Fannin (HB 262) **Act No. 45**

New law provides for the establishment and reestablishment of agency ancillary funds, to be specifically known as internal service funds, auxiliary accounts, or enterprise funds for certain state institutions, officials, and agencies. Requires the appropriated funds, to the extent deposited, unless otherwise specified, to be used for working capital in the conduct of business enterprises rendering public, auxiliary, and interagency services. Requires receipts from the conduct of such businesses to be deposited to the credit of each ancillary fund for FY 2014-2015. Requires all funds to be expended in accordance with public bid laws.

New law requires, except as otherwise provided, any fund equity resulting from prior year operations be included as a resource of the fund from which it is derived. Provides that all funds on deposit with the state treasury at the close of the fiscal year are authorized to be transferred to each fund as equity for FY 2015-2016. Further provides that all unexpended cash balances as of June 30, 2015, shall be remitted to the state treasurer on or before Aug. 14, 2015. Further provides that if not reestablished in the subsequent year's act, the agency must liquidate all assets and return all advances no later than Aug. 14, 2015.

New law provides that program descriptions contained in the act are not enacted into law by virtue of their inclusion in the act. Further provides that, unless explicitly stated otherwise, each program objective and associated performance indicator contained in the act shall reflect performance to be achieved for FY 2014-2015.

New law provides that all money from federal, interagency, statutory dedications, or self-generated revenues of an agency be deemed available for expenditures in the amounts appropriated, and any increase in such revenues over the amounts appropriated shall only be available for expenditure by the agency with approval of the division of administration and the Joint Legislative Committee on the Budget (JLCB).

New law provides that the number of employees approved for each agency may be increased when appropriate documentation is deemed valid; however, any request which exceeds five positions requires approval of the division of administration and JLCB.

New law requires any agency with an appropriation of at least $30 million to include positions within its table of organization which perform internal auditing.

New law provides for the agencies and amount of the working capital funds allocated to each.

New law provides that the treasurer shall invest excess cash funds, excluding those arising from working capital advances, with the interest earned being credited to the account.

New law authorizes the commissioner of administration to transfer functions, positions, assets, and funds between and within departments in conjunction with the assessment conducted by Office of Information Technology of staff, assets, contracts, and facilities of information technology resources, in order to optimize resources and provide cost savings. Provides exceptions for the Dept. of Culture, Recreation and Tourism and Schedule 04, Elected Officials, of the General Appropriation Act.

Effective July 1, 2014.