Title: **Budget Carry-Forward Policy for Fund 102**

Approval Date: July 1, 2012

Section: Departmental Policies and Procedures  
Effective Date: July 1, 2012  
Revised Date: October 1, 2013

I. Purpose

The use of budget balances in Fund 102 remaining at the end of a fiscal year shall be governed by this policy.

II. Terms

   A. Carry Forward Balances for this policy refer to budget balances in Fund 102 only.

   B. Net Available Balances for this policy refers to the aggregate balance for a College or area of responsibility (i.e. facilities management, counseling, DoTS). All Fund 102 balances (positive and negative) for a College or area of responsibility will be totaled to determine the net available balance.

III. Policy

   A. **Positive net available balances:** Remaining available budget balances in Fund 102 departments will lapse at the end of each fiscal year unless an exception is granted by the Chancellor.

   B. **Negative net available balances** that are determined to be due to fiscal mismanagement will be carried forward and automatically reduce the department’s new fiscal year budget. Negative net available balances that occur for sound fiscal reasons shall lapse and be covered by campus reserves.

   C. **Exceptions** may be granted for the following items as long as the request is forwarded to the Assistant Chancellor for Business and Finance no later than July 20th of each fiscal year.

      - Funding that was received as a grant from System may carry forward up to two years.
• Funding that was received for Recruitment and Retention (R&R) may carry forward up to two years.
• Each of the four Colleges may be allowed to carry forward 25% of their net available balance without requiring an explanation of the use of those funds.

IV. Procedures

A. Request for an exception for positive net available balances:

1) Requests for an exception must include the amount requested to be carried forward and a detailed description of the use of the carry forward funds.
2) Requests for an exception must be recommended by the Provost, Special Assistant to the Chancellor, Dean of the College, Associate Vice Chancellor for Student Affairs or Assistant Chancellor for Business and Finance.
3) Requests recommended in step 1) shall be forwarded to the Assistant Chancellor for Business and Finance no later than July 20th of each fiscal year.
4) The Chancellor and/or his designee(s) shall review the requests and have final approval authority.

B. Negative Balances:

1) Negative aggregate balances will be reviewed at the end of each fiscal year by the Controller and Assistant Chancellor for Business and Finance.
2) Negative aggregate balances that have occurred for sound fiscal reasons (i.e. benefit payout for a retirement, pre-approved over-spending) will lapse and be covered by campus reserves.
3) Negative aggregate balances that have occurred and are determined to be due to fiscal mismanagement will be carried forward and automatically reduce the department’s new fiscal year budget.

C. Exceptions:

1) Regents for exceptions relating to System grants, R&R and college 25% balances shall be forwarded to the Assistant Chancellor for Business and Finance no later than July 20th of each fiscal year.
2) The Chancellor and/or his designee(s) shall review the requests and have final approval authority.