

IOWA COUNTY CARRYOVER FUNDS POLICY – DECEMBER 2015

1. Purpose

This policy governs the carryover of unspent appropriation and revenues in excess of expenditures. Iowa County has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Fund Balance Type Definitions*. GASB No. 54 applies to governmental funds and therefore does not apply to Bloomfield Healthcare and Rehabilitation Center and the Highway Department. The definitions of the fund balance classifications used in this policy shall be consistent with GASB No. 54.

2. Policy Statement

Iowa County will use carryover funds to prevent taxing citizens twice for the same purpose. At the close of each year, unspent appropriations will lapse and revenues in excess of expenditures will drop to the fund balance of the fund the department is in unless a carryover is requested and authorized by the County Board. No carryover will be authorized unless allowed by law.

FLOW Assumption

When projects or services are funded from a variety of resources, those resources are assumed to be used in the following order:

- A. Restricted
- B. Unrestricted
 - a. Committed
 - b. Assigned
 - c. Unassigned

3. Procedure

- A. At the end of each fiscal year, the adopted budget for that year expires and the amounts appropriated in the adopted budget for the new year will become effective.
- B. Each department shall submit a written request to the Finance Director through the budget process and before November 1 of each year for both discretionary and non-discretionary carryovers to the following year. The Administrative Services Committee (Executive Committee beginning in May 2015) will review these requests at the December committee meeting and made a recommendation to the County Board.
- C. Carryover amounts are defined below. The examples listed are not all inclusive:
 - a. Non-discretionary
 - i. Non-spendable because of their form. Examples include:
 - 1. Delinquent property taxes
 - 2. Prepaid expenditures
 - b. Restricted because of externally enforceable limitations on use. Examples include:
 - i. Statutory restrictions
 - ii. Specific donor limitations
 - iii. Signed contracts or agreements
 - iv. Specific state or federal agency limitations
 - v. Unspent debt proceeds
 - c. Discretionary, which are classified as committed under GASB Statement No. 54. Examples include:
 - i. Funds supporting a project not yet completed but for which no legal restriction exists.
 - ii. Funds designated for a specific future project
 - iii. Department surpluses to be used for future appropriations

