

*State of Rhode Island and Providence Plantations
Department of Administration
Budget Office Memorandum*

TO: Chief Financial Officers
RIFANS Users

FROM: Rosemary Booth Gallogly 
Executive Director/Budget Officer

DATE: February 27, 2007

SUBJECT: RIFANS Budget and Payroll Encumbrances

On January 31, the Governor submitted the FY 2007 Supplemental Appropriations Act to the General Assembly. Shortly thereafter, the Budget Office transmitted this revised budget to the State Controller for input to the RIFANS accounting system. The Budget Officer's allotments reflect the revised budget and is the budget against which expenditures are being controlled. Within RIFANS, this budget is identified as *RI FY07 Working Budget REVI*. However, the reports within RIFANS still default to the original working budget, not the new revised budget. The Division of Information Technology is working on changing the reports to make the new revised budget the default budget. Until that is complete, you should make sure the budget listed when running reports is *RI FY07 Working Budget REVI*. Note: Reports on the Controller's website already default to these allotments.

In addition, subsequent to entering the revised budget into RIFANS, the payroll encumbrance was adjusted to match the revised funding levels for payroll. If additional funding for payroll was added in the revised budget, then the remaining payroll encumbrance was increased. Conversely, if funding for payroll was reduced, then the remaining payroll encumbrance was decreased. Payroll encumbrances are liquidated each pay period by an amount equal to 1/26.1 of the total funding appropriated for payroll in the revised budget, not the amount of the actual payroll paid. As of today, there are 9.6 payrolls remaining in FY 2007.

The budgetary and cash controls have effectively revealed line items/accounts that might have problems due to necessary accounting and/or encumbrance adjustments. Your efforts in making these adjustments in order to bring accounts into balance are appreciated.

If you have any questions concerning either the revised FY 2007 budget or the payroll encumbrance, please contact your assigned budget analyst.

Thank you.