

# **Nonprofit Montgomery Written Testimony in Support**

Uploaded by: Franca Brilliant

Position: FAV



**Written Testimony in Support of Senate 281: *Comptroller-Online Payment Processing Portal-Senate Education, Health, and Environmental Affairs Committee***

Franca Brilliant, Advocacy and Development Director, Nonprofit Montgomery 2/17/22

Thank you for giving me the opportunity to testify. My name is Franca Brilliant and I am the Advocacy and Development Director for Nonprofit Montgomery. We support our nearly 200-member nonprofit organizations with technical assistance, training and resources, and advocacy on issues of importance to the nonprofit sector. The one you are considering today is an obstacle for nonprofits across the state.

I have worked with nonprofit organizations for over 30 years and have seen so many examples of nonprofits struggling to start programs while contracts were stuck in various stages of procurement that I have lost track. In my own direct experience, I have seen delays on payments of invoices from state agencies that extended for months. Delays in paying invoices often follow delays in initial payments on programs with significant start-up costs. Most nonprofits don't have the financial reserves to float a major project with their own funds while waiting for their money to come through. The burden falls especially heavily on the organizations that most need this support—small community-based organizations, many of which are led by people of color.

Current “prompt pay laws” and regulations that set standards for review of invoices don't apply to the reimbursable grants agreements that most nonprofits offering health, education, or social services hold with the state. HB 451/SB 542, currently in process, would improve the situation for service providers who would know that agencies are obliged to respond in a timely manner or face penalties. Similarly, HB 308/SB 281 would have a positive impact for providers, in that there would be a comprehensive, reliable and accessible source for them to track payments and know where there are delays.

We ask that you take steps to ensure that nonprofits serving Maryland communities on behalf of the state have ready access to information about the payments they need to continue to provide services. Nonprofit Montgomery supports Senate Bill 281 and we urge you to give it a favorable report.

Thank you for your consideration.

**Nonprofit Montgomery**

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# **SB 281 - Support to EHEA Comptroller Payments Tra**

Uploaded by: Henry Bogdan

Position: FAV

February 17, 2022

**Testimony on Senate Bill 281**  
**Comptroller - Online Payment Processing Portal**  
**Senate Education, Health, and Environmental Affairs Committee**

**Position: Favorable**

Maryland Nonprofits is a statewide association of more than 1300 nonprofit organizations and institutions. We urge you to support Senate Bill 281 to bring greater transparency to the handling of invoices from vendors and organizations providing services for and on behalf of the state by creation of an online portal to track bills and invoices through the payment process.

Nonprofit service providers often face long payment delays on state grants agreements and procurement contracts. These impact the delivery of services, ability to meet payroll, or make payments to subcontractors. Many small or newer organizations, often led by people of color, cannot participate in programs where they may be faced with working without payment for many months. A large number of nonprofit service organizations have operating cash reserves of less than 90 days.

Unfortunately, payments can be delayed for many reasons, and there are numerous possible causes that have little to do with their performance. Staffing shortages in state offices, clerical errors, offsets or fiscal 'holds' on payments without notice to providers and others, can be difficult to reconcile because there is no comprehensive system for notifying providers, or reliable and accessible source for them to discover the reasons for these delays.

**We urge you to give Senate Bill 281 a favorable report.**

# **SB281 Comptroller - Online Payment Processing Port**

Uploaded by: Katie Collins-Ihrke

Position: FAV



February 17, 2022

**Education, Health, and Environmental Affairs Committee  
TESTIMONY IN SUPPORT**

*SB 281- Comptroller - Online Payment Processing Portal*

Accessible Resources for Independence is a disability resource and advocacy organization run by and for people with disabilities in Howard and Anne Arundel Counties. We are a small, but mighty nonprofit with a budget of around \$700,000 per year.

**Accessible Resources for Independence is pleased to support SB 281- Comptroller - Online Payment Processing Portal**. This bill ensures that small non-profits like ours are paid on a timely basis.

We have been providing services to Veterans and their families to keep veterans in their homes. We currently serve about 20 Veterans in this program. This program is paid as a fee-for-service, a set amount of money each month for each veteran and is run through a partnership with the Maryland Department of Aging and the Veteran's Administration. We currently have over \$95,000 in outstanding invoices, \$60,000 of which are older than 90 days. We are owed monies from 2018. The last payment we received was in May 2021 and each month we accumulate thousands of dollars in our accounts receivable. Because of this, we are unable to build our reserves and we spend countless hours in staff time trying to get some resolution to our tremendous and continuously growing accounts receivables. This impacts those we serve because it forces us to shift attention away from direct services to the administrative back end.

Maryland has a great opportunity to ensure that those non-profits serving some of the most vulnerable residents are treated equitably and fairly. **Accessible Resources for Independence urges the Education, Health, and Environmental Affairs Committee to report favorably on SB 281.**

For more information, please contact Katie Collins-Ihrke, Executive Director, at 443-713-3914.

# **Grant reimbursement - comptroller portal - testimo**

Uploaded by: Lisae C Jordan

Position: FAV





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Working to end sexual violence in Maryland

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For more information contact:  
Lisae C. Jordan, Counsel  
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**Testimony Supporting Senate Bill 281**  
**Lisae C. Jordan, Executive Director & Counsel**  
February 17, 2022

The Maryland Coalition Against Sexual Assault (MCASA) is a non-profit membership organization that includes the State's seventeen rape crisis centers, law enforcement, mental health and health care providers, attorneys, educators, survivors of sexual violence and other concerned individuals. MCASA includes the Sexual Assault Legal Institute (SALI), a statewide legal services provider for survivors of sexual assault. MCASA represents the unified voice and combined energy of all of its members working to eliminate sexual violence. We urge the Education, Health & Environmental Affairs Committee to report favorably on Senate Bill 281.

**Senate Bill 281 – Comptroller On-line Payment Processing Portal**

Maryland supports survivors of sexual assault, child sexual abuse, sex trafficking, and other crimes through grants of state and federal funds. These grants are generally to non-profit organizations, and these agencies often operate with limited resources. Grants provide core support for salary, benefits, and operational expenses. With the help of grants from Maryland, survivors receive counseling, shelter, legal services, advocacy, and other help. SB281 will help address the delays in disbursement of grant funds that rape crisis centers and others repeatedly experience with Maryland grant awards by providing timely informational about the progress of payments in the State system and when funds can be expected.

Many state agencies, including the Governor's Office of Crime Control, Youth, and Victim Services, require that grant recipients front funds to use for grant activities and then the state provides reimbursement. Some grants use a monthly reimbursement schedule and others require that a full quarter of expenditures be made prior to reimbursement. In theory, grant reimbursements are to be made within 30 days, but they frequently take far longer. This means, as an example, that a rape crisis center would expend payroll and other expenses for 3 months (one quarter), and then wait another 4 or 5 or more weeks for reimbursement. This is untenable. Many non-profits, particularly smaller organizations in rural communities or those devoted to discrete underserved populations, cannot carry the State of Maryland for the weeks and months it takes to get paid for work already performed.

When seeking information about the status of payments, it is common for an agency to point to the Comptroller's office as the source of delay. The Comptroller's office frequently points to the agency. The on-line payment processing portal proposed by SB281 will help identify where and why funds are actually being delayed. It will also provide critical information about when funds can be expected and, in turn, when agencies will have cash available for payroll and other expenses.

Sexual assault and rape crisis programs share some of their perspectives:

*...for us as a small non-profit, this has posed a great challenge through the years. Our monthly expenses run anywhere between \$40,000-\$70,000. It is not uncommon at all for grant payments to arrive 10-12 weeks after the end of a month or quarter. While we do receive donations and we do fundraise, our flexible fund revenue isn't nearly enough to create the cash flow needed to cover those expenses for 10-12 weeks after a monthly reimbursement request. And for those grants that are quarterly, we must carry those 3 months, in addition to the weeks after waiting for payment. We are lucky enough to have a bank that has given us an unsecured \$100,000 line of credit, which is the only way we can operate. However, we then end up paying interest on it, which could be used for other things. We are very grateful for this line of credit, however, because our previous bank would not provide a line of credit over \$50,000, which simply wasn't enough.*

*... we have experienced enormous stress as a result of Maryland's failure to pay their bills on time. More than once, I have loaned my agency money so we make payroll, but there is only so much I can do. It's important to remember that we run a tight ship and are fiscally responsible. This is just a question of the State failing to do what they promised to do. We almost missed payroll at Christmas time one year. I'm lucky that our Delegate intervened and cash arrived in time*

*...the delays in payment create some of the greatest challenges for our non-profit agency. We help child survivors who have had horrible things happen to them, adults who have been raped, students assaulted at school, and other victims and survivors of sexual violence. Our staff works hard, and are paid so much less than they would be paid in the private sector. It just feels disrespectful that the state of Maryland can't pay us on time. Sometimes they have our funds for months and months. We can't charge them interest, but we incur interest expenses if we have to take a loan so we can pay our staff.*

*... My organization has been providing services for over 40 years in southern Maryland. We have approximately 20 staff members and serve over 2000 individuals a year, providing victims of domestic, dating and sexual violence with everything from shelter to crisis intervention to legal representation and more. Many of our staff members live paycheck to paycheck, and do not have a "cushion" if their payroll is not on time. Similarly, if our nonprofit doesn't receive our reimbursements on a timely basis, we do not have the funds to cover the state reimbursements until they arrive. On at least five occasions over the past 2 years, our funding was significantly delayed. Once our reimbursements did not arrive until 74 days after we requested them. This meant that employees would not get payroll. I had just sold my home and had the profits in my personal account in anticipation of putting a down payment on a new home. So I used that money to cover the next two payrolls until the funds were finally received. In two of the other instances, one of the counties we serve was gracious enough to advance us funds from a future quarter. On the other two occasions, we borrowed money.*

*...It is unrealistic to think that a small nonprofit will have reserves to cover grant funds. Through very careful monitoring of our budget and saving every penny of donated unrestricted funds possible, we've built up a small cushion over the years, but it could not carry us for any significant period of time. As it was (and as it is), many reimbursements come on a quarterly basis: the result is that each quarter, we are paying out personnel and operational costs for anywhere from 2 weeks to 4 months prior to receiving reimbursements...and that's assuming they are paid on time (i.e. we pay two weeks of payroll on July 15<sup>th</sup>, for the first two weeks of the quarter. However, we are not allowed to bill for it, and do not receive reimbursement for that, until the end of that quarter, on September 30<sup>th</sup>. We then receive the funds sometime in October, if things go smoothly). To know that reimbursements would reliably processed in a more timely manner would make a huge positive difference.*

*... it's amazing to me that the federal government is so much better at paying on grants than Maryland is. Federal grants will allow us to both get reimbursed promptly and also to request funds that will be expended within 10 days. When we request funds awarded under a federal grant and administered by the federal government, the money is in the bank within days. Maryland should be at least as good as the federal bureaucracy.*

It is important to remember that sexual assault programs and other non-profits have many of the same responsibilities as other small businesses: payroll, rent, health insurance for employees, utility payments, etc. SB281 would help improve the financial health of rape crisis centers and let them focus on helping survivors.

**The Maryland Coalition Against Sexual Assault  
urges the Education, Health & Environmental Affairs Committee to  
report favorably on Senate Bill 281**

**SB 281\_MNADV\_FAV.pdf**

Uploaded by: Melanie Shapiro

Position: FAV



**BILL NO:** Senate Bill 281  
**TITLE:** Comptroller - Online Payment Processing Portal  
**COMMITTEE:** Education, Health and Environmental Affairs  
**HEARING DATE:** February 17, 2022  
**POSITION:** **SUPPORT**

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The Maryland Network Against Domestic Violence (MNADV) is the state domestic violence coalition that brings together victim service providers, allied professionals, and concerned individuals for the common purpose of reducing intimate partner and family violence and its harmful effects on our citizens. **MNADV urges the Senate Education, Health and Environmental Affairs Committee to issue a favorable report on SB 281.**

Survivors of domestic violence in Maryland receive support and services through organizations, many of whom are the recipients of grants of state and federal funds. Non-profit organizations are generally those that receive these grants and operate with limited resources. The state and federal grant dollars are relied upon for salary, benefits, and operational expenses. These grants enable non-profit organizations to provide shelter, counseling, advocacy, legal services and hotlines to victims and survivors of domestic violence in Maryland.

The Governor's Office of Crime Control, Youth, and Victim Services and other state agencies require that grant recipients front funds to use for grant activities and then the state provides reimbursement. Some grants use a monthly reimbursement schedule and others require that a full quarter of expenditures be made prior to reimbursement. Grant reimbursements are to be made within 30 days, but they frequently take far longer. This means, as an example, that a domestic violence service provider would expend payroll and other expenses for 3 months (one quarter), and then wait another 4 or 5 or more weeks for reimbursement. Maryland's non-profits have the same financial obligations as other small businesses including rent, payroll, health insurance for employees, and more.

SB 281 would bring greater transparency to the handling of invoices from vendors and organizations providing services for and on behalf of the state by creation of an online portal to track bills and invoices through the payment process. This would allow domestic violence non-profits to dedicate their attention to helping the victims and survivors they serve without worrying about their financial security and health.

For the above stated reasons, the **Maryland Network Against Domestic Violence urges a favorable report on SB 281.**

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For further information contact Melanie Shapiro ■ Public Policy Director ■ 301-852-3930 ■ [mshapiro@mnadv.org](mailto:mshapiro@mnadv.org)

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**favorable testimony sb281 .pdf**

Uploaded by: Michael Bullis

Position: FAV

February 17, 2022

Education, Health, and Environmental Affairs Committee

TESTIMONY IN SUPPORT

**SB 281 Comptroller - Online Payment Processing Portal**

The IMAGE Center for People with Disabilities is a Center for Independent Living serving people in Baltimore City, Baltimore County and Harford County. We serve veterans through an agreement with the Maryland Department of Aging and currently are owed over \$140,000 in past due bills going as far back as 2019. The effect of this is that in order to float the State of Maryland a loan we have to use donated dollars that could otherwise be spent on direct services.

Clearly, without some requirement, we are not a priority for payment. We cannot often even find out the status of any given payment.

We have been providing services to Veterans and their families to keep veterans in their homes. We currently serve over 35 Veterans in this program. This program is paid as a fee-for-service, a set amount of money each month.

Maryland has a great opportunity to ensure that those non-profits serving some of the most vulnerable residents are treated equitably and fairly. We urge your favorable report on this Bill.

Sincerely,

Michael Bullis,

Executive Director,

Independent Marylanders Achieving Growth Through Empowerment, Inc.

300 E. Joppa Rd., Suite 312,

Towson MD 21286

# **Historic Sotterley Testimomy for SB 281.pdf**

Uploaded by: Nancy Easterling

Position: FAV

Testimony for SB 281—Prompt Payment and Payment Parity for Grants  
Nancy L. Easterling

I am Nancy Easterling, the Executive Director for Historic Sotterley, Inc., located in St. Mary's County, Maryland, and I am writing in support of SB 281. For those of you not already familiar with Historic Sotterley, our nonprofit runs a 300 year old National Historic Landmark and historic museum site which interprets our complex, and often difficult, shared history. With a full and varied range of programming to include education programs and field trips, tours, cultural events, recreational opportunities, a working farm that donates produce to our local community, our Common Ground Initiative supported by our Descendant community, and much more. Historic Sotterley is truly an exceptional educational and cultural resource for our community, our State, and our Nation.

Historic Sotterley is unlike many museums, however, in that it is not owned by a county, state or federal government, and it does not have an endowment to support its operations. This means we need to earn and work for every dollar that supports our efforts and our mission, and this makes for a pencil-thin budget with often no reserve accounts to serve as a cushion. Despite our challenges, we have never wavered in our dedication to improving how we serve our community, and we have made many advancements over the years of which we are incredibly proud. Generous grants from the State of Maryland have been responsible for many of these important projects and advancements.

There are many grants which I have hesitated to apply for, however, because I know that most state grants work on a reimbursement basis which is difficult for small organizations like ours. Cash flow is everything for a small nonprofit, and we typically do not have funds in reserve to fall back on. It can sometimes take months and months after paying a bill to work our way through the reimbursement process, and we have had to draw on our operational line of credit which then incurs interest payments we will not be reimbursed for, as well as tying up our line of credit and making it unavailable for critical operational expenses such as payroll. We have even had to delay paying other bills when funds became too tight, hoping somehow that the people to whom we owe money will be understanding. They have operational needs to, however, and cash flow is a problem for them as well.

The grant reimbursement process will always be challenging for small nonprofits to navigate because sometimes there are sometimes reimbursement thresholds which must be reached and or time frames for submitting invoices which can push out even further when you are even able to submit invoices for reimbursement. If the invoices are large, it can be even more challenging to navigate cash flow. HB 451 will guarantee that part of the very real concern nonprofits have about applying for grants will be addressed, however, and that they will have some assurance that they will not have to wait months and months to finally be reimbursed for submitted invoices, and can be more certain of the time frame when they can expect to receive reimbursement.

Nonprofits are small businesses that do huge things for our communities. I support SB 281, and please know that your support of this bill is in fact supporting all of the many nonprofits that are working every day to make Maryland a better place for all.

*Historic Sotterley Inc's Mission: Preserve our historic structures and natural environment and use the powerful stories of our land, lives, and labor to bring American history to life while serving as an educational and cultural resource.*



# **CASH\_SB 281- Comptroller - Online Payment Processi**

Uploaded by: Robin McKinney

Position: FAV



**SB 281 - Comptroller - Online Payment Processing Portal  
Education, Health, and Environmental Affairs Committee  
February 17, 2022  
SUPPORT**

Chair Pinsky, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 281. This bill will allow state vendors to better track their invoices and payments.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA,' offering free financial education and coaching, and engaging in policy research and advocacy.

CASH receives federal and state funding that flows through state agencies, academic institutions, and non-profit intermediaries. After an initial invoice, payments can take anywhere from 30 days to six months. Some payments can be viewed through the Comptroller's General Accounting Division (GAD) website, but the payments can be inconsistent with invoice amounts due to undisclosed offset liabilities.

An offset liability is issued by the federal or state government if there is an unpaid bill, penalty, or other charge. There is a section for these letters to be posted on the GAD website. However, CASH experienced multiple offset liability issues that were never listed on GAD and took almost 18 months to unravel. CASH had over \$70,000 of funds held for almost six months over less than \$300. Another \$230,000 was held up over \$15.88. The \$15.88 became an offset because it was booked in June 2020 but was not sent to CASH as a bill until October 2021. CASH was routinely told that these funds should not have been held for these insignificant amounts of liability issues. It took hours of executive staff time to work through the Department of Labor, Comptroller's Office, and academic institutions to get all the funds released and paid.

CASH and other non-profit vendors provide needed services that are contracted by the state and their affiliated entities. Grant and contract agreements lay out the terms for services to be paid. Vendors have a right to track where their payments are in the process and be able to intervene if any additional information is needed.

**For these reasons, we encourage a favorable report on SB 281.**

*Creating Assets, Savings and Hope*

# **SB281\_ Statewide Payment Portal Testimony .pdf**

Uploaded by: Sen. Cheryl Kagan

Position: FAV

CHERYL C. KAGAN  
Legislative District 17  
Montgomery County

Vice Chair  
Education, Health, and  
Environmental Affairs Committee

Joint Audit Committee  
Joint Committee on Federal Relations



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**SB281: Comptroller - Online Payment Processing Portal**

Senate Finance Committee  
Thursday, February 17, 2022 | 1pm

As Chair of the Next Generation 9-1-1 (NG911) Commission, I learned that there are significant problems with our State's payment process. 9-1-1 Center Directors and vendors have experienced inadequate communication; a lack of transparency; and extensive delays in payment. These issues are too common throughout the Maryland State government. No one should have to reach out to their legislators, who then have to contact the Comptroller's Chief of Staff... in order to determine the status of a payment.

After extensive conversations with the Department of Information Technology (DoIT), the Department of General Services (DGS), and the Department of Budget and Management (DBM), I am sponsoring [SB281](#)-- which would create an accessible "payment tracking portal" to be used by all State entities. It would be developed by DoIT and maintained by the Comptroller's Office. This would provide accountability and allow vendors to monitor the status of their payment(s).

This legislation is endorsed by the NG911 Commission. Additionally, the Comptroller's Office endorsed this concept in December. After the bill was filed, the Comptroller's Office [started to create its own portal](#), which appears to be rudimentary at best. Additionally, they referenced DoIT's [Maryland Transparency Portal](#). Rather than various agencies doing piecemeal and redundant sites, SB281 would create one transparent and efficient system.

If passed, this legislation would go into effect on July 1, 2022. It allows six months for the Comptroller's Office to share plans for the portal with the Senate Education, Health, and Environmental Affairs and the House Health and Government Operations Committees. The online payment portal must go "live" by July 1, 2023. By January 1, 2024, the portal must be integrated with eMarylandMarketplace. And finally, by July 1, 2024, the system must be searchable.

The portal will allow vendors to contact the correct person at the correct agency, rather than navigating blindly through our government bureaucracy. They will be able to find the reviewer's work email and phone number.

Governor Hogan likes to say that Maryland is "Open for Business." We must ensure that if we're going to be "open," **our businesses and nonprofits will know when they are getting paid.**

**I urge a favorable report on SB281.**

## **2-17-2022 Letter of Information – Senate Bill 281**

Uploaded by: Justin Hayes

Position: INFO

**TESTIMONY OF SANDY ZINCK**  
**DIRECTOR OF THE GENERAL ACCOUNTING DIVISION**  
**Letter of Information - Senate Bill 281 Comptroller - Online Payment Processing Portal**  
*Health and Government Operations*  
*February 17, 2022*

Upon review, COM believes that the existing One Stop Vendor Payment Information System (OSVPI) and the new public-facing COM Payment Transparency Portal could satisfy many of the requirements identified in the proposed bill in the State Government Article § 4-113(C) which outlines the required functionality.

The State uses FMIS for invoice processing. FMIS was developed in the mid-1980s. It is a complex system with COBOL programming underpinning its functionality. FMIS is used by many (not all) State agencies for procurement and financial transactions. To satisfy **all** the requirements in the proposed bill, several options exist:

- Substantial programming development could be done in FMIS to build invoice imaging and workflow functionality. This will be a high-risk, time-consuming, and costly effort.
- An invoice imaging and workflow software could be procured, implemented, and interfaced into FMIS across the State. This will be a time-consuming and costly effort that would still interface to our antiquated FMIS core system.
- A new financial operating system could be procured and implemented to replace FMIS which could include the invoice processing transparency required by the proposed bill. This path, if selected, will be more extensive in scope and cost than COM's current COMPASS initiative. The benefits of implementing a new financial operating system that is required to be used by all State entities will be well worth the effort in terms of efficiency and transparency.

We respectfully ask that the existing bill language be updated to:

- Exclude State employee's payee data in the portal due to State Gov't. § 4-331, which prohibits release of home address information or telephone number of State employees.
- Exclude financial history or activities of an individual payee data in the portal based on State Gov't § 4-336, which prohibits release of information about the finances of an individual including financial history or activities
- Include a listing of which government entities payment data should be included in the portal.

Please see the table below for our feedback on such functionality:

| Senate Bill 281<br>State Gov't. § 4-113 Annotated Code | Functionality/ Milestones   | COM Comments   |
|--|---|--|
| § 4-113(C)(1)  | Enable payee to confirm receipt by the State of any required documents the payee must submit to be eligible for payment   | If the invoice submitted by the payee is in processing status in OSVPI, it can be inferred the agency has received all required documents to process payment. The OSVPI system shows both paid and unpaid transactions to the payee.   |
| § 4-113(C)(2)  | Notify the payee when its request for payment: 1) is under review; 2) is approved for payment; and 3) has been paid by the State  | The "push" of notifications will require the capturing of email addresses for all payees as well as technology to support invoice workflow. OSVPI today shows when an agency is processing the payment (2) and when the payment has been paid by the State (3).  |
| § 4-113(C)(3)  | Provide the name/email address/telephone number of individual responsible for reviewing/approving payment   | The name, email address and telephone number of individuals who are responsible for reviewing and approving a payment is not captured in FMIS today.   |
| § 4-113(C)(4)  | Be integrated with eMaryland Marketplace  | eMMA will house only procurement transactions. FMIS is the payment system of record.   |
| § 4-113(C)(5)  | Allow the public to search payments: 1) made by payee using the name and address for the payee; and 2) by the unit of State government making the payment, geographic location of the payment, or category of the expense | Public payment portal currently in development.<br>The law prohibits the following transactions to be displayed publicly:<br>*Annotated Code, State Gov't. § 4-331 restricts the release of employee address;<br>*Annotated Code, State Gov't. § 4-336 prohibits the release of finances of an individual including financial history of activities. |
| SB 281 Section 3(b)(1)                                 | The requirements of § 4-113(c)(4) (requiring that the portal be operational and integrated with eMaryland Marketplace) must be operational on or before January 1, 2024   | eMMA will house only procurement transactions. FMIS is the payment system of record.   |

## A. Summarization of Concerns

- a. **COST AND TIME IMPACT:** Existing FMIS does not have the ability to be responsive to:
  - i. SFP § 4-113(C)(2): **Notify the payee** when its request for payment: 1) is under review; 2) is approved for payment; and 3) has been paid by the State
  - ii. SFP § 4-113(C)(3): **Provide the name, email address, and telephone number of the individual who is responsible for reviewing and approving apayment**
- b. **COST AND TIME IMPACT Strategic Direction of eMMA not fully executed** It is anticipated that eMMA will be strictly procurement transactions
  - i. SFP § 4-113(C)(4): Be integrated with eMaryland Marketplace;
  - ii. SFP §§ 4-113(B)(1) and(C)(4): requires that the portal be operational and integrated with eMaryland Marketplace on or before January 1, 2024

Solution: Use FMIS as source of portal

- c. **ANNOTATED CODE CONFLICT Scope concern; Conflicts with Annotated Code: State Gov't. § 4-331**, which prohibits release of home address information or telephone number of state employees; and State Gov't § 4-336, which prohibits release of information about the finances of an individual including financial history or activities
  - i. SFP § 4-113(C)(5) Allow the public to search payments: 1) made to payee using the name and address for the payee;

Solution: Clarify bill to exclude public reporting of employee information and no release of individual's financial history or activities.

- d. **CLARIFICATION NEEDED- Reportable government entities should be defined.** Include General Assembly? Judiciary? Universities? Nonbudgeted entities? Consider Separation of Powers
  - i. State Gov't. § 4-113(C)(5)(II): allowing the public to search by the unit of State government making the payment, geographic location of the payment, or category of the expense



Solution: Clarify bill to identify reportable government entities. If nonbudgeted entities are to report transactions, file development costs may exist.

Remove category of the expense requirement. Vendors are frequently used for more than one expense category.

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## ADDENDUM:

### I. All public-facing portals must adhere to the following data restrictions set forth in Maryland's Public Information Act:

- a. Gen. Prov. ("GP") § 4-331: Prohibits release of home address information or telephone number of state employees
- b. GP § 4-336: Prohibits release of information about the finances of an individual including financial history or activities

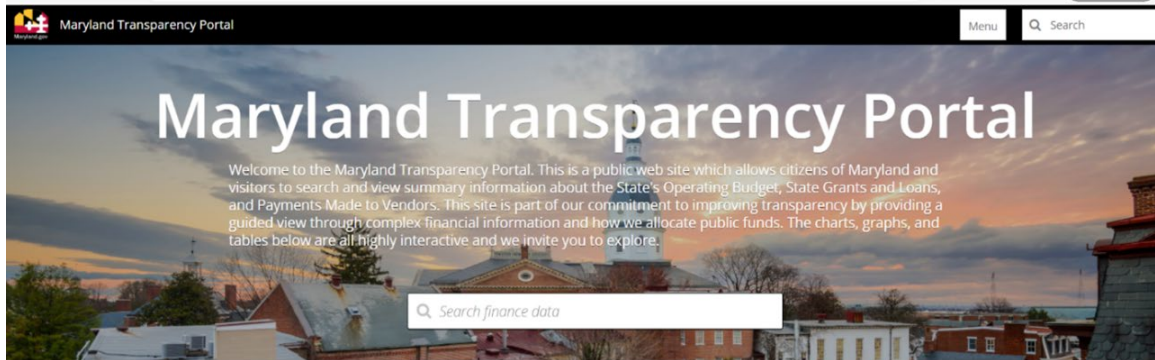
### II. History of Existing Portals/Commentary

#### a. HB 358 (2008) and HB 251 (2021) established the existing Maryland Transparency Portal:

- i. Maryland Transparency Portal
  1. <https://mtp.maryland.gov/>
- ii. Statutory creation of the portal was originally found in State Fin. & Proc. ("SFP"), Title 3, subtitle 4. Subsequently moved to SFP, Title 3A, subtitle 3 upon the creation of DoIT as an independent State agency.
- iii. Initially the portal was established and maintained by DBM. This moved with DoIT when DoIT became an independent State agency.
- iv. SFP § 3A-302(c) limits the application of the provisions of subtitle 3 to the Executive Branch including public institutions of higher education, but excluding Morgan State Univ., the University System of Maryland, St. Mary's College of Maryland, and the Baltimore City Community College.

#### b. HB 251 (2021) Maryland Funding Accountability and Transparency Act Nonbudgeted State Agencies

- i. Amended SFP § 3A-313 to clarify that "agency" includes nonbudgeted agencies that receive funds that are not appropriated in the annual budget bill



**c. Maryland Transparency Portal has the following data restrictions/exclusion:**

- i. Dollar Threshold (Aggregate payment of \$25,000 in a fiscal year)
- ii. EXCLUDE ALL UNIVERSITY SYSTEM SCHOOLS, MORGAN STATE, & ST. MARYS  
 EXCLUDE GENERAL ASSEMBLY  
 EXCLUDE JUDICIARY  
 EXCLUDE INTERNAL STATE PAYMENTS  
 EXCLUDE LOTTERY WINNERS  
 EXCLUDE GUARDIANSHIP SUBSIDIES (DHR FOSTER CARE)  
 EXCLUDE COMPTROLLER TAX REFUNDS  
 EXCLUDE COMPTROLLER UNCLAIMED PROPERTY REFUNDS  
 EXCLUDE COMPTROLLER, RAD, MONTGOMERY COUNTY GRANT  
 EXCLUDE COMPTROLLER, RAD, ESTATE TAX/ROW  
 EXCLUDE COMPTROLLER, RAD, MOTOR FUEL TAX  
 EXCLUDE COMPTROLLER, RAD, TAX INTERCEPTS DE, NJ, CT, NY  
 EXCLUDE COMPTROLLER, RAD, TAX INTERCEPTS IRS  
 EXCLUDE COMPTROLLER, RAD, ADMISSIONS/ AMUSEMENT TAX  
 EXCLUDE COMPTROLLER, RAD, SALES TAX REFUNDS  
 EXCLUDE DPSCS CRIMINAL INJURY COMPENSATION  
 EXCLUDE DPSCS DEATH BENEFIT COMPENSATION  
 EXCLUDE DPSCS COURT ORDERED COMPENSATION  
 EXCLUDE DBM CCU PAYMENTS  
 EXCLUDE SUBSEQUENT INJURY FUND PAYMENTS  
 EXCLUDE UNINSURED EMPLOYERS FUND PAYMENTS

III. One Stop Vendor Payment Information (OSVPI) exists today. Portal allows vendors to research both paid and unpaid payments, and COM is currently developing an on-line payment portal that meets many of the proposed requirements in SB 281 and HB 308.

- a. Site: [Log On to GAD's Online Service Center \(marylandtaxes.gov\)](https://interactive.marylandtaxes.gov/extranet/gad/GADLogin/login.asp)
- b. Requires credentials to log into the tool.
  - i. Not accessible to the public without credentials
- c. Examples of OSVPI home page and portal in progress:

The screenshot shows the login page for the GAD's Online Service Center. The page has a blue header with the Comptroller of Maryland logo and the text 'General Accounting Division'. Below the header is a navigation menu with links for Home, Maryland Taxes, Maryland's Money, Comptroller of Maryland, Media Services, Online Services, and Search. The main content area is titled 'GAD's Online Service Center' and contains the following text:

If you are a vendor who does business with a **participating agency** of the State of Maryland, you may access the GAD Online Services including:

- One Stop Vendor Payment Inquiry
- Federal Liability Offset Letters
- 1099 Inquiry

To access please register or login below.

**Register to Access GAD's Online Service Center**  
If you are a new user please [click here to register](#).

**Log On to GAD's Online Service Center**

Taxpayer ID Number:  ?  
 Password:  ?

**System Availability** - The GAD Online Service center is available 24 hours a day, 7 days a week from any home, office, or public access point. However, information may not be available during times of system maintenance.  
**For assistance** - contact the General Accounting Division:

- By phone Monday through Friday between 8:30 a.m. and 4:30 p.m. EST. at 410-260-7813 or toll-free at 410-260-7813
- By email at [gadchecks@marylandtaxes.gov](mailto:gadchecks@marylandtaxes.gov)

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## Search

This data represents only payments that have been disbursed

Clear All Search

Vendor Name

Agency  
Please Select One

Payment Date  
From  To

Payment Number  Invoice Description

Invoice Number  Invoice Date

Clear All Search

The Comptroller's Web Services Center is available 24 hours a day, 7 days a week from any home office, or public access point. However, data may not be accessible during times of system maintenance.

## Search Results

This data represents only payments that have been disbursed

Export to CSV New Search

| Agency                  | Vendor Name             | Payment #                 | Payment Date | Payment Amount |
|-------------------------|-------------------------|---------------------------|--------------|----------------|
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$29,378       |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$12,992       |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$689          |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$537          |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$73,775       |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$57,514       |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$5,198        |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$4,059        |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$16,695       |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$1,859        |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$135,441      |
| Maryland District Court | WAL-MART STORES EAST LP | <a href="#">507229694</a> | 12/29/2021   | \$623          |

Export to CSV New Search

The Comptroller's Web Services Center is available 24 hours a day, 7 days a week from any home office, or public access point. However, data may not be accessible during times of system maintenance.

## Payment Detail

Print

[Back to Search Results](#)

[New Search](#)

### State Agency and Vendor

**State Agency**

Maryland District Court

**Vendor**

WAL-MART STORES EAST LP

### Invoice Information

**Invoice Number**

890355

**Invoice Date**

12/25/2021

**Invoice Description**

MEDICAL CARE PMT FOR 395110300

### Payment Information

**Payment Number**

507229694

**Payment Date**

12/29/2021

**Payment Amount**

\$29,378

**Payment Type**

ACH

Print

[Back to Search Results](#)

[New Search](#)

The Comptroller's Web Services Center is available 24 hours a day, 7 days a week from any home office, or public access point. However, data may not be accessible during times of system maintenance.

As always, the Comptroller's Office is willing and available to discuss these concerns or any questions you may have at your convenience. Please contact Justin Hayes, Legislative Director at [jhayes@marylandtaxes.gov](mailto:jhayes@marylandtaxes.gov) or 410-260-7696.

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