



ADMINISTRATIVE POLICY

NSC Budget Balance Carry-Forward (FB 1)

POLICY STATEMENT

A budget is a numerical representation of an action plan for a specific period of time. Operating budgets at NSC are developed in an open and collaborative manner in an effort to provide optimum funding for the effective operations of each college unit. In an effort to assure that college resources are expended judiciously, timely and only for necessary college business related activities, any authorized unexpended allocations of funds remaining at the end of a fiscal term shall be allowed to be carried forward within the limits establish by this policy.

Allowing for unexpended funds to be carried forward into a subsequent fiscal period will reduce the likelihood of unnecessary end of year purchases and provide the budget manager with more flexibility to engage in strategic investment of their unit.

DEFINITIONS

Base Discretionary Budget – The amount of budget provided for a particular budgetary unit at the beginning of the fiscal year for operational purposes. Base Discretionary Budget does not include salaries, wages or benefits; one-time strategic initiative funding; carry forward funding from a previous year; or contingency funds

PROCEDURES

1. In general, a budgetary unit will be allowed to carry forward into the subsequent fiscal year up to twenty-five percent (25%) of their base discretionary budget.
 - a. Budgetary units with unusually high base discretionary budgets will be limited to negotiated amounts of carry forward less than the 25% cap.
2. During the budget process for the subsequent year, estimated year-end balances will be used as a decision-making tool, in consultation with the budget manager, to fund lowdollar strategic initiative requests.
3. All budget activity is stringently monitored at the institutional level.
 - a. At key intervals within the fiscal period, the Budget Office will provide estimated year-end balances, based on historic spending and other projection methods, to the Vice President for Finance and Business Operations (VPFBO).
 - b. These projections will be shared with the Executive T earn and the respective budget manager.
4. At the end of the final fiscal year close in July of each year, the Budget Office will provide to the VPFBO the actual year-end balance of unexpended discretionary budget.
 - a. The VPFBO will review the balances and compare them to the 25% cap.
 - b. The VPFBO (or designee) will communicate with each budget manager regarding the amount of carry forward and negotiate with the budget managers with unusually large base discretionary budgets.
 - c. The VPFBO will instruct the Budget Office to transfer the agreed upon carry forward amounts in to their respective accounts in the new fiscal year 1
5. This policy shall not limit the amount of fund balance available for cash style accounts nor the normal carry forward ability of those types of accounts.

6. This policy does not apply to contingency funds, host accounts or part-time faculty accounts.
7. All budgeted units must expend within their budgetary limits. Due to system limitations, deficits in base discretionary budgets may occur. Such deficits remaining at the close of a fiscal year will be offset by a reduction in the subsequent year's base discretionary budget.

FORMS/INSTRUCTIONS


CONTACTS

SUBJECT	CONTACT	PHONE	EMAIL
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RELATED INFORMATION

HISTORY

APPROVAL SIGNATURES PAGE

 6/23/2015
Office of Finance and Business Operations (Vice President Signature) Date

Recommendation (check one):

<input type="checkbox"/>	Denial*	<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	Approval w/ condition*
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 7/14/15
Office of the President (President's Signature) Date

Final decision (check one):

<input type="checkbox"/>	Denied*	<input checked="" type="checkbox"/>	Approved
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*Attach rationale for denial or conditional approval