

## Permanent Improvement Projects Funded in the Annual Appropriations Act (Operating to Capital Cash Transfer)

### **What is it?**

The annual Appropriations Act establishes the budget for the fiscal year beginning July 1. A one-time appropriation may be included in Part 1B, Section 118 (Statewide Revenue) to fund a permanent improvement project (PIP) that may have been requested by an agency or higher education institution via a Form C during the budget request process.

### **When do these funds become available?**

This funding is generally available by September 30 following the Comptroller General's closing of the state's books for the previous fiscal year. The Executive Budget Office (EBO) will establish budget authorization in a 9800 state funded program. The State Treasurer will load General Fund cash into SCEIS to Fund 1001.

### **How can these Capital funds be accessed?**

First, a PIP must be established through the A-1 process which approves budget authorization for the use of the funds for a capital project. EBO will then establish a 9900 state funded program for the approved PIP and establish a budget in the specified 9900 state funded program in SCEIS and SPIRS.

Since the cash was loaded by the State Treasurer into the General Fund (1001), the cash must be transferred by the agency from the General Fund (1001) to the Capital Projects Fund (3600). This is done by recording an expenditure in the General Fund (1001) and a revenue in the Capital Projects Fund – State Appropriations (3600) using the following commitment items for each transaction:

- Expenditure commitment item: 5170880000 - General Fund Transfer (Reduces related cash in 1001)
- Revenue commitment item: 4890060000 – General Fund Approp. Revenue Transfer (Increases cash in 3600)

Actual capital expenditures would then be recorded in the Capital Projects Fund – State Appropriations (3600) in the 9900 state funded program.

### **Do the funds have to be spent in the current fiscal year?**

Unexpended funds appropriated pursuant to the Part 1B, Section 118 proviso may be carried forward to succeeding fiscal years and expended for the same purposes.

### **Who do I contact in EBO?**

You may contact the Capital Budgeting and Planning team for assistance.