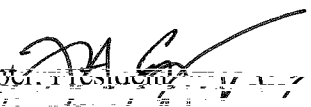




# ACADEMY POLICY MANUAL

<b>Policy Title:</b>	Management of Unspent Funds at Year End from Departments Funded by State Appropriations and Mandatory Student Fees
<b>Policy Number:</b>	AF-03-004
<b>Policy Administrator:</b>	Stephen J. Mastro, AVP for Fiscal Affairs
<b>Policy Initiator:</b>	Kurtis D. Lohide, VP for Administration and Finance
<b>Authority:</b>	CSU Revenue Management Program Memorandum-Interim Guidelines for Operations and Fiscal Year Closing 2006-2007 – March 19, 2007. CSU Executive Order EO-1000
<b>Effective Date:</b>	1/1/14
<b>Revised Date:</b>	
<b>Approved:</b>	Thomas A. Grannas, President 

**Purpose:** This policy establishes guidelines for CMA management of the uncommitted funds in the CSU Operating Trust and other funds from mandatory student fees to be called forward at year end under the CSU Revenue Management Program. This policy is designed to provide a consistent approach to the management and allocation of uncommitted funds at year end with the following goals:

- 1) to establish a predictable and uniform process to identify and commit uncommitted funds at year end;
- 2) to provide a process to fund institutional needs from the roll forward of year end uncommitted funds; and
- 3) to provide a process to identify year end commitments to be called forward and the needs of the year fiscal year.

**Scope:** The policy applies to all CMA departments funded by state appropriations and/or mandatory student fees. This primarily includes the CSU Operating Trust, (CMA fund 48485), but also includes any other CMA fund with a CSU fund designation of 485. Fees collected by other trust departments

Provisional Funds are not subject to this policy.

**Accountability:** The Budget Office plan to sweep and allocate the uncommitted funds at year end will be reviewed and approved by the Chief Financial Officer (CFO). Implementation of the annual sweep allocations will be tracked by the budget office.

**Policy:** To encourage good stewardship of resources CMA will implement a plan that will benefit divisions and the campus as a whole. The sweep plan will be to sweep up uncommitted fees funds on June 30<sup>th</sup> and then adjust out the earmarked, special purpose, and funds needed to cover any structural deficit in the CMA Operating fund. The remainder of the swept pool will be split and allocated out in

three components: 1) the institutional reserve will get 40% of the grant funds towards meeting the operating reserves as required by CSU policy; 2) 20% of the grant funds will be returned to the division replacement of equipment that cannot be funded by divisional budgets or re-allocation of unspent funds.

## Procedures

- The Budget Office will compile a list of earmarked programs and special purpose funds from information submitted by managers and verified with the CSU. The list will show the amount of uncommitted funds that will be rolled forward. The list will be submitted to the CFO for approval.
- Departments/divisions requesting roll-forward of earmarked or special purpose funds shall be made no later than June 30<sup>th</sup> of the fiscal year. Some earmarked funds that must be rolled forward to departments due to system wide directives (e.g. program support funds for Community Service Learning, CSU support for faculty senate travel, etc.).
- The Budget Office will identify uncommitted deficit in the institution budget that will be used for the distribution of uncommitted grant funds for review by the CFO. Once approved by the CFO, funds will be distributed to departments based on the 40/30/30 percent distribution amounts.
- The Budget Office will calculate 40/30/30 distribution for the remaining uncommitted grant funds and provide the proposed distribution of all the uncommitted grant funds to the CFO for review and approval by the President.

## Reference Forms

The Budget Office will develop and make available forms for requesting special purpose funds and

verifying earmarked funds. The distribution plan to be presented to the President will be in a formal

Committee to request funds from the Equipment Replacement pool.