

**Policy**

---

TRANSFER OF FUNDS BETWEEN LINE ITEMS/AMENDMENTS/  
PURCHASES NOT BUDGETED

Appropriate fiscal controls shall ensure that the board does not spend more than authorized funds. The board secretary shall keep the board informed of the district's financial status according to law.

Except in the case of federal basic skills improvement funds, the board designates the Superintendent of Schools to approve such transfers among line items and programs as are necessary between meetings of the board. Transfers approved by the Superintendent of Schools shall be reported to the board, ratified, and recorded in the minutes at a subsequent meeting of the board, but not less than monthly.

Funds may not be transferred among the major categories, i.e. current expense, capital outlay and debt service.

When the necessity arises for an unbudgeted expenditure, and there are no available funds in other line items in the same category, the procedures required by administrative code shall be initiated.

Adopted: 1994  
NJSBA Review/Update: November 2008  
Readopted: March 2009

Key Words

Transfer of Funds, Budget, Budget Amendment

<b><u>Legal References:</u></b> <u>N.J.S.A.</u> 2C:30-4	Disbursing moneys, incurring obligations in excess of appropriations
<u>N.J.S.A.</u> 18A:17-9	Secretary; report of appropriations, etc.; custodial duties, etc.
<u>N.J.S.A.</u> 18A:18A-7	Emergency purchases and contracts
<u>N.J.S.A.</u> 18A:22-8.1	Transfer of amounts among line items and program categories
<u>N.J.S.A.</u> 18A:22-8.2	Prohibited transfers
<u>N.J.S.A.</u> 18A:24-48 through -54	Application of proceeds to new purpose; in districts having boards of school estimate; certification by boards of education
<u>N.J.A.C.</u> 6A:23-2.1 <u>et seq.</u> <u>See particularly:</u> <u>N.J.A.C.</u> 6A:23-2.2, -2.11	Double Entry Bookkeeping and GAAP Accounting in Local School Districts
<u>N.J.A.C.</u> 6A:30-1.1 <u>et seq.</u>	Evaluation of the Performance of School Districts

Hawkins-Stafford Elementary and Secondary School Improvement Act of 1988 (Pub. L. 100-297)

Manual for the Evaluation of Local School Districts

Guidelines for Development of Application--Basic Skills Improvement Plan--New Jersey

TRANSFER OF FUNDS BETWEEN LINE ITEMS/  
AMENDMENTS/PURCHASES NOT BUDGETED (continued)

State Department of Education, revised annually

Guidelines for Development of Program Plan--Bilingual/ESL Education Programs--New Jersey State Department of Education, revised annually

**Possible**

<b><u>Cross References:</u></b>	*3000/3010	Concepts and roles in business and non-instructional operations; goals and objectives
	*3100	Budget planning, preparation and adoption
	3170	Budget administration
	3300	Expenditures/expending authority
	*3320	Purchasing procedures
	*3570	District records and reports
	3571	Financial reports
	*6142.2	English as a second language; bilingual/bicultural
	*6171.3	At-risk and Title 1
	9127	Appointment of auditor
	*9325.4	Voting method
	*9326	Minutes

\*Indicates policy is included in the Critical Policy Reference Manual.