

ADMINISTRATIVE PROCEDURES



Procedure Number: 22-82

Effective Date: 09/12/2012

Revision Date: 07/29/2014

C. DeWalt
County Administrator

SUBJECT: **NON-PERSONNEL OPERATING BUDGET ADJUSTMENTS**

DEPARTMENT RESPONSIBLE: **All Departments**

1. **STATEMENT**

Each year the Board of Supervisors formally adopts a budget, the Adopted Budget. During the year, circumstances may arise causing a department to expend funds not previously anticipated. This Administrative Procedure addresses how to document movement of non-personnel budget authority within the Adopted Budget. For Personnel Services related adjustments, please see Administrative Procedure 22-81.

These administrative changes provide a mechanism to create a working, flexible operating budget for management purposes. These changes do not change the requirements relating to the Adopted Budget as specified in ARS § 42-17106. This process does not affect the CIP or Grant program budgets which are processed directly through the Financial Management and Grants Management Divisions of the Department of Finance and Risk Management. There are two types of operational Budget Revisions which can be initiated by departments; intra-departmental and inter-departmental revisions. This document outlines the process by which adjustments to budget authority will be made in the County's financial systems.

2. **INTRA-DEPARTMENTAL BUDGET REVISIONS**

There are two types of Intra-Departmental Budget Revisions; adjustments within the same fund (Intra-Fund) and adjustments between funds (Inter-Fund).

- A. Intra-Fund Departmental Budget Revisions are for internal changes within a particular fund and have a net \$0 impact to the department's overall operating budget within that fund. Such internal budgetary changes are within the discretion of the Appointing Authority and do not require additional approvals. To initiate a budget transfer, the Department shall complete a Non-Personnel Services Budget Appropriation Transfer Form (Attachment 1). This form identifies where the budget authority is currently budgeted as well as where the budget authority should be moved. The budget authority must be identified by the Fund / Unit /

Object level. The completed form should be submitted to Finance and Risk Management by emailing it to FIN_Budget_Adjustments.

- B. Inter-Fund Departmental Budget Revisions are for those departments that have operating budgets in multiple funds. The internal changes would be between two or more of the Department's funds and have a net \$0 impact to the department's overall operating budget. To initiate a budget transfer, the department shall complete a Non-Personnel Services Budget Appropriation Transfer Form (Attachment 1). This form identifies where the budget authority is currently budgeted as well as where the budget authority should be moved. The budget authority must be identified by the Fund / Unit / Object level. The completed form should be submitted to Finance and Risk Management by emailing it to FIN_Budget_Adjustments. The request will be reviewed by Finance to determine if an unbudgeted operating transfer (to move cash) is also required under Board Policy D22.8. If the request requires the use of additional General Fund cash or the shift of cash between other funds to cover the shift of budgetary authority, Finance will identify the cash impact and availability and will request direction from the County Administrator or Board of Supervisors as required.
- C. When approved, Finance will enter the budget adjustment into the County's financial systems, at which time the budget revision will be effective. When approved, Finance will enter any necessary unbudgeted operating transfers to move cash.

3. INTER-DEPARTMENTAL BUDGET REVISIONS

Inter-Departmental Budget Revisions are for changes when a department's operating budget does not have sufficient capacity to absorb proposed expenditures and, in order to have budgetary expenditure authority, the department must obtain a shift of authority by a corresponding reduction in another department's operating budget.

- A. To initiate a budget transfer between departments, the department shall submit a completed Budget Appropriation Transfer Form (Attachment 1) to Finance and Risk Management. The department shall include an explanation of why this item was not included in the Adopted Budget, the justification for this increased expenditure request, and the reason the expenditure cannot be absorbed by the Department.
- B. The request must also be approved by the Appointing Authority of the other department from which budgetary authority is to be removed. If the other department is the Board of Supervisors Contingency Fund, the Director of Finance and Risk Management must calculate the impact to the General Fund's cash balances prior to approval of the request.
- C. The request will be reviewed by Finance to determine if an unbudgeted operating transfer (to move cash) is also required under Board Policy

22.8. If the request requires the use of additional General Fund cash or the shift of cash between other funds to cover the shift of budgetary authority, Finance will identify the cash impact and availability and will request direction from the County Administrator or Board of Supervisors as required.

- D. The Director of Finance and Risk Management will make a recommendation to the County Administrator for approval or denial of the request.
- E. Upon approval by the County Administrator or Board of Supervisors, Finance will enter the budget adjustment into the County's financial systems. When approved, Finance will enter any necessary unbudgeted operating transfers to move cash.

Attachment 1



Print

Non-Personnel Services Budget Appropriation Transfer Form Planning and Budgeting System

(Note: This form may not be used for changes to personnel services, see Administration Procedures 22-81 for details.)

Fiscal Year: _____
Date: _____ **Requested by:** _____ **Phone Number:** _____

Provide an explanation of why this item was not included in the Adopted budget, the justification for this increase expenditure request, and the reason the expenditure cannot be absorbed by the Department/Fund.

From:

Department: _____	Appropriation Unit: _____
Fund: _____	Object: _____
Unit: _____	Amount: _____

To:

Department: _____	Appropriation Unit: _____
Fund: _____	Object: _____
Unit: _____	Amount: _____

Does the Department have new funding to pay for this expenditure? Yes No
 If so, please identify _____
 Will this adjustment also require cash to be moved? Yes No

This document may only be signed by the Elected Official, Department Director, or a Designee. If budget authority is being transferred between Departments, both Appointing Authorities, the Finance Director, and the County Administrator or designees must also sign.

Signature, Appointing Authority or Designee	Printed Name, Appointing Authority or Designee	Date
Signature, Appointing Authority or Designee	Printed Name, Appointing Authority or Designee	Date
Signature, Director or Designee Finance and Risk Management	Printed Name, Director or Designee Finance and Risk Management	Date
Signature, County Administrator or Designee	Printed Name, County Administrator or Designee	Date

For Finance Use: Reviewed by (as applicable):

Budget Name: _____ Date: _____

Does this adjustment require an unbudgeted operating transfer? Yes No If yes, send to Cash Management.

Cash Management Name: _____ Date: _____

Entered into:

Planning and Budgeting Name: _____ Date: _____

Please email the form to FIN_Budget_Adjustments for processing.

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