

Memo to: Chairs of Academic Departments in CAS, College Business Managers

From: Peggy Plympton

Cc: Robin Bodnar, Pat Farrell, Steve Guttman

Over the course of the past year, as we have experienced an historic financial crisis, we have taken a number of thoughtful steps in order to ensure the financial viability of the institution, and support our students and their families in this time of financial need.

There have been some questions raised about one action we took to fund our financial aid reserve: the carrying forward of only 90% of departmental/unit unrestricted funds remaining at the end of FY09 for use in future years, with the remaining 10% balance being placed into the financial aid reserve.

We are providing this additional information in case there were any misunderstandings as to this process, and to articulate the principles that were applied in excluding specific accounts from the 10% contribution entry.

Throughout the spring semester, business managers for all campus units reviewed unrestricted fund activity in each area, and anticipated available balances as possible. When the fiscal year was closed and the June 30 numbers were finalized, individual account entries were made and reviewed with each business manager, and in that review, accounts that fell into one of the following categories were exempted from the 10% entry:

- Faculty start-up funds
- “reserve accounts” for equipment repair/replacement
- Accounts with encumbrances outstanding in the purchasing system
- “one-time” funds provided to units that have not been fully expended yet
- Revenue stream funds held by individual faculty

The final result of these entries has increased the financial aid reserve by \$ 1.5 million, and has carried forward individual/unit balances totaling over \$25 million.

For further information, please contact the business manager from your area (Phil Clauser, CAS Dean’s Office, 8-3306), the Provost Office’s budget manager (Robin Bodnar, 8-3121, or the University Budget Office (Steve Guttman, 8-4839).