

<b>Policy Number/Title:</b>	8.3.01 Budget Balance Carry Forward
<b>Effective Since:</b>	July 1, 2025
<b>Last Revision Approved:</b>	
<b>Responsible Official:</b>	Vice President for Finance and Business Affairs

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**Scope:**

This policy allows for certain unexpended budgeted funds to be carried forward into the upcoming fiscal period to reduce the likelihood of unnecessary end of year purchases and provide the unit budget manager with more flexibility to engage in the strategic investment of their unit.

**Definitions:**

**Base Discretionary Budget** is 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.

**Policy:**

Budgets at Winthrop University are developed in an open and collaborative manner to provide optimum funding for the effective operations of each unit. To assure that resources are expended judiciously, timely, and only for necessary business-related activities, unexpended budget remaining at the end of a fiscal year shall be allowed to be carried forward within the limits establish by this policy.

**Procedures:**

- In general, a budgetary unit will be allowed to carry forward into the upcoming fiscal year up to twenty-five percent (25%) of their Base Discretionary Budget.
  - Budgetary units with large Base Discretionary Budgets (i.e. facilities, IT, Library. etc.) will be limited to negotiated amounts of carry forward less than the 25% cap.
- 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 upcoming year's Base Discretionary Budget.

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- This policy shall neither limit the amount of fund balance available for cash style accounts nor the normal carry forward ability of those types of accounts.
- At the end of the final fiscal year close in July of each year, the Budget Office will provide to the VPFBA the actual year-end balance of unexpended Base Discretionary Budget for each budgeted unit.
  - The VPFBA will review the positive balances and compare them to the 25% cap.
  - The VPFBA will review the deficit balances and offset the upcoming year's Base Discretionary Budget.
  - The VPFBA (or designee) will communicate with each budget manager regarding the amount of calculated carry forward and negotiate with the budget managers who have large Base Discretionary Budgets.
  - The VPFBA will instruct the Budget Office to transfer the agreed upon carry forward amounts into their respective budgets in the new fiscal year.
- All budget activity is stringently monitored at the institutional level.
  - At key intervals within the fiscal period, the Budget Office will provide estimated year-end budget balances, based on historic spending and other projection methods, to the Vice President for Finance and Business Affairs (VPFBA).
    - These projections will be shared with the Cabinet and each respective budget manager.

**Guides:**

None

**Forms:**

None

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**Responsible Office Signature/Date:**

**Senior Administrator Signature/Date:**

**President Signature/Date:**