

Commonly Used Control Sections to Revise Budgets*

Section 1.50

- Used to schedule an unallocated item or amount.
- Used for reimbursements from other state agencies (if spending authority is already authorized for other state agency, otherwise use Section 28.50).
- Used to move spending authority between Administration and Distributed Administration (a net-zero adjustment).
- Cannot increase/decrease an item.
- Used to authorize technical changes or corrections in FI\$Cal relating to its data conversion and implementation.

Section 8.50

- Increase or decrease (appropriation authority) to federal funds.
 - Must notify the Legislature if federal funds are decreased by more than 5 percent of the amount appropriated.
 - For other decreases or for any increases in federal fund appropriation authority, refer to Section 28.00 for reporting requirements (must notify the Legislature if change is over \$400,000 or more than 10% of the line receiving the adjustment).

Section 26.00

- Transfer of spending authority between programs from one line to another within the schedule of an appropriation.
 - Per provision (c) the dollar limitations for intra schedule transfers are:
 - § Cannot exceed 20% of the amount of the line we are moving the money to, if the Item appropriation is \$2 million or less.
 - § Cannot exceed \$400,000 of the amount of the line we are moving the money to, for Item appropriations more than \$2 million but less than \$4 million.
 - § Cannot exceed 10% of the amount of the line we are moving the money to, for Item appropriations of more than \$4 million. **CALTRANS is limited to 10% regardless of the size of the schedule, except if provision (e) is utilized.**
 - Dollar limitations may be exceeded pursuant to provision (e). Letter to Legislature must state transfer amount exceeds limits and the necessity to exceed limits.
- **ANY** transfer over \$200,000 regardless of limitation must be reported to the Legislature.
- The reporting threshold is cumulative, pursuant to paragraph (c), and must be applied to all intra-schedule transfers effecting the lines of the schedule.
- Capital Outlay intra-schedule transfers are prohibited.
- May not establish or eliminate a program, project, or function.

Section 28.00

- Reporting requirement for increase/decrease of federal funds.
- Does not provide an appropriation for federal funds.
- Provides spending authority for the receipt of unanticipated funds, typically applied as reimbursements, from non-state, local, or non-profit agencies. Unanticipated means those instances when the receipt of funds could not have been reasonably foreseen at the time of the development of the Governor's Budget or submission of Spring Finance Letters for inclusion in the budget for the ensuing year.
- Legislative notification is required if over \$400,000 or more than 10%, for both increases and decreases. **The notification letter is not required for the following programs: Medi-Cal, CalWORKs, and Supplemental Security Income/State Supplementary Program.**
- The reporting threshold in this section is applicable to individual transactions and is not to be applied to the cumulative effect of separate transactions.

Section 28.50

- Used for reimbursements received from another state department, **especially** when the issue is sensitive, is a policy call, or adds a new program or activity.
- If over \$200,000, Legislative notification is required (unless it qualifies under Section 1.50).
- The reporting threshold in this section is applicable to individual transactions and is not to be applied to the cumulative effect of separate transactions.

* This is Finance's condensed summary of the control sections and does not necessarily represent the final legal or legislative interpretation. Departments **must read** the entire control sections to ensure full compliance and understanding.