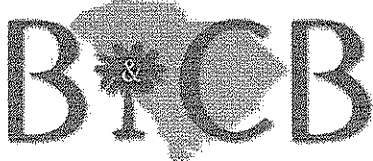


NIKKI R. HALEY, CHAIRMAN
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

State Budget Division
Les Boles
Director

(803) 734-2280
Fax: (803) 734-0645

HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE
COMMITTEE


W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

MARCIA S. ADAMS
EXECUTIVE DIRECTOR

June 27, 2012

Memorandum

To: Ms. Swati Patel, Chief Legal Counsel, Office of the Governor

From: Les Boles 

Re: Proviso 89.10

Paul Koch forwarded your questions to me for a response. Below please find an explanation to your questions.

1. **What is the definition of "program budget" as this term is used in Proviso 89.10 (Transfers of Appropriations)? We understand the Office of State Budget has historically interpreted each unique Roman numeral in the budget to correspond to a distinct "program," but we wish to confirm this.**

Response:

For the State of South Carolina, the term "program budget" has historically referred to those activities reported in the Annual Appropriations Act that are preceded by a Roman numeral. Agency programs may be comprised of sub-programs, elements, and sub-elements. Agency programs adopted per the Act conform to a corresponding program structure established in the State's statewide budgetary accounting system.

2. **Precisely how is the current "established standard level set by the Budget and Control Board" defined in Proviso 89.10?**

Response:

The current established "Personal Service Transfer Limit" allows the State Budget Division to approve transfers from personal service/employer contributions to other operating accounts, with a yearly limit not to exceed \$100,000 or 2% of an agency's personal service budget, whichever is greater. This limit was adopted by the State's Budget and Control Board in June 1999.

If you should have further questions or need additional information, please do not hesitate to call me.

Cc: Ms. Marcia Adams
Mr. Steve Elliott
Mr. Paul Koch