



April 11, 2023

**TO:** Business and Accounting Administrators  
Los Angeles County Community College Districts

**FROM:** Gabriel Leung, Assistant Director  
Accounting and Financial Services  
Division of School Financial Services

**SUBJECT:** Year-End Appropriation Transfers—Community College Districts

**DISTRICT ACTION REQUIRED**

Community college districts, with approval of the Board of Trustees, may authorize the County Superintendent of Schools (County Office) to make budget transfers at year end to permit payment of obligations at the close of the fiscal year.

This authorization gives the County Office authority to make budget transfers between major expense classifications on behalf of community college districts. The transfers can only be made when there is sufficient surplus in one of the major expense classifications to cover the deficit in others. It does not allow using projected fund balances to cover an overdraft in any of the expense classifications.

Frequently Asked Questions

**Question:** Why do the final reports still show overdrawn accounts after the college requested the County Office to make appropriation transfers?

- Potential Answers:**
- a. The appropriation transfer covers the overdraft at the major object level only.
  - b. Colleges may have requested re-opening of the district's books after the Division of School Financial Services (SFS) made the appropriation transfer.

**Question:** Should the college stop making budget transfers after the request for appropriation transfer has been made to the County Office?

Answer: No, the college may continue to revise the operating budget up to the closing of fiscal year 2022-23 as the administration deems appropriate. The appropriation transfers made by SFS are only at the major object level to cover the overdraft at year end after the college has notified SFS their books are closed.

Question: How does it work with the accounts in the financial system?

Answer: SFS will set up a local resource (99995.0, Appropriation Transfer) with applicable accounts for any major object that needs appropriation transfers. All the SFS initiated appropriation transfers will be done in the above referenced resource.

Example:

Fund-Object	Appropriation	Expenditure	Surplus/(Deficit)
01.0-1000	\$1,700,000	\$1,900,000	(200,000)
01.0-2000	\$ 800,000	\$ 740,000	60,000
01.0-3000	\$ 700,000	\$ 500,000	200,000
01.0-4000	\$ 80,000	\$ 62,000	18,000
01.0-5000	\$ 95,000	\$ 105,000	(10,000)
01.0-6000	\$ 60,000	\$ 60,000	0
01.0-7000	\$ 14,000	\$ 18,000	(4,000)

SFS will make the following appropriation transfers, if authorized by the college, after the college's books are closed for the fiscal year.

Fund	Res/PrjYr	Categorical	Location	Object	Activity	Amount
01.0	- 99995.0	- 00000	- 00000	- 1000	- 0000000	+ \$200,000
01.0	- 99995.0	- 00000	- 00000	- 2000	- 0000000	- \$ 14,000
01.0	- 99995.0	- 00000	- 00000	- 3000	- 0000000	- \$200,000
01.0	- 99995.0	- 00000	- 00000	- 5000	- 0000000	+ \$ 10,000
01.0	- 99995.0	- 00000	- 00000	- 7000	- 0000000	+ \$ 4,000

Please complete, sign and return the attached authorization form indicating either that the transfer request was approved by the Board of Trustees or that no transfer is requested. The completed form should be returned to SFS Accounting section **no later than July 14, 2023**. Any questions about appropriation transfers should be directed to [SFSAccountingGroup@laco.edu](mailto:SFSAccountingGroup@laco.edu).

Download SFS Bulletins from LACOE Website

This bulletin and its attachment, as well as all SFS bulletins, may be downloaded from the LACOE website:

<http://www.lacoe.edu/Bulletins>

Type in the bulletin number or keyword to find the specific bulletin you need to download.

Questions regarding this bulletin may be addressed to [SFSAccountingGroup@lacoe.edu](mailto:SFSAccountingGroup@lacoe.edu).

Approved:  
Nkeiruka Benson, Director  
Division of School Financial Services

SE:lt  
Attachment

SFS-A46-2022-2023



## YEAR-END APPROPRIATION TRANSFERS

### Community College Districts

TO: Los Angeles County Office of Education  
Division of School Financial Services  
Accounting Section – EC 2<sup>nd</sup> Floor

FROM: \_\_\_\_\_ Community College District

\_\_\_\_\_ No Appropriation Transfer is Requested

\_\_\_\_\_ Appropriation Transfers are Authorized

Our Board of Trustees hereby authorizes the County Superintendent of Schools to make appropriate transfers necessary at the close of the 2022-23 school year permitting the payment of the district's obligations incurred during the school year.

Signature \_\_\_\_\_ Date \_\_\_\_\_, 2023  
Board of Trustees' Clerk

Submitted by: \_\_\_\_\_ Date \_\_\_\_\_, 2023

E-mail Address (required): \_\_\_\_\_

Please email completed form to [SFSAccountingGroup@lacoe.edu](mailto:SFSAccountingGroup@lacoe.edu).

Attachment to:  
Info. Bul. No. 6683  
SFS-A46-2022-2023