

Business and Noninstructional Operations

Transfer of Funds

- A. The transfer of funds between adopted budget categories shall be made in accordance with requirements of the Education Code and provisions of the State Department of Education Accounting Manual.
- B. Transfers between the object categories shall be approved by the Board of Education and filed with the County Superintendent of Schools.
  - 1. Transfers between major object accounts and revision to existing budget appropriations necessitated by the receipt of previously unbudgeted funds, may be posted to appropriate accounts prior to Board of Education approval in order to enhance flexibility in the use of funds by school site and program offices.
  - 2. The Board of Education may ratify, modify or reject the posted transfers or revisions at its next scheduled meeting.
  - 3. Interfund transfers must be approved by the Board of Education prior to posting.
- C. Transfers within an object category, when required by Education Code, shall be approved by the Board of Education.
- D. Transfers within an object category which do not require formal Board of Education approval shall be reported as a part of regularly submitted budget reports.
- E. Transfers, consolidations and establishment of new account numbers shall be reported to the Board of Education as a part of regularly submitted budget reports.
- F. At the close of the school year, the Superintendent or designee may, with Board approval, identify and request the County Superintendent of Schools to make transfers between the designated fund balance or the unappropriated fund balance and any expenditure classifications(s) or balance any budget expenditure classifications as necessary to permit the payment of obligations incurred by the District during that school year.

The Board may direct that monies held in any fund or account be temporarily transferred from one or more of these accounts to another fund or account to be used for the payment of obligations of the district, with limitations as set by Education Code 42603. The transfer shall be accounted for as temporary borrowing and shall not be available for appropriation or be considered income to the borrowing fund or account.

Business and Noninstructional Operations

Transfer of Funds

**Temporary Transfers Between Classifications**

**Special Reserve Funds**

Upon resolution of the Board, a special reserve fund may be established for such purpose(s) as specified in the resolution. A copy of the resolution shall be filed with the County Superintendent of Schools. As necessary, the Board may amend the resolution to specify additional purposes or to withdraw any previously designated purpose.

The Board may expend the money in the special reserve fund for capital outlay or for the purpose otherwise specified in the resolution. In addition, unless encumbered for ongoing expenses, the Board may expend money in the fund for the general operating purposes of the district. Any money in a special reserve fund that is maintained for purposes other than capital outlay must be transferred into the district's general fund before it is expended.

**State School Building Funds**

The Board shall transfer to the District state school building fund all funds which are required to be expended for the project for which the apportionment was made.

Legal Reference: Education Code, Sections 16095, 17582, 17583, 17584, 17585, 41301, 42125, 42600, 42601, 42603, 42840-42843

Policy Adopted: 05/15/1973

Policy Amended: 11/05/1974; 02/02/1993; 07/19/1994; 12/03/1996; 02/04/2003; 07/31/2014

Formerly BP 3120, AR 3100, 3200