

Regulation

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TRANSFER OF FUNDS BETWEEN CATEGORIES/AMENDMENTS/  
PURCHASES NOT BUDGETED

Whenever the proposed acquisition of goods or services, or the ratification of a proposed contract as credited against an appropriate budgetary line item within a major account, exceeds the total amount of funds available in that budgetary line item; or whenever a proposed action of the board will place a budgetary line item in deficit; the board secretary/business administrator shall, as soon as possible:

- A. Advise the board and the superintendent of the situation;
- B. Examine all other budgetary line items within the same major account to determine if there exists sufficient excess appropriation in any other line item(s) to transfer moneys to fund the proposal;
- C. Inform the board and the superintendent that either:
  - 1. Sufficient excess does exist in other budgetary line item(s) and funds should be transferred specifically therefore, to fund the proposal; or
  - 2. Sufficient moneys exist in other budgetary line item(s) whose intended budgeted purpose might not carry as high a priority as the proposed expenditure; or
  - 3. Sufficient moneys do not exist in other budgetary line item(s) and the proposal should be budgeted for in the next budget cycle.
- D. Upon receiving the board secretary/business administrator's recommendation, the superintendent shall advise the board of the relative priority the superintendent places on the proposed expenditure versus the likely impact of discontinuing specific projects which had been budgeted for that fiscal year;
- E. Upon receiving the board secretary/business administrator's and superintendent's recommendations, the board shall determine which goods and services, and projects are to be funded, and which are to be discontinued, and shall transfer money accordingly.

Adopted: February 22, 1994  
NJSBA Review/Update: January 2012  
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