LEGISLATIVE CLAIM PROCESS

Legislative Claims are claims against the Commonwealth submitted by vendors for goods and services provided to agencies, but not received on a timely basis or purchased without proper authority. Claims include: (1) Purchases prior to the two preceding fiscal years (e.g., for the 2024 session, prior to July 1, 2021), but invoices not received during the fiscal year of purchase or the fiscal year after the purchase (e.g., prior to July 1, 2021); (2) Charges for services provided when personal service contracts were required but not negotiated, regardless of time occurrence; (3) Requests for payment of personal service contracts after the end of the contract period; and **(4) Requests for payment of unauthorized purchases, regardless of time occurrence.**

The Legislative Claim process is covered in KRS 45.231.

Agencies with legislative claims submit a Legislative Claim Request form to the Finance and Administration Cabinet, Office of the Controller, Office of Statewide Accounting Services (SAS), along with all supporting documentation. The Legislative Claim Request form requires the agency to input agency name and contact, vendor information, amount, and an explanation for the claim. All claims are reviewed for propriety and vendor number before being submitted for possible payment. The Legislative Claim Request form is available from Jessica Pinkston or Phil Nally.

Claims are collected for submission to the regular Session of the General Assembly, beginning with the date the previous bill is submitted to the General Assembly. During this period, a log is maintained with a summary of the information submitted on the Legislative Claim Request form.

In addition to legislative claims, the bill contains requests for reimbursement of checks greater than five years old and received over the preceding year by the Treasury Department, in accordance with KRS 41.370 and 413.120. The uncashed checks are separated into three types: general checks (including tax refunds, payroll checks, and checks for goods and services provided to the Commonwealth); unemployment insurance checks; and retirement checks.

Early in the Regular Session of the General Assembly, a draft bill is written in SAS using the information from the claims log and the returned checks. After completing separate paragraphs for the legislative claims and the various check types, the draft bill and the log are submitted for review by the Controller and the Finance and Administration Cabinet Secretary.

When this review is completed, the draft document is submitted to the Legislative Research Commission, Appropriations and Review Committee. The Committee staff reviews the document for appropriateness. The SAS staff person compiling the bill answers any questions. After this review is complete and any changes made, the bill is sent for final approval to the Legislature. After passage, the bill is sent to the Governor for signing.

Upon the Governor’s approval, the bill is sent to the Office of the Secretary of State for certification. The certified bill is sent to Office of State Budget Director staff, who prepares appropriation and allotment documents authorizing budget funds for payment of the claims and the returned checks.

A copy of the bill is sent to the SAS staff person preparing the original documentation. Purchase documents are prepared for payment of the claims and each type of check reimbursement. The completed purchase documents are approved for entry into the accounting system.

Checks are returned to SAS for mailing, unless otherwise requested by the agency submitting the claim. The checks are then compared to the certified bill and prepared for mailing. A note is included with each check explaining the purpose of the check and a phone number of the contact person in SAS if there are questions.

The SAS staff person preparing the bill maintains documentation for the legislative claims and the returned checks for eight years.