



SCHOOL DISTRICT OF THE CITY OF ROYAL OAK
MEMORANDUM

TO: Shawn Lewis-Lakin, Superintendent

FROM: Rick West, Executive Director of Business Services & Finance

DATE: September 1, 2011

RE: General Fund Budget Amendment #1

A General Fund budget amendment will be placed on the September 8th 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 has been viewed as a very successful budget management tool that has been implemented. Over time, this carryover amount has reached a total of \$2,188,683 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 assigned for this specific purpose in the General Fund's fund balance.

I would encourage Board of Education members to contact me with any questions regarding this amendment.