



November 20th, 2019

Senator Michelle Benson, Chair
Senate Health & Human Services Finance and Policy
Committee
3109 Minnesota Senate Bldg.
St. Paul, MN 55155

Representative Tina Liebling, Chair
House Health & Human Services Finance Cttee.
477 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senator Jim Ablner, Chair
Senate Human Services Reform Finance & Policy
Committee
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Representative Rena Moran, Chair
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Rep. Debra Kiel, Ranking Minority Member
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Dear Senators and Representatives:

This letter is to notify you of direct appropriation transfers approved by Minnesota Management & Budget (MMB) in the quarter that ended September 30th, 2019. All transfers are general fund, unless otherwise noted.

This letter is notification as required by Laws 2019, First Special Session, chapter 9, article 14, section 12. This notification also complies with the requirement for the Department to report transfers in Minn. Stat. §256.01, Subdivision 41, clause (2).

You can find the legal authority and accounting detail for each transfer itemized in this letter by the corresponding reference item number in the **Summary of Accounting Detail for Approved Direct Appropriation Transfers** attached to this letter. Service level and interagency agreements that were authorized between July and September 2019 are conveyed under a separate required quarterly report to the Legislature.

FY 2020 Transfers – 1st Quarter

1. Two transfers were made to the Office of the Legislative Auditor (OLA), totaling \$700,000.
 - \$300,000 from DHS Operations to OLA for audit activities under MS 3.972, subd. 2b (audit of the Department of Human Services)
 - \$400,000 from DHS Operations to OLA for audit activities under MS 3.972, subd. 2a (audit of managed care organizations that contract with the Department of Human Services)
2. A \$1,675,000 transfer was made within BACT 47 from Children & Economic Support Grants (parent) to Minnesota Food Assistance Program Grants (rider) to establish funding for these grants.
3. A total of six transfers were made within Direct Care and Treatment (DCT) as authorized under Laws 2019, First Special Session, Chapter 9, Article 14, Section 2, subdivision 34, paragraph (a):
 - \$1,000,000 within BACT 62, to Minnesota State Operated Community Services (MSOCS)
 - \$1,188,000 from Adult Mental Health Services (BACT 61) to DCT Operations (BACT 65) for systems costs
 - \$923,000 from Forensic Services (BACT 63) to DCT Operations (BACT 65) for systems costs
 - \$873,000 from Minnesota Sex Offender Program (BACT 64) to DCT Operations (BACT 65) for systems costs
 - \$200,000 from Forensic Services (BACT 63) to DCT Operations (BACT 65)
 - \$1,725,000 from Minnesota Sex Offender Program (BACT 64) to DCT Operations (BACT 65)
4. A \$6,438,000 transfer was made from the DCT Mental Health and Substance Abuse GF appropriation to the enterprise fund for the Community Addiction Recovery Enterprise (CARE) program.
5. A \$2,393,000 transfer was made from the DCT Community-Based Services GF appropriation to the Minnesota State Operated Community Services (MSOCS) enterprise fund for operations.
6. A \$1,594,000 transfer was made from the DCT Community-Based Services GF appropriation to the Minnesota State Operated Community Services (MSOCS) enterprise fund for an operating adjustment.
7. Two forecasted program transfers were made from rider to parent:
 - \$6,729,812 was transferred within BACT 23 from Emergency General Assistance to General Assistance
 - \$1,000,000 was transferred within BACT 33 from Behavioral Health Services to Medical Assistance Grants
8. A series of 28 transfers totaling \$22.6 million were made between admin accounts to set up budgets:
 - Technical Budget Setting
 - \$79,000 from Children & Families Services to DHS Central Office Operations
 - \$89,000 from Health Care Administration to DHS Central Office Operations
 - \$170,000 from Continuing Care for Older Adults to DHS Central Office Operations
 - \$204,000 from Community Supports Administration to DHS Central Office Operations
 - Administrations within DHS providing admin support to each other
 - \$60,000 from Children & Families Services to DHS Central Office Operations
 - \$120,000 from DHS Central Office Operations to Community Supports Administration
 - Service Level Agreements
 - \$11,113,000 from DCT Operations to DHS Central Office Operations
 - Correction to the amount specified in the DCT appropriation article (Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 36, paragraph a)

- \$1,588,000 from DCT Community-Based Services (GF) to DCT MSOCS enterprise fund
 - Rider to parent transfers
 - \$1,371,000 for Child Welfare Training Academy
 - \$105,000 for Child Care Assistance Improvements
 - \$673,000 for Child Care Licensing Inspections
 - \$317,000 for Child Care Fraud Abuse
 - \$418,000 for Office of Inspector General Investigators
 - \$355,000 for Office of Inspector General Tracking System
 - \$350,000 for Child Care Law Enforcement
 - \$121,000 for Family Child Care Task Force
 - \$557,000 for Nonemergency Transportation
 - \$113,000 for Outpatient Pharmacy
 - \$1,456,000 for Long Term Care Ombudsman Staff
 - \$309,000 for Opiate Epidemic Admin
 - \$1,456,000 for Minnesota Adult Abuse Report Center IT Costs
 - \$105,000 for Assisted Living Report card
 - \$1,093,000 for Vulnerable Adult Current Operations Improvement
 - \$390,000 for Indian Child Welfare Compliance
9. DHS received two transfers from the Department of Education for the Parent Aware Quality Rating and Improvement System:
 - \$525,000 to Children and Families Services
 - \$1,225,000 to Child Care Development Grants
 10. A \$60,000 transfer was made to the Department of Administration's Office of Enterprise Sustainability.
 11. A \$124,719,000 transfer was made from Chemical Dependency Entitlement Grants (GF) to the Consolidated Chemical Dependency Treatment Fund Grants (Restricted Miscellaneous Special Revenue Account).
 12. A \$334,183 transfer was made from Children Services Grants (BACT 45) to the Adoption Assistance rider to preserve carry forward funds for child-specific privatized adoption activities.
 13. A \$538,000 transfer was made from Health Care Administration GF Operations to a special revenue fund for the nonfederal share of activities for which the federal administrative reimbursement is appropriated to the Department of Human Services.
 14. Three transfers totaling \$1.3 million from Health Care Administration GF Operations to a special revenue fund for the nonfederal share of activities specified in 256.01, Subdivision 34:
 - \$181,000 for the Minnesota Senior Health Options project
 - \$495,000 and \$638,000 for a professional review organization
 15. A transfer of \$679,000 from DHS Central Office Health Care Access Fund (HCAF) Operations to fund Receipt Center Operations in the special revenue fund.
 16. A transfer of \$1,482,000 from Children Services Grants (BACT 45) GF appropriation to the special revenue fund for the Indian Child Welfare Act (BACT 45).
 17. Two transfers were made to the systems account:
 - \$13,219,000 from the Health Care Access Fund (BACT 11 – DHS Central Office Operations)
 - \$8,000,000 from the General Fund (BACT 65 – DCT Operations)
 18. A transfer of \$32,956,819 from Medical Assistance Grants (BACT 33) to Disabilities Grants (BACT 55) to fund the Consumer Support Grant.

19. A transfer of \$308,000 was made from DHS Central Office GF Operations for an interagency agreement with the Governor's Office.
20. A transfer of \$50,000 was made from Child Support Enforcement Grants (BACT 44) to a special revenue fund for child support recoupments.
21. A transfer of \$2,004,000 was made from Children and Families Services GF Operations to a special revenue fund for Child Welfare Training.

Please contact me with any questions on the transfers reported in this letter.

Sincerely,

Dave Greeman, Director
Budget Analysis Division

CC: Dennis Albrecht, Senate Counsel, Research and Fiscal Analysis
Doug Berg, House Fiscal Analysis
Travis Bunch, MMB



Summary of Accounting Detail for Approved Direct Appropriation Transfers
1st Quarter FY20 - July 1, 2019 through September 30, 2019

Reference Item #	FROM (Fund and APFD-APID Appropriation)				TO (Fund and APFD-APID Appropriation)				SFY 2020	SFY 2021
	Fund #	Fund Name	APFD / APID	Name	Fund #	Fund Name	APFD / APID	Name		
SFY 2020 Q1 Transfers										
1	1000	GF	H551715	BACT 11 OLA Transfer (rider)	1000	GF	L496000	Office of Legislative Auditor	\$300,000	
1	1000	GF	H551818	BACT 11 OLA Transfer (rider)	1000	GF	L496100	Office of Legislative Auditor	\$400,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 3, paragraphs I, J										
2	1000	GF	H551138	BACT 47 Children & Econ Supt Grts	1000	GF	H551434	BACT 47 MN Food Asst Prog Grt (rider)	\$1,675,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 24										
3	1000	GF	H556064	BACT 62 Community Based Services	1000	GF	H556068	BACT 62 MSOCS Start-up (rider)	\$1,000,000	
3	1000	GF	H556016	BACT 61 SOS-Adult Mental Hlth Svcs	1000	GF	H556065	BACT 65 DCT Operations	\$1,188,000	
3	1000	GF	H556005	BACT 63 SOS-Forensic Services	1000	GF	H556065	BACT 65 DCT Operations	\$923,000	
3	1000	GF	H550003	BACT 64 MSOP	1000	GF	H556065	BACT 65 DCT Operations	\$873,000	
3	1000	GF	H556005	BACT 63 SOS-Forensic Services	1000	GF	H556065	BACT 65 DCT Operations	\$200,000	
3	1000	GF	H550003	BACT 64 MSOP	1000	GF	H556065	BACT 65 DCT Operations	\$1,725,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 34, paragraph a										
4	1000	GF	H556067	BACT 61 CARE (rider)	4101	DHS Chemical Dependency Services	H556002	BACT 61 CARE - Statewide	\$6,438,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 35, paragraph a										
5	1000	GF	H556063	BACT 62 MSOCS Oper/Sustain (rider)	4350	MN State Operated Community Services	H556009	BACT 62 Waivered Services (MSOCS)	\$2,393,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 36, paragraph a										
6	1000	GF	H556063	BACT 62 MSOCS Oper/Sustain (rider)	4350	MN State Operated Community Services	H556009	BACT 62 Waivered Services (MSOCS)	\$1,594,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 2, Subd. 36, paragraph b										
7	1000	GF	H551433	BACT 23 Emergency Gen Asst	1000	GF	H551314	BACT 23 General Assistance Grants	\$6,729,812	
7	1000	GF	H551641	BACT 33 Behavioral Health Services	1000	GF	H551309	BACT 33 Medical Assistance Grants	\$1,000,000	
Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 12, Subd. 1										
7	1000	GF	H551074	BACT 12 GF Operations	1000	GF	H551052	BACT 11 DHS GF Operations	\$79,000	
8	1000	GF	H551300	BACT 13 GF Operations	1000	GF	H551052	BACT 11 DHS GF Operations	\$89,000	
8	1000	GF	H551185	BACT 14 GF Operations	1000	GF	H551052	BACT 11 DHS GF Operations	\$170,000	
8	1000	GF	H551236	BACT 15 GF Operations	1000	GF	H551052	BACT 11 DHS GF Operations	\$204,000	
8	1000	GF	H551052	BACT 11 GF Operations	1000	GF	H551074	BACT 12 CFS GF Operations	\$60,000	
8	1000	GF	H551052	BACT 11 GF Operations	1000	GF	H551236	BACT 15 CSA GF Operations	\$120,000	
8	1000	GF	H556065	BACT 65 Operations	1000	GF	H551052	BACT 11 DHS GF Operations	\$11,113,000	
8	1000	GF	H556064	BACT 62 Community Based Services	4350	MN State Operated Community Services	H556009	BACT 62 Waivered Services (MSOCS)	\$1,588,000	
8	1000	GF	H551820	BACT 12 CW Training Academy (rider)	1000	GF	H551074	BACT 12 CFS GF Operations	\$1,371,000	
8	1000	GF	H551821	BACT 12 CC Asst-Improvmnts (rider)	1000	GF	H551074	BACT 12 CFS GF Operations	\$105,000	
8	1000	GF	H551812	BACT 11 CC Licensing Inspect-rider	1000	GF	H551052	BACT 11 DHS GF Operations	\$673,000	
8	1000	GF	H551813	BACT 11 CC Fraud-Abuse Data (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$317,000	
8	1000	GF	H551814	BACT 11 OIG Investigators (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$418,000	
8	1000	GF	H551815	BACT 11 OIG Tracking System (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$355,000	
8	1000	GF	H551817	BACT 11 CC Law Enforcement (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$350,000	
8	1000	GF	H551819	BACT 11 Family CC Task Force (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$121,000	
8	1000	GF	H551822	BACT 13 Nonemergency Trans (rider)	1000	GF	H551300	BACT 13 HCA GF Operations	\$557,000	
8	1000	GF	H551823	BACT 13 Outpatient Pharmacy (rider)	1000	GF	H551300	BACT 13 HCA GF Operations	\$113,000	
8	1000	GF	H551841	BACT 14 LTC Ombudsman Staff (rider)	1000	GF	H551185	BACT 14 CCOA GF Operations	\$1,456,000	

Reference Item #	FROM (Fund and APFD-APID Appropriation)				TO (Fund and APFD-APID Appropriation)				SFY 2020	SFY 2021
	Fund #	Fund Name	APFD / APID	Name	Fund #	Fund Name	APFD / APID	Name		
	8	1000	GF	H551847	BACT 15 Opiate Epidemic Adm (rider)	1000	GF	H551236		
8	1000	GF	H551842	BACT 11 MAARC Adm-IT Costs (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$1,456,000	
8	1000	GF	H551845	BACT 11 Res Exp-Family Surv (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$105,000	
8	1000	GF	H551846	BACT 11 Current VA Reg Act (rider)	1000	GF	H551052	BACT 11 DHS GF Operations	\$1,093,000	
8	1000	GF	H551746	BACT 12 Indian Child Wef Compliance	1000	GF	H551074	BACT 12 CFSS GF Operations	\$390,000	
8	Authority = Laws 2019, 1st Special Session, Chapter 9, Article 14, Section 12, Subd. 2									
9	1000	GF	E37A609	Department of Education	1000	GF	H551074	BACT 12 GF Operations	\$525,000	
9	1000	GF	E37A609	Department of Education	1000	GF	H551669	BACT 43 CC Development Grants	\$1,225,000	
9	Authority = Laws 2019, 1st Special Session, Chapter 11, Article 8, Section 13, Subd. 9, paragraph A									
10	1000	GF	H551052	BACT 11 GF Operations	2001	Other Misc Special Revenue	G027203	Department of Administration	\$60,000	
10	Authority = MS 16B.04; MS 471.59									
11	1000	GF	H551426	BACT 35 CD Entitlement Grants	2000	Restrict Misc Special Revenue	H551130	BACT 35 CCDTF Grants	\$124,719,000	
11	Authority = MS 254B.02, Subd. 1; Laws 2019, 1st Special Session, Chapter 9, Article 6, Section 42, Subd. 1									
12	1000	GF	H551208	BACT 45 Children Services Grants	1000	GF	H551435	BACT 45 Adopt/RCA (rider)	\$334,183	
12	Authority = MS 256.01, Subd. 2, paragraph b; MS 259A.75 Subd. 1, paragraph b									
13	1000	GF	H551300	BACT 13 GF Operations	2001	Other Misc Special Revenue	H551376	BACT 13 Customer Survey/HRQ	\$538,000	
13	Authority = MS 256.01, Subd. 2, paragraph x; MS 256.01, Subd. 40									
14	1000	GF	H551300	BACT 13 GF Operations	2001	Other Misc Special Revenue	H551375	BACT 13 Long Term Care Options Proj	\$181,000	
14	1000	GF	H551300	BACT 13 GF Operations	2001	Other Misc Special Revenue	H551384	BACT 13 Prof Review Org Contrt	\$495,000	
14	1000	GF	H551300	BACT 13 GF Operations	2001	Other Misc Special Revenue	H551384	BACT 13 Prof Review Org Contrt	\$638,000	
14	Authority = MS 256.01, Subd. 34; MS 256.01, Subd. 40									
15	2360	HCAF	H551269	BACT 11 HCAF Operations	2001	Other Misc Special Revenue	H551476	BACT 11 Receipt Center Operations	\$679,000	
15	Authority = MS 256.01, Subd. 37									
16	1000	GF	H551208	BACT 45 Children Services Grants	2001	Other Misc Special Revenue	H551381	BACT 45 Indian Child Welfare Act	\$1,482,000	
16	Authority = MS 256.01, Subd. 40; MS 260.795, Subd. 3									
17	2360	HCAF	H551269	BACT 11 HCAF Operations	2001	Other Misc Special Revenue	H551472	BACT 16 Systems Operations APD	\$13,219,000	
17	1000	GF	H556065	BACT 65 Operations	2001	Other Misc Special Revenue	H551472	BACT 16 Systems Operations APD	\$8,000,000	
17	Authority = MS 256.014									
18	1000	GF	H551309	BACT 33 Medical Assistance Grants	1000	GF	H551093	BACT 55 Disabilities Grants	\$32,956,819	
18	Authority = MS 256.476									
19	1000	GF	H551052	BACT 11 GF Operations	2001	Other Misc Special Revenue	G391300	Governor's Office	\$308,000	
19	Authority = MS 471.59									
20	1000	GF	H551254	BACT 44 Child Support Enforce Grts	2001	Other Misc Special Revenue	H551400	BACT 44 Child Support Recoupment	\$50,000	
20	Authority = MS 518A.56, Subd. 11									
21	1000	GF	H551074	BACT 12 GF Operations	2001	Other Misc Special Revenue	H551382	BACT 12 Child Welfare Training	\$2,004,000	
21	Authority = MS 626.559, Subd. 5; MS 256.01, Subd. 40									