



Office of Budget and Management

John R. Kasich
Governor

Timothy S. Keen
Director

MEMORANDUM

TO: Members of the Controlling Board

FROM: Timothy S. Keen, Director

DATE: August 22, 2014

RE: Reporting Requirements – HB 497 Capital Reappropriations

House Bill 497 contains capital reappropriations authorized for fiscal years 2015 and 2016. This memorandum and the attached list are intended to satisfy the reporting requirements prescribed in section 126.14 of the Ohio Revised Code (Release of Capital Appropriations) as well as in Section 509.120 of the bill (Reporting Amounts Reappropriated).

Section 126.14 Ohio Revised Code

For each enacted bill containing a capital appropriation or reappropriation, section 126.14 of the Ohio Revised Code requires the Director of Budget and Management to determine which capital appropriations are for general projects and which are for specific projects and to then provide a list of these determinations, including a brief description and the estimated budget for each project to the Controlling Board. Following this notification, the Director of Budget and Management is then authorized to release appropriations for those projects designated as specific, while only the Controlling Board may release those appropriations for general projects or for the purchase of real estate.

In addition to authorizing the Director of Budget and Management to release appropriations for projects designated as specific, section 126.14 also permits the Director to release certain higher education institution appropriations for specific projects from appropriation line items designated as general, if a detailed listing of specific higher education projects supported under the general line items is provided. As a result, a detailed listing of these projects and their estimated budgets is also included in the attached list and are identified under the appropriate general line item in italics.

Section 509.60 of House Bill 497

Related to the above requirements, Section 509.60 of the bill specifically authorizes certain appropriations to be released by the Director of Budget and Management regardless of whether they are general or specific in nature, essentially exempting these appropriations from the requirements of 126.14 of the Revised Code. This exemption, explicitly authorizes the release of capital appropriations from Funds 7038 and 7040 (Public Works Commission), 7029

(Department of Transportation), 7021, 7032, and N087 (Facilities Construction Commission), and line items C50100 and C50101 in Fund 7027 (Department of Rehabilitation and Correction) by the Director of Budget and Management. As a result, the appropriations made from those funds are not designated either General or Specific, but are instead noted with an asterisk.

Sections 509.100 and 509.120 of House Bill 497

Section 509.100 of the bill also states, in part, that "...the reappropriations made in this act represent the unencumbered and allotted balances of prior years' capital improvements appropriations estimated to be available on June 30, 2014. The balances that actually exist on June 30, 2014, for the appropriation line items in this act are hereby reappropriated." Under this section of the bill, the Director of Budget and Management is also required to report to the Controlling Board the amounts that were actually reappropriated for each appropriation line item. These amounts are identified in the attached document in the column with the heading titled Amount Reappropriated. Additionally, those reappropriations that were made on July 1, 2014, but that were not included in the bill either as a result of mistakenly omitting them as a result of their being created by Controlling Board action after the bill was drafted are identified with two asterisks next to the line item description which indicates that those line items were reappropriated using authorization granted in Section 509.120 of House Bill 497.

Attachment

C: Chris Whistler, Assistant Director, OBM
Mark Flanders, Director, LSC
OBM Budget Analysts