

ALLOWAY TOWNSHIP SCHOOL DISTRICT
Alloway, New Jersey

FILE CODE: 3160

X **Monitored**

X **Mandated**

X **Other Reasons**

Regulation

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

Public money shall not be dispersed:

- A. In amounts in excess of the funds provided to this district; and
- B. Exceeding the amount budgeted for each major line item or program category or change the purposes for which amounts were allocated.

Transfer of Funds

When funds allocated to or remaining in a line item account or program category are insufficient for a proposed expenditure, the business administrator shall request board approval for the transfer of sufficient funds to meet the expenditure.

Emergency Purchases

An emergency occurs only when the time required for the board lawfully to convene and take action would endanger life, cause the destruction of property, or seriously disrupt the educational program; it is not intended by this policy that emergencies shall be permitted to occur as the result of inadequate planning or delay.

In the event of emergency:

- A. A purchase order up to the amount required to cover such emergency may be authorized by the chief school administrator; and
- B. Emergency authorization shall be reported to the board at its next meeting.

Over-Expenditure of Funds

The business administrator shall:

- A. Inform the board each month that no line item account or program category/account has been over-expended in violation of law or this policy.

The board shall then:

- A. Review the business administrator's monthly financial report;
- B. Certify in the minutes or document in the board business administrator's report that no major account or fund has been over-expended and that sufficient funds are available to meet the district's financial obligations for the remainder of the fiscal year.
- C. The board shall eliminate the deficit by approving a resolution that transfers amounts among line item items and/or from the free balance.

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

The superintendent shall:

- A. Report anticipated over-expenditure in the current expense, capital outlay, or debt services accounts will be reported immediately to the executive county superintendent;
- B. Notify the executive county superintendent of the projected amount of the anticipated over-expenditure;
- C. Document the reason or reasons for the over-expenditure;
- D. Document the action being taken by the board to avoid the over-expenditure. Any such corrective action will be recorded in the board minutes.

The board recognizes that it is a crime of the fourth degree for a board member to purposely and knowingly disburse, order, or vote for the disbursement of public funds in excess of appropriation or incur obligations in excess of appropriation and the limit of expenditure set by law.

Adopted:

Revised:

NJSBA Review/Update: April 2025

Readopted:

Key Words

Transfer of Funds, Budget, Budget Amendment

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| <u>Legal References:</u> | N.J.S.A. 2C:30-4 | Disbursing moneys, incurring obligations in excess of appropriations |
| | N.J.S.A. 18A:17-9 | Secretary; report of appropriations, etc.; custodial duties, etc. |
| | N.J.S.A. 18A:18A-7 | Emergency purchases and contracts |
| | N.J.S.A. 18A:22-8.1 | Transfer of amounts among line items and program categories |
| | N.J.S.A. 18A:22-8.2 | Prohibited transfers |
| | N.J.S.A. 18A:24-48 through -54 | Application of proceeds to new purpose; in districts having boards of school estimate; certification by boards of education |
| | N.J.A.C. 6A:23A-13.3 | Transfers during the budget year |
| | N.J.A.C. 6A:23A-16.1 | Prescribed system of double-entry bookkeeping and GAAP accounting |
| | See particularly: | |
| | N.J.A.C. 6A:23A-16.2, -16.10 | |
| | N.J.A.C. 6A:30-1.1 et seq. | Evaluation of the Performance of School Districts |

Hawkins-Stafford Elementary and Secondary School Improvement Act of 1988, (Pub. L. No. 100-297) amending Elementary and Secondary Education Act of 1965.

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

Possible

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| <u>Cross References:</u> | *3000/3010 | Concepts and roles in business and noninstructional operations; goals and objectives |
| | *3100 | Budget planning, preparation and adoption |
| | 3170 | Budget administration |
| | 3300 | Expenditures/expending authority |

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

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| *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.