



Date: June 3, 2020

To: Agency CFOs, Agency Budget Directors, Agency Accounting Directors

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

RE: Budget and accounting guidance for the CARES Act Coronavirus Relief Fund

This memo instructs agencies how to implement authorized funding from the CARES Act Coronavirus Relief Fund (CRF). The structure will facilitate enterprise reporting on the funding available, authorized, and used from the CARES Act Coronavirus Relief Fund. A consistent budget and accounting structure across state government will allow greater access and transparency for the public and allow the Governor and Legislature to make informed decisions about the resources available for responding to the pandemic. Decision-makers expect daily reporting on expenditures and remaining available resources. We also anticipate the U.S. Department of Treasury will issue robust reporting requirements for the CARES Act Coronavirus Relief Fund.

This document does not replace [guidance](#) issued earlier for tracking COVID-19 expenditures. Agencies should continue to use the Statewide Cost code C19 for all COVID-19 related expenditures, or specific payroll earnings codes for COVID-19 leave and time worked.

Separate instructions have been provided for requesting funding from the CRF. After a request is submitted and reviewed by the Legislative Advisory Commission (LAC), your agency will be notified the funding is authorized by Minnesota Management and Budget. The agency must expeditiously establish the new appropriation in SWIFT in the amount specifically authorized, following the instructions below.

Budget and Accounting Instructions

Establishing the new Appropriation

Federal funds allocated to the State of Minnesota from the CARES act Coronavirus Relief Fund are deposited in a new fund 3010. Agencies must establish separate appropriations (AppropID) in SWIFT for all CARES Act Coronavirus Relief Fund authorized funding requests. The new appropriation (AppropID) must be established through the Appropriation Maintenance Application (AMA) and use the appropriation attributes indicated below:

Attribute	Value
Fund	3010 (Coronavirus Relief Fund)
Approp Type	03 (Special – Direct Appropriation)
Budget Authority	A (only option for a type 03)
LLBC	08 (Non LLBC Fund - EBO Approval Required)
Legal Citation 1	MS 4.07 3 (See below)
Legal Citation 2	LACCRF[Order Number] – See example below
Legal Citation 3	COV03 (See below)
Alt Date	12/30/2020

Legal Citation 1 (authority to accept and receive federal funds)

M	S	Space	Chapter	Period	Section	Space	Subd
M	S		4	.	0 7		3

Legal Citation 2 (LACCRF[Order Number])

L	A	C	C	R	F	Order Number		
L	A	C	C	R	F	0	0	1

Legal Citation 3 (COVID-19 Funding Source)

C	O	V	Funding Source	
C	O	V	0	3

For assistance on using AMA, see the [AMA User Guide](#), [Glossary](#), and [training videos](#) for instructions about entering appropriation requests into AMA.

Requirement to Use the Grants Module for Coronavirus Relief Fund Appropriations

Agencies are required to establish a grant award for each CRF appropriation in the Grants module in SWIFT. All 3010 fund-coded transactions will require a *Project ID*—the same requirement as exists for the 3000 fund. These requirements will help ensure your agency and the State of Minnesota is able to accurately account for Coronavirus Relief Fund transactions in the Single Audit process.

Establishing a Grant Award in the SWIFT Grants Module after CRF Appropriation is Established

Review and complete the steps provided in the [Enter Grant Proposals Quick Reference Guide](#) to create a grant award in SWIFT.

Here is a list of values to use when establishing a Grant Award for a Coronavirus Relief Fund appropriation:

Field	Values
Title	Coronavirus Relief
Description	Coronavirus Relief Fund
Reference Award ID Number	(blank)
Sponsor ID	USTREASURYCRF
CFDA	21.019C
<i>Facilities & Admin Requested</i> checkbox	(unselect)
Start Date	3/1/2020
End Date	12/30/2020
Project ID	Define a value which begins with your 3-digit agency code (i.e., <u>G9RC</u> COVID or <u>G9RC</u> CORONARELIEF)
Project Type	FED
Budget ID (will be <i>Activity</i>)	1

Be sure to complete all the steps listed in the Quick Reference Guide to establish the grant, including entering the appropriation amount into the Budget Detail page of the proposal prior to generating the award.

MMB recommends creating a new grant for each approved Coronavirus Relief Appropriation. Creating separate grants simplifies the process of keeping project budgets and customer contracts amounts in sync with appropriation amounts and should prevent issues with Over-the-Limit (OLT) rows for Single Audit Reporting.

If your agency prefers to create one grant for multiple CRF appropriations, be sure to complete the steps in the [Add or Reduce Grant Funding](#) to increase the project budgets and contract billing limit for each new appropriation.

Coronavirus Relief Funds will be subject to the Single Audit and has been assigned a Catalog of Federal Domestic Assistance (CFDA) number of 21.019. This CFDA number must be used to track these funds.

Project Coding for Transactions to the 3010 Fund

All transactions coded to the 3010 fund will require project funding be entered in the *PC Business Unit*, *Project ID*, *Activity ID*, and *Source Type* fields in addition to the standard State of Minnesota ChartFields. This requirement applies to transactions originating in both SWIFT and SEMA4.

Completing the steps above to create a Grant Award in SWIFT will establish a *Project ID* and *Activity ID* to use in transactions. Agencies should use REIMB as the *Source Type* value on all transactions. This value marks the transaction as paid for by the Grantor and drives a transaction's inclusion in Single Audit reporting.

	PC Business Unit	Project ID	Activity ID	Source Type
<i>Instruction</i>	<i>Agency PC Business Unit</i>	<i>Use value established on Grant Award</i>	<i>1</i>	<i>REIMB</i>
Example	G9R01	G9RCOVID	1	REIMB

If you have any questions about establishing grants or coding project transactions, please contact the SWIFT Help Desk.

Instructions for Agencies using Grants-to-Billing Functionality

The Coronavirus Relief Fund appropriations are direct appropriated. Agencies will not draw down funds or recognize revenue in these appropriations.

The Grants-to-Billing functionality has been modified specifically for transactions in the 3010 fund so that the *Billable* (BIL) transactions generated in the nightly batch will automatically change to *Billed* (BLD) status. As a result, 3010 fund transactions will not be picked up by Grants-to-Billing processes, and no further action is required.

Agencies should use the REIMB source type for all transactions in the 3010 fund to ensure the transactions are reflected in Single Audit reporting.

Moving Existing Expenditures to Coronavirus Relief Fund Appropriations

Payroll Expenditures

Agencies will need to process expense transfers in SEMA4 to move payroll expenditures paid from existing appropriations to Coronavirus Relief Fund (CRF) appropriations. There are two types of expense transfers:

1. One-to-One Expense Transfer

- Agencies would process a one-to-one expense transfer when transferring payroll expenditures from one account to another account. SEMA4 allows users to enter one-to-one expense transfers for one pay period, or for a range of consecutive pay periods.
- [Steps to process a one-to-one expense transfer.](#)

2. One-to-Many Expense Transfer

- Agencies would process a one-to-many expense transfer when transferring payroll expenditures from one account to two or more accounts. SEMA4 allows users to enter one-to-many expense transfers for a single pay period.
- [Steps to process a one-to-many expense transfer.](#)

Transfer of expenditures posted to Budget Fiscal Year (BFY) 2020 accounts must be completed no later than pay period ending 7/21/2020. These transfers can be entered in SEMA4 until noon on July 31.

Non-Payroll Expenditures

Agencies will need to process Journal Voucher corrections to move non-payroll expenditures which have already been paid from existing appropriations to Coronavirus Relief Fund (CRF) appropriations. See the [Journal Vouchers](#) reference guide for additional information on processing these transactions.

For reporting purposes, Journal Voucher corrections to move expenditures to CRF appropriations *must use the Supplier ID* entered on the original voucher, and should not reference the XCORRECT supplier ID. The corrections should be entered with enough granularity to ensure that key transaction information such as the original accounting date, supplier ID, and the full accounting string are properly reflected.

Agencies should move existing purchase order encumbrances which will be paid from a CRF appropriation wherever possible. If a purchase order line has a payment made against it, agencies can no longer modify the funding string. In this case, agencies can close the existing lines and re-establish as new lines on the existing purchase order, or on new purchase orders. Alternately, agencies can instruct staff to manually change the funding string when vouchers are entered. However, this manual process will not be available for BFY 2020 payments posted after the Hard Close of the fiscal year on August 21, 2020.

For assistance with entering Journal Vouchers or modifying encumbrances, please contact the SWIFT Help Desk as SWIFTHelpDesk.MMB@state.mn.us, or 651-201-8100, opt. 2.

If your agency has a high volume of Journal Voucher corrections and concerns about insufficient staff capacity to complete all of the required corrections prior to the Hard Close, please contact AgencyAssistance.MMB@state.mn.us.