

Carryforwards Procedure Fact Sheet

TABLE OF CONTENTS

Highlights	1
Carryforwards Procedure Overview	2
What This Means For Me	3

Highlights

- **On October 1, 2026** the new, stand-alone Carryforwards Procedure which resides under the [Operating Fund Planning and Budget Policy](#), will be posted on [UAPPOL](#) in advance of implementation. This is to allow sufficient time for the university community to familiarize themselves with the new requirements.
- It outlines the new mandatory requirements for the treatment of carryforwards on a go-forward basis.
- This procedure **will come into effect on April 1, 2027** and is **in force starting fiscal year (FY) 2027-28**.
- The procedure applies to budget holders but will mostly impact deans, Vice-Presidents and Finance Partners.
- The Carryforwards Procedure was created to achieve the following outcomes:
 - **To fund strategic initiatives that benefit the institution as a whole.** The new Carryforwards Procedure will provide the university with the necessary flexibility to address evolving needs and opportunities across the institution.
 - **Maximize the timely use of carryforwards.** Ensure carryforwards are spent in a timely manner. For the university to be proactive in its approach to maximizing these short-term funds for the greatest benefit.
 - **Help support the university's financial sustainability.** The university continues to face significant financial pressures. The new Carryforwards Procedure will provide flexibility to optimize available funds in the short-term while preparing longer-term sustainability measures.
 - **Build confidence in forward-planning processes.** The new Carryforwards Procedure operates with clear, well documented, easy to understand and transparent processes that assist the university to effectively steward these funds, manage risk and build trust.

Carryforwards Procedure Overview

Highlights of the new Carryforwards Procedure include:

Category	Changes
Application	At this time, the new Carryforwards Procedure applies to Funds 100 (Central Institution) and 210 (Operating) only, excluding specific sales revenue streams, small donations and non-credit tuition.
Allocation	On a go forward basis, annual carryforward allocations will be split as follows: • faculties/portfolios will retain 70% of their operating surplus, as well as specific excluded revenue streams, small donations and non-credit tuition, subject to a 10% maximum cap; and • a newly established institutional carryforwards pool which is designed to support high-impact strategic priorities, initiatives and projects across the institution, will receive the remaining 30% on an annual basis; this pool will be overseen by the President's Executive Committee - Strategic (PEC-S).
Three Year Time Limit	Faculty/portfolio-retained carryforwards must be utilized within three years. • Any extensions to this three-year window require approval from PEC-S and will include a documented, mandatory timeframe for utilizing these carryforward funds. • Any faculty/portfolio-retained carryforwards that are not utilized within the three year time limit or those failing to meet the terms of an approved extension, will automatically be transferred to the institutional carryforwards pool.
Exceptions	A faculty/portfolio may submit a written request to PEC-S for an exception to the maximum cap, three year time-limit or ability to apply to the institutional carryforwards pool despite experiencing multi-year or recurrent deficit.
Eligibility to Apply for Funds from the New Institutional Carryforwards Pool	A faculty/portfolio is ineligible to draw from the institutional carryforwards pool until all of its faculty/portfolio-retained carryforward funds have been fully allocated unless an exception is granted from PEC-S. A faculty/portfolio with pre-existing or recurring operating deficits over multiple or consecutive years are not eligible to apply for carryforward funds from this pool unless approved to do so by PEC-S.

Category	Changes
Process for Accessing Carryforwards	The processes for requesting access to carryforwards have not changed. The majority of faculty/portfolio Carryforward Access Requests will continue to be completed through the annual budgeting process. For projects emerging outside of annual budgeting process timelines, Carryforward Access Requests may continue to be submitted via the ad-hoc process [where requests are sent by email to the Chief Financial Officer and Associate Vice-President, Finance, Procurement and Planning, and the Director of Academic Budgeting and Planning, Office of the Provost and Vice-President (Academic)].
Approval of Carryforwards Requests	The approval authority for Carryforward Access Requests has been updated to PEC-S to foster accountability and transparency [formerly resided with the Provost and Vice-President (Academic) and Vice-President (University Services, Operations and Finance)].
Reporting and Transparency	All carryforward funds (both faculty/portfolio-retained and those in the newly established institutional carryforward pool), will be reported on annually for transparency.
Procedure Review	As the Carryforwards Procedure is new and additional work is underway relating to historical carryforwards, this procedure will be reviewed and updated as needed to address feedback from the university community and remain agile.

What This Means For Me

- Individuals who are responsible for, administer or support work on area/unit budgets need to be aware of the upcoming changes as they impact financial planning and budgeting.
- Deans and Vice-Presidents need to be aware and fully versed on the new Carryforwards Procedure prior to implementation as there are a substantial number of changes to how carryforwards are allocated, the amount of carryforwards faculties/portfolios retain, the rules governing these allocations and the new requirements for applying for carryforwards from the institutional carryforward pool.
- Deans and Vice-Presidents will have additional information requirements that they must complete in their respective faculty or functional planning templates.

- The Finance Partners Network has been briefed on the upcoming changes so that they can support faculties and portfolios in preparing their budgets, functional plans and Tour of Deans presentations.
- Faculties and portfolios will have the ability to apply to the new institutional carryforwards pool to achieve overarching institutional priority initiatives that may not be able to be accomplished by individual areas alone.