



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 02/21/17

Title: Revision of Board of Supervisors' Policy D22.8, Operating Transfers

Introduction/Background:

Board of Supervisors' Policy D22.8, Operating Transfers, delegates the authority to approve of operating transfers of \$500,000 or less to the County Administrator and the Director of Finance and Risk Management. The creation of the position of Deputy County Administrator for Administration requires a modification to that delegation of authority.

Discussion:

The new recommended thresholds will be up to \$100,000 for the Director of Finance and Risk Management, up to \$250,000 for the Deputy County Administrator for Administration and up to \$500,000 for the County Administrator. The \$500,000 and above threshold for the Board of Supervisors will remain unchanged.

Conclusion:

Changes to the operating transfer approval thresholds are necessary with the appointment of a Deputy County Administrator, Administration.

Recommendation:

The delegation of authority in Board of Supervisors' Policy D22.8, Operating Transfers, should be revised as described above: up to \$100,000 for the Director of Finance and Risk Management, up to \$250,000 for the Deputy Administrator for Administration, and up to \$500,000 for the County Administrator.

Fiscal Impact:

There will be no fiscal impact

Board of Supervisor District:

1 2 3 4 5 All

Department: Finance and Risk Management Telephone: 724-8496

Department Director Signature/Date: *T. Michelle Grogan / E. Moulton* 2/14/17

Deputy County Administrator Signature/Date: *Jan Julia* 2-14-17

County Administrator Signature/Date: *C. DeLuca* 2/14/17



PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY

Subject: Operating Transfers

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Purpose

To establish Pima County policy and guidelines for the operating transfers of monies within and among departments and funds in order to comply with Arizona Revised Statutes § 42-17106 applicable to transfers of monies.

Background

Pima County transfers monies between various funds by means of budgeted Operating Transfers adopted in the annual budget. Each year, unplanned transfers are required to address accounting adjustments to close out old grant centers, to implement the Board's decision to purchase buildings or construct infrastructure not anticipated at the time of the budget adoption, etc. Whenever funds are moved from one type of fund to another, an operating transfer is required. Operating transfers are also necessary for to complyance with generally accepted accounting principles, to correct prior year errors, to transfer of assets purchased or constructed from the Capital Improvements Fund to custodial departments, and to transfer funds for debt service. Operating transfers between funds and departments occur on a regular basis in the ordinary course of business. It is in the interest of Pima County to determine approval thresholds and guidelines for the transfer of funds between department and funds.

Policy

Operating transfers between funds and departments occur on a regular basis due to business transactions between funds and departments. Whenever possible, operating transfers are identified during the budget process. To facilitate the approval process for operating transfers that were not known at the time of the adopted budget, the following approval thresholds apply:

- Operating transfers up to \$5100,000 may be approved by the Director of Finance and Risk Management or designee.
- Operating transfers up to \$250,000 may be approved by the Deputy County Administrator – Administration.
- Operating transfers ~~greater than \$50,000~~ and up to \$500,000 may be approved by the County Administrator.
- Operating transfers greater than \$500,000 require the approval of the Board of Supervisors.

All operating transfers greater than \$500,000 shall be presented in a report to the Board of Supervisors on a regular basis.

Revised: February 21, 2017