.00	\$8,500,000.00	0.00%

Fund - Source of Funds	Annual Budget	Expenditures	Encumbrances	Total Obligations	Unobligated Budget Balance	Pre-Encumbrances	Total Commitments	Uncommitted	% of Budget Committed
1822 - Opioid Treatment and Abatement Fund	\$8,500,000.00	\$0.00	\$0.00	\$0.00	\$8,500,000.00	\$0.00	\$0.00	\$8,500,000.00	0.00%
Total:	\$8,500,000.00	\$0.00	\$0.00	\$0.00	\$8,500,000.00	\$0.00	\$0.00	\$8,500,000.00	0.00%

By tracking budget information on earmarked programs, the Service Division and the Office of Budget can estimate the carryforward amount more

accurately as year-end approaches. All earmarked programs are shown on one tab.

STAARS Inquiry Screens

On-line inquiries of budgets and appropriations are available through the Budget Query Tables in STAARS Financial.

Screen	Explanation
BQ1LV1	Budget Query Structure 1 Level 1 – captures all budgetary and expenditure transactions for an appropriation, including the original appropriation, modified appropriation, allotment, expense budget, encumbered, and expended amounts; a link at the bottom of the screen provides allotment information; see the examples below
BQ1LV3	Budget Query Structure 1 Level 3 – captures all budgetary and expenditure transactions for the expense category budget line; see the example below
BQ32LV1	Budget Structure 32 Level 1 – captures the budgetary and expenditure transactions for budgets with State funding sources at the appropriation or unit level; see the examples below
BQ32LV2	Budget Structure 32 Level 2 – captures the budgetary and expenditure transactions for budgets with State funding sources at the expense category budget line at the appropriation, unit, or object level; see the example below
BQ37LV1	Budget Structure 37 Level 1 – captures the budgetary and expenditure transactions for budgets with non-State funding (Federal primarily) at the major program level. see the example below
BQ37LV2	Budget Structure 37 Level 2 – captures the budgetary and expenditure transactions for budgets with non-State funding (primarily Federal) at the major program and program levels; see the example below
BQ37LV3	Budget Structure 37 Level 3 – captures the budgetary and expenditure transactions for budgets with non-State funding (primarily Federal) at the major program, program, and object levels; see the example below

BQLVI Example for FY2024, Fund 0661, Agency 061, Appropriation 425:

BFY	Fund	Cabinet	Appr Category	Name
✓ 2024	0661	061	425	2024-0661-061-425

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▼ Budget Actuals

Accrued Expenses :	\$849.20		Cash Expenses :	\$38,715,252.59
Pre-Encumbered :	\$0.00		Encumbered :	\$14,852,808.46
Uncommitted :	\$60,024,707.75		Unobligated :	\$60,024,707.75
Purchase Reservations :	\$0.00		Unexpended Cash :	\$74,878,365.41
			Unexpended Accrued :	\$74,877,516.21

▼ Budgetary Amounts

Original Budget :	\$108,647,229.00	Current Budget :	\$113,593,618.00
Amendments :	\$4,946,389.00	Adopted :	\$108,647,229.00
Allocated :	\$0.00	Reversions :	\$0.00
Carry Forward :	\$0.00	Budget Reserve :	\$0.00
Transfer In :	\$0.00	Transfer Out :	\$0.00

Using the same information and selecting Allotments at the bottom of the screen:

BFY	Period	Fund	Cabinet	Appr Category
✓ 2024	1	0661	061	425
2024	2	0661	061	425
2024	3	0661	061	425
2024	4	0661	061	425

▼ Budget Actuals

Accrued Expenses :	\$0.00	Cash Expenses :	\$11,493,505.95
Unexpended Accrued :	\$21,100,362.05	Unexpended Cash :	\$21,100,362.05
Pre-Encumbered :	\$0.00	Encumbered :	\$9,065,397.42
Uncommitted :	\$12,034,964.63	Unobligated :	\$12,034,964.63
Purchase Reservations :	\$0.00		

▼ Budgetary Amounts

Original Budget :	\$32,593,868.00	Current Budget :	\$32,593,868.00
Amendments :	\$0.00	Adopted :	\$32,593,868.00
Allocated :	\$0.00	Reversions :	\$0.00
Carry Forward :	\$0.00	Budget Reserve :	\$0.00
Transfer In :	\$0.00	Transfer Out :	\$0.00

BQILV3 Example for FY2024, Fund 0661, Agency 061, Appropriation 421:

BFY	Fund	Cabinet	Appr Category	Department	Appr Unit	Object Category	Name
✓ 2024	0661	061	421	061	421	0100	2024-0661-061-421-061-421-0100
2024	0661	061	421	061	421	0200	2024-0661-061-421-061-421-0200
2024	0661	061	421	061	421	0300	2024-0661-061-421-061-421-0300
2024	0661	061	421	061	421	0400	2024-0661-061-421-061-421-0400
2024	0661	061	421	061	421	0500	2024-0661-061-421-061-421-0500
2024	0661	061	421	061	421	0600	2024-0661-061-421-061-421-0600
2024	0661	061	421	061	421	0700	2024-0661-061-421-061-421-0700
2024	0661	061	421	061	421	0800	2024-0661-061-421-061-421-0800

▼ Budget Actuals

Accrued Expenses :	\$0.00	Cash Expenses :	\$27,242,847.29
Pre-Encumbered :	\$0.00	Encumbered :	\$0.00
Uncommitted :	\$24,686,552.71	Unobligated :	\$24,686,552.71
Purchase Reservations :	\$0.00	Unexpended Cash :	\$24,686,552.71
		Unexpended Accrued :	\$24,686,552.71

▼ Budgetary Amounts

Original Budget :	\$52,127,400.00	Current Budget :	\$51,929,400.00
Amendments :	(\$198,000.00)	Adopted :	\$52,127,400.00
Allocated :	\$0.00	Reversions :	\$0.00
Carry Forward :	\$0.00	Budget Reserve :	\$0.00
Transfer In :	\$0.00	Transfer Out :	\$0.00

BQ32LVI Example for FY2024, Fund 0661, Department (same agency 061), at Appropriation 421:

BFY	Fund	Department	Unit	Appr Unit	Name
✓ 2024	0661	061	BE55	421	2024-0661-061-BE55-421
2024	0661	061	BYSF	421	2024-0661-061-BYSF-421
2024	0661	061	CMCT	421	2024-0661-061-CMCT-421
2024	0661	061	CRST	421	2024-0661-061-CRST-421
2024	0661	061	HDSM	421	2024-0661-061-HDSM-421
2024	0661	061	HFLO	421	2024-0661-061-HFLO-421
2024	0661	061	HRMS	421	2024-0661-061-HRMS-421
2024	0661	061	HRSM	421	2024-0661-061-HRSM-421

▼ Budget Actual

Purchase Reservations :	\$0.00	Uncommitted :	\$555,776.76
Pre-Encumbered :	\$0.00	Unobligated :	\$555,776.76
Encumbered :	\$9,990.00	Unexpended Cash :	\$565,766.76
Accrued Expenses :	\$0.00	Unexpended Accrued :	\$565,766.76
Cash Expenses :	\$6,302.24		
Actual Expenses :	\$6,302.24		

▼ Budget Amounts

Adopted :	\$572,069.00	Budget Reserve :	\$0.00
Allocated :	\$0.00	Reversions :	\$0.00
Amendments :	\$0.00	Transfer Out :	\$0.00
Carry Forward :	\$0.00	Transfer In :	\$0.00
Original Budget :	\$572,069.00	Current Budget :	\$572,069.00

BQ32LV1 Example for FY2024, Fund 0661, Department (same agency 061), at Unit level MIST:

BFY	Fund	Department	Unit	Appr Unit	Name
✓ 2024	0661	061	MIST	424	2024-0661-061-MIST-424

▼ **Budget Actual**

Purchase Reservations :	\$0.00	Uncommitted :	\$1,256,845.09
Pre-Encumbered :	\$0.00	Unobligated :	\$1,256,845.09
Encumbered :	\$1,233.86	Unexpended Cash :	\$1,258,078.95
Accrued Expenses :	\$0.00	Unexpended Accrued :	\$1,258,078.95
Cash Expenses :	\$2,109,402.05		
Actual Expenses :	\$2,109,402.05		

▼ **Budget Amounts**

Adopted :	\$3,367,481.00	Budget Reserve :	\$0.00
Allocated :	\$0.00	Reversions :	\$0.00
Amendments :	\$0.00	Transfer Out :	\$0.00
Carry Forward :	\$0.00	Transfer In :	\$0.00
Original Budget :	\$3,367,481.00	Current Budget :	\$3,367,481.00

BQ32LV2 Example for FY2024, Fund 0661, Department (same agency 061), at Unit level MIST:

BFY	Fund	Department	Unit	Appr Unit	Object Class	Name
✓ 2024	0661	061	MIST	424	0100	2024-0661-061-MIST-424-0100
2024	0661	061	MIST	424	0200	2024-0661-061-MIST-424-0200
2024	0661	061	MIST	424	0300	2024-0661-061-MIST-424-0300
2024	0661	061	MIST	424	0400	2024-0661-061-MIST-424-0400
2024	0661	061	MIST	424	0600	2024-0661-061-MIST-424-0600
2024	0661	061	MIST	424	0700	2024-0661-061-MIST-424-0700
2024	0661	061	MIST	424	0800	2024-0661-061-MIST-424-0800
2024	0661	061	MIST	424	0900	2024-0661-061-MIST-424-0900

▼ **Budget Actuals**

Purchase Reservations :	\$0.00	Uncommitted :	\$867,585.27
Pre-Encumbered :	\$0.00	Unobligated :	\$867,585.27
Encumbered :	\$0.00	Unexpended Cash :	\$867,585.27
Accrued Expenses :	\$0.00	Unexpended Accrued :	\$867,585.27
Cash Expenses :	\$1,550,202.73		
Actual Expenses :	\$1,550,202.73		

▼ **Budget Amounts**

Adopted :	\$2,417,788.00	Budget Reserve :	\$0.00
Allocated :	\$0.00	Reversions :	\$0.00
Amendments :	\$0.00	Transfer Out :	\$0.00
Carry Forward :	\$0.00	Transfer In :	\$0.00
Original Budget :	\$2,417,788.00	Current Budget :	\$2,417,788.00

BQ37LV1 Example for Department (same agency 061) and Major Program 23SABG:

Department	Major Program	Current Budget	Actual Expenses	Total Revenue	Unobligated	Unrecognized Revenue
✓ 061	23SABG	\$32,093,862.00	\$25,050,424.73	\$23,588,859.05	\$1,761,837.14	(\$23,588,859.05)

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▼ **Expense Actuals**

Purchase Reservations :	\$0.00		Uncommitted :	\$1,761,837.14
Pre-Encumbered :	\$0.00		Unobligated :	\$1,761,837.14
Encumbered :	\$5,281,600.13		Unexpended Accrued :	\$7,043,437.27
Accrued Expenses :	\$0.00		Unexpended Cash :	\$7,043,437.27
Cash Expenses :	\$25,050,424.73			
Actual Expenses :	\$25,050,424.73			
Charges :	\$0.00			

► **Revenue Actuals**

▼ **Budgeted Amounts**

Adopted :	\$32,093,862.00		Original Budget :	\$32,093,862.00
Awarded :	\$0.00		Current Budget :	\$32,093,862.00
Amendments :	\$0.00		Carry Forward :	\$0.00
Transfer In :	\$0.00		Reversions :	\$0.00
Transfer Out :	\$0.00		Allocated :	\$0.00

BQ37LV2 Example for Department (same agency 061), Major Program 23SABG and program 231060:

Department	Major Program	Program	Current Budget	Actual Expenses	Total Revenue	Unobligated	Unrecognized Revenue
✓ 061	23SABG	231060	\$265,593.00	\$265,592.41	\$283,012.51	\$0.59	(\$283,012.51)

First Prev Next Last

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▼ **Expense Actuals**

Purchase Reservations :	\$0.00		Uncommitted :	\$0.59
Pre-Encumbered :	\$0.00		Unobligated :	\$0.59
Encumbered :	\$0.00		Unexpended Accrued :	\$0.59
Accrued Expenses :	\$0.00		Unexpended Cash :	\$0.59
Cash Expenses :	\$265,592.41			
Actual Expenses :	\$265,592.41			
Charges :	\$0.00			

► **Revenue Actuals**

▼ **Budgeted Amounts**

Adopted :	\$265,593.00		Original Budget :	\$265,593.00
Awarded :	\$0.00		Current Budget :	\$265,593.00
Amendments :	\$0.00		Carry Forward :	\$0.00
Transfer In :	\$0.00		Reversions :	\$0.00
Transfer Out :	\$0.00		Allocated :	\$0.00

BQ37LV3 Example for Department (same agency 061), Major Program 23SABG and program 231060:

Department	Major Program	Program	Phase	Current Budget	Actual Expenses	Total Revenue	Unobligated	Unrecognized Revenue
✓ 061	23SABG	231060	0800	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
061	23SABG	231060	0900	\$430.00	\$430.00	\$430.00	\$0.00	(\$430.00)
061	23SABG	231060	1100	\$265,163.00	\$265,162.41	\$282,582.51	\$0.59	(\$282,582.51)

First Prev Next Last

Search

▼ Expense Actuals

Purchase Reservations : \$0.00	Uncommitted : \$0.00
Pre-Encumbered : \$0.00	Unobligated : \$0.00
Encumbered : \$0.00	Unexpended Accrued : \$0.00
Accrued Expenses : \$0.00	Unexpended Cash : \$0.00
Cash Expenses : \$0.00	
Actual Expenses : \$0.00	
Charges : \$0.00	

► Revenue Actuals

▼ Budgeted Amounts

Adopted : \$0.00	Original Budget : \$0.00
Awarded : \$0.00	Current Budget : \$0.00
Amendments : \$0.00	Carry Forward : \$0.00
Transfer In : \$0.00	Reversions : \$0.00
Transfer Out : \$0.00	Allocated : \$0.00

Responsibilities by Position

- **Budget Officer:**
 - Supervises the activities of the Office of Accounting Operations
 - Formulates/compiles/summarizes the ADMH's annual Budget Request and Operations Plan via the BFM system to accurately present its fiscal status to the State's Executive Budget Office, Legislature, and Governor
 - Develops guidelines for the ADMH's preparation of the Budget Request and Operations Plan
 - Complies/submits the ADMH's budget revisions for all Divisions via the BFM system for the EBO's processing/approval
 - Prepares/analyzes the ADMH's monthly expenditures and revenues
 - Provides support to the ADMH's Division Fiscal Managers
 - Reviews/approves reconciliations for the ADMH's non-treasury bank accounts, including the DSF, Revenue Collection, and RESPAT
 - Assists STAARS Financial Administrator with code creation

- **Senior Budget Analyst:**

- Coordinates the ADMH’s monthly Budget Status Report meetings
- Provides the ADMH’s monthly financial reports to all Division Fiscal Managers for use in preparing the monthly Budget Status Report
- Serves as the Fiscal Manager for the ADMH’s Agency Administration and Central Administration Divisions
- Provides support to the ADMH’s Fiscal Managers
- Serves as the ADMH’s STAARS Financial Administrator
- Reconciles the ADMH’s non-treasury accounts, including the DSF, Revenue Collection, and RESPAT
- Processes Budget Transfer requests via the STAARS Financial system
- Updates Payroll Accounting Templates via the STAARS Financial system
- Assists with entering information into BFM and STAARS Financial systems, including the Operations Plan and revisions
- Prepares/maintains the ADMH’s COA via the STAARS Financial system

Office of Budget Contact Information

Position	Phone Number
Senior Budget Analyst	(334) 242-3635
Budget Officer	(334) 242-3612

Compensation Services

The Office of Compensation Services (OCS) generates employee and patient paychecks and deductions and maintains employee leave records, accrual, and usage. Our office uses software such as the GHRS, eSTART (electronic timecards), Retirement Systems of Alabama (RSA), Employers Self-Services (ESS) Portal, and eMAP.

Statutory Requirement

As authorized via Code of Alabama 1975, §36-6-1, employees paid semi-monthly in arrears receive their pay on the 1st and 16th of each month; however, the Code makes exceptions for months when those dates fall on a holiday, weekend, or October 1st.

Code of Alabama 1975, §36-26-13, as amended, requires the Director of the State Personnel Department to certify that the person or persons on a merit system agency's payroll are employees of the State and are legally entitled to receive the compensation stated on the payroll. The director of a non-merit exempt system agency must assume the responsibility for employees within the agency.

Since the GHRS does not produce payroll registers for certification purposes before processing warrants, online electronic approvals are entered by authorized ADMH personnel and authorized employees in the State Personnel Department (SPD), certifying that the applicable employees are legally entitled to receive compensation, based on approved personnel actions. After issuing payroll warrants, the State Comptroller's Office generates a hard copy payroll register for the ADMH. However, this report cannot be used for Accounting purposes because it does not accurately account for the amounts charged to the ADMH.

Processing Systems

The Office of Compensation Services uses and monitors systems, such as the GHRS, Alabama Human Resource Management (ALHRM), Kronos eSTART, ESS portal, eMAP, and mySEIB portal, to process the ADMH's employee payroll.

Monitoring these systems ensures payroll data is accurate, up-to-date, and compliant with relevant regulations and policies. It also allows the OCS to troubleshoot any issues that arise and optimize the efficiency of the payroll process. Regular monitoring helps identify discrepancies or errors early, preventing potential problems with employee payments and ensuring smooth payroll operations.

GHRIS

GHRIS is an integrated payroll/personnel system for the State of Alabama. This software manages employee records, including personal information, employment history, benefits administration, and aspects of payroll calculation and reporting.

ALHRM

ALHRM is the new Personnel/Payroll system that will replace GHRIS. ALHRM is a modern, web-based solution that enhances payroll functions, including employee classifications, pay distribution, benefits management, and tax reporting. The new system will offer a more streamlined and user-friendly experience.

Kronos eSTART

Kronos eSTART is a complete time and attendance system, providing automation around staff scheduling, leave request and approval, time capturing, FMLA usage, and reporting, that interfaces with the State payroll management system, GHRIS. Grant and project tracking are also available, as well as a GPS Tracker mobile app. There are [eSTART on-line resources](#) and job aids to assist the ADMH's employees, managers, and administration.

Compensation Services is responsible for new employee setup, auditing employee time records, and processing signed-off timecards to be interfaced with GHRIS. These responsibilities are essential for effective employee management and payroll administration. By efficiently managing new employee setup, auditing time records, and interfacing with payroll systems, the OCS helps ensure that employees are paid accurately and on time while maintaining compliance with relevant regulations and policies.

ESS Portal

The [ESS portal](#) provides the ADMH with several resources to efficiently report employee data to the RSA. The ADMH can submit enrollment and contribution information, review correspondence from the RSA, verify personal identification numbers (PIDs), and make electronic payments.

The ADMH's employees contribute to the Employee Retirement System (ERS). There are two (2) types of members. Tier 1 members are active employees with service credit with the ERS before January 1, 2013. Tier 2 members are active employees without service credit with the ERS before January 1, 2013. The [RSA handbook](#) provides detailed information about the specific benefits, contribution rates, retirement eligibility, and other relevant details. Employees are encouraged to refer to the handbook to make informed decisions regarding participation in the ERS, understand retirement options, and plan for the future.

eMAP

[eMAP](#) was created by the Alabama Department of Finance to provide employees and employers access to payroll services. Employees can view pay documents, such as pay stubs, W-2 tax forms, or benefit statements. As the ADMH's eMAP Administrator, the OCS manages the ADMH's employee access to payroll services through the eMAP website. OCS responsibilities include resetting ADMH employee eMAP access, managing access for former ADMH employees, and printing check stubs or W-2 tax forms. By managing access and providing support, the Administrator helps maintain data security, confidentiality, and employee satisfaction with payroll services.

mySEIB portal

The [mySEIB portal](#) is a website created by the SEIB to provide employees and employers with access to benefits information and services. Reviewing and comparing employee benefit contributions in the mySEIB portal, and GHRS indicates that the OCS comprehensively oversees employee benefits.

By conducting these reviews and comparisons, the OCS ensures that employees receive the entitled benefits and contributions are accurately recorded and reflected in both systems. This helps maintain transparency,

compliance, and employee satisfaction with the benefits administration process. Additionally, it ensures payroll deductions for benefits are processed correctly, avoiding errors that could impact employee compensation and benefits coverage.

Resident Patient (RESPAT) Payroll

The OCS handles the bi-weekly payroll processing for Resident Patients in GHRS. Currently, Bryce is the sole ADMH facility with actively employed patients. This responsibility ensures that Resident Patient compensation is accurately processed and managed within the GHRS system.

Deadlines

During the pay period, the OCS completes tasks within the State Comptroller's and SPD's established timeframes. These timelines are outlined in the GHRS production calendars, which the State Comptroller's Office emails monthly to ensure the ADMH's employees are paid on time and accurately.

Responsibilities by Position

- **Fiscal Manager III**
 - Supervises the OCS staff
 - Supervises the preparation of the ADMH Resident Patient's payroll.
 - Coordinates/assists with preparing the correction and supplemental payrolls with the ADMH facilities' payroll offices
 - Reviews/approves/signs off eSTART timecards to be processed
 - Processes refunds from overpaid employees
 - Processes employee verification forms
 - Processes Retirement Certification, RSA-7 Request Refund forms, & etc.
 - Processes annual & quarterly tax documents
 - Processes annual & quarterly employee data reports
 - Reviews payroll issues
 - Communicates with the State Comptroller's Office, SEIB, RSA, & non-State agencies
 - Assists/develops payroll procedures for the ADMH's Central offices, Regional offices, and facilities

- Coordinates the miscellaneous employee deduction updates
- Assists/creates Accounting templates for new grant programs
- **Accountant**
 - Backs up Fiscal Manager III
 - Manages/audits Community Services & Central Office eSTART timecards & semi-monthly hardcopy timecards
 - Coordinates payroll functions with Community Services, Central Office, & ADMH Facilities timekeepers for the processing of payroll scheduled timelines
 - Assists Community Services & Central Office employees & timekeepers with leave record reconciliation
 - Distributes Garnishment, Bankruptcy, Child Support, & Tax Levy documents to ADMH employees
 - Distributes semi-monthly paychecks and related materials to ADMH Facilities payroll offices, the Central Office, and Community Services timekeepers
 - Distributes semi-monthly payroll reports to the ADMH Central Office, Community Services, & Facilities.
 - Reviews GHRS screens, Form 11s, & leave balances on all ADMH separating employees
 - Reviews GHRS screens & Form 108s for Central Office & Community Services employees
 - Updates GHRS payroll screens for Central Office & Community Services new & separating employees
 - Assists with the maintenance of payroll information in the GHRS payroll system
 - Processes FMLA corrections, Donated Leave, & Advanced Sick Leave repayment in GHRS
 - Reviews/verifies the ADMH employee Health Insurance enrollments, status changes, & charges
 - Acts as liaison to the State Employee Insurance Board (SEIB)
 - Reviews/processes deduction authorization forms
 - Receives/stamps/sorts/distributes all incoming mail to appropriate OCS staff
 - Orders supplies & equipment for the OCS

- **Retired State Employee**

- Backs up Accountant
- Assists with coordinating the review & processing of eSTART timecards & semi-monthly hardcopy timecards
- Assists Community Services, Central Office, & ADMH Facilities employees & timekeepers with leave records reconciliation
- Reviews/verifies Health Insurance enrollment & status changes
- Reviews/verifies Form 11s & leave balances for all ADMH separating employees
- Receives/stamps/sorts/distributes all incoming mail to appropriate OCS staff member
- Files OCS documents
- Orders all supplies & equipment for the OCS

Office of Compensation Services Contact Information

Position	Phone Number
Fiscal Manager III	(334) 242-3190
Accountant	(334) 242-3192
Retired State Employee	(334) 353-7156

Contracts & Grants

The Office of Contracts & Grants is responsible for the financial and fiscal management of professional service contracts and provider service contracts, including reporting expenditures to applicable Federal, State, and local agencies for reimbursement purposes. The respective grant FMs are responsible for calculating and requesting budget revisions and transfers, as necessary.

Fiscal Management of Federal Grants

The Contracts & Grants Manager (CGM) reviews the related Notice of Award (NOA) to determine the applicable requirements for each grant award. After verifying new STAARS Financial coding information with the Office of Accounting Operations, Office of Budget, and the respective FM, the CGM establishes the Federal award using the STAARS Financial Major Program (MJPRG), Program (PROG), Phase (PHPRG), and Program Period (PPC) tables.

The CGM monitors the grant budget for compliance with the grant award by reviewing grant-related expenditures and receipts using the ADMH Expenditure & Receipts report. This report includes all finalized expenditures and receipts for a specific grant. All grant-related documentation, including award documents, Federal reports, draw support, Excel worksheet analysis, and correspondence, is archived in the Bureau of Finance's shared drive (S: drive) within the grant's designated folder.

One (1) month before the grant period's end date, the CGM contacts the respective FM to discuss the end of the grant period and to review current expenditures and draws to date. Typically, an Annual Federal Financial Report (FFR) is submitted 90 days after the period end date and 120 days after the final FFR. A month before the FFR due date, the CGM creates and provides the respective FM with a draft FFR report, including all related expense and cash receipt data for the related grant. The CGM schedules a meeting with the respective FM to discuss potential carryforward amounts and no-cost extensions if necessary.

After the CGM and respective FM agree on the grant's status, the FM emails the CGM to acknowledge agreement with the draft FFR. The CGM submits one (1) final draw, modifies any remaining encumbrances to zero, and submits the FFR to the applicable Federal reporting system. After submission, to ensure no additional expenditures or cash receipts are erroneously posted, the CGM deactivates any grant-related coding in STAARS Financial.

STAARS Grant Codes

The CGM is responsible for establishing the grant coding in STAARS Financial to allow a budget to be loaded. STAARS coding is established using the following steps:

Major Program (MJPRG)

The major program is established using the MJPRG table. If there is a new award for an existing grant (such as the MI or SU block grants), the same naming configuration is used, and only the numbers identifying the fiscal year the award was issued are updated. For example, the lettering convention for the Substance Use block grant is SUBG; for the FY 2023 grant award, the MJPRG is 23SUBG; for FY 2024, it is 24SUBG, etc. The period for the major program is from the beginning of the grant period to 120 days after the end of the grant period, as indicated in the related NOA. The additional 120 days allow sufficient time for calculating and submitting the final FFR.

Program (PROG)

The programs associated with the major program are established next. The CGM communicates with the associated FM to determine the number of programs established for the major program. The programs serve as a budgeting function to allow segmentation, per the authorized use and activities of the grant. Programs are established to coincide with a budget year per the NOA. The last digit of the program code designates each grant year.

Example: Program 231060
 23 – Fiscal Year
 106 – Activity Code (first three digits)
 0 – Year 1 of the grant

For the second program year, 231062 is established. The fiscal year is the same as the major program, which relates to the fiscal year of the NOA's issuance. The FM uses the activity code to budget and track certain grant-related expenses. For example, activity 1060 is used for SU Block Grant Research & Development. Activity codes are established via the ACTV table.

The period for each program is from the beginning of the grant period to 90 days after the end of the grant period, as indicated in the related NOA. The additional 90 days allow sufficient time for calculating and submitting the annual FFR.

Phase (PHASE)

The phases are associated with a program and act as consolidated codes for budgeting all related objected codes. For example, phase 0100 is used to budget for all salaries, and 0900 is used for all supplies. Phase codes are established for each program. The CGM must know the associated budget and phases for each program. Phase periods coincide with those of the related program.

Program Period (PPC)

The program period is coded the same as the major program and established via the PPC table. Since it is linked to the major program, the beginning and end dates correspond to those of the major program. Once all coding related to the grant is established in STAARS Financial, the CGM notifies the Office of Budget that the grant can be uploaded to STAARS Financial.

Encumbrances

The encumbrance cycle begins after the initial grant award budget is approved and loaded into the STAARS Financial system. Once this process is completed, the Grant Accountant records encumbrance transactions against the various contractual agreements for the fiscal year. The encumbrance serves as a reservation of expenditure authority and obligation until further action is taken to reduce the encumbrance. Encumbrances are obligations related to unperformed contracts and do not include unenforceable commitments or spending intentions. Therefore, requisitions and other

intentions to spend money are not to be included in the encumbered fund balance at year-end. Encumbering an amount above the related contract maximum is not allowable.

Encumbrance amounts for STAARS documents associated with Medicaid checkwrite payments are accounted for based on an ADMH system checkwrite report. The checkwrite report reflects individual provider payment amounts related to a corresponding encumbrance document. The Grant Accountant only encumbers the amount reflected on the checkwrite report plus a nominal amount so as not to inadvertently close out the Accounting line. This process ensures encumbrance amounts related to Medicaid checkwrites are kept to a minimum.

The appropriate FM determines encumbrance amounts for all other contracts through a working relationship with the Grant Accountants. The Grant Accountant encumbers one (1) quarter of the awarded amount for the first quarter. Should the encumbrance amount near zero before the end of the first quarter, the Grant Accountant must contact the FM and notify him/her that an additional encumbrance amount is needed. It is the FM's responsibility to determine the level of funding to encumber for each contract. Federal Block grant encumbrances are not established for more than 50% of the approved (obligated) award amount, per the most recent NOA. The respective FM and Grant Accountant communicate to decide the amount to be encumbered for each applicable Provider/Vendor. However, a cumulative encumbrance greater than 50% of the approved (obligated) award amount is not allowable.

The Grant Accountant creates an Excel spreadsheet for each new contract. This spreadsheet keeps a running total of related expenditures per contract line item. A single contract typically has multiple funding lines, creating the need for a separate encumbrance for each contract line. The Grant Accountants use the spreadsheet to balance their respective encumbrance documents, monthly. The Grant Accountants enter all finalized document amounts into the spreadsheet and run the **Major Program 37 report** and **GAE Encumbrance report** to be balanced as of the end of the month. The Grant Accountants compare their spreadsheet to both reports to verify encumbrances, expenses,

and balances by contract line. When the Grant Accountants complete the balancing process, they archive a copy of the spreadsheet and reports in a folder on the shared drive.

The Contracts & Grants staff meets with FMs throughout the fiscal year to review current grants and contracts. These meetings are held in January, March, May, and July. Virtual access allows ADMH facilities and regional office FMs to participate. During these meetings, status reports of expenditures and encumbrances are provided. Year-end encumbrance amounts are discussed during the July meeting. FMs must submit encumbrance modification requests to the Contracts & Grants staff by the end of the second week in August. In turn, the Contracts & Grants staff completes the requested encumbrance modifications by the end of the second week in September. Grants typically have a liquidation period extending after the end of a grant award period to liquidate encumbrances by paying invoices. However, invoices submitted after the liquidation period cannot be paid from the grant.

The **Encumbrance and Liquidation report (AFIN-AP-006)** provides the most current encumbrance balances by contract. During the last quarter of the fiscal year, the CGM reviews this report bi-weekly. Beginning in August, the frequency increases to weekly. Reviewing this report allows the CGM to assess whether excessive encumbrance amounts to immediate resolution.

Federal Grant Expenditure Reimbursement

The CGM is responsible for submitting reimbursement requests (draws) for Federal grant expenditures. These requests are submitted within the first five (5) working days each month. The CGM runs an ADMH **Expenditure & Receipts report** for each active Major Program code associated with a Federal grant. This report nets total expenditures against total cash receipts to produce an expenditure balance for drawdown. Expenditures to be drawn down are calculated as of the last day of the previous month. Draws are submitted for the exact amount of the expense balance, per the report. The Federal subaccount number assigned for a grant is within the body of the grant's NOA. The subaccount is the account referenced when submitting a draw request. Any grant with an expense balance of \$25,000 or more requires a draw.

The CGM also reconciles cash receipts, per the ADMH **Expenditure & Receipts report**, with the cash receipts report from the related grant's Federal reporting system. This reconciliation ensures a cash receipt was not accidentally drawn down from an incorrect subaccount, or conversely applied to the incorrect grant. Draw documentation, including the draw memo, transaction verification per the Federal system, and supporting reports, are submitted to the Office of Accounting Operations. A copy is also archived in the associated grant folder on the shared drive.

Federal Funding Accountability & Transparency Act (FFATA)

The Federal Funding Accountability and Transparency Act of 2006 ensures the public can access information on all entities and organizations receiving Federal funds. *The purpose of this reporting is to increase transparency in governmental spending.*

Per the fsrs.gov website, "FFATA was signed into law on September 26, 2006. The intent is to empower every American with the ability to hold the government accountable for each spending decision. The result is to reduce wasteful spending in the government. The FFATA legislation requires information on Federal awards (Federal financial assistance and expenditures) to be made available to the public via a single, searchable website, www.USASpending.gov.

It is best practice to defer to the reporting requirements outlined within each grant's NOA. Once Contracts & Grants receives the ADMH FFATA form, the information reflected on the form and the awarded amount is uploaded to the Federal Funding Accountability and Transparency Act Subaward Reporting System ([FSRS](#)). There is also an [FSRS Awardee User Guide](#) and [Demonstration Video](#) available.

Contracts

The ADMH has various contract types. The most common are regional DD/MR waiver contracts, facilities medical professional service contracts, and Service (i.e., Developmental Disabilities, Substance Use, and Mental Health) contracts. All of ADMH's contracts are archived in the [X: Drive](#). Each contract has a

Contract Tracking Database Maintenance (CTDM) and C-1 forms. The CTDM form lists:

- Originator/Facility (Agency #);
- Contract Number;
- Original Date;
- Amount;
- Begin Date;
- End Date;
- Vendor Number (EIN);
- Vendor Name;
- City;
- Project Description;
- Document Type; &
- Responsible ADMH Division.

The C-1 form reflects all contract funding sources and the related budget amounts to pay associated invoices. Most contracts utilize multiple funding sources, which leads to multiple budgeted line amounts encumbered via a single General Accounting Encumbrance (GAE) document. In some instances, a single contract is used by various Divisions (e.g., Mental Health and Substance Use could both contribute funding for a contract), thus creating a “comprehensive contract.”

A comprehensive contract has multiple associated GAEs. These GAEs are managed by the Grant Accountants responsible for one (1) or more of the comprehensive contract funding sources. For example, the comprehensive contract may have one (1) Grant Accountant overseeing a Mental Illness grant and another Grant Accountant overseeing a Substance Use grant.

The OCG utilizes a “suffix” numbering system to assign GAE Document IDs. The suffix numbers are the GAE document's last two (2) digits. Each suffix identifies the funding source within a GAE. A high volume of GAE documents is created each fiscal year, and the suffix system helps the OCG identify which GAEs relate to applicable funding sources. A “suffix” list is kept on file in the Office of Contracts & Grants and updated each time a new suffix number is added. The following is an example of the FY 2023 Aletheia House contract. The CTDM form lists:

- Originator/Facility (Agency #): **217**
- Contract Number: **G3-460624**
- Original Date: **6/8/2022**
- Amount: **\$6,641,759**
- Begin Date: **10/1/2022**
- End Date: **9/30/2023**
- Vendor Number (EIN): **630644057**
- Vendor Name: **Aletheia House**

- City: **Birmingham**
- Document Type: **004**
- Project Description: **Community**
- Responsible ADMH Division: **004**.

The C-1 form includes the funding information required to establish the GAE document, including all program codes, object codes, and related budget amounts. The STAARS Financial vendor number (VC000104748) and complete vendor address are also reflected on the C-1 form.

In this C-1 example, Federal, State, and Medicaid funding are utilized, and two (2) GAEs are established.

- **GAE G3460624:**
 - **G3** (FY 2023);
 - **4606** (unique number assigned by the Grant Accountant); &
 - **24** (suffix for SU Block Grant Community Service)
- **GAE G3350927:**
 - **G3** (FY 2023);
 - **3509** (unique number assigned by the Grant Accountant); &
 - **27** (suffix for SU Medicaid)

Contracts may also be subject to amendments that may change the amount, term, or deliverables. Once an amendment is completed, the Office of Contracts & Grants is notified, and the amendment is archived to the shared drive with the original contract document.

Contract Tracking Database Maintenance

ORIGINATOR

2022 AUG 18 A 10:37

Substance Abuse

Originator/Facility: 217

Contract Number: G3-460624

Original Date: 6/8/2022

Contract Amount: \$6,641,759.00

Contract Begin: 10/1/2022

Contract End: 9/30/2023

Vendor Number: 830644057

Vendor: Aletheia House, Inc.

City: Birmingham St: AL

Project Description: Community Contract

Type Contract Document: 004 Community New

Responsible Division: 004 Substance Abuse

Comment: 9/7/22 - Rec'd incomplete contract
9/14/22 - Rec'd complete package

COMPLETED

Return to Mail

Contract	Acct:	Mail:	Legal:	Commiss	Sen/Gov:
In: 8/15/2022	In: 8/15/2022	In: 8/15/2022	In:	In: 9/14/2022	In:
Out: 8/15/2022	Out: 8/15/2022	Out: 8/15/2022	Out:	Out: 9/14/2022	Out:

Admin Review Ended: 8/15/2022 Map1 Date: Legis Review:

ALABAMA DEPARTMENT OF MENTAL HEALTH
REQUEST FOR CONTRACT AND FINANCIAL BREAKDOWN



1. Contract No.* G3-460624
BFY & No.

2. Action Code: R

Page 1 of 1

C=Contract
G=Community
X=GHR
ALET

R= Renewal
E= Original

Adm -White
CS -Orange
ACDD -Pink
DD -Blue
MI -Canary
SA -Lavender

3. VCUST# VC000104748
Vendor # 63-0644067

4. Vendor Name : Aletheia House, Inc.

5. Beginning Date: 1-Oct-2022
Ending Date: 30-Sep-2023

Address : P.O. Box 1514, 201 W. Finley
Birmingham AL 35204

6. Total Amount: \$ 7,984,959

Attn: _____

8. TYPE OF CONTRACT: (INDICATE Code #)
GHR: _____
Prof Services: _____
Prof Services & GHR: _____
Community Services: X

Line No. *	FUND	Unit	Appropriation Unit	Object	Function	Reporting Code	Program Code	S O	Fund Year	Contract Amount	Contract Number
1	0661	0000	425	1123	0234	MH80610000	221292	F	22	\$ 500,000	
2	0661	0000	425	1123	0234	MH80610000	231290	F	23	\$ 600,000	
3	0661	0000	425	1123	0234	MH80610000	221582	F	22	\$ 450,000	
4	0661	0000	425	1123	0234	MH80610000	231580	F	23	\$ 900,000	
5	0661	0000	425	1123	0234	MH80610000	221582	F	22	\$ 316,835	
6	0661	0000	425	1123	0234	MH80610000	231590	F	23	\$ 79,209	
7	0661	0000	425	1123	234	MH80610000	221062	F	22	\$ -	
8	0661	0000	425	1123	234	MH80610000	231060	F	23	\$ -	
9	0661	SCST	425	1101	0234	MH80610000	N/A	S	23	\$ 3,293,096	
10	0676	SCIF	425	1101	0234	MH80610000	N/A	S	23	\$ -	
11	0661	SAEF	425	1101	0234	MH80610000	N/A	S	23	\$ -	
12	0661	00TB	425	1101	0234	MH80610000	N/A	S	23	\$ 17,825	
13	0661	00AS	425	1101	0234	MH80610000	N/A	S	23	\$ 27,720	
14	0661	DTST	425	1101	0234	MH80610000	N/A	S	23	\$ -	
15	0661	22CF	425	1101	0305	MH40220000	N/A	S	23	\$ 84,577	
16	0661	SAAD	425	1101	0234	MH80610000	N/A	S	23	\$ -	
17	0661	SAMA	425	1123	0234	MH80610000	N/A	F	23	\$ 83,520	G3-350927
18	0661	SASM	425	1101	0234	MH80610000	N/A	S	23	\$ 32,480	G3-350927
19	0661	SAMT	425	1123	0234	MH80610000	N/A	F	23	\$ 5,760	G3-350927
20	0661	SAST	425	1101	0234	MH80610000	N/A	S	23	\$ 2,240	G3-350927
21	0661	0000	425	1123	0234	MH80610000	214450	F	23	\$ 42,600	
22	0661	0000	425	1123	0234	MH80610000	214420	F	23	\$ -	
23	0661	0000	425	1123	0234	MH80610000	224910	F	23	\$ 233,635	
24	0661	0000	425	1123	0234	MH80610000	213802	F	23	\$ -	
25	0661	0000	425	1123	0234	MH80610000	223312	F	23	\$ 833,850	
26	0661	0000	425	1123	0234	MH80610000	193415	F	23	\$ 304,442	
27	0661	0000	425	1123	0234	MH80610000	224720	F	23	\$ 51,820	
28	0661	0000	425	1123	0234	MH80610000	224730	F	23	\$ 34,550	
29	0661	0000	425	1123	0234	MH80610000	SA4200	F	23	\$ 90,800	
TOTALS:										\$ 7,984,959	

Year-End Procedures

August

The deadline to submit invoices to the OCG for payment processing before the end of the fiscal year is during the last week of August. FMs must usually submit

Thirteenth Accounting Period encumbrance modification requests to the OCG by the end of the second week in August. These dates allow the OCG time to ensure all invoices and encumbrance modifications are processed and submitted by the Comptroller's established due date.

September

The Contracts & Grants staff performs the following functions:

- Process invoices received by the August deadline;
- Complete requested encumbrance modifications received by the August deadline;
 - GAEs associated with Medicaid checkwrite payments must be reduced to only the amount needed to cover the final Medicaid checkwrite payment for the current fiscal year, as evidenced by the applicable Medicaid checkwrite report.
 - This process ensures no unnecessary encumbrance amounts remain on a Medicaid checkwrite GAE on September 30th.
- Review contracts for the upcoming fiscal year; &
- Establish GAE/DOPI documents for the upcoming fiscal year.

Note: The date established to temporarily close STAARS Financial usually occurs a few days before September 30th. At that time, no other modifications may be processed in the current year. All remaining modifications are completed during the Thirteenth Accounting Period.

October

The Office of Contracts & Grants processes all prior fiscal year invoices in good form until approximately the second week in November. Prior-year invoices take precedence over those received for the current year.

During the Thirteenth Accounting Period, any GAXEI submitted referencing the prior fiscal year must be accompanied by a reversal JVA request. Prior-year encumbrance documents with unutilized balances must be unencumbered before the end of the Thirteenth Accounting Period. This is accomplished by modifying the STAARS encumbrance document amounts to the total expended amounts.

Responsibilities by Position

- **Accounting Manager**

- Directs/supervises the activities of the Office of Contracts & Grants to ensure effective & efficient operations, required deadlines are met, and accurate monthly/annual financial statements are prepared & distributed in compliance with all applicable Federal & State laws/regulations, Departmental regulations, and policies & procedures
- Reviews/analyzes all applicable guidance to ensure contracts & grants comply with all applicable Federal & State laws/regulations, Departmental regulations, and policies & procedures and result in effective, efficient operations
- Reconciles/analyzes/prepares the ADMH's Federal & State financial reports to ensure all applicable contract & grant information is accurately provided in compliance with all applicable Federal & State laws/regulations and Departmental regulations, policies & procedures
- Communicates with all applicable ADMH, Federal, State, and local agencies to ensure all grant-related information is submitted and results in effective, efficient operations, in compliance with all applicable Federal & State laws/regulations, Departmental regulations, and policies & procedures
- Reconciles/analyzes/submits electronic transfer of fund requests (i.e., drawdowns) from Federal agencies, & maintains accurate documentation, so the ADMH is consistently reimbursed for Federal expenditures, in compliance with all applicable Federal & State laws/regulations, Departmental regulations, and policies & procedures
- Creates/maintains continuity of operations and succession planning by providing staff with a continuum of technical & professional training opportunities

- **Senior Accountant**

- Enters funding data for contracts and related amendments within STAARS so sufficient funding is available per the negotiated amount reflected in the associated contract.

- Maintains/monitors assigned contracts and amendments so procedures, guidelines, and payments for the ADMH contracts and financial records follow State and Federal regulations and payments are processed accurately and promptly.
 - Prepares financial status reports so accurate contract and grant information is provided to the Office of Contract & Grants Manager to assist in the preparation of Federal Financial Reports (FFRs)
 - Collaborates/maintains contact with the ADMH, Federal, State, and local agency personnel following ADMH policies and procedures to ensure open lines of communication between all parties, resulting in the timely exchange of information and collaborative understanding between stakeholders
 - Balances contract records monthly by analyzing contract reports, so discrepancies are detected and corrected
 - Maintains complete financial records for all assigned contracts and other Federal awards, so the ADMH's records comply with Federal regulations
 - Provides grant and contract expenditure data to the Office of Contracts & Grants Manager, so complete and accurate information is used when making financial evaluations, determinations, and analysis
 - Reviews assigned contracts, so necessary checks are performed for funding availability, authorization, and compliance with Federal and State regulations
 - Assists with collecting requested financial information and data during State and Federal audits
 - Assists with the training and development of Accounting employees within the ADMH Office of Contracts & Grants
- **Staff Accountant**
 - Enters funding data for contracts and related amendments within STAARS to ensure sufficient funding is available per the negotiated amount reflected in the associated contract
 - Maintains/monitors assigned contracts and amendments, so procedures, guidelines, and payments for the ADMH's contracts and

- financial records follow State and Federal regulations and payments are processed in an accurate and timely manner
- Collaborates/maintains contact with the ADMH and State personnel, per the ADMH policies and procedures, to ensure open lines of communication between all parties, resulting in the timely exchange of information and collaborative understanding between stakeholders
 - Balances contract records monthly by analyzing contract reports, so discrepancies are detected and corrected
 - Maintains complete financial records for all assigned contracts and other Federal awards, so the ADMH's records comply with Federal regulations
 - Provides grant and contract expenditure data to the Office of Contracts & Grants Manager, so complete and accurate information is used when making financial evaluations, determinations, and analysis
 - Reviews assigned contracts, so necessary checks are performed for funding availability, authorization, and compliance with Federal and State regulations
 - Assists with collecting requested financial information and data during State and Federal audits
- **Accounting Technician**
 - Enters funding data for contracts and related amendments within STAARS
 - Maintains/monitors assigned contracts and amendments, so procedures, guidelines, and payments for the ADMH's financial records comply with State and Federal regulations and payments are accurately and promptly processed
 - Collaborates/maintains contact with ADMH and State personnel per ADMH policies and procedures, to ensure open lines of communication between all parties, resulting in the timely exchange of information and collaborative understanding between stakeholders
 - Balances contract records monthly by analyzing contract reports, so discrepancies are detected and corrected

- Maintains complete financial records for all assigned contracts and other Federal awards, so the ADMH's records comply with Federal regulations
 - Provides grant and contract expenditure data to the Office of Contracts & Grants Manager, so complete and accurate information is used when making financial evaluations, determinations, and analysis
 - Reviews assigned contracts, so necessary checks are performed for funding availability, authorization, and compliance with Federal and State regulations
 - Assists with collecting requested financial information and data during State and Federal audits
- **Retired State Employee**
 - Serves as the Administrative Assistant for the Office of Contracts & Grants
 - Schedules appointments, conferences, and meetings for the Office of Contracts & Grants, as requested
 - Assists/exchanges information with the Office of Contracts & Grants staff and other ADMH employees, and handles requests or directs to the appropriate Office of Contracts & Grants staff member
 - Composes correspondence as requested for the Office of Contracts & Grants staff
 - Coordinates mail distribution for the Office of Contracts & Grants, as needed
 - Serves as backup to the CFO's Fiscal Administrative Assistant, as needed

Office of Contracts & Grants Contacts

Position	Phone Number
Accounting Manager	334-242-3634
Senior Accountant	334-242-3637
Senior Accountant	334-242-3802
Senior Accountant	334-242-3847
Staff Accountant	334-676-6248
Account Technician	334-242-3838
Retired State Employee	334-242-3499

Contracts & Purchasing

The Office of Contracts & Purchasing is responsible for procuring goods and services/contracts within the framework of applicable State and Federal laws, statutes, and guidelines.

The Office of Contracts & Purchasing processes and executes vendor contract requests for mental health services per the ADMH and Department of Finance's policies. It is also the central processing center for all ADMH professional and community services contracts. This office reviews requests and drafts contracts between the ADMH and external parties. The related tasks are divided into several categories:

- Develops Requests for Proposals (RFP)
- Develops contracts,
- Develops amendments, &
- Develops enhancements of systems to process proposals, contracts, and related items.

Contract Types & Definitions

The Office of Contracts & Purchasing processes and executes several service contracts. A contract document creates a legally binding relationship between the ADMH and other external parties. The agreement contains the services, budget, payment, and other legalities.

To create a contract, a C1 form (request) is submitted. The C1 Form and requested services determine the specific contract format. The contract format types are:

- Community;
- ETF;
- GHRS;
- ALHRM;
- Personal/Professional Services;
- Direct Care (Company/Individual); &
- Non-Direct Care (Company/Individual).

Community

Contracts with community providers to deliver a comprehensive array of evidence-based prevention, treatment, and recovery-based peer support services throughout the State. It also provides extensive services and support for individuals with intellectual disabilities and their families.

ETF

This type of contract implements the provision of the current year Education Trust Fund appropriation monies for intellectual disability programs to fund ARC and ARC-type community-based programs.

GHRM

This type of contract is for an employer/employee relationship. Payments must be made on the GHRM system and subject to withholding taxes. The contractor is not eligible for health insurance, retirement, or longevity coverage, but the ADMH's employer share of employment taxes is included.

ALHRM

If a State employee utilizes the Concur System for travel, reimbursement overpayment must be submitted to the State Comptroller's Office. Failure to submit timely reimbursement may result in involuntary payroll deductions.

Personal and Professional Services

This type of contract is used to secure the services of individuals possessing a high degree of professional skills, including, but not limited to, attorneys, physicians, nurses, and others. These contracts may be for direct or non-direct care. They must be entered into STAARS Financial upon contract execution via a MAPI document for payment processing by the BOF.

Direct Care

This type of contract requests services to provide hands-on (direct) contact with patients and clients. This contract type is with a company or individual, and meets the grassroots, hands-on, person-to-person needs of each individual requiring care.

Non-Direct Care

This type of contract requests services not directly provided to clients (i.e., consulting services, computer/IT services, training, etc.)

Thirteenth Accounting Period

The State's Accounting records remain open for approximately two (2) months following September 30th. This period allows for the payment of outstanding obligations at year-end and permits other accounting adjustments before issuing State-level financial statements.

Contract Forms

Form C1 – request a contract between the ADMH and a vendor

- C1 Forms are printed and submitted on the appropriate paper color for the requesting Division. The assigned colors are:
 - **Blue** – DD;
 - **Yellow** – MI;
 - **Pink** – SU;
 - **Green** – Amendments; &
 - **All Others** – White.

Form C2 – issue a request for proposal (RFP) to secure services

Form C1-A – request changes to a current ADMH contract

CTrak – database used to summarize/track contract information

Request for Proposal – invitation to external vendors, service providers, or contractors to propose a solution to a service request; vendors are asked to meet a need (or set of needs)

- Criteria are developed, and specifications are provided where the proposed commodity or service must meet or exceed proposals submitted in response to RFPs, generally resulting in a contract award.

Exhibit – details the services to be provided by the vendor and related budget

Contract Amendment – change an existing contract's budget, services, expiration date, etc.

The Office of Contracts and Purchasing also procures commodities and non-professional services for Bryce, Taylor Hardin, Harper Center, five (5) Regional Offices, and the Central Office.

Purchasing Document Types

Several document types result in commodity or non-professional services utilized by the clients we serve or employees of the ADMH. The types are:

- Request to Purchase (RQS3);
- Purchase Order (PO3);
- Delivery Order (DO3);
- Open End Request (MAOPI);
- Change Order;
- Request for Master Agreement (RQM); &
- Master Agreement (MA).

Request to Purchase (RQS3)

The request to purchase is the document from the end user requesting commodities and/or services needed for employees or the clients ADMH serves.

Purchase Order (PO3)

Once commodities and non-professional services are approved, a PO3 is created for items not exceeding \$25K. Each PO3 document must reference an approved RQS3.

Delivery Order (DO3)

Commodities and non-professional services currently on a Master Agreement (contract) are procured utilizing a DO3. Minimal approval is needed. Each RQS3 document must be submitted for reference by Central and Regional Offices.

Open End (MAOPI)

This document is utilized **by the facilities only**. The MAOPI allows multiple usage of documents to procure the commodity or service repeatedly without submitting additional RQS3s. Each MAOPI document must reference an approved RQS3.

Change Order

This document used to modify a PO3, DO3, or MAOPI document

Request for Master Agreement (RQM)

This document initiates the process of a Request for Bid (RFB) for a Master Agreement.

Request for Bid (RFB)

This document is used to secure contracts for labor, non-professional services, and the purchase or lease of materials, equipment, supplies, or other personal property of \$25,000 or more. It must be let by free and open competitive bidding on sealed bids to the lowest responsible bidder.

Master Agreement (MA)

An agreement between the vendor(s) and the ADMH secured through an RFB to purchase commodities or non-professional services exceeding \$25,000.

Responsibilities by Position

Responsibilities are based on tasks and titles. All Office of Contracts and Purchasing staff use the same instructions to process payment types. A summary of responsibilities includes:

- **Fiscal Manager II**
 - Office of Contracts and Purchasing staff
 - Maintains budget and pending spreadsheets
 - Processes C2 Forms to create RFPs
 - Processes C1 Forms to create contracts
 - Processes C1-A Forms to create amendments
 - Processes contracts and amendments for signatures
 - Scans contracts before being mailed out and after execution
 - Sends to the Governor's Office or LCRC, if applicable
 - Enters RFPs and MAPIs into STAARS
 - Sends final/executed contracts to Finance
 - Applies approvals in STAARS
 - Communicates with ADMH personnel
- **Buyer Associate**
 - Enters RQS3, RQM into STAARS
 - Enters DO3 for Central Office and Regions
 - Enters Change Orders into STAARS

- Communicates with ADMH personnel
- **Buyer**
 - Approves RQS3, RQM, and MAOPIs
 - Creates MAOPI
 - Creates & Approves Change Orders
 - Creates & Approves PO3s
 - Creates & Approves DO3s
 - Processes RFB creating Master Agreement (contract)
 - Communicates with ADMH personnel
 - Communicates with vendors
- **Fiscal Manager I**
 - Maintains budget and pending spreadsheets
 - Processes C2 Forms to create RFPs
 - Processes C1 Forms to create contracts
 - Processes C1-A Forms to create amendments
 - Processes contracts and amendments for signatures
 - Scans contracts before being mailed out and after execution
 - Sends to the Governor’s Office or LCRC, if applicable
 - Enters RFPs and MAPIs into STAARS
 - Sends final/executed contracts to Finance
 - Communicates with ADMH personnel

Office of Contracts & Purchasing Contacts

Position	Phone Number
Fiscal Manager II	334-353-7440
Buyer	334-242-0396
Buyer Associate	334-242-3508
Fiscal Manager I	Vacant