



GAO Technical Bulletin

Arizona Department of Administration ♦ General Accounting Office

Subject:	<i>Cash Transfers from Restricted Funds</i>	Issued:	04/15/10
Manual Section(s):	N/A	Effective:	07/01/09
Supersede(s):	N/A	Page:	1 of 3

TO: Technical Bulletin Administrators
All Agencies

FROM: D. Clark Partridge
State Comptroller

AUTHORITY

A.R.S. § 41-703	Duties of director
A.R.S. § 41-722	Powers and duties relating to finance
A.R.S. § 41-732	Powers and duties relating to general accounting activities

DEFINITIONS

Agency: For the purposes of this technical bulletin, an agency is defined as any department, authority, board, commission, council, administration, court, registrar, office, institution, or other entity in the Executive, Legislative, or Judicial Branch of the Government of the State of Arizona. In contexts that are directive in nature, the use of the term “agency” may imply that employee or those employees within the organization responsible for carrying out the procedures under consideration.

Appropriations bill: A legislative action that authorizes an agency to spend money.

Form GAO-711: Cash Flow Analysis; a form used to project and analyze fund cash flows. For purposes of compliance with this technical bulletin, an acceptable equivalent, containing the necessary information at the requisite level of detail, may be substituted for the official form.

GAO: General Accounting Office; a division of the Arizona Department of Administration.

GAO Website: A website maintained by the GAO, located at <http://www.gao.az.gov/>.

JLBC: Joint Legislative Budget Committee; a unit of the Legislature responsible for the oversight of fiscal matters involving the Government of the State of Arizona.

OSPB: Office of Strategic Planning and Budgeting; a unit within the Governor’s Office whose mission is to facilitate the effect and efficient allocation of resources.

Restricted fund: A fund from which, under State or Federal law, only certain types of expenditures are to be made.

State Comptroller: A chief financial officer of the State of Arizona and principal executive of the GAO.

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INTRODUCTION

In order to facilitate the management of State finances, the Legislature has passed and the Governor has signed into law several bills containing provisions allowing, subject to the review of the JLBC and other limitations, the transfer of cash, within an agency, from a restricted fund to other funds. These cash transfers are impelled by budget reductions or transfers required by State law and are often the subject of specific guidance in relevant appropriation bills. This technical bulletin sets forth the policies that govern and the procedures agencies are to follow in requesting such transfers.

POLICIES AND PROCEDURES

1. Except as specifically authorized by law or with the express written permission of the State Comptroller, an agency may not transfer monies from a restricted fund to another fund.
2. Cash transfers from or to restricted funds shall not involve general fund appropriations.
3. Written requests to transfer cash from a restricted fund to another fund are to be directed to the State Comptroller.
 - a. Such requests are to be made as soon as possible but, in any event, not later than forty-five (45) days before the contemplated effective date of the transfer. (This implies that, for any given fiscal year, the request is to be delivered to the State Comptroller not later than May 15.)
 - b. Such requests are to be accompanied by a completed Form GAO-711, Cash Flow Analysis, for each fund affected by the transfer for the fiscal year under consideration.
 - i. The Form GAO-711 is found under the Online Forms tab of the GAO Website.
 - ii. The completed Form GAO-711s shall reflect the effects of the contemplated transfers.
 - iii. The request and Forms GAO-711s are to be accompanied by a completed Form GAO-614, Companion Transfer Entry/Transfer, which can be found under the Online Forms tab of the GAO Website.
 - c. The State Comptroller will:
 - i. Coordinate cash transfer activity with the OSPB.
 - ii. Submit any contemplated cash transfers between funds to the JLBC for review.
 - iii. Conduct a final review of the transfer requests.
 - iv. Process approved transfers.

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- v. File a final report to the JLBC on all cash transfer activity for the fiscal year.
- vi. Identify specific requirements that may apply to specific appropriations bills.

ON-LINE AVAILABILITY

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<http://www.gao.az.gov>

AREAS IMPACTED

All State Agencies.

CONTACTS

If you have any questions concerning this Technical Bulletin, please contact your GAO Liaison. You may also e-mail questions or comments concerning State policy and procedure to us at:

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