

63J-1-104 Revenue types -- Disposition of funds collected or credited by a state agency.

- (1)
 - (a) The Division of Finance shall:
 - (i) account for revenues in accordance with generally accepted accounting principles; and
 - (ii) use the major revenue types in internal accounting.
 - (b) Each agency shall:
 - (i) use the major revenue types to account for revenues;
 - (ii) deposit revenues and other public funds received by them by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and
 - (iii) expend revenues and public funds as required by this chapter.
- (2)
 - (a) Each agency shall deposit its free revenues into the appropriate fund.
 - (b) An agency may expend free revenues up to the amount specifically appropriated by the Legislature.
 - (c) Any free revenue funds appropriated by the Legislature to an agency that remain unexpended at the end of the fiscal year lapse to the source fund unless the Legislature provides by law that those funds are nonlapsing.
- (3)
 - (a) Each agency shall deposit its restricted revenues into the applicable restricted account or fund.
 - (b) Revenues in a restricted account or fund do not lapse to another account or fund unless otherwise specifically provided for by law or legislative appropriation.
 - (c) The Legislature may appropriate restricted revenues from a restricted account or fund for the specific purpose or program designated by law.
 - (d) If the fund equity of a restricted account or fund is insufficient to provide the accounts appropriated from it by the Legislature, the Division of Finance may reduce the appropriation to a level that ensures that the fund equity is not less than zero.
 - (e) Any restricted revenues appropriated by the Legislature to an agency that remain unexpended at the end of the fiscal year lapse to the applicable restricted account or fund unless the Legislature provides by law that those appropriations, or the program or line item financed by those appropriations, are nonlapsing.
- (4)
 - (a) An agency may expend dedicated credits for any purpose within the program or line item.
 - (b)
 - (i) Except as provided in Subsection (4)(b)(ii), an agency may not expend dedicated credits in excess of the amount appropriated as dedicated credits by the Legislature.
 - (ii) In order to expend dedicated credits in excess of the amount appropriated as dedicated credits by the Legislature, the following procedure shall be followed:
 - (A) The agency seeking to make the excess expenditure shall:
 - (I) develop a new work program that:
 - (Aa) consists of the currently approved work program and the excess expenditure sought to be made; and
 - (Bb) complies with the requirements of Section 63J-2-202;
 - (II) prepare a written justification for the new work program that sets forth the purpose and necessity of the excess expenditure; and
 - (III) submit the new work program and the written justification for the new work program to the Division of Finance.

- (B) The Division of Finance shall process the new work program with written justification and make this information available to the Governor's Office of Management and Budget and the legislative fiscal analyst.
- (iii) An expenditure of dedicated credits in excess of amounts appropriated as dedicated credits by the Legislature may not be used to permanently increase personnel within the agency unless:
 - (A) the increase is approved by the Legislature; or
 - (B) the money is deposited as a dedicated credit in a line item covering tuition or federal vocational funds at an institution of higher education.
- (c)
 - (i) All excess dedicated credits lapse to the appropriate fund at the end of the fiscal year unless the Legislature has designated the entire program or line item that is partially or fully funded from dedicated credits as nonlapsing.
 - (ii) The Division of Finance shall determine the appropriate fund into which the dedicated credits lapse.
- (5)
 - (a) The Legislature may establish by law the maximum amount of fixed collections that an agency may expend.
 - (b) If an agency receives less than the maximum amount of expendable fixed collections established by law, the agency's authority to expend is limited to the amount of fixed collections that it receives.
 - (c) If an agency receives fixed collections greater than the maximum amount of expendable fixed collections established by law, those excess amounts lapse to the General Fund, the Education Fund, the Transportation Fund, or the Transportation Investment Fund of 2005 as designated by the director of the Division of Finance at the end of the fiscal year.
- (6) Unless otherwise specifically provided by law, when an agency has a program or line item that is funded by more than one major revenue type:
 - (a) the agency shall expend its dedicated credits and fixed collections first; and
 - (b) if the program or line item includes both free revenue and restricted revenue, an agency shall expend those revenues based upon a proration of the amounts appropriated from each of those major revenue types.

Amended by Chapter 310, 2013 General Session