June 28, 2016

MEMORANDUM

TO:       Dr. Guru Ghosh, Vice President for Outreach and International Affairs
          Ms. Tracy Vosburgh, Senior Associate Vice President for University Relations
          Dr. Scott Midkiff, Vice President for Information Technology
          Dr. Patty Perillo, Vice President for Student Affairs
          Dr. Tyler Walters, Dean of Libraries
          Mr. M. Dwight Shelton, Jr., Vice President for Finance and Chief Financial Officer
          Mr. Whit Babcock, Director of Athletics
          Dr. Sherwood G. Wilson, Vice President for Administrative Services

FROM:     Travis Hundley, Director for Budget Operations

SUBJECT:  2015-16 Carryover Requests for Auxiliary Enterprises

Carryover is the process by which committed funds remaining at the end of a budget period may be carried forward to the next budget period. The purpose of this memo is to solicit 2015-16 budget carryover requests from Auxiliary Enterprise units. Consistent with prior years, carryover requests can only be for commitments or obligations that were planned for within the approved 2015-16 operating budget. Carryover requests should be submitted in the attached format detailing the following information:

- Commitment amount
- Description of obligation
- Type of obligation (ISR, PO #, etc.)
- Banner fund/index number the obligation is committed to
- Organization number
- Date of the obligation
- Explanation of why the expenditure (for each commitment) could not be completed prior to the fiscal year-end
- Verification that each expense is not budgeted for in the 2015-16 budget.

Please note that the carryover process is not designed to accommodate new initiatives or to continue uncommitted 2015-16 available budget balances.

The process to be employed by the Budget Office in reviewing carryover requests will be as follows:

1) A review of the documented 2015-16 commitments identified to be paid in 2016-17.
2) A determination of the availability of the approved 2015-16 expenditure budget as of June 30, 2016 and the sufficiency of 2015-16 revenues or recoveries to support the approved expenditure budget.

3) Verification that the commitments identified are not budgeted in 2016-17.

4) A review of the timing and explanation of why the expenditure (for each commitment) could not be completed prior to fiscal year-end.

5) In addition, the total magnitude of carryovers will also be reviewed. Carryovers of a significant nature (greater than 2 percent of the budget) will require an additional narrative by the senior manager, explaining why the resources were not utilized within the requested time period.

Also, as a part of the carryover process, auxiliary units that exceed their overall 2015-16 expenditure authorization will have their approved 2015-16 expenditure budgets reduced by the amount of over-expenditure. Please remember that the approved expenditure authorization is also dependent on the sufficiency of revenues or recoveries to support the approved expenditure budget.

Please submit your carryover requests to the Office of Budget and Financial Planning via email to jhillman@vt.edu or apage@vt.edu by July 15, 2016 to ensure sufficient time for review and approval. The attached Excel worksheet is available in electronic format at http://www.obfp.vt.edu/forms/forms.html. If you have any questions, please contact Jim Hillman at 1-3187 or Angela Page at 1-9613.

Attachment

cc: Jim Hillman
    Tim Hodge
    Angela Page
    Thanassis Rikakis