

Except as otherwise provided by law, No obligation may be incurred by the school system unless the budget resolution includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sums obligated by the transaction for the current fiscal year.

If an obligation is ~~evidenced by~~reduced to a written contract or written agreement requiring the payment of money, ~~or is evidenced by~~including a purchase order for supplies and materials, the written contract, agreement, or purchase order will include on its face a certificate stating that the instrument has been preaudited to assure compliance with ~~this policy~~state law. The finance officer shall sign the certificate, which will take substantially the following form:

“This instrument has been preaudited in the manner required by the School Budget and Fiscal Control Act.

(date)

(signature of finance officer)

”

No pre-audit certificate is required for (1) an obligation, or a document related to the obligation, that has been approved by the Local Government Commission; (2) payroll expenditures, including employee benefits; or (3) electronic payments, upon adoption of and in compliance with rules adopted by the Local Government Commission.

An obligation incurred in violation of the requirements of state law as specified in this policy is invalid and may not be enforced. The finance officer shall establish procedures in accordance with any rules adopted by the Local Government Commission to assure compliance with statutory requirements and this policy.

Legal References: G.S. 115C-441

Cross References:

Adopted: