April 17, 1990

TO: Department Heads
FROM: John W. McCamman, Administrative Officer
SUBJECT: Delegation of Authority - Budget Transfers

Attached please find a copy of an item adopted by the Board of Supervisors on April 10, 1990. This authorization allows me to process certain changes in appropriations within a budget category as long as the five criteria outlined by the Board are met.

A form is being developed to use in requesting these changes. In the meantime, a memo request for change in appropriations by line item, which includes a justification and addresses the five policy limitations as outlined in the agenda item, will be required in order to make these ministerial changes.

Thank you very much for your attention to this item.

A5JWM/vf
attachment
RECOMMENDED ACTION AND JUSTIFICATION:
Adopt this resolution authorizing the Administrative Officer to make transfers within the budget of appropriated funds pursuant to Section 29125 of the Accounting Standards and Procedures Handbook, as limited to each budget's category of expenses.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Board adopted Resolution 89-135 which authorized the Auditor to approve budget transfers and revisions under $50. The Board's Government Operations and Finance Committee has reviewed the delegation of authority for these transfers and revisions and determined that it could be delegated to the Administrative Officer within certain policy restrictions. Proposed policy restrictions are attached.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
1. Adopt this resolution.
2. Take no action and retain Board authority for transactions over $50.
3. Establish further limitations for Administrative Officer's authority for these transactions.

COSTS: (X) Not Applicable
A. Budgeted current FY $
B. Total anticipated costs $
C. Required add'l funding $

SOURCE: ( ) 4/5ths Vote Required
A. Internal transfers $
B. Unanticipated revenues $
C. Reserve for Contingency $
D. Description:
Balance in Reserve for Contingency if approved:

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:
Background, Accounting Principles

CLERK'S USE ONLY:
Res. No.: 90-165
Ord. No.: 
Vote - Ayes: 4 Noes: 
Absent: 0 Abstained: 
☑ Approved ( ) Denied
( ) Minutes Order Attached

The foregoing instrument is a correct copy of the original on file in this office.
Date:

ATTEST: MARGIE WILLIAMS
County of Mariposa, State of CA
By: Deputy

ADMINISTRATIVE OFFICER'S RECOMMENDATION:
This item on agenda as:
☑ Recommended
☐ Not Recommended
☐ For Policy Determination
☐ Submitted With Comment
☐ Returned for Further Action

Signature:
Date 12/89
Agenda Item - April 10, 1990
Authority to Approve Budget Transfers

BACKGROUND

Pursuant to Section 29125 of the Accounting Standards and Procedures Handbook, the Board of Supervisors may delegate to a County officer the authority to make transfers of appropriated funds within the budget. The Board of Supervisors previously adopted Resolution No. 89-135 allowing for transfer of up to $50 of appropriated funds within budget categories by the County Auditor. The Board must still act on numerous transactions to clean up the activities of departments which have no significant policy or fiscal effect, but which require development of Board reports and related documents and subsequent Board action.

The Government Operations and Finance Committee has reviewed this issue and determined that this authority could be delegated, within certain policy restrictions, to the Administrative Officer, in lieu of having the Board of Supervisors adopt changes in appropriations within a department. The proposed resolution affects that change.

Proposed policy limitations on the authority of the Administrative Officer to complete such transactions are recommended as follows:

1. The transfer will not result in a change in the intent of the budget as adopted by the Board of Supervisors in the final budget document as amended from time to time by the Board of Supervisors.

2. Transfers of existing appropriations will only occur within the limitations of the budget category (i.e. "salaries and employee benefits" is one category, "services and supplies" is a different category).

3. No transfer will occur without adequate documentation being submitted to the Administrative Officer and his/her approval.

4. No fixed assets not approved in the budget will be purchased from funds transferred under this policy.

5. The intent of the Board of Supervisors is to grant budget flexibility to an authority other than the Board of Supervisors in order to manage the day-to-day operations of the County. It is not the intent of the Board of Supervisors to grant extraordinary authority over the operation of the budget to any officer or employee of the County.
If the auditor, after receipt of written notice from the Controller fails to transmit the statement within 20 days, he shall forfeit to the state, one thousand dollars ($1,000) to be recovered in an action brought by the Attorney General, in the name of the Controller.

Article 6. Appropriations and Transfers

§ 29120. Except as otherwise provided by law, the board and every other county or special district official and person shall be limited in the incurring or paying of obligations to the amounts of the appropriations allowed by the budget as originally adopted or as thereafter revised by addition, cancellation or transfer.

§ 29121. Except as otherwise provided by law, obligations incurred or paid in excess of the unencumbered balance of the amounts authorized in the budget appropriations are not a liability of the county or special district, but the official authorizing the obligation in an amount known by him to be in excess of the unencumbered balance of the appropriation against which it is drawn is liable therefor personally and upon his official bond.

§ 29122. The board shall approve no claim and the auditor shall issue no warrant for any obligation in excess of that authorized therefore in the budget appropriation, except upon an order of a court of competent jurisdiction, for an emergency, or as otherwise provided by law. Provided, further, with respect to a newly created special district or county service area, whenever it is desired to commence operations prior to the time for adoption of a budget for such district or service area, the amount of any money advanced or transferred to such district or service area under authority of law may be made available to meet the financing requirements of the district or service area under the provisions of Section 29130.

§ 29124. If at the beginning of any fiscal year, the appropriations applicable to that year have not been finally determined and adopted, the auditor shall approve payments for the support of the various budget units in accordance with the following authorizations:

(a) The several amounts set forth in the proposed budget for the objects and purposes therein specified, except obligations for fixed assets and for new permanent employee positions unless specifically approved by the board, are deemed appropriated until the adoption of the final budget. For the purposes of this subdivision, the words "new permanent employee positions" do not include any employee position created in lieu of an employee position which is abolished.

(b) If the proposed budget has not been approved by the board, the amounts deemed appropriated shall be based on the budget of the preceding year, excluding fixed assets and for new permanent employee positions unless specifically approved by the board.

§ 29125. Transfers and revisions may be made with respect to the appropriations as specified in the resolution of adoption of the budget, except with respect to transfers from the appropriations for contingencies, by an action formally adopted by the board at a regular or special meeting and entered in its minutes. The board may designate a county official to approve transfers and revisions of appropriations, within a budget unit.

§ 29126. At any regular or special meeting the board may cancel any appropriation in whole or in part that is not needed and transfer the amount canceled to the appropriation for contingencies of the fund from which the appropriation was originally made if there is one, or to any appropriation for contingencies account, or fund, to which the amount canceled may be properly transferred. If there is no appropriation for contingencies in the respective fund, the board may establish one.

§ 29126.1. At any regular or special meeting the board may cancel any unused appropriation in whole or in part upon determining that the source of funding of the appropriation will be unrealized in whole or part. A corresponding reduction shall be made to the approved revenue estimates.
MARIPOSA COUNTY

AGENDA TRANSMITTAL FORM

Instructions: Please fill in all blanks applicable for your agenda item. Items requiring staff review must be submitted to the appropriate staff on the Thursday before the Wednesday of agenda deadline. Incomplete material will be returned. Submit the original of the Transmittal and Action forms to the Board Clerk, along with the original and eleven copies, 3-hole punched, of any supporting documents.

AGENDA OF (Date): 4-10-90

DEPARTMENT: Administration
BY: John W. McCamman
APPROVED BY DEPT. HEAD: __________

AGENDA TITLE:
Resolution authorizing the Administrative Officer to execute budget changes in appropriated funds by budget category.

4/5ths Vote Required: Yes____ No____

AGENDIZE AS:
Routine Agenda ________
Information ________
Attention __________
Timed ________

IF TIMED:
( ) Public Hearing at:__________
( ) Public Input Anticipated
( ) Indicate Time Required: ________

STAFF REVIEW REQUIRED:

ROUTE: ________

APPROVED AS TO FORM ________

REMARKS:

County Counsel ________
Auditor ________
Personnel ________
Purchasing ________
Other ________

SPECIAL INSTRUCTIONS TO CLERK:

Rush! Need to have signed documents by:

Legal publication required. (This is responsibility of the submitting department).

Other (i.e., need cert. resolutions, and/or signed contracts).
You want us to send copy of Action to: Department Heads ________

CLERK'S USE ONLY:

RECEIVED: 4/14/90

By: ________

Copy all attached.

AGENDIZED FOR: 4-10-90

Agenda Item No: 6
Routine Agenda ________
Information ________
Attention ________
Timed at ________

Trans. Form Revised 12/89