

**PROCEDURES FOR SUBMITTING  
BUDGET REVISIONS TO THE STATE DEPARTMENT  
OF EDUCATION FOR APPROVAL**

Every county board of education, regional education service agency (RESA) and multi-county vocational center (MCVC) is required to prepare a proposed budget for the succeeding fiscal year for each fund that the agency intends to maintain during the year and submit it to the State Department of Education (WVDE) for approval in accordance with the procedures established by the Office of School Finance.

All proposed budgets are to be prepared and submitted to the WVDE by the dates specified in the Budget Calendar prepared annually as a part of the Proposed Budget Instructions, using the West Virginia Education Information System (WVEIS) for submittal of the data. RESAs and MCVCs are to provide the information to their fiscal agents so that the data can be entered electronically in the system prior to the due date. The proposed budgets submitted by the LEAs are to include the proposed budgets of all federal and state projects, whenever possible. The proposed budgets will be reviewed by the various program directors at the WVDE and approval notifications provided as quickly as possible.

Rarely, however, will actual revenues and expenditures equal budgeted revenues and expenditures for the year. To manage effectively, school administrators need to be able to adjust budgeted amounts to the actual amounts received and expended each year. According to the requirements of West Virginia Code §18-9B-10, however, county boards of education may expend funds or incur obligations only in accordance with the approved budget and expenditure schedule, and make transfers between items of appropriation or expenditure only with the prior written approval of the State Board of School Finance, whose duties have been transferred to the State Board. In addition, the U.S. Department General Administrative Regulations (EDGAR) contains requirements that local education agencies (LEAs) must follow in revising their approved budgets of federal programs.

The purpose of these instructions is to establish the procedures and thresholds that local education agencies (LEAs) in West Virginia are to follow in submitting their budget revision requests to the West Virginia Department of Education (WVDE) for approval.

**1. General:**

- a. All budget revisions must be presented to the local education agency's (LEA's) local board and submitted to the WVDE for approval and received by the WVDE on or before **June 30** of the year in which the budget is being revised in order to be considered for approval.
- b. All budget revisions must be submitted to the WVDE within **15 days** of the date of the board's meeting at which the revisions were approved.
- c. If the proposed budgets of certain restricted programs are not included with the proposed budgets when submitted for initial approval, those budgets are to be posted into WVEIS as a budget supplement as soon as possible after the budgets are approved by the WVDE program directors, but no later than **October 31** of the year for which the budget is submitted.
- d. In addition, all carry-over budgets must be entered into WVEIS as soon as possible after the annual financial statements and special projects worksheet for the previous year are completed, but no later than **October 31**.
- e. Any necessary budget revisions must be submitted for approval in accordance with the procedures stated herein as soon as possible after it is determined that budget revisions are necessary.
- f. All proposed budget revisions are to be made using the pending budget journal entry file (GNL 520) in WVEIS.

- g. Budget journal entries are to be divided into the following three types using a different number sequence **that uses all numeric numbers** to identify each type. The three types and the recommended numbering sequence for each are:
- i. Budget supplements – Number sequence 100-200;
  - ii. Budget transfers that are to be accumulated to determine if they exceed the 10% threshold requiring SEA approval – Number sequence 200-300;
  - iii. Budget transfers that are to be excluded from accumulation for determination of the 10% threshold – Number sequence 300–400.

Examples of budget revisions that are to be excluded are: (1) Transfers from a reserve account to an actual account for expenditure; (2) Transfers for revisions that must be approved by the SEA in accordance with the requirements described elsewhere in these procedures, such as a reduction in the amount originally budgeted for staff development; (3) Transfers beyond the third digit of the program/function code or the second digit of the object code for the LEAs that do not submit these revisions to their local boards for approval; and (4) Transfers among locations, cost centers or other account code elements beyond the object code element that an LEA may use.

**Note: Other numbering sequences may be used, but a separate sequence must be used for each different type.**

- h. ***A separate budget journal entry must be created for each restricted program.*** Unrestricted funds and local projects may be combined in the same budget journal entry. Different projects related to the same program may also be combined in the same budget journal entry.
- i. To standardize the forms used for submission of all budget revision requests to the WVDE for approval, the requests **must be submitted using the budget journal listing printed by WVEIS** that includes a description of the revision. Individual program forms are no longer acceptable for submission of budget revision requests.
- j. All budget revisions requests submitted to the WVDE must be submitted using WVDE Form 11-20-12 (copy attached), with the budget journal entry printed from WVEIS attached. The form must be signed by the county superintendent, or director of a Regional Education Service Agency (RESA) or multi-county vocational agency (MCVC), as appropriate, and arranged in front of the budget journal listing.
- k. For restricted projects that require an explanation for the revision, the explanations are to be provided using WVDE Form 11-20-13, (copy attached). The form is to be signed by the LEA's program director and this form attached immediately following WVDE Form 11-2-12.
- l. For expediency in processing:

Arrange each copy of the budget revision request separately in the following order before scanning:

- i. WVDE Form 11-20-12;
- ii. WVDE Form 11-20-13 (if required);
- iii. Budget journal entry printout;

- m. All proposed budget revisions are to be presented to the LEA's board for approval prior to submission to the WVDE.
- n. Unless local policy or practice dictates otherwise, it is suggested that all budget revisions submitted to the LEA's board for approval be included on the consent agenda.
- o. Budget revisions that do not meet the criteria described in sections 2 and 3 may be posted by the LEA as an official budget revision in WVEIS after the request is approved by the local board.

## 2. Unrestricted Funds, Step 7 and Local Projects:

For unrestricted funds, Step 7 projects and local projects, local education agencies (LEAs) must submit proposed budget revisions to the WVDE and receive prior approval from the WVDE whenever any of the following changes are anticipated:

- a. Any revision in which funds are being supplemented into the budget;
- b. All transfers involving revenue or expenditure account codes in which the revision affects the first three digits of the program/function code element or the first two digits of the object code element.

**NOTE: Budget revisions may be submitted to the WVDE for approval that go beyond these minimum required thresholds, but that is not required nor recommended.**

## 3. Restricted Federal and State Projects:

For all restricted federal and state projects, other than the ones included in the paragraph above, LEAs must comply with the budget change requirements specified in the U.S. Department of Education General Administrative Regulations (EDGAR) 80.30 and obtain the prior approval of the WVDE or awarding agency, if different, whenever any of the following changes are anticipated:

- a. Nonconstruction projects:
  - i. Any revision which would result in the need for additional funding;
  - ii. Cumulative transfers among direct cost categories, or, if applicable among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed ten percent (10%) of the current total approved budget;
  - iii. All transfers allotted as training allowances (professional staff development). This means any budget revisions that reduce the amount originally budgeted for staff development must be submitted to the WVDE for approval.

Budget revisions that transfer expenditures among staff development activities, but do not reduce the total amount originally budgeted for staff development are to be submitted using the criteria discussed in the preceding paragraph.

- b. Construction Projects:
  - i. Any budget revision which would result in the need for additional funds.

- c. Combined construction and nonconstruction projects:
  - i. Any budget transfer from nonconstruction to construction or vice versa.
- d. Programmatic changes:
  - i. Any revision of the scope or objectives of the project;
  - ii. Need to extend the period of availability of the funds;
  - iii. Changes in key persons in cases where specified in an application or grant award.

#### **4. Submittal and Approval Process:**

- a. Budget revisions that must be approved by the WVDE as the grantor agency are to be submitted to the WVDE, using the following procedures:
  - i. Scan the WVDE Form 11-20-12, WVDE Form 11-20-13 (if required), and the budget journal entry printed from WVEIS, and submit ONE COPY of the forms as a PDF attachment to an email addressed to the appropriate WVDE staff members;
  - ii. The email addresses of the appropriate WVDE staff members to whom the budget revision requests are to be submitted for each program are reflected in the Grant ID Screen of the Transmittal Inquiry System on the WVDE Website.
  - iii. Upon receipt, the program director, or designee, at the WVDE will review the revision request as quickly as possible, but no longer than 15 days after receipt, and notify the LEA by return email whether the request is approved or needs revision.
  - iv. Upon notification of approval, the LEA may post the approved budget revision as an official budget revision in WVEIS.

#### **5. Review Process:**

All budget transfers will be reviewed during scheduled consolidated federal monitoring reviews, including those budget revisions that do not require WVDE approval ensure that all transfers are handled in accordance with federal expenditure allowances as limited by EDGAR. In addition, auditors performing the annual audits of LEAs will include a review of each LEA's budget revision process in the scope of their audits.

#### **6. Legally Adopted Budget:**

The legally adopted budget is considered to be the approved budget for each fund maintained by the LEA at the function level, as defined in the Chart of Accounts issued by the West Virginia Department of Education, Office of School Finance. Actual expenditures are not to exceed the amounts reflected in the approved budget at the function level.