



ADMINISTRATIVE POLICIES

SECTION: Financial Management		POLICY #: 415
TITLE: General Fund Transfers To Other Funds		PROCEDURE #:
		ORDER #: 14-119
DEPT: Finance		DIVISION:
ADOPTED: 12/17/2014	REVIEWED:	REVISED:

PURPOSE: This establishes policy for expending appropriated transfers from the General Fund to non-General Fund activities.

AUTHORITY: The Marion County Board of Commissioners may establish rules and regulations in reference to managing the interest and business of the county under ORS 203.010, 203.035, 203.111, and 203.230.

APPLICABILITY: Department heads, elected officials and other employees who manage General Fund appropriations outside of the General Fund.

GENERAL POLICY: All General Fund transfers that provide either total or supplemental funding to programs and services of other funds are subject to reversion of unexpended balances to the General Fund at fiscal year-end.

POLICY GUIDELINES:

1. Responsibilities:

Every department head, elected official or other employee who has authority to expend General Fund appropriations are responsible for compliance to the policy. Each is responsible for ensuring that other funds available for the same purposes as the General Fund are recognized as having expenditure priority over General Fund monies.

1.1. For General Fund appropriations outside of the General Fund; e.g., funded via transfers, that comprises the total funding for a capital outlay, debt service, or other activity, object or item within an expenditure category, the estimated unexpended balances that are anticipated to lapse at fiscal year-end must be requested for re-appropriation in the ensuing fiscal year if further expenditures for the same appropriation purposes are necessary. Department budget justifications must provide detail about such proposed expenditures. For the current year, the recipient department management must work with the Finance Department to ensure that the final amount of General Fund transfer does not include the calculated lapsed share.

- 1.2. For General Fund appropriations outside the General Fund; e.g., funded via transfers, that are a portion of the total resources of any appropriation, e.g., revenues are comingled, the unexpended balance of that appropriation at fiscal year-end is considered to be General Fund money up to and including the total amount of the General Fund share of the appropriation. The unexpended General Fund share is considered lapsed and the recipient department management must ensure that the final amount of General Fund transfer does not include the lapsed share.
- 1.3 Budget Committee approval and Board of Commissioners adoption of budget requests for General Fund support does not constitute authorization to implement the transfer unless the related actual expenditures have occurred and comply with the rules set forth in this policy and corresponding procedures.

2. Exceptions:

2.1 In the event that a fund has a shortfall in resources other than General Fund support and is faced with a year-end net loss if it does not receive a full General Fund transfer, the entire transfer may be made regardless of savings in appropriation categories. In this situation, while expenditures are less than appropriations, the total resources are insufficient to cover the reduced expenditures.

2.2 In the situation described in Exception 2.1, the General Fund Transfers may exceed the amount budgeted to be transferred in order to cover a net loss, but only if there is unused total transfer authority available in the General Fund.

2.3 In the event that a fund receiving General Fund support will have a fiscal year-end net income/ending fund balance that is materially less than the budgeted net working capital for the ensuing year, a General Fund transfer greater than the calculated General Fund share of expenditures may be allowed subject to availability of appropriations; e.g., unused total transfer authority available in the General Fund Non-Departmental budget.

2.4 The Budget Officer, Chief Administrative Officer (if not concurrently the Budget Officer), and Deputy County Administrative Officer have authority to grant exceptions on the basis of whether the results of the exceptions are in the best interest of the county.

3. Implementation:

The Budget Officer is authorized to implement and enforce the policy to the extent of denying budget requests or actual transfer amounts as they are determined to violate policy and procedures.

4. Periodic Review:

The Budget Officer and Chief Financial Officer shall jointly review this policy every three years.