



DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

March 28, 2016

Paul Christofferson
Department of Administration
State of Montana
125 Roberts Street
Mitchell Building - Room 255
Helena, MT 59620

Dear Mr. Christofferson:

We are writing concerning your state's annual interest exchange with the U.S. Treasury under the Cash Management Improvement Act (CMIA). On March 17, 2016, you were sent a letter with your Annual Report information for Fiscal Year 2015 and an interest exchange amount, as adjusted by Interest Calculation Costs (ICC). After those letters were sent, we discovered an issue (explained below) affecting the ICC. This letter replaces and supersedes the March 17, 2016 letter.

Your state's CMIA net interest due from the U.S. Treasury to your state for Fiscal Year 2015 is **\$337**. Generally, this net CMIA interest amount would be adjusted to include ICC. This year, the March 31, 2016 net interest amount will not be adjusted for ICC for the following reason: Under CMIA regulations, the source of funding for ICC is the aggregate interest payments states make to the Federal Government. See 31 CFR 205.27(e). In addition, the aggregate payments from the Federal Government to states for ICC will not exceed the aggregate interest payments the states make to the Federal government. This year, the aggregate ICC claims made by states exceeds the aggregate interest due from states to the Federal government. As a result, it is necessary to adjust the aggregate amounts which the Federal government pays out in ICC. The amount of this adjustment is still being calculated. We will advise you further on ICC payments once these calculations are complete.

Consequently, for the purposes of the March 31, 2016 interest exchange, the amount to be exchanged will be the net interest amount unadjusted by ICC. The U.S. Treasury will be forwarding to your state a net interest amount of **\$337** by March 31, 2016.

Thanks you for your understanding as we work through these issues. If you have any questions, please contact me at Mary.Bailey@fiscal.treasury.gov.

Sincerely,

Mary N. Bailey
Director, CMIA Division
Revenue Collections Management



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WASHINGTON, DC 20227

March 17, 2016

Paul Christofferson
Department of Administration
State of Montana
125 Roberts Street
Mitchell Building - Room 255
Helena, MT 59620

Dear Mr. Christofferson:

This letter is to advise you that the Bureau of the Fiscal Service (Fiscal Service) has reviewed your Annual Report for Fiscal Year 2015 which was provided under the provisions of the Cash Management Improvement Act (CMIA) of 1990 (P.L. 101-453).

Under 31 CFR 205.28 of the Department of the Treasury - Fiscal Service Regulations, Fiscal Service is required to determine CMIA Federal/State net interest liabilities, evaluate Interest Calculation Cost claims, and exchange net interest no later than March 31st of each year. Based on the information provided in your Annual Report, there is a **net Federal interest liability of \$ 368 due to your State**. Enclosed with this letter is a statement of the net interest liability calculation (*see the CMIA Annual Report – Fiscal Service Certification of Net Payment Due*) that includes the approved \$ 31 Interest Calculation Cost amount. An attachment is included with the Certification of Net Payment Due if any Federal interest liabilities were denied or deferred.

The net Federal interest liability payment to the State will be processed for settlement on March 31, 2016. Fiscal Service will do the accounting transactions to make net adjustments for all trust fund programs.

In the event that you disagree with our determinations, please contact us immediately so that we may address any disagreement. If this informal review is not satisfactory, you may dispute our determination under the provisions of 31 CFR 205.31. In order to support an appeal, it is essential that you provide the documentation that was requested in our letter dated November 19, 2015.

Thank you for your cooperation in this important partnership to ensure efficiency, effectiveness and equity in the cash management of Federal grant payments. If you have any questions, please do not hesitate to contact Wallace Artis at 202-874-6555, or me at 202-874-7055.

Sincerely,

Mary N. Bailey
Director, CMIA Division
Revenue Collections Management

Enclosure

Cash Management Improvement Act - 2015 Annual Report
State of Montana - Bureau of the Fiscal Service Certification of Net Payment Due

State Fiscal Year 07/01/2014 through 06/30/2015

I. Summary of Liabilities and Approved Interest Calculation Costs

State Interest Liability Due	\$90
Federal Interest Liability Due	\$427
Approved Interest Calculation Costs	\$31
Net Federal Payment Due	\$368

II. Trust Fund Reporting

17.225 F Unemployment Insurance -- Federal Benefit Account and Administrative Costs

Total State Interest Liability	\$0
Total Federal Interest Liability	\$0
Net Interest Payment from Trust Fund	\$0
Net Interest Payment to Trust Fund	\$0

17.225 S Unemployment Insurance -- State Benefit Account

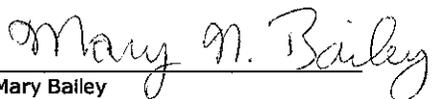
Total State Interest Liability	\$0
Total Federal Interest Liability	\$0
Net Interest Payment from Trust Fund	\$0
Net Interest Payment to Trust Fund	\$0

20.205 Highway Planning and Construction

Total State Interest Liability	\$0
Total Federal Interest Liability	\$100
Net Interest Payment from Trust Fund	\$100
Net Interest Payment to Trust Fund	\$0

III. Certification

"This Certification has been prepared by the United States Department of the Treasury, Bureau of the Fiscal Service, based on the State of Montana's 2015 Annual Report. These calculations have been made in accordance with the implementing regulations of the Cash Management Improvement Act of 1990 (31 CFR Part 205)."


 Mary Bailey
 Director
 Cash Management Improvement Act Division
 Bureau of the Fiscal Service

March 17, 2016
 Date Signed