

LEAs can only budget federal transferability through an **amendment**. We have added two new accounts to the Chart of Accounts to assist in tracking the transfers “in” and/or “out” of federal budgets using the following new codes:

3-8100-PRC*-721	Transfer In (carries a credit balance)
3-8100-PRC*-722	Transfer Out (carries a debit balance)

*PRC is Program Report Code

Scenario: In our fictitious LEA we were granted in FY2002-03 \$100,000 in Educational Technology (PRC 107) and \$200,000 in Title V-Innovative Programs (PRC 059). We are planning to transfer 50% of our Educational Technology grant to Title V-Innovative Programs.

LEA Approved Budgets: (Prior to Transferability Request)

Ed Technology (PRC 107)		Title V-Innovative Programs (PRC 059)	
3-5100-107-332 Travel	\$ 6,000	3-5200-059-311 Contract Svc.	\$ 35,000
3-5930-107-312 Workshop Exp.	15,000	3-5200-059-412 Supplies & Mat'l	55,000
3-6210-107-418 Comp Software	24,000	3-5200-059-462 Non-Cap Equip.	45,000
3-6690-107-332 Inst. Spec. Travel	5,000	3-5810-059-431 Library Books	29,000
3-8200-107-699 Reserve	<u>50,000</u>	3-6930-059-312 Workshop Exp.	<u>36,000</u>
Total Budget	\$ 100,000	Total Budget	\$ 200,000

When we decided to transfer 50% out of our Educational Technology Grant (\$50,000) into Title V Innovative Programs, our amendment looked as follows:

Ed Technology (PRC 107)

<u>Approved Budget</u>		<u>Adjusted Amount</u>	<u>Revised Budget</u>
3-5100-107-332	\$ 6,000		\$ 6,000
3-5930-107-312	15,000		15,000
3-6210-107-418	24,000		24,000
3-6690-107-332	5,000		5,000
3-8100-107-722	0	\$50,000	50,000
3-8200-107-699	<u>50,000</u>	<u>(50,000)</u>	<u>0</u>
Total Budget	\$ 100,000	0	\$ 100,000

Title V-Innovative Programs (PRC 059)

<u>Approved Budget</u>		<u>Adjusted Amount</u>	<u>Revised Budget</u>
3-5200-059-311	\$ 35,000	\$ 30,000	\$ 65,000
3-5200-059-412	55,000		55,000
3-5200-059-462	45,000	5,000	50,000
3-5810-059-431	29,000		29,000
3-6930-059-312	36,000	15,000	51,000
3-8100-059-721	<u>0</u>	<u>(50,000)</u>	<u>(50,000)</u>
Total Budget	\$ 200,000	0	\$ 200,000

Transferability requires LEAs to be responsible for drawing funds (obtaining cash) from the original grant allocation. Therefore, a 202 expenditure adjustment must be submitted for every cash request applicable to the transferability authority. This is important to do because of the monthly zero out process.

The Scenario continues: In our example 50% of the Educational Technology grant was transferred into Title V Innovative Programs. Our district has requested \$10,000 from the Educational Technology grant to cover expenditures reported in Title V Innovative Program. Therefore, for expenditure and grant tracking purposes the following 202 expenditure adjustment must be submitted to DPI:

3-8100-107-722	\$10,000	dr
3-8100-059-721	(10,000)	cr

The effect of the 202 expenditure adjustment on the Budget Balance Reconciliation Reports are as follows:

Ed Technology (PRC 107)

<u>Approved Budget</u>	<u>YTD Expenditures</u>	<u>Budget Balance</u>
3-5100-107-332 \$ 6,000		\$ 6,000
3-5930-107-312 15,000		15,000
3-6210-107-418 24,000		24,000
3-6690-107-332 5,000		5,000
3-8100-107-722 50,000	\$ 10,000	40,000
3-8200-107-699		<u>0</u>
Total Budget \$ 100,000	\$ 10,000	\$ 90,000

Title V-Innovative Programs (PRC 059)

<u>Approved Budget</u>	<u>YTD Expenditures</u>	<u>Budget Balance</u>
3-5200-059-311 \$ 65,000		\$ 65,000
3-5200-059-412 55,000	\$5,000	50,000
3-5200-059-462 50,000	5,000	45,000
3-5810-059-431 29,000		29,000
3-6930-059-312 51,000		51,000
3-8100-059-721 <u>(50,000)</u>	<u>(10,000)</u>	<u>(40,000)</u>
Total Budget \$ 200,000	0	\$ 200,000