



Minnesota Management and Budget Statewide Operating Procedure

Minnesota Management and Budget, Accounting Services
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Rule Variance Fees – Deposits, Refunds, and Transfers

Objective

This procedure contains a step-by-step method for processing rule variance fees for state agencies that choose to do so in accordance with [Minnesota Statute 14.056, Subdivision 2](https://www.revisor.mn.gov/statutes/?id=14.056) (<https://www.revisor.mn.gov/statutes/?id=14.056>).

General Procedures

Step	Action	Responsible Party	Timeline
1.	The agency will estimate the variance fee based upon the agency's cost of processing the variance.	Agency	N/A
2.	If the estimated variance fee is equal to or less than \$20, the agency will charge a non-refundable \$10 fee.	Agency	N/A
3.	If the estimated variance fee is greater than \$20, the agency must prepare an estimate of the cost to process the petition. The agency and the petitioner must agree on estimated costs and the timing and manner of payment.	Agency and Petitioner	N/A
4.	Receipts from rule variance fees shall be deposited to Fund 2000, Financial Department ID G9R13016, Appropriation ID G9R0041, and Account 651402.	Agency	N/A
5.	If the variance fee is greater than \$20, estimated costs must be compared to the actual costs. If actual costs are less than the estimate, the petitioner is due a refund. If actual costs are greater than the estimate, the costs are absorbed by the agency <i>unless</i> there is a provision in the agreement with the petitioner that allows for the costs to be renegotiated.	Agency and Petitioner	N/A
6.	Any request for refund for a petitioner should be sent to Fiscal.Services@MMB.state.mn.us . The request shall include: a signed agency request, copy of the cost estimate and comparison to the actual costs, Statewide Integrated Financial Tools (SWIFT) deposit entry transaction information, and the vendor number of the petitioner for refund processing.	Agency	N/A

Step	Action	Responsible Party	Timeline
7.	MMB Fiscal Services reviews request, verifies the deposit information, issues the refund if all information is complete. If not, MMB Fiscal Services will contact the agency for clarification.	MMB Fiscal Services	N/A
8.	If the agency needs the funds to satisfy the variance request, they shall submit a written request to the agency-assigned Executive Budget Officer (EBO). The request should include an explanation of the need, the agency making the request, and the accounting string for the program incurring the costs to process the variance request against.	Agency	N/A
9.	The EBO will review the request. If approved, the EBO will forward the request to MMB Fiscal Services. If not approved, the EBO notifies the agency with an explanation.	MMB Budget Services	N/A
10.	MMB Fiscal Services processes the transfer to the agency.	MMB Fiscal Services	N/A
12.	All variance fee proceeds are transferred to the General Fund on an annual basis if they are not transferred to the agency program that generated the fee.	MMB Fiscal Services	N/A

Related Policies and Procedures

[MMB Statewide Operating Policy 0609-01 Rule Variance Fees – Deposits, Refunds, and Transfers](http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-6/0609-01-rule-variance-fee-policy.pdf)
(<http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-6/0609-01-rule-variance-fee-policy.pdf>)

[MMB Statewide Operating Policy 0602-01 Recording and Depositing Receipts](http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-6/0602-01-recording-depositing-receipts-policy.pdf) (<http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-6/0602-01-recording-depositing-receipts-policy.pdf>)