



ACCOUNTING BULLETIN

TO: Fiscal Officers of All State Agencies

FROM: Steven L. Valasek, Director of State Accounting

DATE: January 21, 2005

SUBJECT: Transfers Among Line Item Appropriations

NUMBER: 121

Public Act 93-0839 amended legislation allowing for transfers among line item appropriations. The amendment was effective July 30, 2004 and is only valid for State fiscal year 2005. The following portion of the State Finance Act (30 ILCS 105/13.2) has been amended:

(a-2) Except as otherwise provided in this Section, transfers ~~Transfers~~ may be made only among the objects of expenditure enumerated in this Section, except that no funds may be transferred from any appropriation for personal services, from any appropriation for State contributions to the State Employees' Retirement System, from any separate appropriation for employee retirement contributions paid by the employer, nor from any appropriation for State contribution for employee group insurance. During State fiscal year 2005, an agency may transfer amounts among its appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State Contributions to retirement systems; notwithstanding and in addition to the transfers authorized in subsection (c) of this Section, the fiscal year 2005 transfers authorized in this sentence may be made in an amount not to exceed 2% of the aggregate amount appropriated to an agency within the same treasury fund.

This amendment impacts agencies by increasing the flexibility available to them to make transfers among certain appropriation accounts. During State fiscal year 2005, an agency may transfer amounts among its appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State contributions to retirement systems. The transfer authority for this new provision does not count against the standard 2% limit authorized in 30 ILCS 105/13.2 (c). Any line item transfer made in accordance with 30 ILCS 105/13.2 (a-2) is counted against a separate limit and is tracked separately in SAMS. That limit is an amount not to exceed 2% of the aggregate amount appropriated to an agency within the same treasury fund, excluding non-appropriated accounts and continuing appropriation accounts.

The IOC is currently working on changes to SAMS that will reflect the special provisions for State fiscal year 2005. The changes are summarized below:

1. A new SAMS table – APTS (Appropriation Transfer Limit On Special Personal Services) will be added to track an agency's transfer base and available balance for this new provision.
2. A new SAMS monthly report – SB3B (Appropriation Transfer Special Personal Services Report) will be added to track an agency's transfer base and available balance for this new provision.
3. The SAMS EAP2 screen and the SB01 monthly Report will combine both types of transfers into a single "Transfer in" and/or "Transfer out" field. The transfers can be distinguished at the transaction level by a unique prefix. The standard 30 ILCS 105/13.2 (c) transfers will have a "TA" transaction prefix and the new 30 ILCS 105/13.2 (a-2) transfers will have a "TAP" transaction prefix.

The anticipated date to put these changes into production is February 1, 2005. The existing APTL table and the existing SB03 report will continue to track the standard 30 ILCS 105/13.2 (c) transfers.

Also, effective immediately, all C-66 forms must comply with the following requirements:

1. The form must **clearly** identify in the “Reason For Transfer” section the statutory transfer authority to be exercised by indicating whether it is a transfer pursuant to 30 ILCS 105/13.2 (a-2) or a transfer pursuant to 30 ILCS 105/13.2 (c).
2. Agencies are not permitted to request appropriation transfers under 30 ILCS 105/13.2 (a-2) and 30 ILCS 105/13.2 (c) on the same form.

Any non-compliance with either of these two requirements will result in the immediate return of the Appropriation Transfer request to the agency.

If you have any questions, please contact John Donelan at (217) 782-4107. Agencies may access this and other Accounting, SAMS, and Payroll Bulletins on the Comptroller’s website at www.ioc.state.il.us under Resource Library.