In budgeting, there are two kinds of transfers—expenditure transfers and revenue transfers. To determine whether a transfer is treated as an expenditure transfer or a revenue transfer, refer to the “Treatment of Transfer between Funds” diagram below.

Expenditure Transfers: Require a positive expenditure entry under the contributing fund, and a negative expenditure entry under the receiving fund. The negative expenditure is known as a “less funding provided by” entry. In most cases a third entry will be required to reflect the final expenditure of the transferred funds. This third entry is a positive expenditure in the receiving fund.

Revenue Transfers: Require a negative revenue entry under the contributing fund, and a positive revenue entry under the receiving fund. Once the revenue transfer has occurred, a positive expenditure entry will reflect the final expenditure in the receiving fund if needed.
EXAMPLE:

**Transfer from General Fund to Food Safety Fund (0187) (General Fund to a special fund)**

| (E) Transfer: | 8570-501-0001-2021 |
| (-E) Less Funding: | 8570-598-0187-2021 |
| (+E) Spending: | 8570-501-0187-2021 |

We are going to have a transfer from the General Fund (0001) to the Food Safety Fund (0187) for $100,000. Based on the diagram, this is going to be an Expenditure Transfer since the contributing fund is the General Fund and the receiving fund is a special fund. As stated above, expenditure transfers usually have three item numbers which means three different entries in Hyperion.

- Expenditure Transfer Item: 8570-501-0001-2021
- Expenditure Less Funding Item: 8570-598-0187-2021
- Expenditure Spending Item: 8570-501-0187-2021

There is one entry for the General Fund item which would be the positive $100,000 expenditure. This reduces the General Fund’s balance by $100,000.

For the Food Safety Fund, two entries may be needed. The less funding item will be a negative $100,000 expenditure increasing the fund balance of the special fund. Once the fund balance has been increased through the expenditure transfer, a second item may be needed in the receiving fund to spend the funds if authority to spend does not already exist. This second entry for the final spending item will be a positive $100,000 expenditure. The two receiving fund entries will net to produce a total expenditure of $0 in that fund. It is important to remember that the item in the contributing fund and the less funding provided by item must net to $0, or the expenditure transfer will be out of balance.

While using the Treatment of Transfer Between Funds diagram above you may have noticed the second type of transfer is known as a revenue transfer. Revenue transfers are discussed in the Revenues, Transfers, and Loans document.