



# APPROPRIATED/NON-APPROPRIATED FUNDS

## Process for allocation of appropriations

The SBCTC takes action on a resolution approving the allocations of each capital appropriation.

- A. The Office of Financial Management (OFM) prepares an appropriation schedule containing the amount, title and appropriation code for each appropriation. Allotment instructions are prepared to describe what documents are required to release funds subject to proviso.
- B. Upon receipt of the appropriation schedule from OFM, SBCTC staff prepares an allotment schedule defining the planned timing of actual expenditures and the objects of expenditure for each appropriation. The allotment schedule is then entered into the state's electronic budgeting data system.
- C. After OFM approval of the electronic allotment schedule, SBCTC staff prepares an allocation directing each appropriation or portion of an appropriation to the college for which it was appropriated.
- D. SBCTC staff sends to each college an approved allocation schedule identifying that college's appropriations.

## Source of non-appropriated funds

Non-appropriated funds are generated from a variety of sources. Revenues from grants, contracts, international student fees and student fees other than tuition are deposited in special revenue funds 145 or 148. Revenues from auxiliary enterprises such as parking, bookstore and food service are deposited in the enterprise fund for each activity.

- A. Enterprise fund balances may be used directly for a capital purpose related to the enterprise, with prior SBCTC approval. Capital expenditures should be made directly from an enterprise fund to allow capitalization of capital improvements benefiting the enterprise to be credited to the proper fund source.
- B. Enterprise fund balances may be transferred, by action of the college board of trustees to fund 147 – the local capital account, for use in one or more capital projects. Monies in fund 147 may be used for capital improvements that benefit or serve the college generally or that enhance a particular college facility, enterprise or activity.
- C. Balances from special revenue funds 145 and 148 can be transferred by approval of the local board of trustees to fund 147 to be used for a capital purpose.

- D. The local capital account (fund 147) is a special revenue fund used solely for monies intended for a capital purpose. Except for interest generated on a fund 147 balance, all monies in fund 147 will have been transferred into that account pursuant to local board action. All expenditures from fund 147 require prior SBCTC approval.
- E. Approved non-appropriated funds will be identified on the college allocation schedule with appropriate project tracking codes.

[Local Capital Expenditure Request Authority Request form](#)