PART 10 CARRY-FORWARD POLICY

9.1 Definition

The following principles shall apply to Faculty and Departmental Carry-Forward Balances in 2007. As significant financial constraints will be imposed on the university only funds which satisfy the following criteria may be carried forward as carry-forward balances at the commencement of the 2007 financial year:

- Restricted funds which include specific DEST funds (such as equity support ,indigenous support and disability support), research funds, scholarship funds and professional development funds,
- Capital Works funds allocated to specific approved Capital Works projects,
- Minor Works funds allocated to specific approved Minor Works projects,
- Specific USQ Funding which includes VC's Discretionary funding, Strategic Development funding and USQ Directions Initiatives funding,
- Funds for Staff Awards, Donations or Sponsorships.

9.2 Procedures

General Operating Surplus/Deficits

General Operating Surplus/Deficit is calculated by deducting the balances detailed in the above dot points from the Total Operating Surplus for each organisational unit.

Deficit Balances

Prima facie, all Deficits are the responsibility of the operational unit in which they are incurred and will carry forward as a first charge against that operational unit's future income/funding.

Operational unit Managers will be responsible for rectifying their deficit position. Corrective action should be implemented by Senior Management in Faculties/Departments that incur persistent deficits (2 or more consecutive deficits). This may involve a review of the operations of that unit and result in a plan of action or structural change to rectify the situation, unless a previous management plan or deficit budget has been agreed.

Persistent deficits will also be discussed as part of the process of performance reviews of section managers.

Surplus Balances

Subject to the overall USQ Budget Surplus being attained, 20% of the increase in the "General Operating Surplus" from the previous year will be approved to be carried forward. To enable this, particularly in the first year, the additional expenditure resulting from this initiative will need to be factored into the calculation of the Budgeted Surplus in the ORMP process.

Provisions for planned surpluses, in accordance with the three-year rolling budget process, will require approval in the annual budget process and will be monitored by the Budget Management Committee. This will enable Faculties/Departments to manage specific operating initiatives and provide the framework to manage capital plans.

This policy is to be implemented on a trial basis with a review of the outcomes to be undertaken in order to determine how the additional funding was spent and the likely consequences of that spending.