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April 09, 2015

To: Agency Accounting Coordinators

From: Ron Mavetz, Agency Support Director  
Bryan Dahl, Budget Operations Director

Subject: Annual Budget and Accounting Instructions – Document 1  
Establishing Budget Fiscal Year 2016-17 Accounts and Closing Fiscal Year 2015

This memo accompanies the first of three documents providing information for establishing BFY 2016-17 accounts and closing FY 2015 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.

### **Operational Structure for BFY 2016-17**

The beginning of a new biennium is an appropriate time for agencies to evaluate whether their operational FinDeptID structure is meeting the agency's budgeting, management, and reporting needs. If not, agencies should consider making account structure changes. Please contact SWIFT Module Support at [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us) if you are considering changes for BFY 2016-17.

### **Important Dates:**

<b>Date</b>	<b>Event</b>
May 15, 2015	Deadline for requisitions over the purchasing agency's authority that are processed through Material Management Division (Under \$50,000).
June 30, 2015	Deadline for entering purchase orders and/or increasing existing purchase orders using BFY 2015 funds
July 1, 2015	All BFY 2016 budgets should be allotted in SWIFT on this date
August 7, 2015	Deadline for processing most BFY 2015 transactions
August 14, 2015	SWIFT Hard Close

The following documents can be accessed on the Minnesota Management & Budget (MMB) website and provide reference information for completing the FY 2016-17 set-up and the FY 2015 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 2016-17. The final document, to be released in July, will focus on preparation for FY 2015 closing, scheduled for Friday, August 14.

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 2016-17 Accounts and Closing FY 2015**

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## PART I. OVERVIEW

As a part of the annual budget and accounting process, a series of documents are issued to provide instruction to agencies on establishing BFY 2016-17 and closing FY 2015 accounts in SWIFT. This is the first document in a series of three to begin that process. It highlights several important tasks, which require agency action in order to successfully open BFY 2016 and close FY 2015. In May, agencies will receive Document 2 with final instructions for completing the process for setting up accounts for BFY 2016-17. Document 3 will be distributed in July and will cover preparation for FY 2015 closing. If you have questions related to these instructions, please contact [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us).

The only activities that may occur in budget period 2016 prior to July 1st, 2015 are appropriations budgets, expense budgets, revenue budgets, anticipated transfers, grant/project budgets, and encumbrances.

If you would like to be added to the Accounting Coordinators email notification list, please go to the link for [Mailman](#), fill in your email address, then click “subscribe.”  
(<https://mn.gov/mmb/accounting/payroll/email-list/>)

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## **PART II. PREPARING FISCAL YEAR 2016-17 BUDGET STRUCTURE**

Instructions for preparing Fiscal Year 2016-17 budgets will be included in two documents. This document will provide guidance to agencies on establishing organizational FinDeptID structures, appropriations, allotments, & 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 2016-2017 biennium. If changes or additions need to be made to FinDeptID's, agencies must complete the [Fin DeptID Template](http://www.mn.gov/mmb/accounting/swift/forms/) (<http://www.mn.gov/mmb/accounting/swift/forms/>) FinDeptID's can be added, changed, or inactivated, however they cannot be moved on the associated expense & revenue tree structures.

Agencies should email [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us) if they have early questions regarding their organizational structure.

## **PART III. ESTABLISHING BUDGETS**

### **A. Appropriations**

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

Agencies 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 appropriation accounts in order to establish the correct legal level of budgetary control. The general authority provided in M.S.16A.285 that allows agencies 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, agencies must make sure that all accounts have the same legal citation, and the sum of all individual accounts in SWIFT equals the total appropriated amount for the specific legal citation.

As in prior years, SWIFT Module Support will provide pre-populated spreadsheets and instructions to assist agencies in entering their BFY 2016-17 appropriations through their SharePoint agency folder. Agencies should complete the spreadsheets and notify MMB that they are ready for approval and loading.

#### **1. Appropriations Established Prior to the Enacted Budget**

Some types of appropriation accounts may be set up prior to the enacted budget. MMB encourages agencies to establish these accounts 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 appropriation accounts without spending limits**

By late-April, Agency Accounting Coordinators will receive, via email, a link to their spreadsheet in SharePoint entitled, “2016-2017 Dedicated Appropriations” with instructions. This spreadsheet identifies statutory appropriations funded by dedicated receipts. Agencies must review, update, approve, and notify MMB once complete as indicated in the instructions and the document status should be changed to “Agency Final”. Once the EBO approves the changes, MMB will load the information into SWIFT.

Agencies must ensure all appropriations have an accurate legal citation on the spreadsheet. Specifically, agencies must ensure all legal citations on the spreadsheet reference the applicable legal citation or law. (Note: If an agency used a law in the previous fiscal year, the new fiscal year may have been changed to a statute.) Therefore, all legal citations must be reviewed and corrected prior to submitting the spreadsheet to MMB.

Agencies that do not have accounts with a type code “04” will not receive this spreadsheet. If your agency did not receive a spreadsheet and should have, please contact [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us).

It may be necessary for agencies to establish dedicated appropriations due to laws passed in the 2015 legislative session. Agencies will receive more information about this in Document 2.

To maintain uniformity in the use of type “04”, MMB is restricting the use of type “04” to dedicated receipt accounts 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 an agency 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, contact [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us) for a template that agencies will need to be submitted to the agency’s EBO with “TEMP” in the legal citation field. Temporary budget amounts will then be entered into appropriation accounts, allowing agencies 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 agencies are allowed to encumber monies 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

By mid-May, Agency Accounting Coordinators will receive, via email, a link to their spreadsheet in SharePoint entitled, “2016-2017 Direct Appropriations” with instructions. This spreadsheet identifies the BFY 2015 direct and open appropriations in SWIFT and is provided to agencies as a guide to assist in establishing BFY 2016-17 accounts.

Agency contacts must review and update all appropriations on the “Direct” tab of the spreadsheet after laws are passed establishing funding for BFY 2016-17. The spreadsheet document status must be changed to “Agency Final” and notification sent to MMB that their file is approved.

After the spreadsheet is processed, agencies must complete the spreadsheet form [SWIFT Appropriation Form](http://www.mn.gov/mmb/accounting/swift/forms/) (http://www.mn.gov/mmb/accounting/swift/forms/) for any additional changes and submit it to the designated EBO for approval.

- 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.

Agencies must submit an appropriation spreadsheet for all conditional appropriations. When submitting the spreadsheet, agencies must identify a conditional appropriation by marking the “conditional?” field on the spreadsheet and adding “CON” to the beginning of the appropriation name. 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, the agency must submit an SWIFT Appropriation Form with attachments indicating how the requirements were met to their assigned EBO. After the EBO approves the Appropriation Entry form, MMB will activate the appropriation, remove “CON” from the

appropriation name and the agency will be able to set up 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 set up in SWIFT during previous fiscal years do not need to be re-established for BFY 2016.

Agencies will submit an appropriation form or spreadsheet for all capital projects. After MMB has entered the appropriation transaction setting up the appropriation account and funding, the account 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, state agencies are responsible for ensuring accounts 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 accounts and to validate that the conditions for spending the funds have been satisfied.

Additional instructions regarding capital appropriations will be provided after the 2015 legislative session concludes. Basic information is available in [MMB Statewide Operating Policy 0302-01 Capital Appropriations](http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-3/0302-01-capital-budgets-policy.pdf) (<http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-3/0302-01-capital-budgets-policy.pdf>). 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 regarding appropriations for capital projects or need additional information on debt management, please send an email to [Jennifer.Hassemer@state.mn.us](mailto:Jennifer.Hassemer@state.mn.us).

## **B. Revenue Budgets**

Agencies should review their BFY 2015 dedicated and non-dedicated revenue budgets and estimates from the Governor's 2016-17 Biennial Budget document as a basis to enter revenue budgets for BFY 2016-17. Agencies can also use their monthly Estimated and Actual Receipts report for BFY 2014 as a guide. Agencies should be establishing revenue budgets for BFY 2016-17 appropriations that have been created.

SWIFT will not automatically prevent receipts from being applied to BFY 2016, however agencies don't have legal authority to deposit to budget period 2016 until July 1, 2015. There is an exception for Minnesota State College and University's (MnSCU) summer session receipts.

An excel template is available on MMBs website to import revenue budgets – see the [SWIFT Rev Bud KK Jnl Template](http://www.mn.gov/mmb/accounting/swift/forms/) (http://www.mn.gov/mmb/accounting/swift/forms/).

### **C. Expense/Allotment Budgets**

Once appropriation sources of funding have been entered in SWIFT, Expense Budgets can be posted. Establishing expense budgets builds allotment budgets. Expense budget amounts against SWIFT account codes 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 expense budgets in non-payroll allotments as long as unobligated funds exist at the allotment level.

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

An excel template is available on MMBs website to import expense budgets – see the [SWIFT Exp Bud KK Jnl Template](http://www.mn.gov/mmb/accounting/swift/forms/) (http://www.mn.gov/mmb/accounting/swift/forms/).

## PART IV. ADDITIONAL APPROPRIATION INFORMATION

### A. Assigning Legal Level of Budgetary Control (LLBC)

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.

**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; 1300; 2350; 1200 and 1201; all of class 2100; 2360; 2720, 2721, 2722; all of class 2200; 2390; 2700; 2710; 2830; 2800 and 2801; 2300, 2301, 2302, and 2303.

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

#### 1. 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:

- 00 - Agency (agencies can move unrestricted money between programs)
- 01 - Program (money is restricted at the program level)
- 02 - Budget Activity (money is restricted at the budget activity level)
- 03 - Appropriation (riders or statutes restrict movement of money)
- 08 – Non-LLBC Fund- EBO approval required
- 09 – Non-LLBC Fund – no EBO approval required

If you have questions on LLBC coding, please contact Mary Borresen (651) 201-8152 or [Mary.Borresen@state.mn.us](mailto:Mary.Borresen@state.mn.us).

## B. New Federal Grants

BFY 2016 federal grants must have received approval from the 2015 legislature or the Legislative Advisory Commission (LAC). If the legislative committee took no negative action, agencies may assume that federal requests have been approved as presented in the Governor's budget submission or the LAC session submission. Accordingly, agencies should enter the necessary budget transactions into SWIFT and prepare to answer questions related to where in the Governor's budget presentation or LAC action the federal grant award was approved.

## C. Bookkeeping accounts

[Minnesota Statute 16A.53, Subd. 3](https://www.revisor.mn.gov/statutes/?id=16A.53) (<https://www.revisor.mn.gov/statutes/?id=16A.53>) provides authority to eliminate unnecessary accounts that had (on average) \$1,000 dollars or less of activity per year in the past four years. If your agency has an account that meets the criteria listed in the statute, you will receive a "Bookkeeping Accounts" email that will list the affected accounts.

Accounts listed must be eliminated unless they are created by the constitution or in a fund required to be in the state treasury by federal law. Any balances in these accounts must be transferred to the Minnesota Management & Budget Non-Operating general fund account (Fund: 1000, Fin DeptID: G9R13036, AppropID: G9R0035) unless some other disposition is specified in law.

If an account has no cash balance to transfer, it must still be deactivated in all years. For accounts 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 Operations. Agencies with similar accounts greater than \$1,000 are encouraged to contact Chris Johnson as well.

Criteria for account elimination are:

1. Receipts to the account and transfers into the account 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 account has been in existence for at least four years.

Agencies 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, 2015.

**Note: Do not set up an appropriation in fiscal years 2016 and 2017 for bookkeeping accounts where the account balances will be transferred to the MMB account in BFY 2015.**

## **D. Anticipated and Actual Appropriation Transfers**

There is no authority to move BFY 2016 monies prior to July 1; therefore, agencies cannot process actual transfers of appropriation documents (XTA – transfer against an anticipated, XTN – actual transfer, no anticipated) for BFY 2016 until July 1, 2015, and for BFY 2017 until July 1, 2016. This includes appropriation transfers between funds and within the same fund.

Agencies can process anticipated transfers (XATs) prior to July 1 in order to set up anticipated transfers, expense budgets and encumbrances.

## **E. Balance Forward Prior to Close**

Agencies 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, 2015. Agencies should anticipate the amount of money necessary to liquidate BFY 2015 certified encumbrances and **not** carry those amounts forward.

### **1. Balance forward considerations when changing chart of accounts**

In order to balance forward funds, a BFY 2015 appropriation must have the exact coding as the BFY 2015 appropriation (same BFY-Fund-Fin DeptID-AppropID).

If you need assistance, contact SWIFT Module Support ([AgencyAssistance.MMB@state.mn.us](mailto: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 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 "FY16 Invested Treasurer's Cash (ITC) Account Certification" worksheet listing your agencies current ITC accounts will be sent out for you to review and update. It is the agency's responsibility to communicate any deletion, modification or addition of accounts with authority to earn interest by completing the FY16 ITC Account Certification worksheet. Submit the certification worksheet to General Accounting at [GeneralAcctg.MMB@state.mn.us](mailto: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](mailto:Sara.Becker@state.mn.us) or Tim Rekow at (651) 201-8159 or [Timothy.Rekow@state.mn.us](mailto:Timothy.Rekow@state.mn.us).

### **Important reminders:**

1. All new appropriations including legal citation authorizing the account to retain interest earnings must be entered on the FY16 ITC Account Certification worksheet.

2. Any changes in account structure affecting ITC accounts need to be communicated clearly on the FY16 ITC Account Certification worksheet.
3. BFY 2016 revenue budgets for application of ITC earnings must be established by July 1.
4. Ensure appropriations and revenue budgets set forth on the FY16 ITC Account Certification worksheet match what is entered in SWIFT. This will allow verification that the account is operational before the beginning of BFY 2016. If the information is not verified or the account is set up incorrectly, interest could be posted to the wrong account or not at all.
5. Return completed FY16 ITC Account Certification worksheet by June 19, 2015. Delays in this process may result in lost interest earnings or untimely interest postings.

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## 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.

Any questions pertaining to the SWIFT Grant and Project modules please contact Rachel Douglas at 651-201-8182 or [Rachel.Douglas@State.mn.us](mailto:Rachel.Douglas@State.mn.us).

Any CFDA related questions please contact Susan Rumpca at 651-201-8150 or [Susan.Rumpca@State.mn.us](mailto:Susan.Rumpca@State.mn.us).

## PART VI. CLOSING FISCAL YEAR 2015

### A. Fiscal Year 2015 Closing Date

As noted in the Annual Schedule, the closing of FY 2015 will occur over the weekend of August 15. Check the Annual Schedule for other important dates. Please verify 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 2015

Below are some considerations for closing the current fiscal year.

#### 1. BFY 2015 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](http://mn.gov/mmb-stat/documents/accounting/fin-policies/0901-02-closing-transactions-maps.pdf) (<http://mn.gov/mmb-stat/documents/accounting/fin-policies/0901-02-closing-transactions-maps.pdf>). Payments for services rendered or goods ordered after June 30 must be made from BFY 2016.

#### 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.

### **3. Other FY 2015 Considerations**

While significant progress has been made to move all reporting to EPM and OBIEE, there are still gaps. As a result, plans are underway to make copies of SWIFT staging area tables at June 30 and fiscal year close to provide reporting access for statewide and agency level needed point-in time-reporting. The FY 2015 tables will overlay the FY 2013 tables; however FY 2014 tables will still be available for agency use.

## AGENCY BFY 2016-17 CHECKLIST

To ensure that all accounts are set up for BFY 2016-17, by each deadline, MMB expects agencies to give the tasks listed below high-priority when developing the BFY 2016-17 budgets. Deadlines are listed on the Agency Annual Schedule on the MMB web site.

Done?	Items to Review:
_____	Review SWIFT organization structure for adds and changes.
_____	Verify that organization structure changes for BFY 2016-17 were updated correctly.
_____	Appropriations are set up correctly. Agencies must set-up a separate appropriation for each program and budget activity.
_____	Submit worksheet for upload of direct appropriations and legal citations.
_____	Review and update dedicated appropriation accounts, including legal citations.
_____	Correct all legal citations.
_____	Legal level of control codes properly entered on appropriations.
_____	Verify that the Program and Budget Activity codes are correct.
_____	Check default coding for SWIFT interfaces.
_____	Determine which accounts should receive investment income (ITC). ( <b>Note:</b> Interest earning Revenue account 512001)
_____	Establish revenue budgets.
_____	Establish anticipated transfers, if applicable.
_____	Establish expense budgets.
_____	Ensure grants are established in SWIFT for all federal receipts.
_____	Verify projects are accurately established.
_____	Establish encumbrances.
_____	Determine which dedicated appropriations may need cash flow assistance.
_____	Correct Position Funding for positions in error on the Positions with Invalid ChartStrings report (HP6670).

## AGENCY FY 2015 CHECKLIST

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

Done?	Items to Review:
_____	Direct Appropriations with Grants/Aids allotments should be appropriation Type "01" so that they cancel at fiscal year end. There are exceptions, such as the agency has specific carry forward authority.
_____	Grants/Aids appropriations are fully encumbered by June 30. Amounts pre-encumbered/requisitioned not encumbered by June 30 must be cancelled.
_____	Revenue budgets in dedicated appropriations are adjusted to anticipate receipts in amounts sufficient to pay certified encumbrances or to cover negative cash balances. (This is an optional task.)
_____	All encumbrances are reviewed to assure sufficient unliquidated balances to cover outstanding obligations.
_____	Requisitions not encumbered by June 30 are canceled.
_____	Funds are encumbered to pay Indirect Costs.
_____	Review open encumbrance and requisitions and adjust/cancel as needed.
_____	Adjust expense budgets to eliminate unobligated balances (optional).
_____	Adjust anticipated transfers (XATs) to equal actual transfers (XTAs).
_____	Settle all BFY 2015 employee travel advances.
_____	All other payroll deadlines have been met (including payroll expense transfers).
_____	Submit Imprest Cash Verification reports.
_____	All SWIFT/SEMA4 Special Billing and Indirect Costs are paid.
_____	Review federal accounts to determine if a Federal Exemption request is needed.
_____	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, and (7) negative cash balance.
_____	Verify projects are accurately established.
_____	Review Open Appropriations to determine if the appropriation must be reduced or increased to equal the expenditures.
_____	Submit requests for manual balance forward for accounts that are <i>not authorized</i> for cash flow ('G' authority).
_____	All encumbrance certification and encumbrance deadlines met.
_____	All expenditure and deposit corrections are made in SWIFT by the deadline.