

Budget Transfer Request Guidelines

Chapter 77 of the Acts of 2006 created a permanent exception to the requirements of Massachusetts General Law Chapter 44 §33B regarding budget transfers, in order to provide flexibility in making year-end budgetary transfers to avoid deficits. That section reads as follows:

"A town may, by majority vote at any meeting duly held, transfer any amount previously appropriated to any other use authorized by law. Alternatively, the selectmen, with the concurrence of the finance committee or other entity established under section 16 of chapter 39, may transfer within the last 2 months of any fiscal year, or during the first 15 days of the new fiscal year to apply to the previous fiscal year, any amount appropriated for the use of any department other than a municipal light department or a school department to the appropriation for any other department or within a department, but the amount transferred from 1 department to another or within a department may not exceed, in the aggregate, 3 per cent of the annual budget of the department from or within which the transfer is made or \$5,000, whichever is greater. "

Therefore, during the last two months of each fiscal year, transfers between departments in town budgets may be made without the approval of the department from which the transfer is made. Transfers in may be made by the Board of Selectmen with the concurrence of the Finance Committee. No transfer may be made from appropriations from municipal or regional schools or municipal light departments.

The Budget Transfer Request Form needs to be submitted to the Board of Selectmen and Finance Committee by the Department Head or Board/Committee in order for any bills and/or payrolls to be paid that fall under this provision. If this Form is not returned to the Town Accountant, there will be no payments from any account that has insufficient funds. This applies to payroll accounts also.

If these guidelines are not followed, the vouchers submitted will not be processed. In addition, Chapter 44 §62 of the Massachusetts General laws will apply. That section reads as follows:

"Any city, town or district officer who knowingly violates, or authorizes or directs any official or employee to violate, any provision of this chapter, or any other provision of general law relating to the incurring of liability or expenditure of public funds on account of any city, town or district, or any provision of special law relating to the incurring of liability or expenditure of public funds as aforesaid, shall, except as otherwise provided, be punished by a fine of not more than one thousand dollars or by imprisonment for not more than one year, or both; and the mayor, selectmen, prudential committee, or commissioners, shall, and five taxpayers may, report such violation to the district attorney who shall investigate and prosecute the same."

Please contact the Town Accountant directly with any questions you may have.