



ADMINISTRATIVE POLICIES

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| SECTION: | Financial Management | POLICY #: | 492 |
| TITLE: | Restrictions on Backfills | PROCEDURE #: | 492-A |
| | | ORDER #: | 08-49 |
| DEPT: | Finance | DIVISION: | |
| ADOPTED: | 4/08 | REVIEWED: | REVISED: |

PURPOSE: To establish a policy for setting the conditions under which reduced or eliminated program resources may be replaced by general fund transfers.

AUTHORITY: The Marion County Board of Commissioners may establish rules and regulations in reference to managing the interest and business of the county under ORS 203.010, 203.035 and 203.111.

The Marion County Administrative Policies and Procedures manual of the Board of Commissioners outlines the forms and process through which the board takes official action on administrative policy, and is the official record of county administrative policy.

APPLICABILITY: All county departments.

GENERAL POLICY: It is the policy of Marion County that general fund resources shall not be transferred to backfill, i.e., replaced, reduced or eliminated federal, state, foundation or other grant or contract funding, or any other program resource, unless specific conditions set by the board of commissioners are met.

POLICY GUIDELINES:

1. **Responsibilities:** The budget officer shall issue budget preparation instructions that require departments to submit decision packages for general fund backfill of reduced or eliminated program resources, in accordance with the criteria established in this policy.
2. **Criteria For Allowing Backfill Requests:** Explicit criteria will be applied as to whether a department may request general fund resources to backfill reduced or eliminated grant, contract or other program funding. More than one criterion may be valid. This policy is a guideline for identifying backfills that may be requested; there is no assumption that any backfill request will be approved. A request for backfill is allowed if one or more of the following criteria are met.
 - 2.1 If grant or contract funding has been used for a pilot or model program or project, and the board or budget committee has expressed an interest in continuing the program with general fund resources if program results are judged successful and desirable.

SUBJECT: RESTRICTIONS ON BACKFILLS

- 2.2 If newly imposed charges for services provide a substantial portion of the revenue required to replace the reduced or eliminated funds, with the balance to be funded by general fund resources.
 - 2.3 If there is proposed a general fund dollar reduction in another program that can replace most or all of the grant funds, and if that other program is agreed by the budget committee to have a lower priority funding.
 - 2.4 If the backfill requested is for one year only and the budget committee approves a funding plan that includes either alternate funding sources or discontinuance of the program or project in the following fiscal year.
3. Exceptions: Exceptions may be granted only by the budget officer.
 4. Implementation: The chief administrative officer shall implement this policy.
 5. Periodic Review: This policy shall be reviewed after the first year for improvements that surface during the implementation year, and then at least every three years by the chief financial officer.