

POLICY FOR BUDGETARY CONTROLS

6/19/01

Amended 6/18/02 (Res. 02-122)

Amended 6/24/03 (Res. 03-112)

Amended 8/07/12 (Res. 12-115)

Amended ~~xx01/xx28/xx25~~ (Res. xx-xxx)

During the economic recession of the early 1990's, the Board of Supervisors adopted a resolution instituting a Bottom Line Budgeting Policy allowing managers greater flexibility in the operation of their programs.

During the ensuing years this Policy has been revised from time-to-time and in 1998 was re-titled Policy for Budgetary Controls.

In 2003, the Board further modified the Policy for Budgetary Controls to incorporate certain modifications and additions including but not limited to the inclusion of the revised ~~FixedCapital~~ Asset limit and adjustment limitations on Capital Improvement Accounts.

In 2012, ~~The Board now wishes to further~~ ~~modified~~ the Policy for Budgetary Controls to reflect the new Chart of Accounts and accounting structure in accordance with State budget guidelines under the County Budget Act (Government Code Sections 29000 et seq.) and the State Controller's County Budget Guide (as revised effective January 1, 2012).

In 2025, ~~The~~ ~~the~~ Board of Supervisors now does hereby rescind the previous resolutions relating to the Policy for Budgetary Controls, replacing those resolutions with the following effective July 1, 2025.

1. Budget appropriations will be approved by the Board of Supervisors at the budget unit (Division) level by object of expenditure in the normal budgetary process provided by Government Code and State Controller regulations.
 2. The Board of Supervisors may adjust appropriations during the fiscal year due to program changes, public health and safety, increased funding or other reasons, upon the request of the department head, recommendation of the County Executive Officer and 4/5ths approval of the Board.
 3. Appropriations will be controlled on a net appropriation (bottom line) basis at the budget unit (Division) level.
 4. Transfers of appropriations between objects and sub-objects will be allowed under the following conditions:
 - a. All transfers within an individual budget unit (Division) of appropriations in excess of \$~~10,000~~20,000 require the approval of the County Executive Officer.
-

- b. Unless otherwise controlled by (a) above, transfers of appropriations within an individual budget unit (Division) are optional.
 - c. Except transfers specified in section 4d, Regardless of the amount, County Executive Officer recommendation and Board of Supervisors approval is required for adjustment to appropriations between budget units (Divisions) and funds, and for any net increase in budget unit (Division) appropriations.
 - d. The following transfers require County Executive Office and Auditor-Controller approval, under the condition that the result does not increase bottom line operational appropriations.
 - 1) Interfund transfers-out from available non-operating special revenue fund to interfund transfers-in of respective operational fund, to reimburse for operational expenditures that satisfy the restricted purpose of the funds.
 - 2) Except the General Fund, interfund transfers in/out within a single fund to allocate administrative overhead or salaries based on actual work incurred across Divisions.
 - 3) Transfers in/out resulting from the return of remaining Capital Improvement Project cash on hand, to the original source once a project is completed and closed out.
5. Fixed internal charges (such as Information Technology Services, Property Management and the like) are controlled sub-objects, and as such will not be considered in determining bottom line account balances or for purposes of appropriation transfers. In addition, consideration should be given to any constraints that may affect Professional or Special Services appropriations, i.e., inter/intra-County revenues from another budget unit (Division) within the same fund, or charges for services from another fund.
6. Departments responsible for receiving inter/intra County revenue shall assure that Journal Entries are processed on a regular basis but in no case less than quarterly.
7. Reallocation of appropriations for new or expanded Capital Improvement ~~Program~~ Projects requires approval from the Board of Supervisors.
8. All requests to establish fixed capital assets, or to reallocate fixed capital asset appropriations, require the approval of the Board of Supervisors, either through the budget process or else during a Board of Supervisors meeting, and are to be established in the Equipment Capital Asset account sub-object. Fixed capital asset_s are those items of equipment, including PC's and related peripherals or is defined as real or personal property acquired for use in normal operations and not for resale, with a value equal to or greater than the capitalization threshold for its classification furnishings, (i.e.: equipment of \$10,000) and a useful live of more than one year. -each valued at \$5,000 or more. Individual fixed capital asset appropriations are allowed to exceed their estimated costs, as long as the aggregate fixed capital asset appropriation within the budget unit (Division) is not exceeded.

9. ~~Fixed-Capital~~ Asset appropriations may be adjusted by the Auditor-Controller where the expenditure has exceeded the authorized amount by no more than ~~Five-HundredTwo Thousand~~ Dollars (~~\$5002,000~~) and the adjustment can be accomplished by a transfer or revision of appropriations within a budget unit (Division).
10. Departments are encouraged to continue to operate as efficiently as possible and provide for a fund balance to carry-over to the following fiscal year.