

Prior Year Funds Procedure

In 1995/96, the President and Cabinet agreed upon a procedure for handling the prior year funds beginning with the fiscal year of 1996/97. As the end of the current fiscal year is approaching, I would remind the Provost/Vice President's of this plan. This procedure gives more control to each Division with greater, flexibility. At the same time, it allows the campus to fully expend all the funds before they are collected by the Chancellor's Office. The plan is established as follows:

- Allow the President/Provost/Vice Presidents the authority and responsibility of prior year funds within those fiscal years. This may be delegated to the Deans/Department Managers within each respective Division.
- BMS access to the 2- (prior year) and 3- (prior, prior year) ledger accounts is given to respective departments subject to the approval from each Division.
- The University Budget Office will coordinate with Academic Resources and each Division, the placement of balances remaining at the end of each current year. As before, the balances could not be used for payroll, unless it was for a past pay period within that fiscal year.
- Depending on the level of control within each Division, Dean/Department Managers can be allowed 24 months to spend the balances (all commitments must be liquidated).
- Any accounts under the control at the departmental level, with balances remaining after 24 months, would revert to the President/Provost/Vice President for immediate liquidation. The campus has 30 months to fully expend these funds. At that time, any remaining balances would revert back to the Chancellor's Office as mandated.

If you have any comments or additional suggestions, please contact John Waayers, Budget Officer, at (559) 278-3902.