



ACCOUNTING ADVISORY

TO: Fiscal Officers of All State Agencies

FROM: Steven L. Valasek, Director of State Accounting

DATE: July 6, 2009

SUBJECT: Payroll Contingency Plan

NUMBER: 3

The Office of the Comptroller both supports and anticipates the enactment of appropriations funding state employee payrolls in time for their scheduled issuance beginning July 15, 2009 and as scheduled throughout the year. Notwithstanding this expectation, contingency preparations must be in place to address the possibility that FY2010 personal services appropriations are not enacted on or before July 9, 2009. To this end, state agencies should make the necessary determinations, and take all required steps, for the submittal of appropriately structured payroll vouchers. These payroll vouchers should be prepared with the limited purpose of issuance of payments to those State employees, and in such amounts necessary, to comply with the Fair Labor Standards Act (29 U.S.C. 201 et seq). State agencies scheduled to issue paychecks on July 15, 2009 should be prepared to submit FLSA payrolls to the Office of the Comptroller by no later than noon on Friday, July 10, 2009 should this course of action become necessary.

In addition to the traditional certification required by Section 9.03 of the State Finance Act (30 ILCS 105/9.03), the Office of the Comptroller will require additional certification to accompany each FLSA payroll voucher certifying that lawful expenditure authority for the voucher exists in the absence of appropriations. The certification shall be signed and dated by the agency's chief executive officer, the chief legal counsel, and the chief fiscal officer. The certification shall be as follows:

"I certify, based upon review of applicable law and facts, that lawful expenditure authority exists for the attached voucher(s)."

This additional certification will ensure the proper identification and timely processing of lawful payments. Please be reminded that knowingly and intentionally executing a false certification under Section 9.03 of the State Finance Act shall result in removal from office if done by an officer or discharge if done by an employee (30 ILCS 105/9.06). The Office of the Comptroller appreciates your cooperation in preparation for these contingencies. Please contact Steve Valasek at 217/782-7078 for further information.