



Commonwealth of Pennsylvania
GOVERNOR'S OFFICE

MANAGEMENT DIRECTIVE

105.2 Amended
Number

Subject:

Contingent Commitments

By Direction of:

Robert A. Bittenbender, Secretary of the Budget

Date:

July 2, 1985

This amendment changes the policy on preparing contingent allotment schedules and amendments, effective July 1, 1985.

1. **PURPOSE.** To establish policy and responsibilities for contingently committing funds.

2. **SCOPE.** Applies to all agencies under the Governor's jurisdiction.

3. **OBJECTIVE.** To insure that the contingent commitment of funds is consistent with current budgetary and policy guidelines.

4. **POLICY.**

a. Contingent commitment of funds shall not exceed current year appropriation allocations and shall be limited to items of expenditure necessary to maintain program and institutional requirements, consistent with established Program Policy Guidelines and the proposed Executive Budget.

b. Contingent commitment of funds shall not require approval of the Office of the Budget (OB), except:

(1) Those representing new or significantly expanded programs and appropriations for which legislation is pending.

(2) Those that, in the judgment of the Deputy Secretary for Comptroller Operations, OB, significantly deviate from a, above.

c. Preparation of contingent commitment allotments are at the discretion of an agency or its comptroller. However, for contingent allotments that are prepared and processed the contingent allotment schedules or amendments must net to zero. The sum total

of allotments posted to major objects 100 - 800 will be offset by estimated augmentations resulting in no contingent allotment balance reflected in the Status of Appropriations or the ICS General Ledger.

5. **RESPONSIBILITIES:**

a. Agency heads establish policy and guidelines for contingently committing future appropriations.

b. Agency fiscal officers review and approve documents to be contingently committed prior to their submission to the agency comptroller.

c. Agency comptrollers review contingent commitments for compliance with this directive and agency policy and guidelines. Documents that deviate from compliance with this directive shall be referred to the Deputy Secretary for Comptroller Operations, OB.

d. The Deputy Secretary for Comptroller Operations, OB, reviews documents referred and submits those requiring OB approval to the Deputy Secretary for Budget, OB.

e. The Deputy Secretary for Budget, OB, shall approve or disapprove all contingent commitment documents submitted in accordance with 4b, above, and return them to the Deputy Secretary for Comptroller Operations, OB, for transmittal to the agency comptroller.

This amended version replaces in its entirety Management Directive 105.2, dated May 10, 1982.