

All State budgetary expenditures for the general, special and federal funds are made pursuant to the appropriations in the annual budget, as amended from time to time by budget amendments. State governmental units may, with the Governor's approval, amend the appropriations by major function within the general fund, provided they do not exceed their total general fund appropriations as contained in the annual budget. Increases in general fund appropriations must be approved by the General Assembly. For the fiscal year ended June 30, 1982 the General Assembly approved increases in General Fund appropriations aggregating \$23,878,000. Appropriations for programs funded in whole or in part from the special or federal funds may permit expenditures in excess of original special or federal fund appropriations to the extent that revenues from the particular special or federal fund sources exceed original budget estimates and such additional expenditures are approved by the Governor or, in the case of the University of Maryland, the Board of Public Works. Unexpended appropriations from the general fund may be carried over to succeeding years to the extent encumbrances are approved by the Department of Budget and Fiscal Planning. Unexpended appropriations from special and federal funds may be carried over to the extent of (a) available resources, and (b) encumbrances are approved by the Department of Budget and Fiscal Planning.

The amended annual budget adopted by the General Assembly for the general, special and federal funds is presented in the Combined Statement of Revenues, Expenditures and Encumbrances, Other Sources and Uses of Financial Resources and Changes in Fund Balances—Budget and Actual—Budgetary General, Special and Federal Funds. The State's budgetary fund structure and the basis of accounting used for budgetary purposes, which is the modified accrual basis with certain exceptions, differs from that utilized to present financial statements in conformity with generally accepted accounting principles. A summarization of the effect of the fund structure differences and exceptions to the modified accrual basis of accounting (amounts expressed in thousands) with respect to governmental fund types as of June 30, 1982 follows:

Budgetary Funds	General	Special		Capital Projects	Other
Financial Statement Funds	General	Special Revenue	Debt Service	Capital Projects	
Budgetary fund equities, June 30, 1982	\$175,235	\$345,045		\$ 56,697	\$777,063
Reclassification of budgetary fund equities into GAAP financial statement fund structure	61,976	(167,821)	\$442,677	(43,101)	(777,063)
Budgetary fund equities reclassified into GAAP financial statement funds	237,211	177,224	442,677	13,596	
Other accounting principle differences:					
Assets recognized in the GAAP financial statements not recognized for budgetary purposes (net of applicable deferred revenues):					
Intergovernmental receivables	6,340	(12,745)			
Other accounts receivable	15,623	2,380		106	
Loans and notes receivable			(4,440)	7,239	
Liabilities recognized in GAAP financial statements not recognized for budgetary purposes:					
Accounts payable and accrued liabilities	(1,626)	(30,205)		(22,062)	
Local income taxes payable to local income tax agency fund	(113,740)				
Accounts payable to political subdivisions	(487)				
GAAP financial statement fund equities, June 30, 1982	\$143,321	\$136,654	\$438,314	\$ (1,121)	\$ -0-

The State's accounting system is maintained by the Comptroller in compliance with State Law and in accordance with the State's Budgetary Funds. In addition to the accounting systems maintained by the Comptroller, certain individual agencies which are not subject to the State budget maintain accounting systems which permit financial reporting on the basis of generally accepted accounting principles. The most significant of these agencies are: economic development loan and insurance activities, Maryland Food Center Authority, Maryland State Lottery, Maryland Environmental Service, State Use Industries, Maryland Higher Education Loan Corporation, Fiduciary Funds and the higher education and university hospital fund. In certain instances these agencies deposit funds with the State Treasurer and in such instances accountability for such funds is maintained in the budgetary other fund.