

ADMINISTRATIVE POLICIES OF THE MILWAUKEE PUBLIC SCHOOLS

ADMINISTRATIVE POLICY 3.05 FUND CARRYOVER

(1) ENCUMBRANCES

At year end, both the encumbrance and the budgetary authority necessary to offset the encumbrance may be automatically carried over to the next year. Annual Board approval for carryover of encumbrances is not required.

(2) CATEGORICAL PROGRAMS

Unspent funds and unrealized revenues at year end may be automatically carried over to the next fiscal year so that spending can continue until the end of the categorical program period. Unspent funds should lapse at the end of the program period. Annual Board approval for carryover of categorical program appropriations at year end is not required.

(3) CAPITAL PROJECTS

Excess budgetary authority for capital projects may be carried over from one year to the next. Annual Board approval is not required. Savings generated upon project completion or non-completion may be applied to other project needs upon Board approval.

(4) OPERATING FUNDS

(a) School Deficits

Year-end deficits incurred shall be carried over into the next year. If a school incurs a deficit in excess of 3% of the total revised school budget, the superintendent shall submit a report to the Board relative to the cause and future impact of school deficits.

(b) Office Surpluses

Carryovers for special projects or planned purchases may be allowed on the basis of written justification. Annual Board approval for carryover of office surpluses is required.

(c) School Surpluses

Schools may be allowed to automatically carry over a maximum of 1.0% of the total revised school budget each year without written justification or Board approval. Requested carryover amounts in excess of the maximum may be allowed with Board approval. Contracted school programs are not subject to this policy requirement.

(d) District Deficit

The amount of any projected deficit should determine the extent of the reduction/elimination of carryovers. If the district projects a year-end deficit:

1. first, office carryovers for special projects or planned purchases should be denied;
2. second, a plan shall be prepared and submitted for Board approval detailing how any deficit in excess of the office carryovers for special projects or planned purchases will be eliminated;
3. third, automatic school carryover amounts may be eliminated with Board approval.

History: Adopted 3-31-93; revised 1-25-95, 5-28-97, 5-26-99, 08-25-16

Previous Coding: Admin. Policy DBL, prior to May 1995; Admin. Policy 4.05, May 1995-August 1996

Cross Ref.: Bd. Gov. Policy BG 4.07 Asset Protection

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