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To: Agency Accounting Coordinators

From: Adrienne Schmidt, SWIFT System Support Director  
Bryan Dahl, Financial Planning Director

Subject: Annual Budget and Accounting Instructions – Document 1  
Preparing Budget Fiscal Year 2025 Appropriations and Closing Fiscal Year 2024

This memo accompanies the first of three documents providing information for preparing Budget Fiscal Year (BFY) 2025 appropriations and closing Fiscal Year (FY) 2024 in SWIFT. It is important for agencies to follow these instructions to ensure appropriations are established and closed correctly in SWIFT and to comply with applicable laws and MMB policies.

**Important Dates:**

Date	Deadline Requirement
June 28, 2024	Last business day before fiscal year end
June 30, 2024	<b>Fiscal Year End</b> 1. Deadline for entering purchase orders and/or increasing existing purchase orders using BFY 2024 appropriations 2. All known transfers related to BFY 2024 should be completed 3. All known revenue and expenditure corrections related to FY 2024 should be completed 4. Receipts received by June 30 are deposited and entered by June 30
July 1, 2024	All BFY 2025 budgets should be allotted in SWIFT prior to this date
July 31, 2024	Agencies must complete Spend Plan Certification
August 16, 2024	<b>SWIFT Hard Close</b> Deadline for processing most BFY 2024 transactions

The following documents on the Minnesota Management and Budget (MMB) website provide reference information for completing BFY 2025 set up and FY 2024 closing tasks:

- [2024 Agency Annual Schedule](#)
- [SWIFT Forms Inventory](#)
- [Statewide Financial Policies](#)



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**Annual Budget and Accounting Instructions –  
Document 1**

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## 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 for budget fiscal years (BFY) 2025 and closing fiscal year (FY) 2024 in SWIFT.

- April: Document 1 highlights several important tasks agencies must complete to successfully open BFY 2025 and close FY 2024.
- May: Document 2 contains final instructions for completing the process for setting up budgets for BFY 2025.
- July: Document 3 covers preparation for FY 2024 closing.

The only activities that may occur in BFY 2025 appropriations prior to July 1, 2024 are:

- Establishing appropriations
- Posting expense and revenue budgets
- Entering anticipated transfers
- Creating encumbrances

To prepare for BFY 2024 year-end and close, agencies should ensure:

- Appropriation budgets cover obligations
- Appropriation transfers are completed, in most cases by June 30, and no later than hard close
- Year-end spending complies with MS 16A.28, subd. 6
  - Goods must be ordered by June 30
  - Services must have been performed by June 30

Stay connected!

Contact [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us) with questions about these instructions.

We encourage all agency staff to sign up to receive the [Accounting Coordinators emails](#).

## II. Preparing Budget Fiscal Year 2025 Budgets

Instructions for preparing BFY 2025 budgets are provided in two documents. Accounting Document 1 provides guidance to agencies on establishing organizational Fin DeptID structures, appropriations, allotments, and projects. Accounting Document 2 provides guidance on appropriations, revenue and expense budgets, processing appropriation transfers, and guidance on payroll-related budget setup requirements.

### A. Organizational Structure

The existing Fin DeptID structure will continue to be used during the next biennium. To add new Fin DeptIDs or to modify the descriptions of existing Fin DeptIDs, agencies must complete the “Fin DeptID Template.” This form is available on the [MMB SWIFT website](#). Agencies can add or modify existing Fin DeptIDs, but Fin DeptIDs cannot be moved within the expense and revenue tree structures.

Contact [AgencyAssistance.MMB@state.mn.us](mailto:AgencyAssistance.MMB@state.mn.us) with questions regarding organizational structure.

### B. Budget Structure Changes

Agencies should review their SWIFT program and budget activity structure prior to establishing any new BFY 2025 appropriations. Budget structure changes must be submitted to your Executive Budget Officer (EBO) for review and approval on the [Budget Structure Change Form](#) prior to adding an appropriation with the new program or activity code

Agencies should also review their appropriation names to ensure they are accurate and understandable. Cleaning up SWIFT data is important for reporting efforts. A clear structure and naming convention will improve understanding of the information.

## III. Establishing Budgets

### A. Appropriations

Appropriations for most agencies were established last year at the beginning of the biennium. During the 2024 legislative session, new appropriations are possible as well as modifications to existing appropriations and must be completed through the Appropriation Maintenance Application (AMA). If an appropriation is modified during the 2024 legislative session, make sure to add the new legal citation to the appropriation. For assistance and guidance with entering appropriations in AMA, please read the AMA User Guide, AMA Glossary or watch the AMA Training Videos on the [Appropriation Maintenance Application](#) website, or contact the SWIFT Help Desk.

Agencies must establish a new appropriation for each program and budget activity combination in SWIFT, as these fields are located at the appropriation level.

Bill riders with specific line-item appropriation amounts, stated under and apart from the main subdivision amounts, must be established as separate appropriations to establish the correct legal level of budgetary control (LLBC). The general authority provided by [Minnesota Statute 16A.285](#), which 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 appropriations in SWIFT, agencies must make sure that all appropriations are established with matching legal citations, and that the sum of all individual appropriations in SWIFT equals the total appropriated amount for the specific legal citation.

### B. Dedicated Revenues that are Direct Appropriated

Per [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.”

Agencies must use the “Ded Rev Dir App” attribute for Dedicated Revenues that are Direct Appropriated appropriations. The 1-digit character code identifies the appropriation as an expense or control appropriation. The options for the “Ded Rev Dir App” field in AMA are “E” – Expense Appropriation or “C” – Control Appropriation. The “Ded Rev Dir App” field should only be used for direct appropriated dedicated revenue appropriations. These appropriations are typically in the fund 2000 – Restrict Misc Special Revenue.

## C. Conditional Appropriations

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

When submitting a request to establish a conditional appropriation in AMA, agencies must identify a conditional appropriation by the appropriation name beginning with “CON” and the budget status set to “Hold.” Agencies are encouraged to confer with their assigned executive budget officer (EBO) to review what actions will be required to demonstrate compliance with conditional requirements.

After the conditional requirements have been met, agencies must submit an AMA transaction to edit and remove the “CON” from the name and change the budget status to “Open.” Agencies should attach the documentation describing how the conditional requirements are met to the AMA transaction.

The agency assigned EBO will review the attached documentation and AMA transaction and after confirming the conditions are met, will approve the transaction.. After the AMA transaction is approved and loaded to SWIFT, the agency can then establish revenue and expense budgets for the conditional appropriation.

## D. Appropriations for Capital Projects

All capital appropriations made to an agency must be entered into the accounting system, according to MMB’s instructions for each enacted bill: for bond funds, in the budget fiscal year that matches the legislative session in which the bill was enacted, and for cash funds, in the budget fiscal year specified in the enacted bill. The primary legal citation is always coded generally for the capital investment bill, according to MMB’s instructions, to ensure 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 should not be reestablished for BFY 2025.

All new capital project appropriation requests will be submitted through AMA. After the appropriation is established in SWIFT, the appropriation will remain open unless the appropriation is conditional, subject to [MS 16A.642](#) or another law specifying the end date.

Conditional appropriations for capital projects are handled with a slight variation of the general process. Legal conditions for conditional capital appropriations may include requirements for matching funds, use agreements, ground leases, easements, rider language provisions contained in the appropriations bill, program funding review, or other statutory requirements, including [MS 16A.502](#). In all cases,



agencies 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 before a conditional capital appropriation is taken off hold and given open status.

Additional instructions regarding capital appropriations will be provided after the 2024 legislative session concludes. Basic information is available in [MMB Statewide Operating Policy 0302-01](#). Capital appropriations with matching requirements or grants to political subdivisions and other non-state entities will need additional documentation to verify that the legal requirements have been met.

Contact [Marianne.Conboy@state.mn.us](mailto:Marianne.Conboy@state.mn.us) with questions about establishing new appropriations for capital projects. Contact [Roger.Behrens@state.mn.us](mailto:Roger.Behrens@state.mn.us) with questions regarding conditional appropriations for capital projects or for additional information on debt management.

## **E. Federal Fund Appropriations**

Generally, new 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 fund approval process, please contact [Budget.Finance.mmb@state.mn.us](mailto:Budget.Finance.mmb@state.mn.us) or the agency assigned EBO.

## **F. Special Revenue Fund Appropriations**

Appropriations in the 2000 and 2001 funds should be reviewed to verify the correct fund is used. If the appropriation is funded primarily by other appropriations or transfers from another fund, it should be established in the 2001 fund. If the appropriation is funded primarily with external revenues, it should be established in the 2000 fund.

## **G. Fiduciary Fund Appropriations**

For appropriations to be established in the 6000 fund, the activity must meet all of the following criteria. If all of the criteria listed are not met, the appropriation should be established in either the 2000 or 2001 fund.

- The assets are controlled by the state, meaning the state holds the assets or the state has the ability to direct their use or issue payments to the beneficiary.
- The assets are NOT derived from either 1) sources that are solely the state's revenues, or 2) non exchange transactions either voluntary or mandated by the state, with the exception of pass-through grants below (largely not taxes or fees imposed by the state or investment income).
- The state does not have administrative or financial involvement with a fiduciary pass-through grant.
- The assets have one or more of these qualities:

- The assets are administered through a trust that the state is not a beneficiary of, dedicated to recipients in accordance with benefit terms, and are legally protected from the government's creditors.
- The assets are for the benefit of individuals, and the government does not have the ability to monitor compliance, determine eligible expenditures, exercise discretion over the allocation of assets, or provide matching resources. In addition, the assets are not derived from the government's provision of goods or services to the individuals.

MMB will review these funds and agencies will be required to move appropriations and activity to the correct fund if it does not meet the above criteria. Contact [Nicole.Berndt@state.mn.us](mailto:Nicole.Berndt@state.mn.us) with questions.

## H. Revenue Budgets

Agencies should review year-to-date data for BFY 2024 dedicated and non-dedicated revenue budgets and establish revenue budgets for BFY 2025 in SWIFT. Agencies can use monthly Estimated and Actual Receipts reporting for BFY 2024 as a guide.

Each appropriation ID should be associated with only one fund, including non-dedicated appropriations. MMB Budget Planning and Operations will verify during spend plan certification and prior to fiscal year close that each appropriation ID is associated with only one fund.

As a reminder, MMB eliminates revenue from accounts 512601-512609, 555001-555007 and 555009-555010 when completing the Annual Comprehensive Financial Report (ACFR). Agencies are instructed to use these account codes when recording agency internal billing revenue. Agencies are to inform the MMB Financial Reporting Unit when other revenue accounts are used for an agency's internal billing process.

SWIFT will not automatically prevent receipts from being applied to BFY 2025, however agencies do not have legal authority to deposit to budget period 2025 until July 1, 2024. There is an exception for Minnesota State Colleges and University summer session receipts.

An excel template to import revenue budgets to SWIFT is available on the [SWIFT Forms](#) page of the MMB Website.

## I. Expense and Allotment Budgets

After appropriations are entered into AMA, approved, and loaded to SWIFT, expense budgets can be posted. Posting expense budget journals builds allotment budgets in SWIFT.

SWIFT has two distinct allotment types, payroll and non-payroll. Payroll allotments are created when expense budgets are entered against salary account codes. Payroll allotments are considered reserved (encumbered) when allotted. Non-payroll allotments are created when expense budgets are established against non-payroll account codes. Agencies can spend or encumber amounts exceeding a specific expense budget within a non-payroll allotment if unobligated funds exist at the allotment level.

Agencies should use two expense-level account codes to properly record agency internal reimbursement process transactions (42000 – Agency Indirect Costs and 42030 – State Agency Reimbursements).

An excel template to import revenue budgets to SWIFT is available on the [SWIFT Forms](#) page of the MMB Website.

## IV. Additional Appropriation Information

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

Legal level of budgetary control (LLBC) is defined as “the level at which an agency's management may not reallocate resources without special approval.”

Generally accepted accounting principles require states to produce a report on the legal level of budgetary control as a supplement to the Annual Comprehensive Financial Report (ACFR). The purpose of the LLBC report is to demonstrate that spending by agencies was within the authorized limits and in compliance with appropriate laws.

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, 1250, 1251, 2005, all of class 2100, all of class 2200, 2300, 2301, 2302, 2303, 2340, 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 the funds listed above.

In addition to being used for reporting, the LLBC code determines the approval workflow for appropriation transfers. Agencies should use LLBC codes 08 (Non-LLBC Fund- EBO approval required) or 09 (Non-LLBC Fund – no EBO approval required) for funds not included in LLBC reporting.

Agencies are required to include the LLBC attribute at the appropriation level, for all funds, by entering the LLBC code on the AMA transaction when establishing the appropriation.

#### Coding LLBC

There are six legal levels of budgetary control:

Code	LLBC Explanation
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 (Only allowed for non LLBC funds)
09	Non-LLBC Fund – no EBO approval required (Only allowed for non LLBC funds)

Please contact [Mary.Borresen@state.mn.us](mailto:Mary.Borresen@state.mn.us) with any questions regarding LLBC coding.

## B. Fund Balance Classification

Governmental Accounting Standards Board (GASB) 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 fund balance classification is required on all appropriations in funds 1000 through 2999. A fund balance is classified as “R” for restricted, “C” for committed, or “A” for assigned. AMA automatically restricts the fund balance classification value(s) available to select by the appropriation’s fund code. See the [AMA Glossary](#) beginning on page six for more information about fund balance classification.

## C. Bookkeeping Appropriations

[Minnesota Statute 16A.53, Subd. 3](#) provides authority to eliminate unnecessary appropriations that had (on average) \$1,000 dollars or less of activity per year in the previous four years. If an agency has an appropriation that meets the criteria listed in the statute, it will receive an email from MMB Budget Planning and Operations, listing 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, budget period 2024) unless some other disposition is specified in law.

Agencies should not establish an appropriation in budget fiscal year 2025 for bookkeeping appropriations where the remaining appropriations balances will be transferred to the MMB appropriation in BFY 2024. If an appropriation has already been established for fiscal year 2025 and has no cash balance to transfer, agencies should request to change the budget status to “Hold” by entering a transaction in AMA. For appropriations that meet the elimination criteria but are still needed, agencies must provide justification to [Christopher.Johnson@state.mn.us](mailto:Christopher.Johnson@state.mn.us), MMB Budget Planning and Operations. Agencies with appropriations that are no longer needed for purposes specified for it in law with average activity greater than \$1,000 over the previous four years are also encouraged to contact Chris Johnson to eliminate.

Criteria for account elimination are:

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

Agencies should process a budget transfer and use the Actual Transfer (XTN) journal class to transfer the remaining appropriation balance. Transfer of funds must be completed, or justification for continuation must be received, no later than July 31, 2024.

#### D. Cancelling Unexpended State Seminar Fees

[Minnesota Statutes 16A.721](#) requires that unobligated balances of state seminar fee appropriations carried forward must be expended in the following year. If the expenditure in the following fiscal year is not equal to or greater than the carry forward amount, that balance must be transferred to the general fund appropriation:

<b>Fund</b>	1000
<b>Appropriation ID</b>	G9R0017
<b>FinDept ID</b>	G9R13036
<b>Budget Period</b>	2024

If your agency has an appropriation which meets these criteria, you will receive a report from the MMB Budget Division which will indicate the amount to be transferred. If you have state seminar fee appropriation questions, contact [Christopher.Johnson@state.mn.us](mailto:Christopher.Johnson@state.mn.us).

#### E. Anticipated and Actual Appropriation Transfers

There is no legal authority to transfer BFY 2025 funds prior to July 1. Therefore, agencies cannot process actual budget transfers between appropriations (journal classes XTA – transfer against an anticipated or XTN – actual transfer, no anticipated) for BFY 2025 until July 1, 2024.

Agencies can process anticipated transfers (journal class XAT – Anticipated Transfer) prior to July 1 to set up expense budgets, complete contracts, make purchases, and enter encumbrances.

#### F. Balance Forward Prior to Close

In order to complete a balance forward prior to hard close, agencies must have a demonstrable need to use the funds. Balance forward transfers can be entered beginning July 1. Agencies should estimate the amount of money necessary to liquidate BFY 2024 certified encumbrances and should not carry this amount forward. This ensures sufficient cash exists to cover encumbrances in the prior year appropriation.

To balance forward funds, a BFY 2025 appropriation must have coding that matches the BFY 2024 appropriation (same Fund, Appropriation Fin DeptID, and Appropriation ID).

Contact the SWIFT Help Desk for assistance with balance forward transfers.

## G. Verifying Invested Treasurer's Cash (ITC) Authorities

Some appropriations are granted the authority to retain interest earned from the investment of general ledger cash balances. This authority may be granted through statute, rules, or in certain circumstances required by other authorities such as the federal government.

Agencies are required to certify their appropriations or funds that have authority to retain interest earnings annually. The ITC Certification worksheet listing current agency ITC appropriations and funds will be sent to agencies for review of the legal authority to earn interest and for agencies to provide updates for BFY 2025. It is the agency's responsibility to communicate any deletion, modification or addition of appropriations or funds with authority to earn interest by completing the ITC certification worksheet. By June 14, 2024, submit the certification worksheet to General Accounting at [GeneralAcctg.MMB@state.mn.us](mailto:GeneralAcctg.MMB@state.mn.us). Contact [Sara.Gritzner@state.mn.us](mailto:Sara.Gritzner@state.mn.us) or [Bridgit.Olson@state.mn.us](mailto:Bridgit.Olson@state.mn.us) with any questions regarding Invested Treasurer's Cash.

### Important reminders:

- All new appropriations including the legal citation authorizing the appropriations/funds to retain interest earnings, must be entered on the ITC Certification worksheet.
- Any changes in appropriations/funds structure affecting ITC appropriations/funds need to be communicated clearly on the ITC certification worksheet.
- BFY 2025 revenue budgets for allocation of ITC earnings **must be established by July 1**.
- Ensure BFY 2025 appropriations and revenue budgets set forth on the ITC certification worksheet match what is entered in SWIFT. This will allow verification that the revenue budget is operational before the beginning of BFY 2025. 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.
- Return completed ITC Certification worksheet by June 14, 2024. Delays in this process may result in lost interest earnings or untimely interest postings.

## V. Grants and Projects

### A. Grants and Projects

Agencies receiving federal monies must use the Grants module in SWIFT. The Grants module contains Assistance Listing Numbers (ALN) information required for Single Audit reporting (formerly known as Catalog of Domestic Federal Awards or (CFDA). Edits have been configured in SWIFT to 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 ALN 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-limit (OLT) transactions are corrected in SWIFT, agencies should clean up these items prior to the end of the fiscal year. **OLT transactions corrected after June 30 may cause adjusting entries to be required.**

For questions pertaining to the SWIFT Grant and Project modules, please contact the SWIFT Help Desk.

For ALN-related questions, please contact [Nicole.Berndt@state.mn.us](mailto:Nicole.Berndt@state.mn.us).



## VI. Closing Fiscal Year 2024

### A. Fiscal Year 2024 Closing Date

As noted in the [Agency Annual Schedule](#), the closing of BFY 2024 will occur over the weekend of August 16. Check the agency 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 schedule.

### B. Agency Preparations for Closing FY 2024

Below are some considerations for closing the current fiscal year.

#### **BFY 2024 year-end spending**

All goods and services must be encumbered according to [MMB Statewide Operating Policy 0701-01 – Encumbrance \(Dept of Administration/MMB Professional Technical Contract Policy 21-01 - Encumbrance and Contract Execution\)](#). Payments for services performed or goods ordered after June 30 must be made from BFY 2025.

#### **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; or
- 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, unexpected retirement and/or separation costs
- Changes in information systems, facilities development or operating costs
- Increases in leases or 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. After an agency has prepared any required changes, they should be reviewed with the agency assigned EBO.

## VII. Agency BFY 2025 Checklist

Done?	Items to Review:
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- Review SWIFT organization structure for additions and changes.
- Review appropriations to ensure they are established correctly.
- Ensure that all appropriations have correct legal citations.
- Ensure that all appropriations have the correct legal level of budgetary control.
- Fund balance classifications for Funds 1000-2999 are properly entered on appropriations.
- Ensure Program and Budget Activity codes are correct on appropriations. Make changes desired for TransparencyMN reporting and upcoming budget development. Note that program and budget activity code changes need EBO approval.
- Check default coding for SWIFT interfaces.
- Establish revenue budgets.
- Establish anticipated transfers, if applicable.
- Establish expense budgets.
- Ensure grants and projects are established in SWIFT for all federal programs.
- Establish all encumbrances for new budget fiscal year.
- Determine which dedicated (non-federal) appropriations may need cash flow assistance and submit a Request for Cash Flow Assistance Form. Review [MMB Statewide Operating Procedure 0301-01.5 Cash Flow Assistance for more information about the procedure and appropriate form.](#)

Done?	Items to Review:
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Correct Position Funding for positions in error on the Positions with Invalid Chart Strings report (HP6670).

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Prepare Annual Spending Plan Certification reports and Certification form and form (Due July 31, 2024).

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Submit Authority for ITC Earnings Certification (Due June 15, 2024).

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Determine which appropriations/funds should receive investment income (ITC) (Revenue budgets need to be established to interest earning revenue account 512001).

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## VIII. Agency Fiscal Year Closing Checklist

Done?	Items to Review:
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Resolve appropriation conditions that will be identified in Appropriation Problem Reports: (1) appropriation type codes are correct (2) anticipated transfers are zero, (3) negative receipts/expenditures, (4) over obligated appropriations, (5) over expended appropriations, (6) cancellation of requisitions, and (7) negative cash balance.

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Direct Appropriations with Grants/Aids allotments should be set as appropriation type 01 so that they cancel at hard close. There are exceptions, such as the agency having specific carry forward authority.

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Grants/Aids appropriations are fully encumbered by June 30. Amounts pre-encumbered/requisitioned but not encumbered by June 30 must be cancelled.

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All budgets are reviewed to ensure sufficient unliquidated balances to cover outstanding obligations and encumbrances.

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Requisitions not encumbered by June 30 will cancel.

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Review open encumbrance and requisitions and adjust or cancel/close as needed.

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Adjust anticipated transfers (XATs) to equal zero.

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Advances for statutory appropriation fund transfers completed by June 30th.

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Settle all BFY 2024 employee travel advances.

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All other payroll deadlines have been met (including payroll expense transfers).

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All SWIFT/SEMA4 Special Billing and Indirect Costs are paid.

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Done?	Items to Review:
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Review open appropriations to determine if the appropriation must be reduced or increased to equal the expenditures.

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All encumbrance certification and encumbrance deadlines met.

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All known expenditure and deposit corrections are completed in SWIFT by June 30.

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All Receipts received by June 30 are deposited at the bank and entered in SWIFT by June 30.

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