

TRANSFER OF FUNDS BETWEEN CATEGORIES

1:0 POLICY STATEMENT

- 1:1 Chapter 71, Section 34 of the Massachusetts General Laws outlines the School Committee's role in the support of its public schools; "the vote of the legislative body of a city or town shall establish the total appropriation for the support of the public schools, but may not limit the authority of the school committee to determine expenditures within the total operation."

2:0 PROCEDURES

- 2:1 That a budget change must be made using a budget change order (BCO). The Superintendent, Assistant Superintendent, or School Business Administrator, may prepare budget change orders. Once prepared, the BCO will be included in the package for review at the next scheduled budget subcommittee meeting of the Fairhaven School Committee. Budget change orders are "zero sum" in nature, meaning that when a budget line is increased by an amount, a corresponding decrease or offset will be reflected in another budget line. Budget change orders will be based on an exception basis. Once the change is approved by the budget subcommittee, it will be presented to the full board of the School Committee for School Committee approval and/or notification.
- 2:2 Amounts charged to accounts in error will be corrected by using a Journal Entry (JE). Journal Entries are also "zero sum" in nature and reflect transfer of expenses from one account to another. When a JE is required, a file copy of the respective entry will be given to all department heads, principals, School Committee members, etc. whose budget is affected by the change by the JE. Journal Entries are reversible and are approved by the School Business Administrator only. Should a JE be processed in error, another JE may reverse the entry properly documented and approved.

3:0 CONDITIONS

- 3:1 **Salary Operating Budgets** - Any budget transfers between personnel services (salaries) and operating expense lines must be approved in advance by the Fairhaven School Committee with notification to the Town Accountant's Office.
- 3:2 **Regular/Sped Budgets** - Any budget transfers between regular education and Special Education operating expenses or personnel services lines must be approved in advance by the Fairhaven School Committee.
- 3:3 **Salary Budgets** - All personnel services transfers within the regular education or personnel services transfers within the Special Education budget must be approved in advance by the Superintendent of Schools with notification to the Fairhaven School Committee.

3:4 **Within Operating Budgets** - Budget transfers within regular operating budget expense lines or within Special Education expenses operating budget lines must be approved by the Superintendent of Schools with notification to the Fairhaven School Committee. However, no appropriation transfers from one building to another can take place without the approval of the Fairhaven School Committee.

NOTE: No transfer requests will be honored before February 1, unless extraordinary circumstances exist.

Adopted: July 28, 2004

Revised: November 17, 2004

BUDGET CHANGE ORDER REQUEST

Budget: _____

Date: _____

Person Requesting: _____

Please check (✓): Salary Budget: (For Central Office Use Only) _____ **Operating Budget:** _____

| | |
|----------------------------|---------------------|
| From Acct. #. _____ | Amount _____ |
| Account Description: _____ | |
| To Acct. #. _____ | Amount _____ |
| Account Description: _____ | |

| | |
|----------------------------|---------------------|
| From Acct. #. _____ | Amount _____ |
| Account Description: _____ | |
| To Acct. #. _____ | Amount _____ |
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| From Acct. #. _____ | Amount _____ |
| Account Description: _____ | |
| To Acct. #. _____ | Amount _____ |
| Account Description: _____ | |

_____ Date _____
For the School Committee