



SUBJECT

**APPROPRIATIONS AND ALLOTMENTS**

1. GENERAL POLICIES - Appropriations are the authority granted to a State agency, board, commission or institution of higher education by the Legislature to make expenditures and to incur obligations. An allotment is an appropriation made available for expenditures within a given time frame. The following policies must be adopted and followed.
  - a. The Governor's Office of Strategic Planning and Budgeting promulgates the procedures for the submission of the executive budget.
  - b. Appropriations Bills have the following effective dates:
    - (1) General Appropriation Bill - usually July 1;
    - (2) Capital Outlay Appropriation Bill - usually July 1, or the date the Governor signs the Bill; and
    - (3) Supplemental Appropriations Bills -
      - (a) With Emergency Clause - Date the Governor signs the bill
      - (b) Without Emergency Clause - Effective date specified in the bill or 90 days after the Legislature adjourns, whichever is later.
  - c. All appropriations are controlled at the level specified in the bill(s).
  - d. All appropriation transfers made from a payroll line item must be recommended by the Joint Legislative Budget Committee and approved by the Director of the Department of Administration. All appropriation transfers made from a capital outlay line item must be approved by the Joint Committee on Capital Review. All other appropriation transfers must be reviewed by the Governor's Office of Strategic Planning and Budgeting and approved by the Department of Administration.
  - e. Unless otherwise specifically stated in the appropriation bill, all appropriations lapse at the end of the fiscal year.
  - f. Before any monies from an authorized appropriation can be obligated, an allotment schedule must be submitted to and approved by the Department of Administration.
  - g. All requests for allotment transfers/adjustments must be reviewed by the Governor's Office of Strategic Planning and Budgeting and approved by the Director of the Department of Administration.



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2. GENERAL APPROPRIATION BILL - The General Appropriation Bill or "Feed Bill" finances the normal operations of a State agency, board or commission. Annually, the General Appropriations Bill is introduced and passed in the State Legislature and signed by the Governor. This "Feed Bill" is the authority granted to the various State agencies, boards, commission and universities to expend public monies for normal operations.
3. CAPITAL OUTLAY APPROPRIATION BILL - The Capital Outlay Appropriations Bill finances construction or other acquisitions of a fixed or permanent nature, such as land, buildings, and improvements. Annually, the Capital Outlay Appropriation Bill is introduced and passed in the State Legislature and signed by the Governor.
4. SUPPLEMENTAL APPROPRIATION BILL - Supplemental Appropriations are used to finance new projects or programs that are not covered in either the General Appropriation Bill or Capital Outlay Bill. They are also used to increase a particular line item, project or program originally financed in the General Appropriation Bill or Capital Outlay Bill. Like the General Appropriation or Capital Outlay Appropriation Bill, all supplemental appropriations originate with the Agency's Budget Request.
5. APPROPRIATION TRANSFER/ADJUSTMENT - The "Appropriation Transfer" (GAO-511) is used to increase (TC-005) or decrease (TC-004) the original appropriation. Appropriations may be transferred within and between programs and between classes or sub-classes (line item).
  - a. Approvals
    - (1) All Appropriation Transfers must be approved by the requesting agency head, budget unit manager or authorized designee and submitted to the Budget Analyst, Office of Strategic Planning & Budgeting (OSPB).
    - (2) All appropriation transfers of personal services and/or employee related expenditures require the approval of the Joint Legislative Budget Committee (JLBC).
    - (3) All appropriation transfers of land acquisitions, capital projects, or building renewal funds require the approval of the Joint Committee on Capital Review (JCCR).
    - (4) Appropriation transfers for the Department of Administration require JLBC approval.
    - (5) All other appropriation transfers that are not approved by the JLBC, JCCR or the Board of Regents, require the approval of the director of the Department of Administration or his designee.



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6. QUARTERLY ALLOTMENTS - An annual appropriation is normally divided into parts which must provide sufficient expenditure authority to operate an entire fiscal year. These parts are called "Allotments". An allotment is an appropriation made available for expenditure within a given time frame, e.g. quarterly, monthly, etc. In Arizona, the allotment time frame is quarterly.
7. ALLOTMENT TRANSFER/ADJUSTMENT - Allotments are adjusted via a request through the Department of Administration. A GAO-511 form with a TC-002 is used to increase the Appropriation Allotment, whereas a TC-008 is used to decrease the Appropriation Allotment. The allotment schedule, report DAFR6220, may be used instead of the GAO-511 with the same TC codes. The DAFR6220 is preferable because it provides more information about the appropriation allotment that is being changed.