

Business and Noninstructional Operations

TRANSFER OF FUNDS

BP 3110 (a)

The Board of Trustees recognizes its responsibility to monitor the district's fiscal practices to ensure accountability regarding the expenditure of public funds and compliance with legal requirements.

(cf. 0460 - Local Control and Accountability Plan)

(cf. 3100 - Budget)

(cf. 3400 - Management of District Assets/Accounts)

(cf. 3460 - Financial Reports and Accountability)

The total amount budgeted by the district for each major classification of expenditures, as listed in the California Department of Education's budget forms, shall be the maximum amount which the district may expend for that classification for the school year. (Education Code 42600)

However, when it is in the best interest of the district, the Board may:

1. At any time, adopt a written resolution providing for transfers from the designated fund balance or the unappropriated fund balance to any expenditure classification or between classifications. The resolution shall be filed with the County Superintendent of Schools and the county auditor. (Education Code 42600)
2. Direct the temporary transfer of monies held in any district fund or account to another fund or account as necessary for the payment of obligations. Such borrowing shall occur only when the fund or account receiving the money will earn sufficient income during the current fiscal year to repay the amount transferred. No more than 75 percent of the maximum amount held in any fund or account during the current fiscal year may be transferred. Amounts transferred shall be repaid in the same fiscal year, or in the following fiscal year if the transfer takes place within the final 120 calendar days of a fiscal year. (Education Code 42603)
3. At the close of a school year, request that the County Superintendent make transfers between the designated fund balance or the unappropriated fund balance and any expenditure classification(s), or balance any expenditure classifications of the district budget as necessary for the payment of obligations incurred during that school year. (Education Code 42601)
4. Specify amounts to be transferred by the county auditor and treasurer from the district's general fund to the special reserve fund during the fiscal year. If any special reserve funds are maintained for purposes other than capital outlay or if monies in the special reserve fund are not actually encumbered for ongoing expenses, the Board may transfer those monies into the general fund for the general operating purposes of the district. If any monies remain in the special reserve fund at the conclusion of a project, the Board may, by written request to the County Superintendent, auditor, and treasurer, transfer those monies to the district's general fund. (Education Code 42841-42843)

5. Transfer monies between other funds or accounts when authorized by law.

~~The Board may transfer funds during or at the end of the fiscal year in accordance with law as necessary to meet district needs or to permit the payment of district obligations. (Education Code 16095, 17582-17592, 42600-42603, 42605, 42841-42843, 52616.4)~~

~~Tier 3 Categorical Flexibility~~

~~From the 2008-09 through 2012-13 fiscal years, the Board has determined that it is in the best interest of the district to utilize the categorical program flexibility authorized by Education Code 42605. Funds received for programs identified by law as Tier 3 categoricals may be expended for any educational purpose.~~

~~The Board shall hold a public hearing to take testimony from the public, discuss, and approve or disapprove the proposed use of the funding, and shall make explicit for each of the categorical budget items the purposes for which the funds will be used. (Education Code 42605)~~

~~During the hearing, the Board shall consider the district's goals for student learning and determine funding priorities and program focus. The Board may also discuss statutory constraints, available resources, and whether program modifications might improve educational outcomes.~~

~~The Superintendent or designee shall regularly report to the Board regarding how the district is exercising the flexibility and whether the desired results are being achieved. He/she shall also complete any necessary reports required by the California Department of Education.~~

- ~~(cf. 0420 – School Plans/Site Councils)~~
- ~~(cf. 0420.1 – School Based Program Coordination)~~
- ~~(cf. 0440 – District Technology Plan)~~
- ~~(cf. 0520.1 – High Priority Schools Grant Program)~~
- ~~(cf. 1312.4 – Williams Uniform Complaint Procedures)~~
- ~~(cf. 3111 – Deferred Maintenance Funds)~~
- ~~(cf. 3530 – Risk Management/Insurance)~~
- ~~(cf. 4111 – Recruitment and Selection)~~
- ~~(cf. 4112.2 – Certification)~~
- ~~(cf. 4112.21 – Interns)~~
- ~~(cf. 4113 – Assignment)~~
- ~~(cf. 4131 – Staff Development)~~
- ~~(cf. 4131.1 – Beginning Teacher Support/Induction)~~
- ~~(cf. 4138 – Mentor Teachers)~~
- ~~(cf. 4139 – Peer Assistance and Review)~~
- ~~(cf. 4231 – Staff Development)~~
- ~~(cf. 4331 – Staff Development)~~
- ~~(cf. 5123 – Promotion/Acceleration/Retention)~~

TRANSFER OF FUNDS, continued

BP 3110 (c)

- ~~(cf. 5136—Gangs)~~
- ~~(cf. 5141.32—Health Screening for School Entry)~~
- ~~(cf. 5144.1—Suspension and Expulsion/Due Process)~~
- ~~(cf. 5145.6—Parental Notifications)~~
- ~~(cf. 5146—Married/Pregnant/Parenting Students)~~
- ~~(cf. 5147—Dropout Prevention)~~
- ~~(cf. 5148.1—Childcare Services for Parenting Students)~~
- ~~(cf. 5149—At Risk Students)~~
- ~~(cf. 6111—School Calendar)~~
- ~~(cf. 6141.5—Advanced Placement)~~
- ~~(cf. 6142.6—Visual and Performing Arts Education)~~
- ~~(cf. 6142.91—Reading/Language Arts Instruction)~~
- ~~(cf. 6146.1—High School Graduation Requirements)~~
- ~~(cf. 6151—Class Size)~~
- ~~(cf. 6161.1—Selection and Evaluation of Instructional Materials)~~
- ~~(cf. 6162.52—High School Exit Examination)~~
- ~~(cf. 6163.1—Library Media Centers)~~
- ~~(cf. 6164.2—Guidance/Counseling Services)~~
- ~~(cf. 6172—Gifted and Talented Student Program)~~
- ~~(cf. 6176—Weekend/Saturday Classes)~~
- ~~(cf. 6177—Summer School)~~
- ~~(cf. 6178—Career Technical Education)~~
- ~~(cf. 6178.2—Regional Occupational Center/Program)~~
- ~~(cf. 6179—Supplemental Instruction)~~
- ~~(cf. 6184—Continuation Education)~~
- ~~(cf. 6185—Community Day School)~~
- ~~(cf. 6200—Adult Education)~~
- ~~(cf. 9323.2—Actions by the Board)~~

TRANSFER OF FUNDS, continued

BP 3110 (d)

Legal Reference:

EDUCATION CODE

- 78 Definition governing board
- 5200 Districts governed by boards of education
- 16095 Transfer of district funds to district state school building fund
- ~~17582 Deferred maintenance fund; establishment; purpose~~
- ~~17583 Deferred maintenance fund; transfer~~
- ~~17584 Budgeting certification deferred maintenance fund; apportionment~~
- ~~17585 Applications for deferred maintenance funding~~
- 41301 Section A state school fund allocation schedule
- 42125 Designated and unappropriated fund balances
- 42238-42251 Apportionments to districts, especially:**
- 42238.01-42238.07 Local control funding formula**
- 42600 District budget limitation on expenditure
- 42601 Transfers between funds to permit payment of obligations at close of year
- 42603 Transfer of monies held in any fund or account to another fund; repayment
- ~~42605 Tier 3 categorical flexibility~~
- 42840-42843 Special reserve fund
- 52616.4 Expenditures from adult education fund

Management Resources:

~~CSBA PUBLICATIONS~~

~~Flexibility Provisions in the 2008 and 2009 State Budget: Policy Considerations for Governance Teams, Budget Advisory, March 2009~~

~~CALIFORNIA DEPARTMENT OF EDUCATION CORRESPONDENCE~~

~~Fiscal Issues Relating to Budget Reductions and Flexibility Provisions, April 2009~~

WEB SITES

CSBA: <http://www.csba.org>

California Department of Education: <http://www.cde.ca.gov>

Fiscal Crisis and Management Assistance Team: <http://www.fcmat.org>

Policy
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SAN JACINTO UNIFIED SCHOOL DISTRICT
San Jacinto, California

