Purpose: The purpose of this policy is to control which financial commitments (from a prior fiscal year) are eligible to be rebudgeted and reappropriated in a new fiscal year.

Policy: It is the policy of the BOCC that the portion of any year's budget that is attributed to the carryover or reappropriation of a prior year's financial commitments be limited to items meeting at least one or more of the following criteria:

1. Operating expenses within restricted subfunds may be adjusted (added to or subtracted from) for any actual fund balance in excess of or below that budgeted. Use of excess balances will be determined during the review of reappropriation requests.

2. Operating expenses relating to an encumbrance that is limited to one-time costs budgeted in a prior fiscal year with an obligation to pay carried into the subsequent fiscal year. The expenses must be necessary and material in amount in relation to the department's budget (e.g., the balance of a professional services contract that cannot be absorbed within the current fiscal year budget). Eligible items should come primarily from encumbrances within objects 031 Professional Services and 034 Other Contractual Services. Encumbrances for “supplies” typically do not meet the eligibility criteria for reappropriation. All reappropriation requests must be specifically documented and supported by a valid, purchase order or encumbered contract.

3. Grants and aids and capital items where a purchase order was issued and funds encumbered in a prior fiscal year, but payment was not made prior to the close of that fiscal year.

4. Grants and aids and capital items for which the Purchasing Department received a valid purchase requisition and a pre-encumbrance was posted in FAMIS but the actual purchase order was not issued prior to the end of a prior fiscal year. This eligibility criterion, as it relates to capital items, is intended to accommodate the purchase of capital equipment that has a long purchasing cycle, including the development of specifications and bidding. Individual pre-encumbrances will be reviewed for eligibility based upon the date the requisition was initiated, type of equipment, and whether the specific capital outlay was part of an approved BF-105 in the department's prior year budget submittal or a mid-year budget amendment.

The County Administrator may add additional eligibility criteria to further restrict items eligible for reappropriation based on an assessed need for tighter budgetary control or funding limitations.

The County Administrator's recommendations for reappropriation must be approved by the BOCC through the budget amendment process.

Responsibility: It is the responsibility of the Management and Budget Department, under the direction of the County Administrator, to implement this policy.

Approved By: Board of County Commissioners
Approval Date: April 19, 2006