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STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
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MEMORANDUM NO. 2021-15

June 29, 2021

TO THE HEADS OF ALL STATE AGENCIES

Attention: Commissioners, Chief Fiscal Officers and Business Managers

Subject: Vendor Mandatory ACH Participation

I. PURPOSE:

This memorandum advises all State agencies that the Office of the State Comptroller (OSC) is requiring vendors with the State of Connecticut to enroll in Direct Deposit (ACH) for payment of their invoices.

II. MANDATORY ACH INITIATIVE:

ACH payment should be encouraged whenever practical. ACH will be mandatory for vendors that fall into the following categories: vendors on contract, vendors with purchase orders, vendors receiving frequent payments or large dollar amount payments.

Processing ACH vendor payments allows the State to reduce paper/check supply costs and mailing expenditures, streamline internal processes, and provide more timely and secure remittances.

Benefits to vendors who receive their payments via ACH include funds are available to them on a more immediate basis, mailing delays and lost checks are also no longer a possibility, payments are more secured and less vulnerable to fraud. Also, detailed remittance information is available through (VSS) and email notification.

III. VENDOR ACH PARTICIPATION

OSC has been working to convert existing vendors from check to ACH payment method and will require new vendors to sign up as appropriate. For any vendors claiming hardship, OSC will review and may grant exemption on a case by case basis.

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All agencies are advised to support our ACH initiative and encourage their suppliers to sign up for ACH. The enrollment forms and more information can be found at <http://www.osc.ct.gov/vendor/directdeposit.html> .

IV. FOR QUESTIONS OR ASSISTANCE

Questions regarding this memorandum may be directed to the Central Accounts Payable Division Vendor File Unit at osc.apdvf@ct.gov.

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