

MEMORANDUM

TO: All State Agencies, Departments, and Institutions

FROM: Lisa Dunn, Director
DFA Office of Fiscal Management

SUBJECT: Recording of Revenue and Expenditures Related to COVID-19

DATE: April 15, 2020

In response to the coronavirus disease of 2019 (COVID-19), some agencies have received or will receive funding and accrue costs that are above their normal operating levels. Currently, the State of Mississippi (the State) expects to receive federal funds to assist with some of the costs the State is accruing. To allow the State to accurately report its revenues and expenditures related to COVID-19, the Department of Finance and Administration (DFA) is providing the following instructions to agencies that may be a recipient of federal grant funds related to COVID-19.

New Fund Numbers

Agencies who anticipate receiving grants related to COVID-19 from Federal Agencies or as a pass through/sub-grant should set up a grant fund with the number **5820XXXX00**, where **XXXX** is at the agency's discretion. In order to set up the new fund, the Application to Create a New Fund should be completed and returned to ofm.bfm@dfa.ms.gov.

Escalation of Budgets for COVID-19 Related Federal Funds

Mississippi Code Section 27-104-21 provides the State Fiscal Officer with the authority to approve escalations in a budget using federal funds. Any agency with questions about escalating their budget for federal funds should contact their DFA budget analyst.

Recording Revenue

Revenue should be recorded using the following revenue general ledger codes:

42100100	COVID-19 Federal Grants – Economic Stimulus
42100200	COVID-19 Federal Grants – Medical/Health
42500100	COVID-19 NonFederal Grants – Economic Stimulus
42500200	COVID-19 NonFederal Grants – Medical/Health

Agencies using the grants module will use a **ZG** to bill for the grant and a **YG** to track the receivable from the sponsor.

Recording Expenditures

To track costs, the agency should use the following:

- The grantee module
 - If the grant is **federally or privately funded**, it will be a grant with a **'600'** sponsor using a grantee internal order
 - If the grant is **from a state agency**, it will be a grant with a **'691'** sponsor using a grantee internal order
- A disaster internal order
 - Disaster internal orders should be used to track expenses not related to a grant for the disaster
 - Disaster internal orders should have an internal fund setup for the disaster with the number **X820XXXX00**

Inter-Agency Transactions

For those agencies that receive a sub grant or pass through grant from another state agency, the receivable and payment transactions are as follows:

- For those agencies using CRM, the agency receiving the funds would create a **YY** document which requires the use of a 'transfer in' revenue code and the agency payment would be tracked with an **XG** document.
- For those agencies that don't use CRM, the agency receiving the funds would set up a **YX** for the receivable and the agency paying the funds would create a **YT** document.

Questions about processing documents in MAGIC should be sent to Erica Palmer at erica.palmer@dfa.ms.gov or mash@dfa.ms.gov.

If you have questions about these policies, please contact Lisa Dunn at lisa.dunn@dfa.ms.gov.