



TORRANCE COUNTY

Budget Adjustment Procedures

Resolution 2019 -50

Section I: General Provisions

1.1 Purpose

The purpose of this document is to outline procedures and deadlines for submitting budget adjustments within the fiscal year for Torrance County.

1.2 Employee Knowledge and Information of Policy

County Manager or designee shall provide a copy of this policy to current employees and to all new employees with instructions to read and know all provisions of these rules. Employees shall sign for the copy upon receipt.

Section II: Definitions

2.1 Line Item Transfer

The Transfer of funds from one line item to another.

2.2 Intra fund

Transactions within the same fund.

2.3 Inter Fund

Transactions between two funds.

2.4 Budget Increase

The increase of the operating budget of a fund both on the expense and revenue sides.

2.5 Journal Entry

A transaction for recording or correcting revenue and expenditure activity.

Section III: Procedures

3.1 Line Item Transfers

A Line Item transfer (LIT) request is to be completed by the Department Head or designee to move funds from one line item to another. LITs are required to transfer funds to cover deficits or future expenditures within the budgeting cycle.

Intra-fund Transfers

- A. Intra-fund LITs will require approval from the Finance Director and the County Manager or Designee. Once all approvals are obtained, the LIT request will be submitted to the Department of Finance and Administration (DFA) through the Local Government Budget Management System (LGBMS) for the official budget record. Finally, the intra-fund LIT will be recorded by journal entry in the TRIADIC system.
- B. The Finance Department will strive to complete all intra-fund LIT requests within one week upon submission to the Finance Director if all necessary approvals can be obtained. Intra-fund LIT will be accepted until the 15th of June for the current fiscal year. New intra-fund LIT requests will not be processed until the final budget is approved by DFA, typically by September 1st. The Finance Director has the right to waive the June deadline for submission of intra-fund LIT requests.

Inter-fund Transfers

- C. Inter-fund LIT will require approval by the Finance Director, County Manager or Designee, and the County Commission by resolution. Once those approvals are obtained, the LIT request will be submitted to the DFA through the LGBMS for approval. Once approved by DFA, the inter-fund LIT will be recorded by journal entry in the TRIADIC system.
- D. The deadline for inter-fund LIT requests is the close of business the day before agenda items are required to be turned in for the subsequent Board of County Commission (Commission) meeting. Inter-fund LIT will be submitted into LGBMS for DFA approval within one week of Commission approval by resolution. There is no set time frame for DFA approval. Inter-fund LIT request deadline for the end of fiscal year will be the close of business the day before agenda items are required to be turned in for the first scheduled Commission meeting in June. The Finance Director has the right to waive the deadline for this submission for budget balancing purposes. New inter-fund LIT requests will not be processed until the final budget is approved by DFA, typically by September 1st.

3.2 Journal Entries

Journal entries require the approval of the Department Head, the Finance Director and/or the County Treasurer. Journal entries will be completed to correct expenditures drawn from an incorrect line item or revenues recorded to an incorrect line item. Journal entries

will be completed by the Finance Department and/or Treasurer's Office within one week of receipt and approval. The fiscal year deadline for journal entries will be July 7th or the last business day prior to July 7th for the previous fiscal year.

3.4 Budget Increases

- A. Budget increase requests will be completed by the Department Head to capture an increase in funding. Budget increases require approval by the Department Head, Finance Director, County Manager or Designee and the County Commission by resolution. Once those approvals are obtained, the budget increase request will be submitted to the DFA through the LGBMS for approval. Once approved by DFA, the budget increase will be recorded by journal entry in the TRIADIC system.

- B. The deadline for budget increase requests is the close of business the day before agenda items are required to be turned in for the subsequent Commission meeting. Budget increase requests will be submitted into LGBMS for DFA approval within one week of Commission approval by resolution. There is no set time frame for DFA approval. Budget Increase request deadline for the end of fiscal year will be close of business the day before agenda items are required to be turned in for the first scheduled Commission meeting in June. The Finance Director has the right to waive the deadline for this submission for budget balancing purposes. New budget increase requests will not be processed until the final budget is approved by DFA, typically by September 1st.

RESOLVED: In Regular Board Session this 11th day of September 2019.

Attest:



TORRANCE COUNTY COMMISSION

A handwritten signature in black ink, appearing to read "Kevin McCall".

Kevin McCall, District 1A handwritten signature in black ink, appearing to read "Ryan Schwebach".

Ryan Schwebach, District 2A handwritten signature in black ink, appearing to read "Javier E. Sanchez".

Javier E. Sanchez, District 3A handwritten signature in black ink, appearing to read "Linda Kasper".

County Clerk
A handwritten signature in black ink, appearing to read "Linda Juamilla".