

EXPENDITURE CLASSIFICATION HANDBOOK

**OFFICE OF THE COMPTROLLER
COMMONWEALTH OF MASSACHUSETTS**

EXPENDITURE CLASSIFICATION HANDBOOK
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Note: Please become familiar with the [Instructions Section](#) of the Expenditure Classification Handbook “ECH” before moving on to this section.

V. OBJECT CLASS/OBJECT CODE DEFINITIONS/DESCRIPTIONS

OBJECT CLASS AA - STATE EMPLOYEE COMPENSATION

Covered Expenditures: This object class includes compensation for state employees in authorized positions. Compensation includes regular salary, overtime and other financial benefits.

Requirements: All Commonwealth departments are responsible for making contract obligations and expenditures in compliance with applicable laws and CTR Fiscal Policies (including payroll policies and [Payroll Best Practices](#)). *All expenditures from this object class must be made through one of the Commonwealth’s two central payroll systems (HR/CMS or e*mpac) and are governed by the Fair Labor Standards Act (FLSA).* Most departments are subject to the rules and regulations of the Human Resources Division (HRD) for compensation payments. In order to receive payments through this object class, the employee must be in an authorized position. Departments which are not subject to the Human Resource Division (HRD) regulations for personnel classification, such as the Legislature, Judiciary, State Treasurer, State Auditor, State Secretary, Attorney General, District Attorneys, Sheriffs, Higher Education, Independent Commissions and Boards, will be governed by applicable enabling statutes, collective bargaining agreements, personnel policies and Federal laws.

Expenditures Not Covered: This object class does not include employee reimbursements or payments for job related activities (see Object Class BB).

A01 SALARIES: INCLUSIVE – Salaries for authorized positions. One or more persons may occupy these positions. These positions are scheduled through HRD for Executive departments.

Legal Authority:	M.G.L. c. 6 17 ; M.G.L. c. 7, §§ 4J, 28 ; M.G.L. c. 13 ; M.G.L. c. 29, §§ 1, 27, 31-31D ; M.G.L. c. 30, §§ 1, 21, 22, 24A-25, 45-50 ; M.G.L. c. 31 §§ 1, 31, 48 ; M.G.L. c. 73, § 16 ; M.G.L. c. 74, § 42O ; M.G.L. c. 75 § 14 ; M.G.L. c. 150E ; Collective Bargaining Agreements ; Authorizing Legislation; CTR Payroll Expenditure Manual and Payroll Memos; CTR Payroll Policies
Oversight Department:	HRD, CTR
Payment Request:	PREXP
Incidental Purchase:	N/A
Tax Form:	W-2

AA1 SALARIES: SUPPLEMENTAL – Additional payments to employees’ salary, as provided in a collective bargaining agreement, to increase the rate of pay due to a particular characteristic that differentiates one employee from another. Examples of these include longevity payments, education incentives, bilingual differentials, and facility (area) differentials.

Legal Authority:	M.G.L. c. 149 ; M.G.L. c. 30, § 45-50 ; M.G.L. c.30, § 24A, § 24C ; M.G.L. c. 150E ; M.G.L. c. 7, §§ 4J, 28 ; Collective Bargaining Agreements ; CTR Payroll Policies
Oversight Department:	HRD, CTR
Payment Request:	PREXP
Incidental Purchase:	N/A
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A06 STAND-BY PAY – Payments to employees for fulfilling “stand-by” or “on-call” obligations or duties.

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

Legal Authority: [M.G.L. c. 149](#); [M.G.L. c. 30, § 45-50](#); [M.G.L. c.30, § 24A, § 24C](#); [M.G.L. c. 150E](#); [M.G.L. c. 7, §§ 4J, 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A07 SHIFT DIFFERENTIAL PAY – Payments of salary differential to persons performing duties outside of their regular work schedule. *Comments:* Usually in operations that function 24 hours per day.

Legal Authority: [M.G.L. c. 149](#); [M.G.L. c. 150E](#); [M.G.L. c. 7, § 4J, § 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A08 OVERTIME PAY – Payments to employees for work beyond their regular hours.

Legal Authority: [M.G.L. c. 30, § 46G](#); [M.G.L. c. 149, §§ 30-33C](#); [M.G.L. c. 7, § 4J, § 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A09 ROLL CALL PAY – Payments to employees for standing roll call before a shift according to collective bargaining agreements.

Legal Authority: [M.G.L. c. 7, §§ 4J, 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A10 HOLIDAY PAY – Extra compensation for services performed on legal holidays specified by statute or regulation.

Legal Authority: [M.G.L. c. 30, §§ 45-50, § 21, § 22, § 24A-25](#); [M.G.L. c. 31](#); [M.G.L. c. 150E](#); [M.G.L. c. 6](#); [M.G.L. c. 29, §§ 31-31D](#); [M.G.L. c. 7, §§ 4J, 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A11 EMPLOYMENT RELATED SETTLEMENTS AND JUDGMENTS – No payments may be made using this object code without prior approval by CTR Legal Unit of use of this object code. Departments must follow 815 CMR 5.00 and CTR policies and procedures for processing Settlements and Judgments when using this object code. Employment-related claims include any claim for damages arising out of an individual's employment by the Commonwealth, including but not limited to awards of back pay for improper termination, lump sum awards, discrimination claims, emotional distress, attorney's fees and costs. This object code does not include retroactive salary adjustments, unpaid regular time, periodic collective bargaining agreement increases, or any other payment adjustments that are not the result of a claim or lawsuit filed against the department that results in a court judgment, administrative order or

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

settlement agreement. Includes payments to both current and former employees. Most payments will be considered earned income (wages) and are subject to tax withholdings prior to payment with the exception of attorneys' fees. Costs and interest are included in gross income but are not subject to tax withholdings prior to payment. With limited exceptions, all employment-related settlements and judgments must be processed through HR/CMS using appropriate earnings codes designated by CTR. See [E53](#), [E54](#) and [E55](#) for non-employment related claims that are not tax reportable to claimant. See [E52](#) for attorney's fees awarded to attorney of a current employee. See [E29](#) for interest payments that must be paid separately from damages under MMARS. W-9 for attorney is required if not already registered on vendor/customer file.

Legal Authority: [815 CMR 5.00](#); [M.G.L. c. 7, §§4J, 28](#); [Settlements and Judgments](#); [Collective Bargaining Agreement](#); CTR Payroll Policies
Oversight Department: AGO, HRD, CTR
Agreement Type: Original or Certified copy of Settlement or Judgment; Settlement and Judgment Authorization Form; Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2; CTR issues manual 1099-MISC to attorney or 3rd party if applicable

A12 SICK-LEAVE BUY BACK – Payments to eligible employees upon retirement. These are based on a percentage of accrued sick time.

Legal Authority: [M.G.L. c. 29, § 31A](#); [M.G.L. c. 32](#); [M.G.L. c. 7, § 4J, 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A13 VACATION-IN-LIEU – Payments to eligible employees upon retirement or termination based on accrued vacation time.

Legal Authority: [M.G.L. c. 29, § 31A](#); [M.G.L. c. 7, § 4J, 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A14 STIPENDS, BONUS PAY AND AWARDS – Additional payments to employees, e.g., legislative office expenses, merit pay, retroactive pay associated with sick and vacation Buy Backs, and monetary awards.

Legal Authority: [M.G.L. c. 30, § 45-50, § 21, § 22, § 24A-25](#); [M.G.L. c.31](#); [M.G.L. c. 150E](#); [M.G.L. c. 6](#); [M.G.L. c. 29, § 1, § 31-31D](#); [M.G.L. c. 7, § 4J, 28](#); [Collective Bargaining Agreements](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A15 RESEARCH ACTIVITY/SUMMER SALARY COMPENSATION – Additional compensation to faculty members at institutions of Higher Education for work performed outside of their normal tour of duty.
Comments: Restricted to Higher Education departments only.

Legal Authority: [M.G.L. c. 15A](#); [M.G.L. c. 75](#); [M.G.L. c.73](#); [Collective Bargaining Agreements](#); CTR Payroll Policies

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

Oversight Department: RGT, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A16 PROFESSIONAL DEVELOPMENT FOR HIGHER EDUCATION PERSONNEL – Payments and reimbursements to faculty and management for professional development items under collective bargaining agreements. *Comments:* Restricted to Higher Education departments only.

Legal Authority: [M.G.L. c. 15A](#); [M.G.L. c. 75](#); [M.G.L. c.73](#); [Collective Bargaining Agreements](#);
CTR Payroll Policies
Oversight Department: RGT, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A20 POLICE DETAIL – Payments to State Police or any law enforcement detail (uniformed employees) for performing a paid detail during off-duty hours. This includes duties for both the Commonwealth and the private sector.

Legal Authority: [M.G.L. c. 7, § 4J](#), § 28; [Collective Bargaining Agreements](#); [Fair Labor Standards Act Sec. 7\(P\)\(1\)](#); CTR Payroll Policies
Oversight Department: HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

A21 PAYMENTS FOR DECEASED EMPLOYEES – Payments to be paid to an employee's designated beneficiary on file at the State Board of Retirement for an employee after his/her death. If there are no designated beneficiaries on file, payments are to be made to the employee's estate.

Legal Authority: I.R.S. Rev. Rul. 71-525-CB 1971-2, 356; [M.G.L. c. 7A, Section 3, 7, 8](#); [M.G.L. c. 29, Section 31A, 31D](#), [Collective Bargaining Agreements](#); [Fair Labor Standards Act Sec. 7\(P\)\(1\)](#); CTR Payroll Policies
Oversight Department: TRE, HRD, CTR
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2 and/or 1099 MISC

A75 ADVANCES PAYROLL – STATE EMPLOYEE COMPENSATION – Used to encumber and close advances in the AA Object Class.

Legal Authority: [M.G.L. c. 29, §§ 23-25](#)
Oversight Department: TRE, HRD, CTR
Encumb/Payment Request: EAV/RA/AR
Incidental Purchase: N/A
Tax Forms: None

A90 OPERATING TRANSFER – State Employee Compensation.

Legal Authority: Authorizing Legislation; [815 CMR 6.00](#); CTR Payroll Policies
Oversight Department: CTR
Payment Request: OT (Use restricted to CTR)
Incidental Purchase: N/A
Tax Forms: None

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

OBJECT CLASS BB - STATE EMPLOYEE RELATED EXPENSES

Covered Expenditures: This object class includes reimbursements and payments to state employees for job related expenses only.

Requirements: All Commonwealth departments are responsible for making contract obligations and expenditures in compliance with applicable laws and CTR Fiscal Policies (including payroll policies and Payroll Best Practices). Payments must relate directly to job related activities for employees. *All expenditures from this object class including reimbursements must be made through one of the Commonwealth's two central payroll systems (HR/CMS or e*mpac).*

Expenditures Not Covered: This object class does not include pension and insurance related payments (see Object Class DD).

B01 OUT-OF-STATE TRAVEL – INCLUSIVE: AIRFARE, HOTEL/LODGING, OTHER – Payments to employees for approved travel expenses. For use when destination is outside the Commonwealth of Massachusetts. For payments to vendors, see [E41](#).

Legal Authority: [M.G.L. c. 7, § 4J, § 27A, § 28](#); [M.G.L. c. 30, § 25, § 25B](#); [930 CMR 508 \(2\)](#); [ANF-8; Collective Bargaining Agreements](#)
Oversight Department: OSD, ANF, HRD, CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: None

B02 IN-STATE TRAVEL – Payments to employees for approved travel expenses. For use when travel is restricted to within the Commonwealth of Massachusetts. For payments to vendors, see [E42](#).

Legal Authority: [M.G.L. c. 7, § 4J, § 27A, § 28](#); [M.G.L. c. 30, § 25, § 25B](#); [930 CMR 508 \(2\)](#); [ANF-8; Collective Bargaining Agreements](#)
Oversight Department: OSD, ANF, HRD, CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: None

B03 OVERTIME MEALS – Reimbursement or payment to employees for meal charges arising from overtime work only. For payments to vendors, see [E42](#).

Legal Authority: [M.G.L. c. 7, § 4J, § 28](#); [Collective Bargaining Agreements](#)
Oversight Department: HRD
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: None

B04 JOB-RELATED TUITION: INCLUSIVE: UNDERGRADUATE AND GRADUATE– Payment or reimbursement to employees for tuition and/or tuition related expenses when authorized by a department, a collective bargaining agreement, an Executive Order, an ANF Memorandum, a Human Resources Division Policy or a Non-Executive Educational Policy. All payments and reimbursements must be job related. For payments to vendors, see [E43](#).

Legal Authority: [M.G.L. c. 30, § 46H](#); [M.G.L. c. 7, § 4J, § 28](#); [Collective Bargaining Agreements](#)
Oversight Department: HRD, CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: None

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

B05 CONFERENCE, TRAINING, REGISTRATION AND MEMBERSHIP DUES AND LICENSING FEES – Payment or reimbursement to employees for registration or reservation fees for conferences or training and membership in professional associations or license fees. For payments to vendors, see [E12](#) or [E22](#). For out-of-state travel expenses on behalf of state employees, see [E41](#). For in-state travel and related expenses on behalf of state employees, see [E42](#). For job related tuition on behalf of state employees, see [E43](#).

Legal Authority: [M.G.L. c. 7, § 4J, § 28](#); [M.G.L. 30, § 45](#); Authorizing Legislation; [Collective Bargaining Agreements](#); [930 CMR 5.08 \(2\)](#); [815 CMR 6.00](#)
Oversight Department: ANF, HRD, OSD, REG, CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: None

B07 HOUSING AND TANGIBLE ASSET ALLOWANCES – Allowances paid to employees to cover expenditures for housing, in lieu of housing, and in addition to housing, granted to employees as authorized. Payments or reimbursements for equipment and other assets when use and ownership is transferred to the employee.

Legal Authority: [Collective Bargaining Agreements](#); Trustee Agreements
Oversight Department: RGT/CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

B08 CLOTHING ALLOWANCES – Payments or reimbursement to employees for the purchase or cleaning of work-related clothing. For payments to vendors for the purchase of work-related clothing for employees, please use [F09](#). For the payment to vendors for the cleaning of employees' work-related clothing, see [J27](#).

Legal Authority: [M.G.L. c. 7, § 4J, § 28](#); [Collective Bargaining Agreements](#)
Oversight Department: HRD
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: None

B10 EXIGENT JOB-RELATED EXPENSES – Reimbursements to employees for normal business expenses, which require an immediate payment so that a department may perform its mission, or for job related expenses that cannot be paid for in a conventional manner.

Legal Authority: [M.G.L. c. 7, § 4J, § 28](#); Appropriation Act; Authorizing Legislation
Oversight Department: CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP/EAV/RA/AR
Incidental Purchase: N/A
Tax Forms: None

B11 EMPLOYER REFUND OF NON-TAX BENEFITS- Reimbursements to eligible employees for out-of-pocket costs of co-pays and deductibles of insurance carriers contracted by Group Insurance Commission or Qualified Transportation fees. Eligibility determined by Human Resource Division.

Legal Authority: [M.G.L. c. 150 E](#) and [M.G.L. c. 30](#);
Oversight Department: HRD, GIC, CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PREXP/EAV/RA/AR
Incidental Purchase: N/A
Tax Forms: None

B75 ADVANCES EMPLOYEE-RELATED EXPENSES – Used to encumber advances in the BB Object Class. It

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

must also be used to return advance funds with an AR.

Legal Authority: [M.G.L. c. 29, §§ 23, 24, 25](#)
Oversight Department: TRE, HRD, CTR
Agreement Type: Relevant Supporting Documentation
Encumb/Payment Request: EAV/RA/AR
Incidental Purchase: N/A
Tax Forms: None

B90 OPERATING TRANSFER – Employee Related Expenses

Legal Authority: Authorizing Legislation; [815 CMR 6.00](#)
Oversight Department: CTR
Agreement Type: Copy of Authorizing Legislation; Relevant Supporting Documentation
Payment Request: OT (Use restricted to CTR)
Incidental Purchase: N/A
Tax Forms: None

B91 EMPLOYEE REIMBURSEMENT ACCOUNTS PAYABLE NON-TAX -

Legal Authority: [M.G.L. c. 7, § 4J, § 28](#); Appropriation Act; Authorizing Legislation
Oversight Department: CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PH/PREXP
Incidental Purchase: N/A
Tax Forms: None

B92 EMPLOYEE REIMBURSEMENT ACCOUNTS PAYABLE TAX –

Legal Authority: [M.G.L. c. 7, § 4J, § 28](#); Appropriation Act; Authorizing Legislation
Oversight Department: CTR
Agreement Type: Relevant Supporting Documentation
Payment Request: PH/PREXP
Incidental Purchase: N/A
Tax Forms: W-2

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

OBJECT CLASS CC - SPECIAL EMPLOYEES/CONTRACTED SERVICES

Covered Expenditures: Contract employees are individuals who are employed through contracts, as opposed to being appointed to authorized state positions as state employees. Contract Employees have an employee-employer relationship with the Commonwealth as determined by conducting the Commonwealth Three-Part Test by completing the [Employment Status Form](#) in compliance with the CTR/OSC/HRD policy on contract employees:

https://www.mass.gov/doc/individual-contractors-contract-employees-vs-independent-contractors-1/download?_ga=2.167788897.1721895075.1627570907-316117652.1621876239

Contract Employees are determined to work under the direct supervision and control of the department. This object class does not include consultant contracts, which are specialized services, performed by “non-employees” by either firms or individuals (independent contractors) that are governed by [M.G.L. c. 29, § 29A](#).

Requirements:

All Commonwealth departments are responsible for making contract obligations and expenditures in compliance with applicable laws and CTR Fiscal Policies (including payroll policies and Payroll Best Practices). All departments that take advantage of incidental purchases must comply with incidental purchase requirements identified by CTR and OSD. In addition:

- Executive departments “Level III” must comply with [M.G.L. c. 7, § 22](#), [801 CMR 21.00](#) and the “[Conducting Best Value Procurements](#)” for [801 CMR 21.00](#) covered goods and services.
- Non-Executive departments “Level II” must comply with [M.G.L. c. 7, § 22](#), internal procurement policies and procedures and use specified Commonwealth contract forms.
- Exempt departments “Level I” must comply with internal procurement policies and procedures and if the department takes advantage of MMARS document processing delegation, the department must use specified Commonwealth contract forms.

Contract employees:

- are not included in the Full Time Equivalent (FTE) count of Commonwealth employees.
- are not entitled to membership in the state retirement plan.
- are not entitled to membership in any employee insurance programs.
- are not eligible for fringe benefits, sick, vacation or personal leave.
- are required to contribute to the Alternative Retirement Plan, the Omnibus Budget Reconciliation Act of 1990 (OBRA);
- are considered temporary employee under contract for the life of a particular project and may not directly or indirectly supervise temporary or permanent employees of the Commonwealth and may not be used as permanent substitutes for state positions
- are covered by Fair Labor Standards Act (FLSA) and may claim overtime for work required over 40 hours per week.
- must complete a Form W-4; are hired following the department’s standard Hiring Procedures.
- must execute a Standard Contract Form.
- must have a completed [Employment Status Form](#) attached to the Standard Contract Form;
- must receive a W-2 tax form.

*All contract employees are compensated in this object class must be made through one of the Commonwealth’s two central payroll systems (HR/CMS or e*mpac). Departments do not encumber funds for Contract employees. Instead, contract employees are subject to the same funds availability controls that are currently applied to regular employee payroll. Funds availability for regular employees will be addressed prior to contract employee processing. Regular employee payroll will not be held if funds are insufficient to pay contractors. Labor Cost Management (LCM) Labor History and Commonwealth Information Warehouse (CIW) reports can be used to track contract employees’ payroll expenses.*

Expenditures Not Covered: State employees may not be reimbursed through this object class. This object class does not include compensation for state employees in authorized positions (see Object Class AA) or for independent consultants (see Object Classes [HH](#) and [NN](#)).

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

C01 CONTRACTED FACULTY – Individuals who fulfill teaching responsibilities in institutions of Higher Education.

Legal Authority: [M.G.L. c. 15A](#); [M.G.L. c. 73](#); [M.G.L. c. 75](#); [Collective Bargaining Agreements](#);
Authorizing Legislation
Oversight Department: RGT, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP (Fund 900) (Use restricted to Higher Education departments only)
Incidental Purchase: N/A
Tax Forms: W-2

C04 CONTRACTED SEASONAL EMPLOYEES – Individuals who provide services on a temporary basis during periods of the year in which departmental activity increases. **These services must be legislatively authorized.**

Legal Authority: Authorizing Legislation; Appropriation Act; [M.G.L. c. 31, §§ 1, 31, 32, 48](#);
[M.G.L. c. 7, § 4J, § 28](#)
Oversight Department: HRD, CTR
Agreement Type: Copy of Authorizing Legislation with Relevant Supporting Documentation;
Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C05 CONTRACTED STUDENT INTERNS – High school, college and graduate level students, including law clerks and legal interns employed somewhere other than the school where they are enrolled or currently enrolled student who work during school breaks or vacation between semesters, who assist in the administration of departmental tasks. (Salary posted to this object code is subject to payroll taxes, e.g., UI/UHI and MTX). **Comments:** HRD or the relevant institution of higher education establishes hourly rates. The number of hours worked is limited during the school year for high school students. See CC5 for Work Study Student services performed while attending classes. See C28 for research assistants, medical and nursing or other graduate students or other internships for individuals (not enrolled as students) who perform research or teaching assistance. See C26 for Paralegal Contract Employees; [JJ1](#) for Non-Employee Paralegals; C23 for Administrative Service Contract Employees, [J46](#) for Temporary Help Services.

Legal Authority: [801 CMR 21.00](#); [M.G.L. c. 149](#); [M.G.L. c. 7, § 4J, § 28](#); [M.G.L. c. 15A](#); [M.G.L. c. 73](#); [M.G.L. c. 75](#); HRD (Student Intern Pay Rate Schedule)
Oversight Department: ANF, HRD, OSD, CTR, RGT
Agreement Type: Standard Contract Form; *Alternative Contract Format*
Payment Request: PREXP/ (Fund 900)
Incidental Purchase: N/A
Tax Forms: W-2

CC5 CONTRACTED STUDENT INTERNS (CAMPUS EMPLOYMENT) – College and graduate level students, including law clerks and legal interns actively taking classes on campus who assist in the administration of departmental tasks. Students engaged in work study programs while attending classes will be exempt from UI/UHI contribution and Medicare Tax (MTX). Students who work during school breaks, or vacation between semesters would need to be hired and paid under C05. (This compensation will be subject to payroll taxes, e.g., MTX). **Comments:** HRD or the relevant institution of higher education establishes hourly rates. See C28 for research assistants, medical and nursing or other graduate students or other internships for individuals (not enrolled as students) who perform research or teaching assistance. See C26 for Paralegal Contract Employees; [JJ1](#) for Non-Employee Paralegals; C23 for Administrative Service Contract Employees, [J46](#) for Temporary Help Services.

Legal Authority: [801 CMR 21.00](#); [M.G.L. c. 149](#); [M.G.L. c. 7, § 4J, § 28](#); [M.G.L. c. 15A](#); [M.G.L. c. 73](#); [M.G.L. c. 75](#); HRD (Student Intern Pay Rate Schedule)
Oversight Department: ANF, HRD, OSD, CTR, RGT
Agreement Type: Standard Contract Form; *Alternative Contract Format*
Payment Request: PREXP/ (Fund 900)
Incidental Purchase: N/A

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

Tax Forms: W-2

- C09 SALARIES PAID TO HIGHER EDUCATION CONTRACT EMPLOYEES PAID FROM FUND 900 (CASH WITH CAMPUS) THAT ARE NOT CATEGORIZED IN ANY OTHER CC OBJECT CLASS –** Salaries paid in this object will be processed through LCM for fund sufficiency and do not require an encumbrance in MMARS. Higher Education departments are required to sign a contract with each contract employee paid from this object and retain the original copy of the contract in-house for audit purposes.

Legal Authority: [M.G.L. c. 15A](#); [M.G.L. c. 73](#); [M.G.L. c. 75](#)
Oversight Department: RGT, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP (Fund 900)
Incidental Purchase: N/A
Tax Forms: W-2

- C11 SPECIAL EMPLOYEES/CONTRACTED SERVICES EMPLOYMENT RELATED SETTLEMENTS AND JUDGMENTS –** No payments may be made using this object code without prior approval by CTR Legal Unit of use of this object code. Departments must follow [815 CMR 5.00](#) and CTR policies and procedures for processing Settlements and Judgments when using this object code. Employment-related claims include any claim for damages arising out of an individual's employment by the Commonwealth, including but not limited to lump sum awards, discrimination claims, emotional distress, attorneys' fees and costs. This object code does not include retroactive salary adjustments, unpaid regular time, or any other payment adjustments that are not the result of a claim or lawsuit filed against the department that result in a court judgment, administrative order or settlement agreement. Includes payments to both current and former employees. Most payments will be considered earned income (wages) and are subject to tax withholdings prior to payment with the exception of attorney's fees, costs and interest are included in gross income, but are not subject to tax withholdings prior to payment. With limited exceptions all employment-related settlements and judgments must be processed through HR/CMS using appropriate earnings codes designated by CTR, unless the contractor terminated prior to implementation of HR/CMS. Interest payments are paid separately from damages under MMARS. If attorney a payee on check, a W-9 required if attorney not already registered on the vendor/customer file.

Legal Authority: [815 CMR 5.00](#); [M.G.L. c. 7, §§ 4J, 28](#); [Settlements and Judgments](#); Collective Bargaining Agreement; CTR Payroll Policies
Oversight Department: AGO, HRD, CTR
Agreement Type: Original or Certified copy of Settlement or Judgment; Settlement and Judgment Authorization Form; Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2; CTR issues manual 1099-MISC to attorney or 3rd party if applicable

- C21 FINANCIAL SERVICES –** Contract employees who provide financial services, including but not limited to keeping books or accounts, design and control systems of accounting, compiling statistical data and preparing statistical reports, contract compliance, managerial expertise in fiscal or budgetary matters, market analysis and projections in business development and economic forecasting; land appraisers or persons who set the value of a piece of land or other real property interests. *Departments contracting for audit work must obtain prior written approval from CTR before contract is executed to ensure that contract does not raise conflict issue with State audit contract and GAAP requirements.*

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: ANF, HRD, OSD, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

- C22 ENGINEERING, RESEARCH AND SCIENTIFIC SERVICES –** Contract employees who provide engineering, research and scientific services including but not limited to design and planning for construction projects, architects, landscape designers, space planners, persons who advise regarding plans, specifications and materials on construction projects including engineers, resident engineers and project managers; researchers and

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

persons who provide research and development or analysis of data or other information and materials based upon specifications provided by a department; services by sociologists, social scientists, genealogists and archaeologists; scientific research and development through observation, study, experiments and other scientific projects; including knowledge of nature or physical phenomena; chemists, biochemists, biotechnicians, biologists, bio geologists, etc.; researchers and developers. See [HH](#) for non-employee consultants; [J13](#) for non-employee court related investigators and researchers, [HH4](#) for non-employee coroners and pathologists; see C25 for contract employee coroner or pathology investigators.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: ANF, HRD, OSD, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C23 MANAGEMENT, BUSINESS PROFESSIONALS AND ADMINISTRATIVE SERVICES – Contract employees providing management, business professional and administrative services, including but not limited to information technology services to develop computer systems programs, or persons who instruct, advise, or train persons in the application of computer programs; systems analysts, programmers and experts who assist departments at hearings before a telecommunications regulatory agency or persons with expertise in networking, planning, design and PBX design; management services, strategic planning, development of management tools, designs, evaluation, coordination, or implementation of programs, conferences, exhibitions or persons who establish criteria for the purchase of an outside program, also includes administrative services such as temporary general office work, secretaries, typists, receptionists, data entry and other word processor services. See [HH](#) Object Class for non-employee consultants, [JJ](#) Object Class for non-employee administrative services.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: ANF, OSD, HRD, EOTSS, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C24 DESIGN, EDITORIAL AND COMMUNICATION SERVICES – Contract employees providing design, print, editorial and other communication materials including but not limited to persons who develop and produce communication strategies, promotional materials, advertising layouts and programs for publication in print, videotape, radio, television, or other media; persons who draft written materials including documents, reports, press releases, scripts, legislation, newspaper copy, or develop literature, based upon specifications; artists/graphic designers who create or design visual representations or layouts in graphic, electronic or audio form based upon specifications; photographic and micrographic services by persons who provide photography, videography, computer generated graphics, photo developing, enlargements, copies, videotape dubbing, micrographic design, systems and related services. See [HH](#) Object Class non-employee consultants.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: ANF, HRD, OSD, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

C25 HEALTHCARE SERVICES – Contract employees providing health care and safety services, including but not limited to experts who investigate causes and effects of physical illnesses including structural, mechanical or environmental defects or hazards, which have caused or may cause health or safety risks; persons who provide medical, health care or rehabilitation related services, advice and recommendations concerning medical issues and policies, such as services by optometrists, pharmacists, dentists, doctors, nurses, dietitians, psychiatrists, psychologists, coroners, pathologists and other health care professionals; includes consultations, evaluations and coordination of services rendered by medical, health care professionals or providers.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#); [M.G.L. c. 32A, § 19](#)
Oversight Department: ANF, HRD, OSD, ENV, GIC, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C26 LEGAL AND SAFETY SERVICES – Contract employees who provide legal, safety and related services including but not limited to attorneys who represent the state in legal matters; impartial mediators (“neutrals”) and arbitrators to resolve disputes or provide other alternative forms of dispute resolution services in lieu of litigation, including negotiation skills training; court reporters/stenographic and transcription services; certified paralegals who provide legal assistance, research, document preparation, record management and other skills for department staff attorneys; law clerks or legal interns. All Commonwealth departments are required to obtain prior written review by the Office of the Attorney General (AGO) for any legal services performed for the department under a contract. The AGO review of legal services contracts is limited to determining that any attorney/firm hired by a department is a member of the Massachusetts Bar (or out of state bar) in good standing, has no apparent conflicts of interests, and if providing litigation services, will appear in court on behalf of the Commonwealth only after his/her appointment as a Special Assistant Attorney General (SAAG) by the AGO. The [Attorney General Review Form for Attorneys Providing Legal Services](#) form must be completed and mailed (with required attachments) to the AGO for any new legal services contract, and for any significant amendment to the scope of services under an existing contract, PRIOR to the start of performance or change in performance. See: [Attorney General Policy for Prior Review of Attorneys](#). Attorneys hired by Executive departments are also required to obtain prior approval of the Governor’s Chief Legal Counsel prior to posting or hire.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [§ 65](#); [801 CMR 21.00](#); [M.G.L. c. 12, § 3](#)
Oversight Department: CTR, OSD, ANF, AGO, GOV
Agreement Type: Standard Contract Form, Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C27 VOLUNTEER SERVICES – Includes tax reportable reimbursements submitted by volunteers based on stipends.

Legal Authority: [M.G.L. c. 127, § 71](#); [M.G.L. c. 123, § 29](#); [M.G.L. c. 6, § 74](#)
Authorizing Legislation; [M.G.L. c. 7, § 22](#); [801 CMR 21.00](#)
Oversight Department: EPS, ANF, OSD, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

C28 EDUCATION, TRAINING AND BOARD MEMBERSHIP SERVICES – Contract employees providing include wages and/or stipends paid to individuals serving on commissions, Task Force and/or boards. Also includes necessary costs to enable Board/Commission and Task Force members to serve. Includes archivists/librarians and persons who manage archives, and who provide services to libraries. Includes contracted seasonal employees and individuals who provide services on a temporary basis during periods of the year in which departmental activity increases. These services must be legislatively authorized. Includes –student teaching assistants research assistants, medical and nursing graduate students who are not enrolled as students who participate regularly in practicum training or assist in classroom instruction and internships for individuals undergoing supervised post-graduate, practical or specialized training, e.g., judicial clerkships and medical residencies. For reimbursement only refer to C98 or [E98](#). If there is an authorized position these individuals must be paid from A05. See C26 for contract employee law clerks, legal interns or paralegals; see C05 for student interns; see CC5 for Work Study Student services performed while attending classes; see [JJ1](#) for non-employee paralegals, see [J46](#) for non-employee temporary help services, and see [J62](#) for contracted advisory board/ commission members.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#); [M.G.L. c. 15A](#); [M.G.L. c. 73](#); [M.G.L. c. 75](#); Authorizing Legislation
Oversight Department: ANF, HRD, OSD, CTR, RGT
Agreement Type: Standard Contract Form; Alternative Contract Format for use with Contracted Professional Internships only
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C29 AUXILIARY SERVICES – Contract employees providing auxiliary or support services including but not limited to athletic services, officials, coaches, lifeguards, referees, trainers; etc.; persons who perform religious services; veterinary services and medical attention to animals, including breeding, lab testing and carrier services; persons who prepare and/or serve food; foreign language translators/interpreters who translate oral or written words; guides and persons who direct tours or provide guide services; transportation, storage and mail services including but not limited to messengers, mail services and persons who deliver communications, packages, or currency; cleaning services including but not limited to cleaners, janitors and other persons providing services to clean or maintain offices or properties. See [HH](#) Object Class for non-employee consultants; see [JJ](#) Object Class for non-employee operational services.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: ANF, HRD, OSD, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C30 BUILDING, CONSTRUCTION AND MAINTENANCE SERVICES – Contract employees providing building, construction management and maintenance services including but not limited to snow removal, grounds keeping services or other related duties; licensed or professional trades people, plumbers, electricians, carpenters, locksmiths, etc.; persons responsible for management, maintenance and improvements of commonwealth property; including construction project management; persons keeping a building, its infrastructure, and operational systems from deteriorating; includes all required to prevent a decline from the existing state or condition. See [NN](#) Object Class for non-employee contractor construction related property management construction management; see [J61](#) for non-construction property management. See [N80](#) for the state highway snow removal programs. See [F23](#) for departments authorized to provide grounds keeping services. See [HH2](#) for landscape designers.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#); DCP CM-1
Construction Management Contract Use restricted to Construction Management Services only
Oversight Department: ANF, OSD, CTR
Agreement Type: Standard Contract Form; Construction Management Contract Use restricted to Construction Management Services Only
Payment Request: PREXP
Incidental Purchase: N/A

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

Tax Forms: W-2

C31 NATIONAL DEFENSE AND PUBLIC ORDER AND SECURITY AND NON-MEDICAL SAFETY SERVICES – Contract employees providing security and safety services including but not limited to inspectors, reviewers, hearing officers. Includes security guard services and other security services, persons who protect clients, workers and property, including overseeing the destruction of confidential records, National Guard duty payments to members. See [J28](#) for the costs associated with hiring local or state law enforcement officers. See [E21](#) for non-employee confidential investigations expenses.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: EPS, OSD, CTR, ANF, AGO
Agreement Type: Standard Contract Form, Relevant Supporting Documentation
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C32 INDUSTRIAL PRODUCTION AND MANUFACTURING SERVICES – Contract employees providing non-medical research and testing laboratory and pharmaceutical services including experimental study in a science or for testing and analysis; services relating to the sale and manufacture of pharmaceuticals.

Legal Authority: [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51, 52](#); [801 CMR 21.00](#)
Oversight Department: ANF, HCF, OSD, CTR
Agreement Type: Standard Contract Form
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C33 CLIENT/PATIENT/RESIDENT WAGES – CONSCRIPT SERVICES –Wages for services provided by clients, patients and residents of state operated institutions and programs under a rehabilitation, treatment or other support or therapeutic program.

Legal Authority: [M.G.L. c. 127, § 71](#); [M.G.L. c. 123, § 29](#); [M.G.L. c. 6, § 74](#)
Authorizing Legislation
Oversight Department: EPS, ANF, OSD, CTR
Agreement Type: Rehabilitation, Treatment or other Authorized Work Plan documenting work and wages.
Payment Request: PREXP
Incidental Purchase: N/A
Tax Forms: W-2

C75 ADVANCES SPECIAL EMPLOYEES/CONTRACTED SERVICES – Used to encumber and close advances in the CC Object Class.

Legal Authority: [M.G.L. c. 29, §§ 23, 24, 25](#)
Agreement Type: Relevant Supporting Documentation
Oversight Department: TRE, HRD, CTR
Encumb/Payment Request: EAV/RA/AR
Incidental Purchase: N/A
Tax Forms: None

C90 OPERATING TRANSFER: Special Employees/Contracted Services

Legal Authority: Authorizing Legislation; [815 CMR 6.00](#)
Oversight Department: CTR
Agreement Type: Copy of Authorizing Legislation; Relevant Supporting Documentation
Payment Request: OT (Use restricted to CTR)
Incidental Purchase: N/A
Tax Forms: None

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

C98 REIMBURSEMENT FOR TRAVEL AND OTHER EXPENSES FOR SPECIAL EMPLOYEES/CONTRACTED SERVICES – Authorizations for reimbursements are included in the service contract. Reimbursements are not tax reportable because the recipient is required to account for expenditures.

Legal Authority:	801 CMR 21.00 ; M.G.L. c. 7, §§ 4J, 22, 28
Oversight Department:	ANF, HRD, OSD, CTR
Agreement Type:	Relevant Supporting Documentation; Standard Contract Form
Payment Request:	PREXP
Incidental Purchase:	N/A
Tax Forms:	None

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

OBJECT CLASS DD - PENSION AND INSURANCE-RELATED EXPENDITURES

Covered Expenditures: This object class includes pension and insurance related expenditures for former and current employees and beneficiaries.

Requirements: Most departments will use only the “chargeback” object codes: D15 and D21. All Commonwealth departments are responsible for making contract obligations and expenditures in compliance with applicable laws and CTR Fiscal Policies. All departments that take advantage of incidental purchases must comply with [incidental purchase](#) requirements identified by CTR and OSD. In addition:

- Executive departments “Level III” must comply with [M.G.L. c. 7, § 22](#), [801 CMR 21.00](#) and the “[Conducting Best Value Procurements Handbook](#)” for [801 CMR 21.00](#) covered goods and services, and must purchase from available Statewide Contracts, and use specified Commonwealth contract forms. Exceptions from using Statewide Contracts will only be permitted with prior written approval from the State Purchasing Agent explained in [Procurement Overview - OSD Legal Authority, Strategic Oversight and the Required Use of Statewide Contracts \(Revised 10/1/2013\)](#). Departments are required to review [Conducting Best Value Procurements Handbook](#);
- Non-Executive departments “Level II” must comply with [M.G.L. c. 7, § 22](#), internal procurement policies and procedures and use specified Commonwealth contract forms.
- Exempt departments “Level I” must comply with internal procurement policies and procedures and if the department takes advantage of MMARS document processing delegation, the department must use specified Commonwealth contract forms.

Expenditures Not Covered: This object class does not include expenditures for insurance policies for liability insurance or property damage insurance (liability already covered under [M.G.L. c. 258](#)). Departments are prohibited from insuring Commonwealth property under [M.G.L. c. 29, § 30](#).

D01 RETIREMENT ALLOWANCES – Payments to veterans, public safety officers, and others covered under [M.G.L. c. 32](#). Restricted to the Office of the State Treasurer (TRE); Department of Veterans Services (VET) and other departments designated by CTR.

Legal Authority:	M.G.L. c. 32 ; Authorizing Legislation
Oversight Department:	TRE
Agreement Type:	Relevant Supporting Documentation
Payment Request:	GAE/GX9 (Use restricted to TRE)
Incidental Purchase:	N/A
Tax Forms:	1099R

D02 RETIREMENT SETTLEMENT (TEACHERS) – Lump sum payments from the Teachers Retirement Board’s (TRB) Annuity Account upon death, transfer or termination of a teacher.

Legal Authority:	M.G.L. c. 32 ; M.G.L. c 15, § 16 ; Authorizing Legislation
Oversight Department:	TRB
Agreement Type:	Relevant Supporting Documentation
Payment Request:	GAE/GX9/GAX (Use restricted to TRB/TRE)
Incidental Purchase:	N/A
Tax Forms:	1099R

D03 RETIREMENT SETTLEMENT (STATE EMPLOYEES) – Lump sum payments from the State Employees Retirement Board Annuity Account upon death, transfer or termination of a state employee.

Legal Authority:	M.G.L. c. 32 ; Authorizing Legislation
Oversight Department:	TRE
Agreement Type:	Relevant Supporting Documentation
Payment Request:	GAE/GX9 (Use restricted to TRE)
Incidental Purchase:	N/A
Tax Forms:	1099R

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

D04 RETIREMENT ALLOWANCE (TEACHERS) – Monthly payments from the Teacher’s Retirement Board (TRB) Pension Account and from the Teacher’s Retirement Board Annuity Account to retired teachers.

Legal Authority: [M.G.L. c. 32](#); Authorizing Legislation
Oversight Department: TRB
Agreement Type: Relevant Supporting Documentation
Payment Request: GAE/GX9/GAX (Use restricted to TRB/TRE)
Incidental Purchase: N/A
Tax Forms: 1099R

D05 RETIREMENT ALLOWANCE (STATE EMPLOYEES) – Monthly payments from the State Employees’ Pension Account and payment from the State Treasurer’s Retirement Board Annuity Account to retired state employees.

Legal Authority: [M.G.L. c. 32](#); Authorizing Legislation
Oversight Department: TRE
Agreement Type: Relevant Supporting Documentation
Payment Request: GAE/GX9 (Use restricted to TRE)
Incidental Purchase: N/A
Tax Forms: 1099R

D06 EMPLOYEE HEALTH AND LIFE INSURANCE – Payments by the Commonwealth’s Group Insurance Commission (GIC) to carriers providing life and health insurance.

Legal Authority: [801 CMR 21.00](#); [M.G.L. c. 32A](#); [M.G.L. c. 32B](#); [M.G.L. c. 176G, § 11](#); Authorizing Legislation
Oversight Department: ANF, GIC, OSD, CTR
Agreement Type: Standard Contract Form
Pre/Encumb/Payment Request: GAE/GAX, RQS (optional pre-encumbrance)/CT/PRC, (Use restricted to GIC)
Incidental Purchase: N/A
Tax Forms: None

D08 HEALTH AND WELFARE TRUST FUND – Payments in accordance with collective bargaining agreements that primarily fund dental and optical coverage for employees.

Legal Authority: [M.G.L. c. 151D](#); [Collective Bargaining Agreements](#); Authorizing Legislation
Oversight Department: HRD
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX, (Use restricted to HRD)
Incidental Purchase: N/A
Tax Forms: None

D09 FRINGE BENEFIT COSTS RECOUPMENT – Mandated transfer of charges for pension, health insurance and terminal leave expenditures from federal grants, expendable trusts, capital accounts and all other non-budgetary accounts to centralized state administrative accounts. Also includes employer share of Unemployment Compensation Insurance Premium (UI), Universal Health Insurance (UHI), and Medicare Tax (MTX). These latter charges apply to all account’s types.

Legal Authority: [M.G.L. c. 29, §§ 6B, 5D](#); [ANF-5](#); [M.G.L. c. 151A, §§ 48-57, 14C](#); [M.G.L. c. 118E](#); [M.G.L. c. 32A](#); [M.G.L. c. 7A, §§ 3, 7 & 8](#); [815 CMR 6.00](#); Appropriation Act, Authorizing Legislation
Oversight Department: ANF, EOL, CTR
Agreement Type: Fringe Benefit Rate Agreement, FY Updates, Relevant Supporting Documentation
Pre/Encumb/Payment Request: CA (Use restricted to CTR; system-generated CA at the close of an accounting period)
Incidental Purchase: N/A
Tax Forms: None

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

D10 SURETY OF EMPLOYEES – Payments to insurance carriers providing insurance for employees and related expenses; includes bond payments to insurance carriers covering employees assigned to fiscal operations. This object code may not be used for expenditures for insurance policies for liability insurance or property damage insurance (liability already covered under [M.G.L. c. 258](#)). Departments are prohibited from insuring Commonwealth property under [M.G.L. c. 29, § 30](#).

Legal Authority: [M.G.L. c. 30, §§ 14-19](#); Authorizing Legislation
Oversight Department: CTR
Agreement Type: Fidelity Bond; Policy
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX
Incidental Purchase: N/A
Tax Forms: None

D12 UNEMPLOYMENT COMPENSATION INSURANCE PREMIUM PAYMENT – Payments to the department of Workforce Development (EOL) for the Commonwealth's share of unemployment insurance.

Legal Authority: [M.G.L. c. 151A, §§ 48-57](#); [United States Public Law 94-444, § 6](#); Authorizing Legislation
Oversight Department: ANF, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX
Incidental Purchase: N/A
Tax Forms: None

D14 MEDICARE TAX – Payments to the Federal Government for the Commonwealth's matching portion of Medicare Tax.

Legal Authority: [M.G.L. c. 118E](#); [815 CMR 6.00](#); [COBRA 1985](#); [United States Public Law 99-272](#); [Consolidated Omnibus Budget Reconciliation Act of 1985](#); Authorizing Legislation
Oversight Department: TRE, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX
Incidental Purchase: N/A
Tax Forms: None

D15 WORKERS' COMPENSATION CHARGEBACK – Payments to a department legislatively authorized to collect the department's share of Workers' Compensation charges.

Legal Authority: [M.G.L. c. 152](#); [815 CMR 6.00](#); Appropriation Act
Oversight Department: HRD, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: IE/ITI, ITA
Incidental Purchase: N/A
Tax Forms: None

D16 WORKERS' COMPENSATION – Initial benefits paid directly to former or current state employees; includes lump sum settlements. For additional payments see D24.

Legal Authority: [M.G.L. c. 152](#); Authorizing Legislation
Oversight Department: HRD
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX, (Use restricted to HRD)
Incidental Purchase: N/A
Tax Forms: None

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

D17 MEDICAL EXPENSES – Payments for medical expenses to providers on behalf of former and current state employees. Includes review panels related to worker’s compensation injuries or illnesses and employer-mandated physicals. For contracted services for health/medical consultants, see [HH4](#).

Legal Authority: [M.G.L. c.152](#); Authorizing Legislation
Oversight Department: HRD, PER, EOL
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX/CT/PRC
Incidental Purchase: N/A
Tax Forms: 1099(MISC), Medical and Health Care Payments

D19 UNIVERSAL HEALTH INSURANCE PAYMENTS – Payments to the department of Workforce Development (EOL) for the Commonwealth’s share of universal health care insurance.

Legal Authority: [M.G.L. c.152](#); [M.G.L. 32A](#); Authorizing Legislation
Oversight Department: ANF, EOL, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX
Incidental Purchase: N/A
Tax Forms: None

D20 PENSION AND INSURANCE RELATED EXPENDITURES – Payments to reimburse the Medicare transfer penalty that is assessed to Massachusetts Pensioners (Over Age 65) by the Federal Government.

Legal Authority: [M.G.L. c. 32A](#); Authorizing Legislation
Oversight Department: ANF, GIC, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX
Incidental Purchase: N/A
Tax Forms: None

D21 HEALTH INSURANCE COSTS OF EMPLOYEES ON LEAVE OF ABSENCE IN EXCESS OF ONE YEAR CHARGEBACK – Payments by a department for its share of the health insurance costs incurred on behalf of any employees of that department who are on leave of absence for a period of more than one year. These payments are made to a department authorized to collect such funds.

Legal Authority: Appropriation Act; [815 CMR 6.00](#)
Oversight Department: ANF, GIC, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: IE/ITI, ITA
Incidental Purchase: N/A
Tax Forms: None

D23 GIC HEALTH CARE BUY-OUT – Payment of Group Insurance Commission (GIC) health care buy-out for qualified state employees, retirees and employees of certain governmental entities. **Comments:** Lump sum payments for employees expecting to receive compensation, in lieu of health insurance coverage, pursuant to a legislative initiative.

Legal Authority: [M.G.L. c. 32A, § 19](#); Authorizing Legislation
Oversight Department: GIC, ANF, CTR
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: EAV/RA, EA/AR
Incidental Purchase: N/A
Tax Forms: W-2

EXPENDITURE CLASSIFICATION HANDBOOK
OFFICE OF THE COMPTROLLER | COMMONWEALTH OF MASSACHUSETTS

D24 WORKERS' COMPENSATION PAYMENTS OR INJURED BY A PATIENT OR PRISONER (IPP) PAYMENTS – Benefits paid directly to former or current state employees, including lump sum settlements. IPP Payments, also known as “Violence or Assault” pay should be processed and paid through the payroll systems. For initial payments see D16.

Legal Authority: [M.G.L. c. 152](#); Authorizing Legislation
Oversight Department: HRD
Agreement Type: Relevant Supporting Documentation
Pre/Encumb/Payment Request: GAE/ /GX9 (Use restricted to HRD)/PREXP
Incidental Purchase: N/A
Tax Forms: None

D75 ADVANCES PENSION AND INSURANCE-RELATED EXPENDITURES – Used to encumber and close advances in the DD Object Class, specifically D32. It must also be used to return advance funds with an AR.

Legal Authority: [M.G.L. c. 29, §§ 23, 24, 25](#)
Agreement Type: Relevant Supporting Documentation
Oversight Department: TRE, HRD, CTR
Encumb/Payment Request: EAV/RA/AR
Incidental Purchase: N/A
Tax Forms: None

D90 OPERATING TRANSFER – Pension and Insurance Related Expenses.

Legal Authority: Authorizing Legislation; [815 CMR 6.00](#)
Oversight Department: CTR
Agreement Type: Copy of Authorizing Legislation; Relevant Supporting Documentation
Pre/Encumb/Payment Request: OT (Use restricted to CTR)
Incidental Purchase: N/A
Tax Forms: None

D99 LATE PENALTY INTEREST – Penalty interest for late payments.

Legal Authority: [M.G.L. c.29, §§ 20C, 29C](#); [M.G.L. c. 7A, § 5A](#); [815 CMR 4.00](#); Authorizing Legislation
Oversight Department: CTR
Agreement Type: Relevant Supporting Documentation/Valid Claim Under Contract
Pre/Encumb/Payment Request: GAP (optional pre-encumbrance)/GAE/GAX
Incidental Purchase: N/A
Tax Forms: 1099(INT)