

(b) Except as provided in subsection (c) of this section or any other law, each position in [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES is a special appointment in the State Personnel Management System.

(c) Unless the employee is a special appointment, each office clerk and office secretary position in [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES is in the skilled service employment category of the State Personnel Management System.

3-507.

(a) The Department shall include the budget for [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES in the Department's budget.

(b) (1) [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES may establish a revolving fund to contain an amount that the Treasurer approves.

(2) (i) For each of fiscal years 2006 through 2009, the first \$1,000,000 in the revolving fund in excess of the amount required to operate [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES shall be transferred to a special fund to be used by the State Department of Education for the operation of educational programs in correctional institutions.

(ii) Money from the revolving fund shall supplement and may not supplant funding for the operation of educational programs in correctional institutions.

(3) The revolving fund may be used for general operating expenses and the purchase of capital assets.

(4) The revolving fund established under paragraph (1) of this subsection is not subject to § 7-302 of the State Finance and Procurement Article

(5) [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES shall submit an annual statement to the Comptroller and the Treasurer that provides an accurate detailed accounting of all receipts and disbursements from the revolving fund.

(c) General Fund money may be appropriated to [State Use Industries] MARYLAND CORRECTIONAL ENTERPRISES to be used for the direct expenses of training inmates.

3-508.

(a) The Division shall:

(1) formulate an accounting and record system that at all times indicates the source, nature, and extent of [State Use Industries'] purchases and sales OF MARYLAND CORRECTIONAL ENTERPRISES; and

(2) maintain accounting records and prepare financial statements in accordance with generally accepted accounting principals for enterprise fund type activities.