

BUDGET TRANSFERS

The Colorado Springs School District 11 Board of Education (the Board) policy acknowledges that the adopted budget represents a plan for allocation of resources based on information made available to the Board months in advance of the budget year. Reasonable changes to this resource allocation plan are often necessary and sometimes unavoidable to ensure the effective and efficient delivery of educational and support programs. Accordingly, the Board authorizes the administration to transfer budgets from one line item to another within the same fund during the budget year in accordance with the following guidelines:

- A. **Compliance** with C.R.S. 22-44-112 and C.R.S. 22-45-103 (transfers between funds and transfers from instructional accounts).
- B. **Intra-program Transfers** - Transfers from one budget line item in a program to another budget line item in the same program may be made at the discretion of the designated program budget manager except for:
 1. Transfers from non-salary and/or fringe benefit accounts to a non-discretionary salary account(s) for the purpose of supporting permanent, full-time positions, shall be made by the Chief Financial Officer following an action of the Board approving a change to the authorized staffing level.
 2. Transfers from non-discretionary (regular) salary and/or benefit line items shall be approved by the Chief Financial Officer and/or the Superintendent.
 3. All intra-program transfer requests shall be documented with detailed explanations, and contain a description of the actions which will be taken to prevent future need for this action.
- C. **Inter-program Transfers** - Transfers from one budget line item in a program to a line item in a different program within the same fund may be approved by the appropriate division head(s) only if the transfer out will not impair the ability of the program(s) to provide the necessary support for the Colorado Springs School District 11's (the District) strategic plan (or business plan), goals and objectives.
 1. All inter-program transfer requests shall be documented with detailed explanations,
 2. Transfers from instructional program budget (00100 through 18999 programs) line items that do not exceed the \$20,000 per incident threshold described in Board policy DBJ I into non-instructional (programs 21000 and greater) budget line items will require prior approval by the Director of Budget & Planning. Transfers from non-instructional programs to instructional are subject to review by the Director of Budget & Planning but do not require prior approval
 3. Transfers from non-salary and/or fringe benefit accounts to a non-discretionary salary account(s) for the purpose of supporting permanent, full-time positions, shall be made by the Chief Financial Officer following an action of the Board

approving a change to the authorized staffing level.

4. Transfers from non-discretionary (regular) salary and/or benefit line items shall be approved by the Chief Financial Officer and/or Superintendent. Except for the normal required Budget Office reallocation of non-discretionary salary & benefit budget that occurs with the monthly review of actual salary & benefit requirements.
- D. **Inter-fund Transfers** - Any change to the budgeted amount for inter-fund transfers shall be submitted to the Superintendent and approved by the Board.
- E. **Use of General Fund Contingency Reserve** - Requests for budget transfers from the contingency reserve accounts shall not be made unless there is no surplus budget available from accounts for which a particular division head is responsible. The Chief Financial Officer may authorize transfers from this reserve up to a maximum of \$50,000 per occurrence with immediate notification to the Superintendent as to the justification for the transfer. Except for extreme emergencies the total undesignated contingency reserve may not be reduced by more than 25 percent in any one fiscal year without prior approval of the Board. Established emergency reserves, or amounts pledged in accordance with Article X Section 20 of the Colorado Constitution may not be transferred without prior approval of the Board. In emergency situations, the Superintendent may authorize use of such funds when lawful and with immediate notification to the Board.
- Budget managers who believe a transfer from a reserve is necessary shall justify comprehensively a budget transfer request and following approval of the appropriate division head shall submit to the Chief Financial Officer for consideration in accordance with board policy. In the event such request is denied, the rationale for denial shall be provided, in writing, to the division head by the Chief Financial Officer.
- Extreme emergencies as used in Board policy shall include but not be limited to direct exposure to or a high level of risk of endangerment to persons or property or matter requiring immediate funding support which without said support would be detrimental to the District. Determination of emergency shall be made in accordance with Article X, Section 20 of the Colorado Constitution when applicable. Requests for emergency use of reserves shall be made to the Chief Financial Officer or designee. A recommendation regarding the use of reserves for emergency situation shall be made by the Chief Financial Officer to the Superintendent and documented in writing by the Chief Financial Officer as soon as practicable.
- F. **Grant Fund Transfers** - Transfers within the grant fund budgets generally require Colorado Department of Education (CDE) approval if the transfer is more than 10 percent of the original grant allocation. Transfers exceeding 10 percent shall be accompanied with evidence of CDE approval for the transfer.
- G. **Risk Related Activities Reserves** - Transfer of appropriated reserves within the risk related activities fund shall be authorized by the Chief Financial Officer. Transfers to the capital reserve fund shall be authorized by the Board.

- H. **Transit Account Transfers** - The transit account provides appropriation for unanticipated revenues. As any unanticipated revenue is received, a corresponding transfer will be made by the Director of Budget and Planning to the appropriate line item where expenditures will be recorded.

- I. **Encumbered Purchase Orders at Year End** - Purchase orders which are still open at year end carry over to the next fiscal year. These purchase orders also create a budget carryover to the next fiscal year. The budget for any of these purchase orders, in non-school accounts, will be transferred to the contingency account, if the purchase order is canceled in the new year.

Adopted October 1995
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Reviewed September 25, 2013
Reviewed September 23, 2015

LEGAL REFS.: C.R.S. 22-44-12
C.R.S. 22-45-103
Article X, Section 20 of the Colorado Constitution

CROSS REFS.: DBJ, Budget Transfers