

**RESOLUTION**

**RESOLUTION TO TRANSFER FUNDS FROM  
GENERAL PURPOSE SCHOOL FUND TO SCHOOL FEDERAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDING JUNE 30, 2010, AND THEREAFTER**

Resolution of the Obion County Board of Education to transfer funds from the General Purpose School Fund to the School Federal Projects Fund; and for other purposes.

WHEREAS, Federal Projects grants operate on a reimbursement basis and funds are requested from the State of Tennessee by the Obion County School System for non-payroll expenditures on a monthly basis; and

WHEREAS, the School Federal Projects Fund operates with a cash deficit at various times throughout the fiscal year due to a slow turn-around time for reimbursements from the State of Tennessee; and

WHEREAS, Generally Accepted Accounting Principles (GAAP) consider a cash deficit in any fund to be a significant deficiency in internal control; and

WHEREAS, the Obion County School System does not desire to operate any fund with a cash deficit.

NOW, THEREFORE, BE IT RESOLVED, that the respective legislative bodies of Obion County, Tennessee, meeting in regular session, that:

Section 1. The School System is authorized to transfer funds from the General Purpose School Fund to the School Federal Projects Fund on an as needed basis during the Fiscal Year Ending June 30, 2010, and thereafter, to prevent a cash deficit in the School Federal Projects Fund.

Section 2. Any transfers to the School Federal Projects Fund shall be reflected as a designated fund balance from the General Purpose School Fund and may be repaid at any time without further authorization.

Section 3. This **Resolution** shall take effect upon adoption, the public welfare requiring it and shall be reflected in the minutes of the respective legislative bodies.

FOR THE BOARD OF EDUCATION:

FOR THE OBION COUNTY COMMISSION:

\_\_\_\_\_  
Roger Williams  
Chairman

\_\_\_\_\_  
Ralph Puckett  
Chairman

\_\_\_\_\_  
David W. Huss, Director of Schools  
Secretary to the Board

\_\_\_\_\_  
Vollie Boehms  
County Clerk

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Adopted by the Board of Education of Obion County, Tennessee, this 8<sup>th</sup> day of September, 2009.

Adopted by the County Commission of Obion County, Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

Approved: \_\_\_\_\_  
Benny McGuire  
County Mayor