TO: Columbia Campus Business Officers

FROM: Leslie Brunelli

DATE: Wednesday, August 17, 2011

RE: FY2011 Carryforward Balance – “A” Funds

Attached is an Adobe document with your responsibility’s carryforward balance at the department fund (account) level for FY2011 based on the July 30, 2011 final post-close.

These are the steps taken to calculate your unit’s carryforward:

Step 1: Start with prior year’s carryforward (net of 31533 and 31534)
Step 2: Add final budget amounts for 3xxxx object codes
Step 3: Add actual revenue amounts for 4xxxx object codes
Step 4: Add actual transfer amounts for 81xxx object codes
Step 5: Subtract actual transfer amounts for 86xxx object codes
Step 6: Subtract actual expenditure amounts for 5xxxx object codes
Step 7: Add actual IIT amounts for 6xxxx object codes
Step 8: Sum = Carryforward balance

Also attached is a second Adobe document with the responsibility level surtax calculation. The surtax is a graduated amount based on the amount of carryforward relative to the unit base budget. There are five levels:

1) For carryforward that is no more than 5% of “A” fund base budget, no tax is assessed.
2) For the portion of carryforward that is greater than 5%, but less than 10% of “A” fund base budget, the tax is 5%.
3) For the portion of carryforward between 10-20% of “A” fund base budget, the tax is 7.5%.
4) For the portion of carryforward between 20-50% of “A” fund base budget, the tax is 10% , and
5) For the portion of carryforward in excess of 50% of “A” fund base budget, the tax is 12.5%.

The surtax will allow us to pool some one-time resources for important institutional objectives. The surtax percentage is the same as applied in the prior year.
The carryforward balance or deficit at the responsibility level has been allocated to the main account for each unit. The surtax has been reduced from this amount so that you may see both entries. These funds may be retained centrally or distributed to the department level as your dean or director determines to be appropriate. You may find minor rounding errors of a dollar or two in the calculation.

If your unit will distribute the carryforward, please prepare a budget transfer allocating the carryforward balance by department fund object code. You will need to submit this via the BD system. If you have questions, please contact your Budget Analyst.

You should have already received a file that shows your unit “A” fund variance for FY2011. This compares final budget to final actual and is intended to aid you in making better budget decisions in the future. In this file, the FY2010 actual was included so that you can see the change year over year. Please pay particular attention to the budget and actual for personnel and fringe.