

ADMINISTRATIVE POLICY #8

Reserve Fund Transfers

When a department head becomes aware of an extraordinary and/or unforeseen expenditure that may cause an overrun in an appropriation, the department head will immediately notify the Finance Committee, utilizing the *Reserve Fund Transfer Advisory* form, with copies to the Board of Selectmen, and the Director of Finance.

The *Reserve Fund Transfer Advisory* form should include a complete, specific explanation of the problem, and an estimate of the amount of additional funds that may be needed for the Fiscal Year. It must also include a statement of what options are available, if any, to either shift, or reduce the impact of the situation.

At the time the appropriation will be overspent, the following procedure must be adhered to in the order listed:

1. A department head will personally prepare a *Reserve Fund Transfer Request* form. He/She will retain the designated copy and forward the three (3) remaining copies to the Director of Finance for review.
2. The Director of Finance will sign the *Reserve Fund Transfer Request* form, retain the designated copy and forward the remaining copies to the Board of Selectmen within two (2) business day of the initial receipt.
3. The Board of Selectmen will review the *Reserve Fund Transfer Request* form at their next Meeting. After the Chairman of the Board of Selectmen signs the form where applicable, the copy designated is retained by the Board, and the remaining copies are returned to the Director of Finance.
4. The Director of Finance will present the *Reserve Fund Transfer Request* form to the Finance Committee at their next scheduled Meeting. The Finance Committee will vote at that time, to either approve, or disapprove the request.
5. After the Finance Committee votes on a particular *Reserve Fund Transfer Request* form, the Chairman of the Finance Committee will sign the form, record the Finance Committee's vote on the form, retain a copy for the Finance Committee's records, and return the approved/disapproved form to the Director of Finance for action/information.

The original policy was approved by the Board of Selectmen on: October 5, 1994

The above amendments were adopted by the Board of Selectmen on:

07-17-02
Date


Dana G. Beal, Clerk
Board of Selectmen

attachments

Town of Seekonk
Reserve Fund Transfer Advisory

To: Finance Committee
From: Dept. Head Name _____ Signature: _____
Date: _____

Please be advised that I have identified an unforeseen and/or extraordinary expenditure that may cause an over-run in my department's annual appropriation. *Specific description of situation causing budget over-run:*

Estimated amount of reserve fund transfer that may be requested: \$ _____

Budget Line # : _____ *Budget Line Name:* _____

Current Balance: \$ _____

Options available (if any) to shift or reduce impact of this situation:

Use typewriter or press down firmly when writing in ink – you are making four copies.

Instructions to Department Head: After completing this form, forward white copy to Finance Director; yellow copy to Finance Committee c/o Town Hall; pink copy to Board of Selectmen. Retain gold copy (last page) for your records.

You will need to submit a copy of this form if you file a Reserve Fund Transfer Request later in the fiscal year.

Town of Seekonk
Reserve Fund Transfer Request

To: Finance Committee
From: Dept. Head Name _____ Signature: _____
Date: _____

I am hereby requesting a Reserve Fund Transfer, in accordance with Chapter 40, Section 6 of the MA General Laws. This request is related to the Reserve Fund Transfer Advisory that I filed with you on _____
Date of RFT-A

1) Total Amount Requested: \$ _____

2) To be transferred to the following account(s):

A. _____ <i>account #</i>	B. _____ <i>account #</i>	C. _____ <i>account #</i>
A. _____ <i>account name</i>	B. _____ <i>account name</i>	C. _____ <i>account name</i>
A. _____ <i>account balance</i>	B. _____ <i>account balance</i>	C. _____ <i>account balance</i>

3) Current Balance in Voted Appropriation (Bottom Line): \$ _____

**** A copy of the related Reserve Fund Transfer Advisory is attached. ****

Reviewed by Finance Director:	<i>Date</i>	<i>Signature</i>
Reviewed by BOS:	<i>Date</i>	<i>Chairperson, Board of Selectmen</i>
Finance Committee Action:	<i>Date</i>	<i>Chairperson, Finance Committee</i>
\$		
<i>Amount Approved</i>		
<i>Transfer Disapproved</i>		
<i>Number Present & Voting</i>		