POLICY CATEGORY: FINANCIAL

Effective Date: October 23, 2012

Approved By: ASI Finance Committee

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BUDGET SURPLUS POLICY

**Intent**

A means to identify use of surplus funds from the previous fiscal year and to make appropriate budget allocations to ASI operations.

**Policy**

1. Upon completion of the annual financial audit, those funds that have been identified in the “year end fund balance,” minus outstanding commitments and referendum obligations, will be designated as surplus funds from the previous year.
2. The ASI Finance Committee will then hold a meeting to determine budget priorities including reserve policy levels.
3. The ASI Finance Committee will submit recommendations to the ASI Board of Directors. After approval of fund allocation, the approved budget augmentation line items will be forwarded to the University President, the Chief Fiscal Officer and the Vice President for Student Affairs for review and approval.
4. Since these carryover budget surpluses vary in amount from year to year, they must never be used for permanent baseline allocation funding.
5. A review of this policy will be made every three years.

For policy interpretation or questions, contact the ASI Finance Manager.