



Date: October 6, 2021

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

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

RE: Budget and accounting guidance for refinancing prior year expenditures to the CARES Act Coronavirus Relief Fund

This memo instructs agencies how to implement refinanced prior year state fund expenditures to the CARES Act Coronavirus Relief Fund (CRF). This refinancing is required by legislation passed in the 2020 and 2021 legislative sessions. Refinancing prior year expenditures will require establishing a new CRF appropriation account in the current fiscal year, regardless of the date of the original expenditure.

This document supplements [instructions](#) issued earlier for implementing approved spending from state and federal COVID funds.

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 fund 3010. Agencies must establish separate appropriations (AppropID) **in the current budget fiscal year** in SWIFT for all refinanced prior year expenditures. 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	211 012 05 001 000 (Laws 2021, 1 st Special Session, Chapter 12, Article 5, Section 1)

Attribute	Value
Legal Citation 2	REFINANCEXX (Agency will be given the refinance number. See below for example)
Legal Citation 3	COV03 (See below)
Alt Date	12/31/2021

Legal Citation 1 (refinancing legal citation)

Year		Session		Chapter			Article			Section			Subdivision		
2	1	1		0	1	2	0	5		0	0	1	0	0	0

Legal Citation 2 (The agency will be given the refinance number. This is an example)

R	E	F	I	N	A	N	C	E	X	0	1
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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	12/31/2021
Project ID	Define a value which begins with your 3-digit agency code (i.e., <u>G9RCOVID</u> or <u>G9RCORONARELIEF</u>)
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 journal vouchers in SWIFT to move payroll expenditures paid from existing appropriations to Coronavirus Relief Fund (CRF) appropriations. Agencies should use account 410009 to move full-time salaries and account 410309 to move part-time salaries. Both the existing appropriation and the Coronavirus appropriations should be coded to accounts 410009 or 410309. This will assist in reporting and reconciling as these accounts represent payroll entries made in SWIFT but not SEMA4. Agencies should use Supplier ID XXECORRECT when entering these journal vouchers. See the [Journal Vouchers](#) reference guide for additional information on processing journal vouchers.

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 XXECORRECT 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.

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.