



Accounting and Administrative Manual

Section 100: Accounting and Finance

Carryforward Accounting
No.: A-16

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General:

The carryforward is revenue in excess of expenditures from the prior fiscal year which may be expended in the current fiscal year. This procedure provides guidance for reporting the carryforward as revenue on the Banner computerized "S" reports during the year and in the State of Alaska required reports. It also describes the necessary reversing entries for correct accounting treatment and financial statement preparation at year end.

Determination of carryforward:

The carryforward amounts are determined during the year end closing process by Statewide (SW) Fund Accounting. The amount of the carryforward and related information will be provided to the major administrative unit (MAU) chief financial officers as soon as practicable. The information is usually available in late October.

Recording carryforward:

SW Fund Accounting will request an organization (org) numbers from the MAUs and will record the "actual" carryforward revenue using account code 9890 in unrestricted funds in these orgs. The carryforward revenue is considered university receipts and the org receiving the revenue must have this type of budget authority. The MAUs may move the carryforward among their orgs anytime after the initial recording. The offsetting debit is recorded to 101015-80140-9890. Fund 101015 is not included in the "S" reports.

Expenditure of carryforward:

In general, the university's revenue bond agreements and assurances made to bond insurers and bond counsel provide that the university will spend State (general fund) appropriations and carryforward revenues first before current year university receipts. Specific expenditures do not have to be identified with the carryforward and there is no requirement to segregate expenditures into separate "carryforward" orgs.

Reporting "Actuals" to the State of Alaska:

After the operating accounts are closed for the year and the accounting system is open solely to financial statement preparers, the SW Financial Systems Office (SFSO) will provide an extract of a Banner file to the SW Budget Office for their use in reporting budget/actual information to the state. The budget report provided by SFSO will combine the university carryforward revenue account code with the current year university receipt revenue in the appropriate state revenue category.



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Reversal of carryforward for year end closing purposes:

Carryforward revenues must be reversed as this revenue was reported as revenue in the prior fiscal year and are part of fund balance. Statewide Fund Accounting will prepare a journal voucher to reverse all of the recorded actual carryforward revenue. The reversal will take place after the budget office has completed their reporting requirements to the state but prior to closure of the fiscal year.