



UNIVERSITY
OF ALBERTA

Maximizing Access and Timely Use of Carryforwards

**Report and Recommendations of the
Carryforwards Working Committee**

April 22, 2026

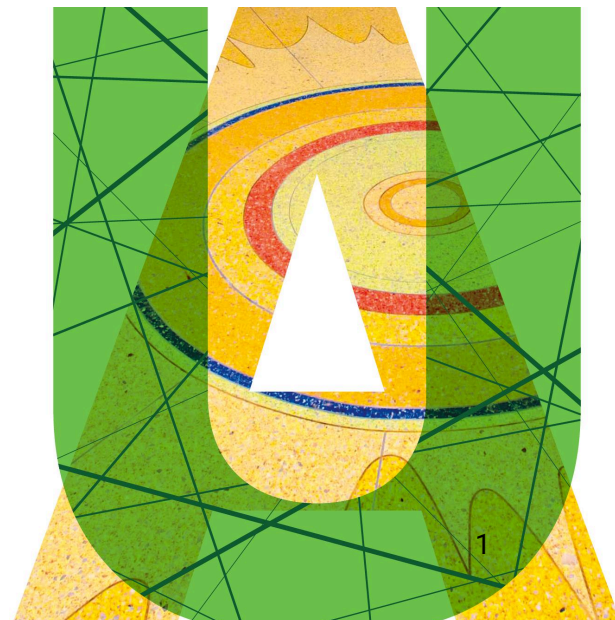


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Co-Chairs' Message

Dear Colleagues,

On behalf of the Carryforwards Working Committee (committee), we are pleased to present this report outlining the committee's recommendations for addressing the university's carryforwards. In fall 2025, the committee was established to create a clear pathway for drawing down and maximizing carryforwards, over time, that align with plans for longer-term fiscal sustainability and the implementation of forward financial planning processes.

The work of the committee was anchored by the core principles of priority of academic needs, transparency, accountability, simplicity, consistency and predictability, equity, collaboration, strategic and financial sustainability and prudent financial management (outlined in Appendix B). The committee also identified four overarching pillars that were foundational in guiding the development of these recommendations:

- 1. To ensure the university is well-positioned to fund strategic initiatives that benefit faculties, portfolios and the institution as a whole.***
- 2. To optimize available funds in the short-term while preparing longer-term sustainability measures.***
- 3. To maximize access and the timely use of carryforwards.***
- 4. To build confidence in forward financial planning processes.***

Our committee met five times throughout fall and winter 2025 (see Appendix C for full working committee sponsorship and membership details). Our consultation strategy included the President's Executive Committee - Strategic (PEC-S), updates at both the Statutory Deans' Council and Chairs' Council, individual co-chair meetings with deans from stand-alone faculties as well as consultation between committee members and deans across the three colleges. Our recommendations were also informed by cross-jurisdictional scanning and analysis of other U15 and Alberta university approaches to carryforwards and internal analysis of the university's carryforwards.

As a result of the meaningful consultation and committee member engagement, the following key themes were derived:

- 1. The importance of having a clear carryforwards definition.***
- 2. Appropriate oversight and reporting mechanisms need to be in place to ensure clear accountability and transparency over carryforward funds.***
- 3. Carryforward procedures and processes must work in conjunction with the budget model.***
- 4. There is an opportunity to create a dedicated pool of funding to achieve overarching institutional priority initiatives.***

In the end, four recommendations were brought forward related to **the process for allocating carryforwards, accessing carryforwards, oversight and reporting** and **the path forward for historical carryforwards**. We heard a strong desire for further consultation regarding historical carryforwards, which is reflected in our recommendations. If implemented, these recommendations will maximize access and support the timely use of carryforwards; we will have a clear path forward. This work will be instrumental in guiding process and decision around carryforwards, and ultimately contribute to the university's future financial sustainability and success.

We would like to recognize the important contributions of the Carryforwards Working Committee. Their expertise, insight and thoughtful consideration were pivotal in developing these recommendations. On behalf of the committee, we would also like to thank the staff who supported us in this work as well as the individuals and groups that contributed their thoughts, perspectives and advice.

In closing, we look forward to discussing our findings with you and hearing your feedback. We are eager to present our findings to leadership to help effect meaningful change.

Sincerely,



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Dean and Vice-Provost,

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Chief Financial Officer and

Associate Vice-President,

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Executive Summary

Fulfilling the core missions of teaching, research and community engagement are critical to the University of Alberta's (U of A; university) future. Given the current fiscal reality, the university needs to consider institutional needs, consistency and alignment with peer U15 universities¹ and appropriate accountability to effectively steward and optimize consequential carryforward funds. Sufficient funding for one-time, short-term strategic initiatives and projects must be available and accessible. This is critical for fulfilling institutional goals. There needs to be a clear path for drawing down and maximizing the university's carryforwards over time that aligns with forward planning efforts for ensuring longer-term fiscal sustainability. To put the magnitude of this into perspective, as of March 31, 2025, the quantum of the university's carryforwards was \$249 million in operating funds 100 and 210 and \$114 million in unrestricted research in fund 330. These figures include both faculty and university-wide services (portfolio) carryforwards.

For this report to be effective, the term "carryforwards" needs to be clearly defined to ensure there is a common understanding across the university community. A "carryforward" is the cumulative balance of operating surpluses or deficits within a faculty/portfolio, moved forward from one fiscal year to the next. Carryforwards can provide one-time, short-term funding for strategic priorities, initiatives and projects and, when utilized, result in an expense for that fiscal year.

In fall 2025, the Carryforwards Working Committee (committee) was established to help create the path forward. The committee was tasked with designing a dual-pronged approach to carryforwards: to create one forward-looking branch that defines a future state and one retroactive branch that proposes a framework for addressing historical carryforwards.

This work was driven by four foundational pillars which were co-created by the committee:

- 1. Ensuring the university is well-positioned to fund strategic initiatives that benefit faculties, portfolios as well as the institution as a whole.***
- 2. Optimizing available funds in the short-term while preparing longer-term sustainability measures.***
- 3. Maximizing access and the timely use of carryforwards.***
- 4. Building confidence in forward financial planning processes.***

If approved, future-state recommendations will be in place in advance of the 2027-28 budget cycle. For historical carryforwards, a two-year timeframe will be utilized to plan, design and establish an effective

¹ U15 universities include the University of Alberta, University of British Columbia, University of Calgary, Dalhousie University, Université Laval, University of Manitoba, McGill, McMaster University, Université de Montréal, University of Ottawa, Queen's University, the University of Saskatchewan, University of Toronto, University of Waterloo and Western University

governance structure, meaningfully consult and obtain feedback to inform recommendations for historical carryforwards specifically.

Key Findings

The following themes emerged throughout the course of consultation:

- *having a clear definition of “carryforwards” is very important. Clear, consistent terminology will improve our collective understanding of carryforwards and the application of these recommendations;*
- *there is an opportunity to create a dedicated pool of funding to achieve overarching institutional priority initiatives that could not be accomplished by individual areas alone;*
- *carryforwards guidance needs to be simple, transparent, easy to understand and flexible;*
- *there must be clear accountability and transparency over carryforward funds. It should immediately be clear to everyone what the process is for requesting access to carryforwards, how projects are approved, by whom, which projects are going forward and why. This is pivotal for building incremental trust across the institution and providing confidence and assurance in forward planning;*
- *this confidence is key to incentivizing faculties and portfolios not to unnecessarily spend remaining funds at year-end (overspending); and*
- *carryforward procedures and processes must work in partnership with the university’s budget model.*

Recommendations Summary

Four overarching recommendations are proposed by the committee:

Future State:

Recommendation 1 (Allocation of Carryforwards): A new Carryforwards Procedure should be implemented that is clear, transparent, accessible and easy to understand. The new procedure should enable faculties and portfolios to maximize carryforwards in a timely fashion while providing the necessary flexibility to address evolving needs and opportunities across the institution.

The new Carryforwards Procedure:

- **would apply to carryforward funds accumulated in Fund 100** (Central Institution) and **Fund 210** (Operating) (*specific external sales revenue streams, small donations and non-credit tuition are excluded*); please see Appendix E for fund types and descriptions;
- proposes **a new split allocation** of surplus carryforwards **between faculties/portfolios** (faculty or portfolio-retained) and a newly established institutional carryforward fund pool;
- clearly defines key terms (please see Appendix A: Glossary for all definitions);

- outlines the parameters for **faculty and portfolio-retained carryforwards**:
 - **faculties and portfolios would retain 70% of their operating surplus plus all specific excluded revenue streams, and in accordance with the 10% maximum cap**;
 - faculty and portfolio-retained carryforwards are subject to a maximum cap of 10% of the overall operating budget for that budget year; any amount exceeding 10% of the overall operating budget would be allocated to the institutionally-pooled carryforwards fund unless a written exception is granted by PEC-S;
 - These carryforwards **are time-limited**; all faculty/portfolio-retained carryforward funds **must be used within three years of accrual**; and
 - extensions to this three-year utilization window would require approval from PEC-S and must include a documented timeframe for utilization; and
 - 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 based on the date of assessment.
- **faculties/portfolios would remain responsible for retaining and managing all operating fund deficits** at the faculty/portfolio level;
- delineates the parameters for **a new institutional carryforward fund pool**:
 - carryforward funds in this pool are aggregated to **support one-time, short-term, high-impact, university-wide strategic initiatives** that support the university's core missions of teaching, research and community engagement;
 - a new institutional carryforward fund pool will be established:
 - the **remaining 30%** of each faculty/portfolio's **operating surplus** would be **allocated to this pool**;
 - this pool will be overseen and managed by Finance, Procurement and Planning with oversight and approval by PEC-S; and
 - faculties and portfolios are ineligible to draw from the institutional carryforward fund pool until all of the funds within its faculty or portfolio-retained carryforward fund have been fully utilized.
 - faculties/portfolios experiencing pre-existing or recurring operating deficits (over multiple consecutive years) are not eligible to apply to access funds from the institutional carryforward fund pool unless approved to do so by PEC-S.
- the new Carryforwards Procedure should be reviewed, as necessary, and at least once every three years.

Recommendation 2 (Process for Requesting Access to Carryforwards): The process for requesting access to carryforwards should not change. Faculty and portfolio Carryforward Access Requests should continue to be completed through the annual budgeting process. For projects emerging outside of the annual budgeting process timelines, Carryforward Access Requests may be submitted via the ad-hoc process. The approval authority for all Carryforward Access Requests processes should be updated to PEC-S to foster accountability and transparency. This aligns with the goal of keeping the process simple, clear, consistent and integrated with existing governance and financial processes.

Recommendation 3 (Enhanced Oversight and Reporting): Faculty and portfolio-retained and institutionally-pooled carryforwards should be tracked, monitored and have additional financial controls put in place to support effective financial stewardship, manage risk, build trust and increase confidence in forward planning processes. These funds should be reported on annually to support full transparency and accountability. Annual reporting on these funds should be disclosed to PEC-S members and deans within a reasonable timeframe and consist of a line-by-line disclosure that outlines all project submissions, contains project descriptions, requested funding and provides the outcome (decision, including date and by whom). These disclosures should be posted on Finance, Procurement and Planning's website. It is noted that unique and distinct accounts (chartfields) will need to be created by Finance, Procurement and Planning, as required, to support tracking.

Historical State:

Recommendation 4 (The Path Forward for Historical Carryforwards): Create a phased roadmap to address historical carryforwards in the next two fiscal years. Implementation should also be phased. Finance, Procurement and Planning will work collaboratively with faculties and portfolios to create an overarching roadmap as well as individual proposals/plans for managing and spending historical carryforwards. For clarity, the spending down to historical carryforward funds is considered separate from budget allocation; historical carryforwards are considered to be over-and-above the budget allocation, and these funds will not be clawed back. Implementation should also be phased in to support change management efforts and obtain buy-in. Meaningful consultation and collaboration with faculties and portfolios is key for achieving these goals.

Key Considerations

The proposed recommendations should be implemented in a phased approach to support effective change management. Proactive, clear and transparent communications across the university community are critical. A comprehensive communications strategy will be employed to ensure that all interest holders are informed, educated, engaged, have sufficient time to prepare for implementation and are supported throughout the process. This will include the development of website content and supporting resources such as a fact sheet and/or a frequently asked questions document. Consultation and touchpoints with key interest holders, leadership committees and councils will continue until implementation activities have concluded. The university will ensure appropriate feedback mechanisms are in place to ensure perspectives are heard and considered to support continuous improvement efforts and ensure concerns are addressed.

Introduction

Purpose

This report outlines a thoughtfully considered path for the treatment of carryforwards for the collective benefit of the university. Recommendations are intended to help achieve the following outcomes:

- 1. The university is able to access, utilize and maximize carryforwards in support of the core missions of teaching, research and community engagement to fund one-time or short-term strategic priorities, initiatives and projects.***
- 2. A new, standalone Carryforwards Procedure is implemented for accessing and utilizing carryforwards on a go-forward basis.***
- 3. Appropriate oversight and accountability measures are in place to ensure carryforwards are effectively tracked, monitored, managed and reported on.***
- 4. The university has a clear path forward for addressing historical carryforwards.***

Committee recommendations will be submitted to the Provost and Vice-President (Academic) and Vice President (University Services, Operations and Finance) for consideration; final decisions on committee recommendations rest with PEC-S. Decisions on the new Carryforwards Procedure reside with the Provost and Vice-President (Academic) and Vice-President (University Services, Operations and Finance) who are the approving authorities.

Background

What Are Carryforwards? How Are They Created?

Carryforwards are the cumulative balance of operating surpluses or deficits within a faculty/portfolio, moved forward from one fiscal year into the next. This applies to unrestricted surpluses and internally restricted accumulated surpluses only, and, currently, belong exclusively to the responsible faculty or portfolio that generated the surplus; they are not available for use at the institutional level. Carryforwards originate from a variety of different sources: they may occur as result of a faculty/portfolio operating more efficiently and realizing cost savings, from unanticipated or increased revenues or even as the result of project delays. It is important to note that utilizing carryforwards results in deficit spending; they create an additional expense in the year they are utilized. Please see Appendix A: Glossary for definitions.

What Is The Process For Requesting Access To Carryforwards? How Is Access Approved? Are There Any Limitations On Applying For Or Utilizing Carryforwards?

Carryforward Access Requests are completed through the annual budgeting process. Only faculties and portfolios with a carryforwards balance may apply to access these funds. For portfolios, this is accomplished via Functional Plan Presentations, whereby the responsible Vice-President presents their financial plans including proposed budgets, expense reductions, proposals to generate revenue and requests for funding for approval. For faculties, a similar format is followed through the Tour of Deans. These requests are then compiled and submitted to PEC-S for consideration and decision. Approved projects are then submitted, as required, to the Ministry of Advanced Education for consideration and decision. Portfolios and faculties are notified in their respective budget letters if they have been approved to access and utilize carryforwards.

Requests to access carryforwards are subject to both the approvals and parameters set by the university (via PEC-S) and the Government of Alberta (GoA) via the Ministry of Advanced Education. The university stipulates that carryforwards must be used for institutional purposes, that the source of funding must be identified and that the cost of the request should exceed \$100,000 (generally). Incomplete projects from the previous year are automatically carried forward for consideration in the subsequent year's access request. The GoA also specifies that carryforwards may only be used for **one-time, short-term strategic initiatives**; they **cannot** be utilized for ongoing operations, capital expenditures or to cover the costs of salary settlements, existing shortfalls or deficits. While the GoA currently has a program that allows Alberta universities to apply to access up to 15% of their available carryforwards, there is no guarantee that this access to carryforwards will be granted in the future although, historically, the university has been successful in this regard.

Projects emerging outside of the annual budgeting process timelines are considered and decided upon on an ad-hoc basis. These requests are currently approved jointly by the Provost and Vice-President (Academic) and Vice-President (University Services, Operations and Finance) are funded internally; no external approval is required.

Why Are Carryforwards Important? What Are They Utilized For?

Carryforwards play a pivotal role in the university's finances. In 2024-25, the university was approved by the GoA to access \$46.4M in carryforward funds; for 2025-26, the university was approved by the GoA to access \$32.61M in carryforward funds; and, for 2026-27, the university is requesting access to \$30M in carryforward funds. Appendix G provides examples of historically approved carryforward projects for reference.

Current State

While the [Budget Variance Accountability Policy](#) does have some accountability on this topic, there is no formal policy or procedure that specifically outlines the university's approach to carryforwards; significant gaps exist. This policy does not outline request and approval process for accessing and utilizing to carryforwards, nor does it provide guidance on what needs be done when an institutional surplus or deficit is incurred. Importantly, it also does not allow for carryforwards to be accessed or utilized at the institutional level.

Why Was This Project Initiated? What Is In-Scope?

In 2023, the review of the university's budget model highlighted the need to explore the university's treatment of carryforwards. It identified that low control over faculty carryforwards and the inconsistent application of policy and guidance resulted in legacy challenges relating to revenue generation and deficits, investment in capital projects and challenges in revenue and expenditure reporting. More recently, the current fiscal environment has required the university to examine all options for increasing revenue and maximizing existing funds.

There are also a number of shortfalls that exist with the university's current approach to carryforwards that need to be remedied. The university's approach does not align with the current budget model and is potentially inconsistent with the [budget model's principles](#). It does not allow the university to access or utilize carryforwards from an institutional pool for strategic priorities, projects and initiatives. Smaller faculties and portfolios who do not have the same ability to generate revenue are not able to leverage carryforwards for such priorities, projects and initiatives. In addition, current data collection and tracking mechanisms do not provide the level of detail necessary to allow for a full understanding or transparency around these funds. The need for increased oversight, accountability and transparency over these funds has also been identified, which requires additional financial controls to be put in place. Alignment and consistency with leading practices from other U15 and Alberta post-secondary institutions also need to be considered.

In fall 2025, the Carryforwards Working Committee was established to explore these issues. The committee was tasked with formulating recommendations to address the following six key questions:

- 1. Allocation of Carryforwards (Future State):** How should carryforwards be allocated? **It was noted that this decision would have an impact on all subsequent decisions.*
- 2. Minimum Cap (Future State):** Should there be a minimum cap applied for faculty/portfolio-retained carryforwards?
- 3. Maximum Cap (Future State):** What should the maximum cap be, based on a percentage, for carryforwards retained by faculties/portfolios?

4. **Institutionally-pooled Carryforwards (Future State):** *What would an institutional pool of carryforwards look like? What type of oversight and accountability mechanisms need to be in place? What can these funds be used for?*
5. **Constraints (Future State):** *What constraints should be put on retained carryforwards?*
6. **Historical Carryforwards (Historical):** *How should we address historical carryforwards?*

Analysis

What We Found

Most U15 peer institutions have a mix of unit-level retention and institutional pooling of carryforwards. A review of select U15 post-secondary institutions and Alberta peers demonstrated that there are four common approaches to carryforwards (see Appendix F for additional details):

1. **100% Unit-Retention:** six peer institutions allow areas to carry forward 100% of their unspent funds. This approach is currently employed by University of Saskatchewan, Western University, Dalhousie University, McMaster University and University of British Columbia; this is also the approach utilized by the University of Alberta.
2. **Maximum Cap on Carryforwards Accrued:** six peer institutions set a maximum cap that accrues (by percentage, dollar value or both) at the unit level, typically ranging from 2-10%, with various criteria such as time limits and specified permitted uses. Examples include the University of Toronto, University of Ottawa, Queen's University, University of Montreal, University of Manitoba and University of Lethbridge.
3. **Minimum Cap Required To Access Carryforwards:** one peer institution set a minimum cap for accruing carryforwards that must be met in order for them to be accessed. The University of Calgary only permits areas to access carryforward funds that exceed 3% of their operating budgets or \$500,000, whichever is less.
4. **Other-Strategic Use:** two peer institutions centralize unspent funds which areas can apply to use for strategic purposes. Both McGill University and University of Athabasca follow this approach.

While there is no clear leading practice across peer institutions for approaching carryforwards, these four approaches illustrate the key choices and parameters peer institutions employ. They all consider the allocation or retention of carryforwards (retained by faculty or portfolio unit, in a full or split allocation to an institutionally pooled fund, indicate any limits or caps and for what purpose).

Internal analysis found that the university's existing practice of permitting units to retain 100% of their operating surplus has resulted in the accumulation of carryforward balances that are increasingly

disconnected from the university’s consolidated accumulated operating surplus. Over time, these balances have grown to a level that cannot be fully supported by available institutional resources. Retaining all carryforwards at the unit level limits the university’s ability to fund institution-wide priorities while further widening the gap between unit-level accumulated carryforward and the institution’s overall financial capacity. Analysis suggests that introducing an element of institutional pooling of unspent operating surplus’ would improve alignment between historical carryforward balances and available accumulated surplus, while ensuring **all faculties/portfolios** have access to funding for strategic initiatives. A five-year analysis of both faculty and portfolio carryforwards in Fund 210 is provided in Appendix K.

What We Heard

Feedback received throughout the course of consultation largely fell under the following themes: foundational, process-related, accountability, oversight, transparency and reporting and communications and change management. A summary is provided below.

Theme	Description
Foundational	• The university needs to maximize the use of all funding sources, including carryforwards, to maximize impact. • Carryforwards can encourage revenue generation but they must be balanced with accountability for deficits and sound financial practices. • There is an opportunity to develop funding to achieve overarching strategic initiatives that could not be accomplished by individual areas alone. • As the nature of carryforwards varies between faculties and portfolios and over time, a longer-term strategy for budgeting (3-5 years) should be implemented. • Confidence is key to incentivizing faculties and portfolios not to unnecessarily spend remaining funds at year-end (overspending). • The new Carryforwards Procedure and the budget model must work together. • The new Carryforwards Procedure should not disincentivize revenue generation. • Unrestricted funds held in Fund 210 are the priority to address, with some exceptions, given the wide variety of revenue that is held in 210.
Process-Related	• The new Carryforwards Procedure needs a clearly articulated purpose and should have guiding principles embedded in it. • Having a clear definition of “carryforward” is very important. Clear, consistent terminology and definitions are helpful for collective understanding. • Procedures, process and guidance on carryforwards need to be transparent, simple, flexible and easy to understand. • Revenue sources that have directly-related expenditures attached to them need to be considered.

Theme	Description
	• Carryforward deficits need to form part of the conversation and be addressed in procedure. • The process must clarify that deficits will not be automatically covered by the university. Recurring shortfalls should trigger corrective action that would include limiting access to institutional funds. • Deficits should continue to be carried forward. • Surpluses do not always indicate good budget management (e.g., excess saving can compromise quality in the budget year or there may be a budget allocation issue).
Accountability, Oversight, Transparency and Reporting	• There needs to be clear accountability and transparency over carryforward funds. It should be clear which projects are going forward, what they are, who the projects are for and what the approval process looks like, to build incremental trust across the institution and provide confidence and assurance in forward planning. • Fund 210 is large and has various sources of funding so it should be categorized further. ○ Concerns were expressed about disincentivizing revenue generation and the need to understand revenue sources. ○ The need for enhanced data collection, analysis, oversight and reporting will require additional capacity and should not result in excessive administrative burden. • Tracking carryforward balances across faculties, portfolios and units over multiple years and across a variety of funds will require additional capacity and resourcing. • Reporting on carryforwards should not be overly burdensome. • Additional work needs to be completed to understand revenue sources.
Communications and Change Management	• Phased implementation will support effective change management and help end-users adjust to the new procedure and requirements. • Clear and consistent communication is essential for supporting key interest holders in transition and implementation.

Please see Appendix D for consultation details.

What We Recommend

The Carryforwards Working Committee made the following recommendations to address the treatment of carryforwards:

Future State:

If approved, recommendations relating to the treatment of carryforwards, on a go forward basis, will be implemented via a new, stand-alone Carryforwards Procedure which applies to both faculty and portfolios. It will reside under the [Operating Fund Planning and Budget Policy](#). The [Budget Variance Accountability Policy](#) will be rescinded when this new procedure comes into effect, which is anticipated for Summer, 2026. Guidance on addressing variances is captured under the [Budget Monitoring Procedure](#) which also resides under the Operating Fund Planning and Budget Policy.

Recommendation 1 (Allocation of Carryforwards):

A new Carryforwards Procedure should be implemented that is clear, transparent, accessible and easy to understand. The new procedure should enable faculties and portfolios to maximize carryforwards in a timely fashion while providing the necessary flexibility to address evolving needs and opportunities across the institution.

Application

The new Carryforwards Procedure would only apply to carryforwards from Funds 100 (Central Institution) and 210 (Operating) at this time.

Split Allocation Between Faculties/Portfolios and an Institutionally-pooled Fund

Faculties/portfolios would retain 70% of their operating surplus, plus all specific excluded revenue streams. Faculty/portfolio-retained carryforwards would be subject to a maximum cap of 10% of their overall operating budget for that budget year. Any amount exceeding 10% of the overall operating budget would be allocated to the institutionally-pooled carryforwards fund unless a written exception is granted by PEC-S. These funds would need to be utilized within three years of accrual unless an extension is granted by PEC-S. Any faculty/portfolio funds remaining unutilized beyond the three-year limit or 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. Faculties/portfolios remain responsible for retaining and managing all operating fund deficits at the faculty/portfolio level.

The 70%/30% allocation split aligns with the distribution of operating funds in the budget model and is in the range of other peer institutions. Committee members highlighted that this ratio provides predictability and

encourages units to generate revenue while contributing to institutional priorities, striking a balance between flexibility and shared responsibility. There is a similar precedent from a comparator university: the University of Ottawa employs a 60%/40% split. This is an even approach that continues to incentivize revenue generation.

Allocation percentages should be reviewed periodically to ensure the new Carryforwards Procedure is achieving its intended purpose: to maximize access and utilization of carryforward funds for strategic initiatives and projects.

Please refer to Appendix H to see an illustration of what the new split allocation would look like.

Faculty/Portfolio-Retained Carryforwards

Some committee members recommended that **select unrestricted funds**, including specific excluded revenue streams, faculty donations and non-credit tuition, **should be retained solely by the responsible faculty/portfolio** and not be made subject to the institutional carryforward fund pool. These members emphasized that these **specific revenue streams should be treated differently based on how they were generated** (*i.e., through external sales by the faculty or portfolio*) and **due to external interest holder expectations** (*example: research-related revenues, some small donations or specific funding for a particular faculty/portfolio*). They noted that there are difficulties with allocating these revenues to carryforwards without creating liabilities or deficits.

Additional work will need to be completed by Finance, Procurement and Planning to identify and analyze these revenue types and related expenses to determine how to exclude them from carryforwards surpluses, given that currently associated expenses are not distinguished. Additional conversations are also needed with faculties and portfolios to obtain a greater understanding of these revenues, their related expenses and how they should be treated.

Table 1 below outlines the recommended approach to allocating carryforward funds from Fund 210.

Table 1: Proposed Carryforward Allocation by Fund Type in Fund 210

Fund Type	Allocation
Budget allocation	Both faculty/portfolio-retained* and institutionally-pooled.
External sales revenue (<i>e.g., dental clinic kits, summer camps, tithing of salaries etc.</i>)	Faculty/portfolio-retained only*.

Fund Type	Allocation
Faculty donations <i>(that are not prescriptive enough to be restricted)</i>	Faculty/portfolio-retained only*.
Non-credit tuition	Faculty/portfolio-retained only.* Note: non-credit tuition will continue to be allocated in accordance with the current procedure which mandates an 85 per cent and 15 per cent split between faculty and university-wide services respectively; for the purposes of carryforwards, this means faculties will retain their 85 per cent allocation; it will not be subject to institutional pooling.

**Only the unspent portion of each fund type will be retained at the faculty/portfolio level. This will require accurate coding of direct expenses; large unspent balances will be subject to review by Finance, Procurement and Planning.*

Committee members stated that it would be helpful if Finance, Procurement and Planning developed clear definitions as well as a classification guide for all fund types that was made accessible to the university community to help obtain a deeper and clearer understanding of the university's funds.

A 10% maximum cap is introduced. This means faculties and portfolios are subject to a maximum cap of 10% of the overall operating budget for that budget year. Any amount exceeding 10% of the overall operating budget will be allocated to the institutionally-pooled carryforwards fund unless a written exception is provided by PEC-S. Based on scenario modeling that was created from historical University of Alberta financial statements, it appears unlikely that faculties or portfolios will reach the 10% maximum cap, therefore, it may be revisited in future years. No minimum cap for accessing carryforwards is recommended as it was determined that a minimum cap would result in little benefit and unnecessary administrative burden.

Faculty/portfolio-retained carryforwards would need to be utilized within three years of accrual unless a time extension is granted by PEC-S. Approved time extensions would include a documented, mandatory timeframe for fund utilization. A business case/rationale needs to accompany any request for extension. Any faculty/portfolio-retained carryforward funds remaining unutilized beyond the three-year limit or failing to meet the terms of the approved extension would be automatically transferred to the institutional carryforwards fund pool based on the date of assessment. A three-year utilization aligns with the current budgeting approach, promotes timely execution of approved projects and prevents indefinite deferral of commitments.

Faculties/portfolios would continue to remain responsible for retaining and managing all operating fund deficits at the faculty/portfolio level.

Institutional Carryforward Fund Pool

It is recommended that 30% of eligible carryforward funds are allocated to a newly established institutional carryforward fund pool that supports high-impact strategic priorities, initiatives and projects. This would result in a bigger overall pool of funding that would create greater equity across faculties/portfolios. For smaller faculties/portfolios with less opportunity to generate substantial surpluses, their faculties or portfolios would have the opportunity to apply for funding for strategic projects, on their behalf, that they would otherwise have been unable to access. This would also reduce reliance on incremental base funding and strengthen the university's ability to respond to emerging opportunities.

This pool will follow the same request and approval process for faculty/portfolio-retained carryforwards: through the annual budgeting process or ad-hoc process. This pool will be overseen and managed by Finance, Procurement and Planning with oversight and approval by PEC-S. Members of PEC-S will not be permitted to make decisions on carryforward funds for their portfolios as this is a conflict of interest; these decisions will be made by the remaining PEC-S members. This will ensure decisions are fair, impartial, transparent, consistent, aligned with university priorities and integrated across both academic and operational leadership.

Faculties and portfolios experiencing pre-existing or recurring operating deficits (over multiple consecutive years) would not be eligible to apply access to funds from the institutional carryforward fund pool unless approved to do so by PEC-S. This will help encourage ongoing fiscal responsibility.

Annual reporting on how institutional pooled funds are used would be implemented to alleviate concerns relating to transparency, ensuring the community can directly correlate and link approved initiatives and projects with the university's strategic priorities.

Recommendation 2(Process for Requesting Access to Carryforwards):

The process for requesting access to carryforwards should not change. Faculty and portfolio Carryforward Access Requests should continue to be completed through the annual budgeting process. For projects emerging outside of the annual budgeting process timelines, Carryforward Access Requests may be submitted via the ad-hoc-process. The approval authority for all Carryforwards Access Requests should be updated to PEC-S to foster accountability and transparency.

This aligns with the goal of keeping the process simple, clear, consistent and integrated with existing governance and financial processes. It also supports forward planning at both the faculty/portfolio and institutional level by creating a consolidated view of spending.



Approved carryforward projects should continue to be outlined in annual budget letters. Ad-hoc requests will continue to be permitted and be subject to required institutional approvals. However, instead of being jointly approved by the Provost and Vice-President (Academic) and Vice-President (University Services, Operations and Finance), ad-hoc requests should be approved by PEC-S. To ensure fairness and impartiality, it is recommended that members of PEC-S cannot approve requests for carryforwards relating to their portfolio as it would be considered a conflict of interest. Decisions on these requests would be made by remaining PEC-S members.

Recommendation 3 (Enhanced Oversight and Reporting)

Both faculty/portfolio-retained and institutionally-pooled carryforwards should be tracked, monitored and have additional financial controls in place to support effective financial stewardship, manage risk, build trust and increase confidence in forward planning processes. These funds should be reported on annually to support full transparency and accountability.

Additional accountability mechanisms and financial controls need to be put in place and related updates should be made to annual budgeting processes. Annual reporting should consist of a line-by-line disclosure that outlines all project submissions, contains project descriptions, requested funding envelopes and provides the outcome (decision, including date and by whom). This should be posted on Finance, Procurement and Planning's website. Additional resourcing and effort will be required from Finance, Procurement and Planning for this to be implemented as it requires significant administrative effort.

Historical State:

Recommendation 4 (The Path Forward for Historical Carryforwards)

Create a phased roadmap to address historical carryforwards in the next two fiscal years. Implementation should also be phased.

A commitment has been made from executive leadership to create a roadmap for addressing historical carryforwards which includes completing in-depth reviews and analysis of historical faculty and portfolio carryforwards, cleaning up long-standing deficits and updating institutional procedure and/or guidance on the treatment of historical carryforwards.

To achieve this, Finance, Procurement and Planning will work collaboratively with faculties and portfolios to develop this overarching roadmap as well as individual proposals/plans for managing historical carryforwards over the next two fiscal years. It is important to note that spending down historical carryforward funds is considered separate from budget allocation: these funds are considered to be over-and-above budget allocation; these funds will not be clawed back.

Committee members noted that in order for this to be successful, the approval process for historical carryforwards needs to be timely and not watered down, meaning that Carryforwards Access Requests need to be approved or denied in entirety, not broken down into various components where some are approved and some are not. Faculties and portfolios need to be able to access these funds in a timely, unencumbered manner in order to draw down these funds.

Supporting materials, such as a frequently asked questions document, will be developed to help inform, educate and support faculties and portfolios to address historical carryforwards.

It is also recommended that implementation follows a gradual, phased approach to provide partners with time needed to adjust to and successfully implement these changes.

Phased Implementation Approach

Given the complexity of each operating fund, **a phased approach to implementation** is recommended which will support effective change management and provide the university with the agility and flexibility needed to continuously refine and adapt the approach.

The proposed governance structures for upcoming Fund 330 and Historical Carryforwards Projects are outlined in Appendix I. The proposed roadmaps on phased implementation for the new Carryforwards Procedure, Fund 330 and Historical Carryforwards are provided in Appendix J.

Closing Remarks

Implementing these recommendations is critical to supporting continued financial sustainability efforts and setting the university on a clear trajectory for maximizing, utilizing and spending down our carryforward funds. Looking ahead, there is still a considerable amount of important work to be done and a lot to talk about. Consultation will be key to forging the path ahead for addressing historical carryforwards and getting it right. Sufficient time to prepare for, become versed on and implement these recommendations is pivotal to successful implementation; obtaining buy-in and supporting effective change management is paramount.

If these recommendations are approved, our efforts in the near term will be focused on go-forward or future state recommendations: educating the university community on and implementing the new Carryforwards Procedure. Over the long term, we look forward to beginning the planning process to set up historical carryforwards for success.

Appendices

1. Appendix A: Glossary
2. Appendix B: Project Principles
3. Appendix C: Working Committee Sponsorship and Membership
4. Appendix D: Consultation Schedule
5. Appendix E: Fund Types and Descriptions
6. Appendix F: Cross-Jurisdictional Scanning
7. Appendix G: Historically Approved Carryforward Projects
8. Appendix H: Example of What the New Carryforwards Procedure Would Look Like In Practice
9. Appendix I: Proposed Governance Structures for Fund 330 and Historical Carryforwards Projects
10. Appendix J: Phased Implementation Roadmaps
11. Appendix K: 5 Year Historical Carryforwards Scan (Faculties and Portfolios)

Appendix A: Glossary

Term	Definition
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 operating surpluses or deficits within a faculty/portfolio, moved forward from one fiscal year into 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.
University	The University of Alberta, a comprehensive academic and research university continued under the <i>Post-secondary Learning Act</i> 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.

*Please note: definitions are subject to change as the new Carryforwards Procedure has not yet been approved.

Appendix B: Project Principles

This project was guided by the following principles:

Priority of Academic Needs	The Carryforwards Procedure must support the university's core missions of teaching and research.
Transparency	The Carryforwards Procedure must be transparent so that faculties, portfolios and their respective units can plan with confidence.
Accountability	The Carryforwards Procedure should have clear accountability mechanisms to ensure budgeting and spending is aligned with institutional goals.
Simplicity	The Carryforwards Procedure should be simple, accessible and easy to understand.
Consistency and Predictability	The Carryforwards Procedure should be consistent and predictable.
Equity	Equity as a principle demonstrates the commitment to the "One University" vision, focusing on working together to benefit teaching and research outcomes.
Collaboration	This also reflects the "One University" vision and ensures that mechanisms in the Carryforwards Procedure do not unintentionally inhibit collaboration, but rather, encourage it.
Strategic	It is critical that the university is able to deliver on institutional goals. This includes ensuring that sufficient funding for faculty and institutional level strategic initiatives is available and designing incentives for both generating and spending funds.
Financial Sustainability and Prudent Financial Management	The Carryforwards Procedure and treatment of historical carryforwards should encourage sound financial stewardship.

Appendix C: Working Committee Sponsorship and Membership

Carryforwards Working Committee Executive Sponsors

Name	Position	Role
Verna Yiu	Provost and Vice-President (Academic)	Executive Sponsor
Todd Gilchrist	Vice-President (University Services, Operations and Finance)	Executive Sponsor

Carryforwards Working Committee Membership

Name	Position	Department/Faculty	Role
Darrell Dancause	Chief Financial Officer (CFO) and Associate Vice-President	Finance, Procurement and Planning	Project Sponsor and Co-Chair
Brenda Hemmelgarn, MD, PhD	Dean and Vice-Provost	College of Health Sciences	Co-Chair
Vikas Mehrotra, PhD and BTech	Dean	Alberta School of Business	Committee Member
Simaan Abourizk, PhD, PEng	Dean	Faculty of Engineering	Committee Member
Colleen Kornik	Director, Financial Reporting	Finance, Procurement and Planning	Functional Project Leadership
Bill Bedard	Director, Resource Planning	Finance, Procurement and Planning	Committee Member
Vivien Chu	Director, Academic Budget and Planning	Office of the Provost and Vice-President (Academic)	Committee Member
Jay Jorgensen	Institutional Policy Lead	Office of General Counsel	Policy

Appendix D: Consultation Schedule

Meeting Type	Meeting Schedule	Notes
PEC-S	- September 4, 2025 - Fall 2026	- Project direction approved. - Will return to PEC-S for approval in fall 2026.
Statutory Deans' Council	- September 10, 2025 - October 1, 2025 - October 29, 2025 - December 3, 2025 - January 7, 2026 - February 4, 2026 - March 4, 2026 - April 1, 2026 - May 6, 2026	Ongoing: Progress updates will be provided until project conclusion. Spring 2026: recommendations reports will be provided to the Statutory Deans' Council for discussion and feedback.
Chairs' Council	- October 14, 2025 - January 20, 2026 - May 19, 2026	Ongoing: Progress updates will be provided until project conclusion. Spring 2026: A recommendations report will be provided to the Statutory Deans' Council for discussion and feedback.
Working Committee Meetings	- September 4, 2025 - September 29, 2025 - October 17, 2025 - December 9, 2025 - January 30, 2026	Working Committee activities included: - reviewing cross-jurisdictional scanning on how peer universities approach carryforwards; - reviewing and providing advice on specific questions and issues relating to carryforwards; - providing feedback and recommendations on the draft Carryforwards Procedure; - exploring and providing recommendations on the treatment of historical carryforwards; and - providing recommendations on implementation.
Working Committee Co-Chair Meetings with Individual Deans	- August 1, 2025 - August 5, 2025 - September 22, 2025	August 1, 2025: Working committee co-chair meeting with the Dean of Business. August 5, 2025: Working committee co-chair meeting with the Dean of Engineering. September 22, 2025: Working committee co-chair/dean meeting with Native Studies, Campus St. Jean and Augustana.

Appendix E: Fund Types and Descriptions

*Descriptions taken from the [University of Alberta's Guide to Financial Management](#)

Fund #	Type	Description
Fund 100	Central Institution	Supports expenditures incurred on behalf of the institution (e.g., utility costs) as well as institutional initiatives such as scholarship and human resources programs. Includes all institutional revenues that support the institutional program and units' general operating activities.
Fund 210	Operating	Supports the university's mandate of teaching, research (not funded through sponsored research agreements) and community engagement. It also supports administrative and other infrastructure costs in support of these core activities. Activities in F210 are primarily funded by tuition and government grant revenue from F100.
Fund 310	Ancillary Services	Ancillary Services are operational units whose function is to provide support services and products to the university community (staff, students, external customers). Ancillary Services operate on a full cost-recovery or break-even basis. In some cases a profit may be generated.
Fund 320	Capital (Operating)	For capital projects that are funded by a transfer from unrestricted funds (generally from F210). Capital unrestricted projects are defined as those projects that are Infrastructure Capital Expenditure Authorization (ICEA) approved (therefore \$100K or greater). These capital projects are mainly for construction and renovation.
Fund 330	Research (Operating)	For research projects that are funded by a transfer from unrestricted funds (generally from F210). Includes funding for lab or start-up costs or to match or top-up a restricted research project. It also includes internal and external revenue for research initiatives (e.g., research conference fees, fee for research service activity).

Appendix F: Cross-Jurisdictional Scanning

The table below summarizes carryforward approaches of all U15 Universities, where available, as well as those of the University of Lethbridge and University of Athabasca.

Retention	U15 Institution	Budget Model Type	Additional Information
100% Unit-Retention	University of Alberta	Activity-based	Unit surplus is retained as carryforwards.
	University of Saskatchewan	Activity-based	N/A
	+Western University	Hybrid	N/A
	Dalhousie University	Incremental	Non-academic units can retain up to 10% of the unit's expenditure base for the most recent fiscal year.
	McMaster University	Activity-based	A Senior Officer may authorize transfer of fiscal-year funds without limitations between or among envelopes in their area of responsibility, and may recommend the transfer of budgets between envelopes to the Budget Committee at any time. They may remove an accumulated surplus above 5% from an envelope to be applied to the central budget, though the removal is rarely used.
	University of British Columbia	Incremental	Appears to have 100% retention based on financial statements; no policy found.
Cap on Carryforwards Accrued	University of Toronto	Activity-based	Up to 10% for academic areas balance to the Provost, and up to 5% for non-academic areas balance to the President. There is a capital account for units to transfer carry forwards funds to that is one-way only. There is also an endowment matching account that units can transfer to.

Retention	U15 Institution	Budget Model Type	Additional Information
	+University of Ottawa	Incremental	60% of unspent budgets at the end of each year, up to a maximum unit reserve of 5%. The policy (policy 55) appears to be under review and not available to the public.
	+Queen's University	Activity-based	Up to 10% with justification for exceeding the 10% (no clawbacks of excess).
	University of Manitoba	Responsible Centered Management (RCM)	Unallocated carryover is capped at 10%; excess funds will be pooled and allocated by the Provost.
	+University of Montreal	N/A	Up to 1.5% with a cumulative maximum of 5% of the operating budget. The excess will then be transferred to a scholarship fund and a capital fund for up to a maximum of 1% of the operating budget. Any excess after the capital fund will not be retained.
	*University of Lethbridge	Incremental	Units can retain 2% of the prior year's operating budget for one-time funding requirements.
Minimum Cap Required To Access Carryforwards	**University of Calgary	Incremental	Amounts exceeding 3% of their operating budgets up to or \$500,000 can be retained. Units must submit plans for approval of unspent budgets. Amounts not approved must be returned for reallocation.
Other: Strategic Use	McGill University	Incremental	Any surplus budget carryforward is eliminated and a corresponding amount is set up in specific Faculty Reserve Funds.
	*Athabasca University	Incremental	Unspent operating and restricted funds are invested by the university.

*Alberta universities

+No publicly available information; based upon historical survey information provided by the University of Alberta's Chief Financial Officer and Associate Vice-President, Finance, Procurement and Planning

Appendix G: Historically Approved Carryforwards Projects

The table below outlines examples of carryforward projects that were approved by the GoA in 2025-26.

Category	Examples
Academic Projects	• Supports one-time PhD minimum • Continued work on the Cree Language Course in the Faculty of Native Studies • Establish the School of Politics and Democracy • Project Phoenix Agricultural Hub Scoping • Augustana Co-op Program
Information Technology Projects	• Support the progress of several significant areas of need in wireless network technology infrastructure, support the core mission of teaching and research and improve the student experience
University-Wide Services Projects	• Enhancements to the field research safety program • Work to support the implementation of the People Strategy • Libraries collection funding • Indigenous awards • Increased fundraising capacity
Infrastructure Projects	• Building demolition
Online and Continuing Education Projects	• Development of the new online course-based masters • Human resources surge capacity • Curriculum software implementation
Facilities and Operations Projects	• Gates, cameras, card access and bike cages • Housekeeping and renewal

Appendix H: Example of What The New Carryforwards Procedure Would Look Like in Practice

This example shows what the proposed split allocation of carryforwards would look like if approved for a faculty that has a \$100M operating budget.

Timing	Retention	Faculty A has a \$5M surplus (i.e., 5% operating budget)	Faculty B has a \$15M surplus (i.e., 15% operating budget)
In-year	Faculty/portfolio-retained	\$3.5M (70% retained)	\$10M (70% retained up to 10% maximum cap)
	Institutionally-pooled	\$1.5M (30% contributed to institutional pool)	\$5M (30% retained plus all amounts above maximum cap)
Total over three years if no change or spend	Faculty/portfolio-retained	\$10.5M (equivalent to 10.5% operating budget)*	\$30M (equivalent to 30% operating budget)*
	Institutionally-pooled	\$4.5M	\$15M

***Note:** Any faculty/portfolio funds remaining unutilized beyond the three-year limit or 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.

Appendix I: Proposed Governance Structures for Fund 330 and Historical Carryforwards Projects

**differences between Fund 330 and Historical Carryforwards outlined in red in the table below*

Description	Fund 330	Historical Carryforwards
Approval Authority	PEC-S	PEC-S
Executive Sponsors	Provost and Vice-President (Academic); Vice-President (University Services, Operations and Finance)	Provost and Vice-President (Academic); Vice-President (University Services, Operations and Finance)
Project Lead(s)	Academic - TBD Finance, Procurement and Planning: Director, Financial Reporting	Academic - TBD Finance, Procurement and Planning: Director, Financial Reporting
Additional Finance Resources	TBD Vivien Chu, Director, Academic Budgeting and Planning	TBD Vivien Chu, Director, Academic Budgeting and Planning
Working Group Members	Deans, Chairs, Researchers and Principal Investigators	To be composed mostly of deans and chairs; should have more of the academic side involved
Project Support Resources	To be determined	To be determined
Meeting Format and Frequency	Working sessions as needed	Working sessions as needed
Other	To be determined	To be determined

Appendix J: Proposed Phased Implementation Roadmaps

NEW CARRYFORWARDS PROCEDURE ROADMAP

**these are what we anticipate the next steps are at this time; they are subject to change as planning, design and development progress*

Category	Phase 1: FY 2026-27 (Initiation, Planning, Design and Development)	Phase 2: FY 2027-28 (Development, Recommendations and Decisions)	Phase 3: FY 2028-29 (Launch and Stabilization)
Scope	Funds 100 (Central Institution) and 210 (Operating) (specific external sales revenue streams, faculty donations and non-creditation tuition are excluded).	No change.	Work to commence to expand scope to include fund 330 and historical carryforwards.
Communications	University-wide communications will be distributed to inform and educate the campus community (fact sheets, Q&A, web content).	Communications materials to be refreshed as needed.	Communications materials to be prepared to support updates to fund 330 and historical carryforwards as needed.
New Carryforwards Procedure	- New Carryforwards Procedure finalized and published in advance of the FY 2027-28 budget cycle. - Repeal the Budget Variance Accountability Policy and Budget Variance Accountability Procedure.	Carryforwards Procedure in place/in effect for the FY 2027-28 budget cycle.	Review of the Carryforwards Procedure will be initiated.
Institutional Carryforward Fund Pool	Institutional carryforwards fund pool will be established.	The first transfer of carryforwards will flow into the new institutional carryforwards fund pool at fiscal year end (April, 2028).	Faculties and portfolios may apply to access the institutional carryforwards fund pool.
Applying for Access to Carryforwards	- Status quo. - Updates to be completed to functional	Requests for faculty/portfolio-retained	Carryforward Access Requests for both faculty/portfolio-retained

Category	Phase 1: FY 2026-27 (Initiation, Planning, Design and Development)	Phase 2: FY 2027-28 (Development, Recommendations and Decisions)	Phase 3: FY 2028-29 (Launch and Stabilization)
	planning and Tour of Deans templates to align with the new Carryforwards Procedure.	carryforwards to be completed through the annual budgeting process and ad-hoc process.	carryforwards and the institutional carryforward fund pool will be completed through the annual budgeting process and ad-hoc process.
Approval Authority	Status quo.	PEC-S will make decisions on all faculty/portfolio-retained Carryforward Access Requests.	PEC-S will make decisions on all faculty/portfolio-retained and institutional carryforward fund pool Carryforward Access Requests.
Financial Controls	Additional financial controls and oversight mechanisms will be developed as needed.	Updated financial controls developed and put in place.	Ongoing status quo.
Reporting	Reporting to be developed for faculty/portfolio and institutional carryforwards.	Public reporting of carryforwards to be instituted, on an annual basis, for both faculty/portfolio-retained carryforward funds and the institutional carryforward fund pool.	Reporting to continue to be updated to respond to feedback and support continuous improvement.

FUND 330 ROADMAP

**these are what we anticipate the next steps are at this time; they are subject to change as planning, design and development progress*

Category	Phase 1: FY 2026-27 (Initiation, Planning, Design and Development)	Phase 2: FY 2027-28 (Development, Recommendations and Decisions)	Phase 3: FY 2028-29 (Launch and Stabilization)
Splitting out Carryforwards Funds and Terminology	- Use the Faculty of Medicine & Dentistry as a starting point to split out carryforwards in the near term and create definitions. - Once completed, apply to other faculties and portfolios.	Implement as needed across the university.	Ongoing.
Financial Controls	Finance, Procurement and Planning to create and implement a temporary financial control to address the concern about fund 330 transfers to 210; put in additional parameters around the transfer process.	Financial controls in place.	Ongoing.
Faculty/Portfolio Plans	Faculty/portfolio plans developed.	Faculty and portfolio plans refined, reviewed and approved.	Faculty and portfolio plans implemented.
Consultation/ Governance	- Establish project governance and working group. - Regular communication to Executive, Deans and Chairs. - Consultation and input from faculty reps, deans and Chairs' Council.	- Communication to community on upcoming implementation. - Submitted recommendations to PEC-S for decision.	Educate and inform key interest holders on upcoming changes and implementation requirements.
Carryforwards Procedure	No change.	Prepare updates to Carryforwards Procedure to include fund 330 in scope.	Procedure updated and in place.
Reporting	Determine reporting parameters.	Develop and test format.	Reporting back to PEC-S and deans on usage and accumulation.
Communications	Information, updates and supporting materials to the university community (web content, fact sheets, etc.).	Develop website content and supporting materials.	Website updates and supporting materials posted.

HISTORICAL CARRYFORWARDS ROADMAP

**these are what we anticipate the next steps are at this time; they are subject to change as planning, design and development progress*

- **In Scope:** Operational funding without specific restrictions.
- **Out of Scope:** Restricted funding, direct donations, self-generated revenue and non-credit tuition

Category	Phase 1: FY 2026-27 (Initiation, Planning, Design and Development)	Phase 2: FY 2027-28 (Development, Recommendations and Decisions)	Phase 3: FY 2028-29 (Launch and Stabilization)
Scope	• Begin formulating the scope of historical carryforwards-confirm what funds can be used for the betterment of the university as a whole versus which funds cannot be.	• Create clear definitions and supporting coding structure as required.	• Updates to Carryforwards Procedure. • Consultation. • Executive approvals. • Implementation.
Carryforwards Procedure	• N/A.	• Update Carryforwards Procedure as needed.	• Implement updated procedure.
Faculty/Portfolio Plans	• Faculty/portfolio plans developed.	• Faculty and portfolio plans refined, reviewed and approved.	• Faculty and portfolio plans implemented.
Consultation	• Regular communications to the executive, deans' and chairs'.	• Consultation with key interest holders as needed. • Communication to community on upcoming implementation.	• Educate and inform key interest holders on upcoming changes and implementation requirements.
Governance	• Establish project governance and working group. • Finance, Procurement and Planning to support faculties/portfolios in developing faculty/portfolio plans.	• Recommendations to be submitted to the PEC-S for decision.	• Provide updates to leadership on implementation progress and results.
Reporting	• Explore reporting requirements and updates needed.	• Develop reporting requirements and templates.	• Reporting back to PEC-S and deans on usage and accumulation.
Communications	• Information, updates and supporting materials to the university community (web content, fact sheets, etc.).	• Develop website content and supporting materials.	• Website updates and supporting materials posted.

Appendix K: 5 Year Historical Carryforwards Scan (Faculties and Portfolios)

Faculties

From March 31, 2021-2025

(in thousands of dollars)

College and Faculty	Accumulated Carryforward (Fund 210 only)					Annual Surplus (Deficit)			
	2025	2024	2023	2022	2021	2025	2024	2023	2022
College of Social Sciences and Humanities	\$ 28	\$ 756	\$ 725	\$ 414	\$ -	\$ (728)	\$ 31	\$ 311	\$ 414
Arts	5,047	11,286	16,639	15,957	16,892	(6,239)	(5,353)	682	(935)
Business	10,257	9,476	10,678	10,414	7,712	781	(1,202)	264	2,702
Education	9,473	9,449	9,372	9,427	9,428	24	77	(55)	(1)
Law	9,770	9,893	8,060	7,041	5,027	(123)	1,833	1,019	2,014
College of Health Sciences	554	1,516	1,303	446	-	(962)	213	857	446
Kinesiology, Sport and Recreation	783	50	(441)	(339)	(932)	733	491	(102)	593
Medicine and Dentistry <i>*additional work to be completed to break this down further</i>									
Nursing	9,090	9,282	7,421	6,062	3,273	(192)	1,861	1,359	2,789
Pharmacy and Pharmaceutical Sciences	1,079	1,792	1,525	1,063	407	(713)	267	462	656
Public Health	987	859	773	1,024	1,280	128	86	(251)	(256)
Rehabilitation Medicine	15,741	15,051	15,456	14,557	13,970	690	(405)	899	587

College and Faculty						Annual Surplus (Deficit)			
	2025	2024	2023	2022	2021	2025	2024	2023	2022
College of Natural and Applied Sciences	822	867	668	447	-	(45)	199	221	447
Agricultural, Life and Environmental Sciences	7,149	9,275	9,483	8,874	7,728	(2,126)	(208)	609	1,146
Engineering	1,846	1,561	1,103	1,851	(31)	285	458	(748)	1,882
Sciences	(7,124)	(7,023)	787	2,208	(2,283)	(101)	(7,810)	(1,421)	4,491
Stand-alone Faculties									
Augustana	2,330	3,145	3,095	2,802	1,397	(815)	50	293	1,405
Campus St. Jean	10,071	10,432	9,214	4,430	5,376	(361)	1,218	4,784	(946)
Native Studies	4,782	2,863	2,492	2,318	1,888	1,919	371	174	430
Total College and Faculty	171,436	185,005	198,676	193,078	176,802	(13,569)	(13,671)	5,598	16,276

Portfolios

From March 31, 2021-2025

(in thousands of dollars)

Portfolios	Accumulated Carryforward (Fund 210 only)					Annual Surplus (Deficit)			
	2025	2024	2023	2022	2021	2025	2024	2023	2022
University-wide service units:									
President and Vice-Chancellor	3,549	2,924	4,075	4,078	4,416	625	(1,151)	(3)	(338)
Provost and VP Academic	55,621	58,057	53,746	47,616	43,418	(2,436)	4,311	6,130	4,198
VP Research	6,618	6,442	4,425	3,144	3,104	176	2,017	1,281	40
VP University Services, Operations and Finance	844	33,252	29,928	24,155	36,927	(32,408)	3,324	5,773	(12,772)
VP External Relations	10,431	11,913	17,755	14,773	14,579	(1,482)	(5,842)	2,982	194
Total university-wide service units	77,063	112,588	109,929	93,766	102,444	(35,525)	2,659	16,163	(8,678)