MEMORANDUM NO. 1984-39

TO: Heads of Departments and Agencies

ATTENTION: Fiscal/Administrative Officers

FROM: Hideo Murakami, Comptroller

SUBJECT: Contract Encumbrances Initially Recorded as "Claims"

For contract encumbrances that were initially recorded as non-contract encumbrances (generally referred to as "claims" encumbrances), there is a new requirement in completing State Accounting Form C-41 (the Contract Input form). Effective immediately, departments completing such forms must:

(1) Enter the encumbrance advice number and suffix corresponding to the initial "claims" encumbrance; this information should be typed in the Optional Departmental Data column of the form.

(2) Indicate "Claims to Contract" immediately below the appropriation symbol on the form.

Further, to assure that this unique transaction is recognized at the beginning of our contract pre-audit procedure, departments should indicate "Claims to Contract" in their transmittal letters requesting contract encumbrance.

HIDEO MURAKAMI
Comptroller