



BUDGET AMENDMENT POLICY

EFFECTIVE: 7/7/2022

LAST REVISION: 11/1/2023

APPROVED: 11/13/2023

Pursuant to Local Government Code Section 111.070, the Commissioners' Court may spend county funds only in strict compliance with the budget. The Commissioners' Court by order may amend the budget to transfer an amount budgeted for one item to another budgeted item without authorizing an emergency expenditure.

The Commissioners Court may authorize an emergency expenditure as an amendment to the original budget ONLY in the case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. The Court shall file a copy of its order amending the budget with the county clerk and the clerk shall attach the copy to the original budget.

ROUTINE BUDGET AMENDMENTS

Line-Item Transfers: Transfers may be made between operating line items and between budgeted capital items within an individual department budget. This request should be made on a *Line-Item Transfer Request* form. This form is found on the County Auditor's webpage. This type of amendment will be presented to Commissioners' Court on the standing agenda item for line-item changes, transfers and/or budget amendments. The Order to Amend Budget will be sent to each member of Commissioners' Court **before noon on Thursday** prior to Court. All line-item transfers are to be **received by noon on Wednesday** prior to Commissioners' Court to be included in the order. Any line-item transfers received after noon on Wednesday prior to Commissioners' Court will be presented at the next court meeting.

Revenue Received after start of fiscal year: A budget amendment may be done for revenue received after the start of the fiscal year from a new source not anticipated before the adoption of the budget and not included in the budget for that fiscal year. (LGC 111.0432) These revenues include but are not limited to the proceeds from bonds or other obligations, grant or aid money, revenue from intergovernmental contracts, and pledging revenue as security for bonds and other obligations. The County Auditor must certify the receipt of the revenue to the Commissioners' court. This certification will be presented on the standing agenda item for line-item changes, transfers and/or budget amendments.

Non-routine Budget Amendments

Personnel: Requests to transfer funds from any salary or benefit account are allowed for the specific purpose of salary related expenditures such as contract labor or part-time help. Budget amendment requests for capital and operating accounts from personnel line items are allowed if the funds are known to be available i.e., vacant position, and if there are no other funds available in that department's budget and the Commissioners' Court deems it to be necessary. Any amendment to personnel line items must be presented to Commissioners' Court for consideration and approval as a separate agenda item.

Inter-Departmental Transfers: Any amendment which moves funds from one elected official or department heads' budget must be presented to the Commissioners' Court for consideration and approval as a separate agenda item.

Inter-Fund: Where permitted by law, any amendment which moves funds from one fund to another must be presented to Commissioners' Court for consideration and approval as a separate agenda item.

Capital: Any request for additional capital equipment must be justified and specified in detail with cost estimates. Requests to utilize excess funds from the purchase of capital equipment for additional items not included in the adopted budget or substitution of one item for another also must be presented to Commissioners' Court for consideration and approval as a separate agenda item. Surplus funds in a budgeted capital item can be transferred to cover a shortage in another budgeted item using a *Line-Item Transfer Request* form.



Increase Budgetary Commitment: Any transfer that creates an increase in budgetary commitment for the next fiscal year must be presented to the Commissioners’ Court for consideration and approval on a separate agenda item.

New employee positions: New employee positions cannot be created without Commissioners’ Court consideration and action. Creation of a new position within a department budget will require that the Commissioners’ Court declare an emergency unless the actual line item under which that new position would be categorized currently exists within that specific budget. New employee requests outside of the budget process must include substantial written justification for the position.

Creation of new line item: The creation of a new line item that has not been previously created for the specific department will require that the Commissioners’ Court declare an emergency in order to establish a new line item.

Restricted Line-Item Transfers

Certain line items have restrictions, which are only allowed for specific purposes. These line items cannot be used on *Line-Item Transfer Requests* forms submitted by departments. However, these line items can be used on budget amendments submitted by the Auditor’s Office if the County Auditor and Commissioners’ Court deems it is necessary. These types of budget amendments must be presented to Commissioners’ Court for consideration and approval as a separate agenda item. These lines include the following:

• Trial Expenditures	• Fuel
• Court Appointed Attorneys	• Salary & Benefits
• Autopsies	• Inmate Housing
• Utilities	• Inmate Medical

Contingency Line-item

The contingency line-item in the adopted budget is intended for the use of unplanned, unavoidable expenditures incurred in the ordinary course of doing business. The contingency line-item should not be used for funding new programs or services, equipment or repairs, or staff that were not approved through the initial budget process without the approval from the Commissioners Court. Approval of use for Contingency funds requires a super majority vote from the Commissioners Court (at least 4 votes).

Requests for use of the contingency funds should be submitted to the County Auditor using the LINE-ITEM TRANSFER REQUEST FORM. No claims shall be made directly from the Contingency line-item. Funds must be transferred to the appropriate budget line-item.

The request for use of contingency funds shall be presented to the Commissioners Court for approval by the County Auditor with all other budget amendments and line-item transfers.

Miscellaneous

The Commissioners’ Court reserves the right on a case by case basis, where legally permissible, to curtail a department’s right to make *Line Item Transfers* if the budget transfers appear to be making a programmatic change that was not approved by the Commissioners’ Court in budget hearings or if the financial condition of the department and/or County warrants such a curtailment.



An updated expenditure report will be sent to the appropriate department(s) after the amendment is posted. The County Auditor's Office is responsible for posting budget amendments on the financial computer system once the court order has all signatures.

Line-Item Transfer Requests for new capital equipment must be submitted to the County Auditor's office for the current fiscal year by August 1st to ensure enough time for procurement and receipt of the items.