

School District of the City of Royal Oak
MEMORANDUM

TO: Thomas L. Moline

FROM: John R. Schwartz

DATE: October 5, 2007

SUBJECT: General Fund Budget Amendment

A General Fund budget amendment will be placed on the October 11th Board of Education meeting agenda for approval. This is the first amendment of the new fiscal year. This amendment is very specific and will only address the carryover of unexpended supplies, materials and capital outlay budgets. This adjustment will enable building and other administrators to better manage their budget with full knowledge of their entire budget allocation (current year + carryover).

As a point of information, this program was put into place a number of years ago to allow the carryover of unexpended budgets for supplies, materials and capital outlay line items. This initiative continues to be one of the most successful budget management tools that we have implemented. Over time, this carryover amount has reached a total of \$2,425,911 and has given building administrators and staff the ability to incorporate unexpended funds into long-term decision making for their own buildings.

It should be noted that an amount has been designated, or set aside, for this specific purpose in the General Fund's fund balance.

As always, I would encourage Board of Education members to contact me with any questions that they may have.

/amr