

1.23 PAYGO CAPITAL PROJECTS

PAYGO capital appropriations fund projects that are paid for with General, Special and Federal Funds as part of an agency’s operating budget. Make sure that PAYGO operating submissions match your capital budget submission to the DBM Office of Capital Budgeting. Do **NOT** allocate General Obligation Bond funding in the FY 2018 operating budget request. **Funding for PAYGO projects should not be budgeted in operating programs, but rather in the applicable PAYGO (capital) program within your agency.**

Subprogram Reporting

When multiple **PAYGO** capital projects are budgeted in the same eight-digit **non-transportation** program, each project is to be budgeted in a separate subprogram, including projects that may be added in the FY 2018 allowance. If a project spans more than one reporting year, the same subprogram should be used across all years for comparison purposes.

Agencies should work with their budget analyst to identify subprograms for **new PAYGO capital projects** to be added in FY 2018. One example of a designated PAYGO program having more than one capital project, each budgeted in its own sub-program, is D55P00.04, Department of Veterans Affairs, Cemetery Program/Capital Appropriation. This program was broken down into five separate sub-programs, each representing different cemetery projects at separate locations.

The following programs have had more than one project in prior year budgets, and meet the stated reporting protocol:

<u>Department</u>	<u>Programs</u>
Maryland Energy Administration	D13A1302, D13A1303
Department of Planning	D40W0111
Department of the Military	D50H0104
Department of Veterans Affairs	D55P0004, D55P0006
Department of Natural Resources	K00A0510, K00A1102
Department of Agriculture	L00A1111, L00A1213, L00A1505
Department of Housing and Community Development	S00A2402, S00A2507, S00A2508, S00A2509
Department of Public Safety and Correctional Services	Q00A0105
Department of the Environment	U00A0103, U00A0105, U00A0111, U00A0112.

If you need additional guidance, contact your DBM analyst or Kurt Stolzenbach at 410-260-7416.