June 22, 2016

TO: Deans, Department Heads, Management Service Officers, and Administrative Assistants

FR: Todd Lee, Assistant Chancellor, Finance & Resource Management

RE: 2015-16 Carry Forward of Funds AND Budget Fiscal Close Changes

The following changes are being implemented effective 2015-16 fiscal close:

(1) The annual shift of unspent balances in fund 19900 to 19941 will be discontinued. If departments submit a carry-forward request for funds in 19900 and 19941, the account balances in both funds [+/-] will be combined and will be carried-forward into the new fiscal year exclusively in fund 19900. If expenditures for open purchase orders or payroll post to 19941 in the 2016-17 fiscal year, the Budget Office will work with the departments to transfer funding to 1941 to cover expenses.

(2) The posting of year-end carry-forward liens will be discontinued to allow balances to automatically carry-forward into the new fiscal year. Departments are still required to complete carry forward of funds requests and keep the appropriate supporting documentation in case of an audit.

(3) Account deficits that have carried-forward from prior years in 19900 [including any from 19941] will be monitored by the Budget Office and will work with the departments to insure plans to eliminate the deficits are carried-out in 2016-17. Therefore, departments are encouraged to implement a year-end account reconciliation process. It’s not only a best business practice but facilitates the preparation of carry-forward requests and plans to eliminate any prior year deficits in 19900.

Carry Forward of Funds (CFOF)

CFOF is available via the Espresso Suite and will follow the same approval routing as transfers. Current users of the Transfer of Funds System (TOF) will automatically have access in CFOF for their designated account-funds. If you wish to add additional users, you must contact Ambar Campos in the Budget Office. A link to the CFOF system and basic instructions can be found on the Budget and Planning website (http://bap.ucsb.edu/budget/carry.forward/). The CFOF system and the link will be available today, June 22, 2016.

CFOF General Guidelines:

(1) Documentation describing the planned uses for account balances being requested to be carried forward *must* be on file in the departmental office and need not be submitted to the Budget Office. Control Points will review all requests and departments need to be prepared to provide appropriate supporting information. Carry forwards are subject to audit; therefore, they must be supported by contracts, purchase orders, recruitment offers, or other valid documentation that supports the request.

(2) Accounts in deficit in core funds (199xx, 20000/5, 20095, 69750) should be cleared as part of the department’s fiscal close procedures. In the rare case where this is not possible, approval of a deficit should be requested of the department’s control point. The deficit approved along with a deficit reduction plan for the account should be submitted to the Budget Office for consideration.

(3) Separate online forms will be required for each account/fund listed under “List of Accounts” with anticipated year-end balances= of $25,000 or more. The “List of Accounts” will be updated often, however if you discover that a particular account/fund is not listed and you feel it needs a carry forward request, please contact Ambar Campos from the Budget Office.

(4) If a carry forward request is not submitted for a year-end balance of $25,000 or more, the funds will be withdrawn and returned to a central campus account. Balances of less than $25,000 will be carried forward automatically.
(5) ‘Special Projects’ with balances under $25,000 do not require a carry forward. These accounts should be treated the same as all other account-funds in that balances over $25,000 require a carry forward request. However, for your information only, those account-funds that are considered Special Projects, will still be flagged. For other questions regarding Special Projects you may contact Pam Cabrera (x8338) in Business and Financial Services.

(6) Some research, grant monies, or other allocations, such as funds allocated by the Office of the President, may have additional stipulations for carrying funds forward that are independent of campus requirements. Departments must work directly with the funding or granting agencies to assure that such requirements are satisfied.

The 2015-16 deadline for submission of Requests to Carry Forward Funds is July 15, 2016. Adherence to the deadline is essential to insure sufficient time for their review and approval. Please contact Sandra Perez (x4052) or Ambar Campos (x2054) in the Budget Office if you have questions.