April 4, 2017

To: Agency Accounting Coordinators

From: Ron Mavetz, SWIFT System Support Director
Bryan Dahl, Financial Planning Director

Subject: Annual Budget and Accounting Instructions – Document 1
Establishing Budget Fiscal Year 2018-19 Accounts and Closing Fiscal Year 2017

This memo accompanies the first of three documents providing information for establishing BFY 2018-19 accounts and closing FY 2017 in SWIFT. It is important for agencies to follow these instructions to ensure accounts are established and closed correctly in SWIFT and to comply with applicable laws and MMB policies.

New Appropriation Maintenance Application (AMA) for BFY 2018-19

MMB will be releasing the Appropriation Maintenance Application (AMA) on April 3, 2017. AMA is a web-based system for requesting and approving appropriations that replaces the paper form and Excel spreadsheet process used in the past. AMA will streamline how appropriations are loaded into SWIFT (Statewide Integrated Financial Tools) and BPAS (Budget Planning and Analysis System).

Agencies can use AMA to either copy existing appropriations or create new appropriations and route them for agency and MMB approval. Once approved, the appropriations will be interfaced into SWIFT. Agencies can also use AMA to submit changes to existing SWIFT appropriations; for example, to modify appropriation names, descriptions, attributes and amounts. A communication, “AMA Update,” is being emailed to budget and accounting staff who have been designated by their agencies as AMA users to provide more detailed information about AMA before and after the system launch.

Important Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 3, 2017</td>
<td>AMA go-live</td>
</tr>
<tr>
<td>May 12, 2017</td>
<td>Deadline for requisitions over the purchasing agency’s authority that are processed through Office of State Procurement (Under $50,000)</td>
</tr>
<tr>
<td>June 16, 2017</td>
<td>Submit Authority for ITC Earnings Certification</td>
</tr>
</tbody>
</table>
## Date | Event
--- | ---
**June 30, 2017** | *Fiscal Year End*
1. Deadline for entering purchase orders and/or increasing existing purchase orders using BFY 2017 funds
2. All known revenue and expenditure corrections related to FY17 should be completed
3. Receipts received by June 30th are deposited and entered by June 30

**July 1, 2017** | All BFY 2018 budgets should be allotted in SWIFT prior to this date

**August 7, 2017** | Deadline for processing most BFY 2017 transactions

**August 11, 2017** | SWIFT Hard Close

The following documents can be accessed on the Minnesota Management and Budget (MMB) website and provide reference information for completing the FY 2018-19 set-up and the FY 2017 closing tasks:

- [Agency Annual Schedule](#)
- [SWIFT Forms Inventory](#)
- [Statewide Financial Policies and Procedures](#)

Document 2 will be released in late May following the legislative session and will provide any additional instructions for setting up FY 2018-19. The final document, to be released in July, will focus on preparation for FY 2017 closing, scheduled for Friday, August 11.

It is important that each agency ensures that its accounting, procurement, payroll, and HR staff are aware of the dates/deadlines on the [Agency Annual Schedule](#) so that critical deadlines are uniformly met. Please distribute this document to the appropriate personnel within your agency.

If you have questions, please contact [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us). Questions may also be directed to your executive budget officer (EBO) as appropriate.
ANNUAL BUDGET AND ACCOUNTING INSTRUCTIONS

DOCUMENT 1

Establishing BFY 2018-19 Accounts and Closing FY 2017
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PART I. OVERVIEW

As a part of the annual budget and accounting process, Minnesota Management and Budget issues a series of documents to provide instruction to agencies on preparing BFY 2018-19 and closing FY 2017 appropriations in SWIFT.

- April: Document 1 highlights several important tasks agencies must complete to successfully open BFY 2018 and close FY 2017.
- May: Document 2 will contain final instructions for completing the process for establishing appropriations for BFY 2018-19.
- July: Document 3 will cover preparation for BFY 2017 closing.

The only activities that may occur in budget period 2018 prior to July 1, 2017, are appropriation budgets, expense budgets, revenue budgets, anticipated transfers, grant/project budgets, and encumbrances.

Stay connected!

Contact AgencyAssistance.MMB@state.mn.us with questions about these instructions.

We encourage you and your staff to sign up to receive the Accounting Coordinators emails.
PART II. PREPARING FISCAL YEAR 2018-19 BUDGET STRUCTURE

Instructions for preparing Fiscal Year 2018-19 budgets will be included in two documents. This document will provide guidance to agencies on establishing organizational Fin DeptID structures, appropriations, allotments, and projects. Accounting Document 2 will provide guidance on appropriations, revenue and expense budgets, and processing appropriation transfers.

Guidance on payroll related budget set-up requirements will be discussed in Accounting Document 2.

A. Organizational Structure

The Current Fin DeptID structure will continue to be used for the upcoming 2018-2019 biennium. If you need to change or add Fin DeptIDs, you must complete the “Fin DeptID Template.” This form is available on the MMB SWIFT website. You can add, change, or inactivate Fin DeptIDs, but they cannot be moved on the associated expense and revenue tree structures.

Email AgencyAssistance.MMB@state.mn.us with questions regarding their organizational structure.
PART III. ESTABLISHING BUDGETS

A. Appropriations

All appropriations made to an agency must be entered into SWIFT in the fiscal year in which the funds are appropriated by law. This ensures a record of all appropriated dollars is clearly identified in SWIFT.

For the 2018-19 Biennium, agencies will be required to use AMA to enter SWIFT appropriations. AMA provides controls to ensure critical information such as valid legal citations and program and budget activities are included. Remember, you must establish a new appropriation for each program and budget activity combination in SWIFT as these fields are located at the appropriation level.

Riders with specific line item appropriation amounts stated under and apart from the main subdivision amounts must be established as separate appropriations in order to establish the correct legal level of budgetary control. The general authority provided in MS 16A.285 that allows you to transfer operational money between programs with notification to MMB does not supersede riders that identify specific amounts for specific purposes. The rider amount is the legal level of control.

If agency management practices necessitate that a single appropriation be split into multiple appropriation accounts, you must make sure that all appropriations have the same legal citation, and the sum of all individual appropriations in SWIFT equals the total appropriated amount for the specific legal citation.

1. Appropriations Established Prior to the Enacted Budget

Some types of appropriations may be set up prior to the enacted budget. MMB encourages agencies to establish these early to ensure that all appropriations are established in SWIFT by July 30.

Appropriations that may be established prior to the enacted budget include:

A. Dedicated appropriations without spending limits

With the implementation of AMA, agencies will no longer use the “Dedicated Appropriations” spreadsheet in SharePoint when creating dedicated appropriations in SWIFT. Instead, AMA will provide users with information on current dedicated appropriations and offer functionality to create them in the new biennium. To do this, agencies will use the search criteria on the “Appropriation Entry- SWIFT” screen to identify all the “special-dedicated” appropriation types for their agency for BFY 2017. The agency can then select the appropriations they want established for the BFY 2018-19, send them to the AMA Edit screen for updating, and then submit them for approval, first by the agency and then MMB. If you do not have appropriations with a type code “04” you shouldn’t submit
appropriations until the 2017 legislative session completes. If you aren’t sure, please contact the SWIFT helpdesk.

It may be necessary for you to establish dedicated appropriations due to laws passed in the 2017 legislative session. You will receive more information in Document 2.

To maintain uniformity in the use of type “04”, MMB is restricting the use of type “04” to dedicated receipt appropriations only. Exceptions to this policy will be reviewed on a case-by-case basis.

B. Temporary Budgets

Temporary budgets can be established in the first year of the biennium for appropriations that do not have dedicated receipt authority to allow agencies to initiate agreements for necessary goods and services or grants before the budget is enacted. Generally, temporary budgets are established only if you can demonstrate 1) a clear need for goods to be delivered on July 1, or shortly after, or service agreements to be effective on that date; and 2) that the standard process for establishing accounts and purchase orders, or contracts or grants cannot be completed in time to assure delivery on July 1. The use of temporary budgets is limited.

To request a temporary budget in AMA, you will need to edit and change the legal citation to “TEMP” and submit for approval. Temporary budget will also include amount, allowing you to enter the necessary budget documents which may include anticipated transfers, expense budgets, pre-encumbrances and encumbrances.

Note: Temporary budgets are not needed for appropriations with dedicated receipts as you are allowed to encumber against revenue budgets.

2. Appropriations Established After the Budget is Enacted

Appropriations that may be established after the budget is enacted:

A. Direct and open appropriations and allotments

After the legislative session has ended or your agency’s budget bill is signed by the governor into law, you may select, edit, and submit direct and open appropriations through AMA by selecting the Biennium Appropriation form type from the SWIFT Entry screen.

You must submit appropriations into workflow where your request will be routed to the appropriate approver(s). Please monitor the status of your submittal through the AMA’s search page.
• Dedicated revenues that are direct appropriated.

MMB Policy 0301-01: Establishing Budgets, “Agencies with dedicated revenues that are direct appropriated must create two appropriations. A control appropriation that collects the revenue and an expenditure appropriation. The control appropriation will transfer the direct appropriated amount into the expenditure appropriation.”

• Conditional appropriations

Conditional appropriations are used when certain conditions must be met prior to spending certain funds. Conditions may exist for any number of factors such as matching funding required and subsequent receipt of matching funds, or compliance with MMB use or other legal requirements. Agencies are responsible for ensuring accounts are properly established as part of the agency head spending plan certification process and that no funds are obligated or expended until the conditions of the appropriations are satisfied.

When submitting your request through AMA, you must identify a conditional appropriation by editing your submission and adding “CON” to the beginning of the appropriation name and changing the budget status to “Hold”. After the appropriation is loaded into SWIFT, MMB will deactivate the appropriation until the legal conditions have been satisfied. Agencies are encouraged to confer with their EBO to review what actions will be required to demonstrate compliance with conditional requirements.

Once the conditional requirements are met, you must submit a new request through AMA to edit and remove the “CON” from the beginning of the appropriation name and change the budget status to “Open”. Before or at the same time the modified appropriation requests is submitted in AMA, email documentation indicating how the requirements were met to your assigned EBO. After the EBO approves your request, MMB will upload the appropriation name change to SWIFT and the agency will be able to establish the allotment, revenue and expense budgets for the conditional appropriations.

• Appropriations for capital projects

All capital appropriations made to an agency must be entered into the accounting system in the fiscal year in which the funds are first appropriated by law. This will ensure there is a record of all appropriated dollars and that the amount, delegation, and status of capital and conditional appropriations are clearly identified in the accounting system. Capital project appropriations established in SWIFT during previous fiscal years do not need to be re-established for BFY 2018.
All new capital project appropriation requests will be submitted through AMA. After the appropriation is established in SWIFT, the appropriation will remain active unless the appropriation is conditional.

Conditional appropriations for capital projects will be handled with a slight variation of the general process. Legal conditions for capital appropriations may include requirements for matching funds, use agreements, rider language provisions contained in the appropriations bill, program funding review, or other statutory requirements. In all cases, you are responsible for ensuring appropriations are properly established and that no funds are obligated or expended until the conditions of the appropriations are satisfied. The role of MMB is to provide oversight of these appropriations and to validate that the conditions for spending the funds have been satisfied.

Additional instructions regarding capital appropriations will be provided after the 2017 legislative session concludes. Basic information is available in MMB Statewide Operating Policy 0302-01 Capital Appropriations. Capital appropriations with matching requirements or grants to political subdivisions will need additional documentation to verify that the legal requirements have been met.

If you have questions about establishing new appropriations for capital projects, please send an email to Elizabeth.Connor@state.mn.us. If you have questions regarding conditional appropriations for capital projects or need additional information on debt management, please send an email to Jennifer.Hassemer@state.mn.us.

- Federal Fund Appropriations

FY 2018 or 2019 federal appropriations must receive approval from the legislature or the Legislative Advisory Commission (LAC) prior to being established in SWIFT. See MMB Statewide Operating Policy 0303-01 and MMB Statewide Operating Procedure 0303-01.1 for more information.

For questions regarding the federal funds approval process, please contact Budget.Finance.mmb@state.mn.us.

B. Revenue Budgets

You should review BFY 2017 dedicated and non-dedicated revenue budgets and estimates from the Governor’s 2018-19 Biennial Budget document as a basis when entering revenue budgets for BFY 2018-19. You can also use the monthly Estimated and Actual Receipts report for BFY 2018 as a guide. If your agency provided non-dedicated revenue estimates to MMB as part of the February forecast, ensure SWIFT represents the current estimates.
SWIFT will not automatically prevent receipts from being applied to BFY 2018; however, agencies don’t have legal authority to deposit to budget period 2018 until July 1, 2017. There is an exception for Minnesota State College and University’s (Minnesota State) summer session receipts.

An excel template is available on MMB’s website to import revenue budgets ([SWIFT Rev Bud KK Jrnl Template](#)).

C. Expense/Allotment Budgets

Once appropriations are entered in SWIFT, expense budgets can be posted. Establishing expense budgets builds allotment budgets. Expense budget amounts against SWIFT account codes at the class level should be entered consistent with amounts budgeted in the biennial budget adjusted for known material changes such as reductions, cancellations, legislative, or adjustments to revenues, etc.

SWIFT has two distinct types of allotments, payroll and non-payroll. Payroll allotments are created when expense budgets are entered against salary accounts. Payroll allotments are considered reserved (encumbered) when allotted. Non-payroll allotments are created when expense budgets are established against non-payroll accounts. Agencies can exceed an expense budget in non-payroll allotments as long as unobligated funds exist at the allotment level.

You are reminded to use two expense level account codes to properly record your agency’s reimbursement process (42000 – Agency indirect costs and 42030 – State agency reimbursements).

An excel template is available on MMB’s website to import expense budgets ([SWIFT Exp Bud KK Jrnl Template](#)).
PART IV. ADDITIONAL APPPROPRIATION INFORMATION

A. Assigning Legal Level of Budgetary Control (LLBC)

Generally accepted accounting principles require states to produce a report on the legal level of budgetary control as a supplement to the Comprehensive Annual Financial Report (CAFR). The purpose of the LLBC report is to demonstrate that spending by agencies was within the authorized limits and in compliance with appropriate laws. Legal level of budgetary control (LLBC) is defined as "The level at which an agency's management may not reallocate resources without special approval."

The scope of the LLBC report covers only those fund classes for which annual spending limits are established in law. These funds include 1000; 1200; 1201; all of class 2100; all of class 2200; 2300; 2301; 2302; 2303; 2350; 2360; 2390; 2700; 2710; 2720; 2721; 2722; 2800; 2801; and 2830.

An LLBC code value of 00 thru 03 must be provided for all appropriations established in these funds.

In addition to being used for reporting, the LLBC code will drive the approval workflow for appropriation transfers. Agencies should use LLBC codes 08 “Non-LLBC Fund- EBO approval required” and 09 “Non-LLBC Fund – no EBO approval required” for funds not included in LLBC reporting.

Coding LLBC

Agencies must code the LLBC at the appropriation account level for all funds listed above by entering the LLBC code on the appropriation spreadsheet or on the Appropriation Entry form.

There are six possible legal levels of budgetary control, which are represented by the following codes:

<table>
<thead>
<tr>
<th>Code</th>
<th>LLBC Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>00</td>
<td>Agency (agencies can move unrestricted money between programs)</td>
</tr>
<tr>
<td>01</td>
<td>Program (money is restricted at the program level)</td>
</tr>
<tr>
<td>02</td>
<td>Budget Activity (money is restricted at the budget activity level)</td>
</tr>
<tr>
<td>03</td>
<td>Appropriation (riders or statutes restrict movement of money)</td>
</tr>
<tr>
<td>08</td>
<td>Non-LLBC Fund- EBO approval required</td>
</tr>
<tr>
<td>09</td>
<td>Non-LLBC Fund – no EBO approval required</td>
</tr>
</tbody>
</table>

If you have questions on LLBC coding, please contact Mary Borresen 651-201-8152 or Mary.Borresen@state.mn.us.
B. **Fund Balance Classification**

GASB (Governmental Accounting Standards Board) Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions” requires the reporting of fund balance for governmental funds in classifications based primarily to the extent to which the government is bound to honor specific purposes with the balances.

For financial reporting purposes only, the classification is required on all appropriations in funds 1000 through 2999. A fund balance is restricted, committed or assigned. See [MMB Statewide Operating Policy 0301-01](#) for more information.

C. **Bookkeeping Appropriations**

[Minnesota Statute16A.53, Subd. 3](#) provides authority to eliminate unnecessary appropriations that had (on average) $1,000 dollars or less of activity per year in the past four years. If your agency has an appropriation that meets the criteria listed in the statute, you will receive a “Bookkeeping Appropriations” email that will list the affected appropriations.

Any balances in these appropriations must be transferred to the Minnesota Management and Budget Non-Operating general fund appropriation (Fund: 1000, Fin DeptID: G9R13036, AppropID: G9R0035) unless some other disposition is specified in law.

If an appropriation has no cash balance to transfer, it should not be established in 2018. You may want to close 2017 so that the appropriation cannot be selected in AMA. For appropriations that meet the elimination criteria but are still needed, agencies must provide justification to Chris Johnson ([Christopher.Johnson@state.mn.us](mailto:Christopher.Johnson@state.mn.us)), MMB Budget Planning and Operations. Agencies with similar appropriations greater than $1,000 are encouraged to contact Chris Johnson as well.

Criteria for appropriation elimination are:

1. Receipts to the account and transfers into the appropriation average less than $1,000 per year in the past four years,
2. Year-end balances in the past four years average less than $1,000 per year; and
3. The appropriation has been in existence for at least four years.

You may use a XTN – actual transfer, no anticipated journal class, when transferring the account balances. Transfer of funds must be completed, or justification for continuation must be received, no later than July 31, 2017.

**Note:** Do not set up an appropriation in fiscal years 2018 and 2019 for bookkeeping accounts where the account balances will be transferred to the MMB account in BFY 2017.
D. Anticipated and Actual Appropriation Transfers

There is no authority to move BFY 2018 monies prior to July 1; therefore, agencies cannot process actual transfers of appropriation journals (XTA – transfer against an anticipated, XTN – actual transfer, no anticipated) for BFY 2018 until July 1, 2017, and for BFY 2019 until July 1, 2018. This includes appropriation transfers between funds and within the same fund.

Anticipated transfers (XATs) can be processed prior to July 1 in order to establish expense budgets and encumbrances.

E. Balance Forward Prior to Close

You must have a need to use the funds prior to hard close in order to complete a balance forward which can be entered beginning July 1, 2017. Agencies should anticipate the amount of money necessary to liquidate BFY 2017 certified encumbrances and not carry those amounts forward.

In order to balance forward funds, a BFY 2017 appropriation must have the exact coding as the BFY 2018 appropriation (same Fund-Fin DeptID-AppropID).

If you need assistance, contact SWIFT Module Support (AgencyAssistance.MMB@state.mn.us).

F. Verifying Invested Treasurer’s Cash Authorities

Some appropriations are granted the authority to retain the interest earned from the investment of their general ledger cash balances. This authority may be granted through Minnesota Statutes, Rules, or in certain circumstances required by other authorities such as the federal government. The Authority for ITC Earning Certification worksheet listing your agency’s current ITC appropriations/funds will be sent out for you to review and update for BFY 2018. It is the agency’s responsibility to communicate any deletion, modification or addition of appropriations/funds with authority to earn interest by completing the ITC certification worksheet. By June 16, 2017, submit the certification worksheet to General Accounting at GeneralAcctg.MMB@state.mn.us or MMB-General Accounting, 400 Centennial Office Building, Sara Becker. If you have questions about ITC, please contact Sara Becker at (651) 201-8153 or Sara.Becker@state.mn.us or Kathy Kirkup at (651) 201-8151 or Kathy.Kirkup@state.mn.us.

Important reminders:

1. All new appropriations, including the legal citation authorizing the appropriations/funds to retain interest earnings, must be entered on the ITC Appropriations/Funds Certification worksheet.
2. Any changes in appropriations/funds structure affecting ITC appropriations/ funds should be communicated clearly on the ITC certification worksheet.
3. BFY 2018 revenue budgets for allocation of ITC earnings **must be established by July 1.**

4. Verify the BFY 2018 appropriations and revenue budgets set forth on the ITC certification worksheet match what is entered in SWIFT. This will ensure that the revenue budget is operational before the beginning of BFY 2018. If the information is not verified or the revenue budget is set up incorrectly, interest could be posted to the wrong appropriation or fund or not at all.

5. Return completed Authority for ITC Earning Certification worksheet by June 16, 2017. Delays in this process may result in lost interest earnings or untimely interest postings.
PART V. GRANTS/PROJECTS

A. Grants/Projects

Agencies receiving federal monies must use the Grants module in SWIFT. The Grants module contains CFDA information that is required for Single Audit Reporting. Edits have been configured in SWIFT that will prevent transactions from being entered in the Federal Fund (3000) unless it is coded against a project and activity related to a grant.

Prior to incurring federal grant related expenditures, regardless of fund, agencies are required to setup a new contract, proposal and project in the Grants module. A valid CFDA and respective award data must be populated on the contract and proposal for recording and reporting federal grant related incurred expenditures.

Because of how over the over-the-limit (OLT) transactions are corrected in the system, agencies should begin to clean up these items prior to the end of the fiscal year. OLTs that are corrected after this may cause adjusting entries to be required.

For questions pertaining to the SWIFT Grant and Project modules, please contact Kenneth Palar at 651-201-8211 or Kenneth.Palar@state.mn.us.

For CFDA-related questions, please contact Susan Rumpca at 651-201-8150 or Susan.Rumpca@State.mn.us.
PART VI. CLOSING FISCAL YEAR 2017

A. Fiscal Year 2017 Closing Date

As noted in the Annual Schedule, the closing of FY 2017 will occur over the weekend of August 11. Check the Annual Schedule for other important dates. Please ensure that all agency accounting, procurement, payroll, and HR staff are aware of the closing dates on the Agency Annual Schedule.

B. Agency Preparations for Closing FY 2017

Below are some considerations for closing the current fiscal year.

1. BFY 2017 year-end spending

All goods and services must be encumbered according to MMB Statewide Operating Policy 0901-02, Fiscal Year-End Closing Transactions – Pre-Encumbrances/Requisitions, Encumbrances/Purchase Orders, Expenditures/Payment Vouchers. Payments for services rendered or goods ordered after June 30 must be made from BFY 2018.

2. Identifying and managing risk

Appropriations made to state agencies establish upper limits on their spending; however, within these limits each agency head is responsible to ensure that funds are spent appropriately, consistent with legislative intent and obligations are not incurred that will exceed authorized resources. Further, all fee supported activities must be balanced by year-end. This means fee revenues must cover all costs, obligations, and related indirect costs.

It is important to monitor each appropriation as we approach June 30, because management intervention may be required to minimize potential budget problems. Agencies must pay special attention to those activities that:

- Depend on dedicated receipts for funding
- May be over-obligated
- Have a history of cash flow problems
- Have had historical budget problems
- Have been identified as a potential budget risk
Most difficulties occur when realized revenues are lower than estimated or unanticipated expenditures occur. Potential problems are often related to changes in the following:

- Salary under-funding and labor contract settlements
- Increases in employer paid health care premiums
- Overtime, or unexpected retirement and/or separation costs
- Changes in information systems, facilities development or operating costs
- Increases in leases/rents
- Professional-technical contract amendments
- Unanticipated Attorney General or Administrative Hearing costs
- Increases in indirect or statewide costs billings
- Unfunded mandates or requirements in law

Changes in any of these areas may have a dramatic impact on an agency depending on its size, composition of budget, and funding sources. The agency should look to its contingency plan to deal with unanticipated budget changes well before fiscal year-end. Once your agency has prepared any required changes, they should be reviewed with your agency’s EBO.
AGENCY BFY 2018-19 CHECKLIST

To ensure that all accounts are set up for BFY 2018-19 by each deadline, MMB expects agencies to give the tasks listed below high-priority when developing the BFY 2018-19 budgets. Deadlines are listed on the Agency Annual Schedule.

<table>
<thead>
<tr>
<th>Done?</th>
<th>Items to Review:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Review SWIFT organization structure for additions and changes.</td>
</tr>
<tr>
<td></td>
<td>Review appropriations to ensure they are set up correctly. Be sure appropriations reference one program and budget activity.</td>
</tr>
<tr>
<td></td>
<td>Ensure that all appropriations have correct legal citations</td>
</tr>
<tr>
<td></td>
<td>Ensure that all appropriations have the correct legal level of budgetary control. Fund balance classifications for Funds 1000-2999 are properly entered on appropriations.</td>
</tr>
<tr>
<td></td>
<td>Verify that the Program and Budget Activity codes are correct. Make any changes desired for TransparencyMN reporting and FY 2018-19 budget development.</td>
</tr>
<tr>
<td></td>
<td>Check default coding for SWIFT interfaces.</td>
</tr>
<tr>
<td></td>
<td>Determine which appropriation/funds should receive investment income (ITC). (Note: Interest earning Revenue account 512001)</td>
</tr>
<tr>
<td></td>
<td>Establish revenue budgets.</td>
</tr>
<tr>
<td></td>
<td>Establish anticipated transfers, if applicable.</td>
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<tr>
<td></td>
<td>Establish expense budgets.</td>
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<tr>
<td></td>
<td>Ensure grants are established in SWIFT for all federal receipts.</td>
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<tr>
<td></td>
<td>Verify projects are accurately established.</td>
</tr>
<tr>
<td></td>
<td>Establish encumbrances</td>
</tr>
<tr>
<td></td>
<td>Determine which dedicated appropriations may need cash flow assistance</td>
</tr>
<tr>
<td></td>
<td>Correct Position Funding for positions in error on the Positions with Invalid ChartStrings report (HP6670).</td>
</tr>
<tr>
<td></td>
<td>Submit Authority for ITC Earnings Certification.</td>
</tr>
</tbody>
</table>
AGENCY FY 2017 CHECKLIST

(MMB is providing this checklist in this accounting document for reference.)

<table>
<thead>
<tr>
<th>Done?</th>
<th>Items to Review:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grants/Aids appropriations are fully encumbered by June 30. Amounts pre-encumbered/requisitioned not encumbered by June 30 must be cancelled.</td>
</tr>
<tr>
<td></td>
<td>Revenue budgets in dedicated appropriations are adjusted to anticipated receipts in amounts sufficient to pay certified encumbrances or to cover negative cash balances. (This is an optional task.)</td>
</tr>
<tr>
<td></td>
<td>All encumbrances are reviewed to ensure sufficient unliquidated balances to cover outstanding obligations.</td>
</tr>
<tr>
<td></td>
<td>Requisitions not encumbered by June 30 are canceled.</td>
</tr>
<tr>
<td></td>
<td>Funds are encumbered to pay Indirect Costs.</td>
</tr>
<tr>
<td></td>
<td>Review open encumbrance and requisitions and adjust/cancel as needed.</td>
</tr>
<tr>
<td></td>
<td>Adjust expense budgets to eliminate unobligated balances (optional). Adjust anticipated transfers (XATs) to equal actual transfers (XTAs).</td>
</tr>
<tr>
<td></td>
<td>Advances for statutory appropriation fund transfers completed by June 30th.</td>
</tr>
<tr>
<td></td>
<td>Settle all BFY 2017 employee travel advances. All other payroll deadlines have been met (including payroll expense transfers).</td>
</tr>
<tr>
<td></td>
<td>Submit Imprest Cash Verification reports.</td>
</tr>
<tr>
<td></td>
<td>All SWIFT/SEMA4 Special Billing and Indirect Costs are paid. Final review of all appropriation accounts for: (1) Budget Structure codes correct in appropriations, (2) anticipated transfers are zero, (3) negative receipts/expenditures, (4) over obligated accounts, (5) over expended accounts, (6) cancellation of requisitions, (7) negative cash balance, and (8) negative encumbrances.</td>
</tr>
<tr>
<td></td>
<td>Review Open Appropriations to determine if the appropriation must be reduced or increased to equal the expenditures.</td>
</tr>
<tr>
<td></td>
<td>All encumbrance certification and encumbrance deadlines met. All expenditure and deposit corrections should be made in SWIFT by 6/30/2017.</td>
</tr>
<tr>
<td></td>
<td>All Receipts received by June 30 are deposited at the bank and entered in SWIFT by June 30.</td>
</tr>
</tbody>
</table>