



Original Approval Date: June 11, 2026

Most Recent Approval: June 11, 2026

Editorial Amendments: n/a

Parent Policy: [Operating Fund Planning and Budget Policy](#)

Carryforwards Procedure

Office of Administrative Responsibility:	Office of the Chief Financial Officer and Associate Vice-President (Finance, Procurement and Planning)
Approving Authority:	Office of the Provost and Vice-President (Academic) Vice-President (University Services, Operations and Finance)

Purpose

The purpose of this procedure is to outline:

- Allocations and Limits: the governance of the split allocation of **Carryforward Funds** between **Faculty/Portfolio** Carryforward Funds and the Institutional Carryforward Fund Pool, as well as associated requirements;
- Access Processes: the requirements for requesting access to Carryforward Funds;
- Utilization: the permitted uses for Carryforward Funds allocated from the Institutional Carryforward Fund Pool;
- Reporting and Transparency: the annual disclosure requirements respecting the use of Carryforward Funds; and
- Review: the responsibility and timeline for periodic reviews and updates of this procedure.

Definitions

The attached definitions table outlines the terms used in this procedure that are not otherwise defined herein and any specific rules of interpretation that apply.

Scope

This procedure applies to all members of the **University Community** to the extent they are engaged in activities or functions governed by this procedure. This procedure also applies to Carryforward Funds accumulated in Funds 210 (specific external sales revenue streams, faculty donations and non-credit tuition are excluded) and 100.

Procedure

1. *Allocations and Limits*: at the end of each fiscal year of the **University**, Carryforward Funds are allocated as follows:
 - 1.1. subject to subparagraph 3.2., Faculties/Portfolios retain 70% of their **Operating Surplus**, plus all of specific excluded revenue streams (the **"Faculty/Portfolio-Retained Carryforward Funds"**); and
 - 1.2. the remaining 30% of each Faculty/Portfolio's Operating Surplus is allocated to the Institutional Carryforward Fund Pool (the **"Institutional Carryforward Fund Pool"**).
2. *Access Processes*: There are two means by which a Faculty/Portfolio may apply for access to Carryforward Funds:
 - 2.1. *Annual Budgeting Process*:
 - 2.1.1. Submission: Faculties/Portfolios submit written applications (each a **"Carryforward Access Request"**) as part of the **Annual Budgeting Process** (e.g. Tour of Deans or Functional Planning sessions).
 - 2.1.2. Internal Approval: Finance, Procurement and Planning ("**FPP**") reviews each Carryforward Access Request and compiles a summary of Carryforward Access Requests with recommendations to be presented to the President's Executive Committee - Strategic ("**PEC-S**") for consideration and approval. A member of PEC-S is precluded from voting to approve a Carryforward Access Request made by that member's own portfolio.
 - 2.1.3. External Approval: Carryforward Access Requests approved by PEC-S are, if required, submitted to the Government of Alberta for consideration and approval.
 - 2.1.4. Notification: Faculties/Portfolios with a fully approved Carryforward Access Request are notified of such approval by way of their annual budget letter, which outlines funding amounts and specific requirements related to the funding (if any).

2.2. Ad hoc Process:

- 2.2.1. Submission: Faculties/Portfolios may submit a Carryforward Access Request outside of the Annual Budgeting Process to FPP and, in the case of faculty submissions, the Office of the Provost and Vice-President (Academic).
- 2.2.2. Internal Approval: The provisions of subparagraph 2.1.2 apply to this subparagraph 2.2.2.
- 2.2.3. External Approval: The financial management of approved *ad hoc* Carryforward Access Requests is completed internally by FPP and no external approval is required for the same.
- 2.2.4. Notification: Faculties/Portfolios with a fully approved *ad hoc* Carryforward Access Request are notified of such approval in writing by the Office of the Provost and Vice-President (Academic) (in the case of applicant faculties) or FPP (in all other cases).

3. Faculty/Portfolio-Retained Carryforward Funds:

- 3.1. Exclusions: Specific external sales revenue streams, faculty donations and non-credit tuition are entirely Faculty/Portfolio-Retained and excluded from allocation to the Institutional Carryforward Fund Pool.
- 3.2. Maximum Cap:
 - 3.2.1. Faculty/Portfolio-Retained Carryforward Funds are subject to a maximum cap of 10% of the overall operating budget of the Faculty/Portfolio for that budget year. Any amount exceeding 10% of the overall operating budget of Faculty/Portfolio for that budget year is allocated to the Institutional Carryforward Fund Pool.
 - 3.2.2. A Faculty/Portfolio may submit a written request to PEC-S for an exception to this maximum cap, the granting of which is at the sole and absolute discretion of PEC-S.
- 3.3. Time Limitations: All Faculty/Portfolio-Retained Carryforward Funds must be used within three years of accrual. In respect of the foregoing:
 - 3.3.1. extensions to this three-year utilization window require approval from PEC-S and must include a documented, mandatory timeframe for utilization; and
 - 3.3.2. any Faculty/Portfolio-Retained Carryforward Funds remaining unutilized beyond the three-year limit, or those failing to meet the terms of an

approved extension, will be automatically transferred to the Institutional Carryforward Fund Pool as of the date of assessment.

- 3.4. Deficit Responsibility and Exceptions: Faculties/Portfolios remain responsible for retaining and managing all operating fund Deficits at the Faculty/Portfolio level. Faculties/Portfolios with pre-existing or recurring Operating Deficits (over multiple consecutive years) are not eligible to apply for access to funds from the Faculty/Portfolio-Retained Carryforward Funds unless approved to do so by PEC-S.
4. **Institutional Carryforward Fund Pool:**
 - 4.1. Purpose: Carryforward Funds in the Institutional Carryforward Fund Pool are aggregated to support one-time, short-term University-wide strategic initiatives that support the University's core missions of teaching, research and community engagement.
 - 4.2. Oversight and Approval: The Institutional Carryforward Fund Pool is overseen and managed by FPP with oversight and approval from PEC-S.
 - 4.3. Utilization Restriction: A Faculty/Portfolio is ineligible to draw from the Institutional Carryforward Fund Pool until all of its Faculty/Portfolio-Retained Carryforward Funds have been fully utilized.
 - 4.4. Deficit Responsibility and Exceptions: Faculties/Portfolios with pre-existing or recurring Operating Deficits (over multiple consecutive years) are not eligible to apply for access to funds from the Institutional Carryforward Fund Pool unless approved to do so by PEC-S.
5. **Reporting Requirements:** The use of all Carryforward Funds need to be reported annually and disclosed to PEC-S and faculty deans within a reasonable timeframe.
6. **Review and Amendments:** The Office of Administrative Responsibility must ensure this procedure is reviewed as necessary, and in any event, at least once every three years.

Definitions Table

<i>Any definitions listed here apply to this procedure only with no implied or intended institution-wide use. Capitalized words and phrases used in this procedure that are not otherwise defined herein shall have the same meanings ascribed to them in the Operating Fund Planning and Budgeting Policy.</i>	
Annual Budgeting Process	The annual process utilized by University management to prepare its fiscal estimates that are approved by the University and then implemented throughout the institution.

Budget Allocation	A Faculty/Portfolio's Budget Allocation is revenue allocated annually at the start of the University's fiscal year through the University's budget model as part of the Annual Budgeting Process.
Carryforward Funds	The cumulative balance of the Operating Surpluses or Deficits within a Faculty/Portfolio, moved forward from one fiscal year to the next. At the institutional level, these funds are categorized as "net assets" or "reserves".
Faculty/Portfolio	Means, collectively: (a) a division of the University governed by a faculty council that is entitled, among other things, to determine the academic programs for which the faculty is established; and (b) the grouping of University executive offices and areas of responsibility, including those led by the President, the Provost, the Vice-Presidents, and the General Counsel.
Operating Surplus (Deficit)	Where a Faculty/Portfolio's actual operating revenue, including Budget Allocation, in a particular fiscal year of the University is more than (less than) the Faculty/Portfolio's actual operating expenses at the end of that fiscal year.
PSLA	The <i>Post-secondary Learning Act</i> , S.A. 2003, c. P-19.5, as amended from time to time.
University	The University of Alberta, a comprehensive academic and research university continued under the PSLA and legally referred to as "The Governors of the University of Alberta".
University Community	All academic, support and excluded staff, postdoctoral scholars, and academic colleagues as outlined and defined in the <i>Recruitment Policy Appendix A: Definitions and Categories of Staff</i> ; undergraduate and graduate students and post-graduate learners; emeriti; and members of the Board of Governors.

Parent Policy Suite

- [Operating Fund Planning and Budgeting Policy](#)
- [Budget Monitoring Procedure](#)

- [Budgeted Investment Revenue Allocation Procedure](#)
- [Carryforwards Procedure](#)
- [Operating Program Support Grant Revenue Allocation Procedure](#)
- [Research Support Fund Revenue Allocation Procedure](#)
- [Tuition Revenue Allocation Procedure](#)
- [Unit Planning Procedure](#)

Related Policy Documents

- There are no related policy documents.

Related Links

- There are no related links.

History

June 11, 2026

Approved.

*For questions surrounding policy document interpretation or implementation,
please contact the Office of Administrative Responsibility.*

The official version of this document may be obtained from <https://www.ualberta.ca/policies-procedures/index.html>