

## 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 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. The Capital Budget Office (CBO) 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.

### **Do the funds need to be moved to the specific Permanent Improvement Project?**

Yes. The specific Permanent Improvement Project WBS Element assigned, along with the AZ000 should be included in the journal entry.

#### PIP Funded by Recurring Appropriations:

Since the project is being funded by the General Fund (1001), the cash must be transferred by the agency from the General Fund (1001) to the Capital Projects Fund (3600), and into the specific Permanent Improvement Project. 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 10010000)
- Revenue commitment item: 4890060000 – General Fund Approp. Revenue Transfer  
(Increases cash in 36008000)

#### PIP Funded by Nonrecurring Appropriations (Starting with FY2023):

Since the project is being funded by Nonrecurring General Funds (100500XX), the cash must be transferred by the agency from the Nonrecurring General Fund (100500XX) to the Capital Projects Fund (360080XX), and into the specific Permanent Improvement Project. This is done by recording an expenditure in the General Fund (100500XX) and a revenue in the Capital Projects Fund – State Appropriations (360080XX) using the following commitment items for each transaction:

- Expenditure commitment item: 5170880000 - General Fund Transfer  
(Reduces related cash in 100500XX)
- Revenue commitment item: 4890060000 – General Fund Approp. Revenue Transfer  
(Increases cash in 360080XX)

**Note: The last two digits of the General Fund (100500XX) are designated by the year of the appropriation.**

Actual capital expenditures would then be recorded in the Capital Projects Fund – State Appropriations (360080XX) 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 CBO?**

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

Jennifer LoPresti – [jennifer.lopresti@admin.sc.gov](mailto:jennifer.lopresti@admin.sc.gov) or (803) 734-2264

Michael Hughes – [michael.hughes@admin.sc.gov](mailto:michael.hughes@admin.sc.gov) or (803) 734-0493

Christina Seale – [christina.seale@admin.sc.gov](mailto:christina.seale@admin.sc.gov) or (803) 737-0005

Megan Harris – [megan.harris@admin.sc.gov](mailto:megan.harris@admin.sc.gov) or (803) 734-8115