



ANNUAL CARRYOVER PROCESS

History

- Implemented in FY 1995-1996 with \$325,242 in savings from the General Fund's operating budget
- Concept originally came from Reinventing Government (Osborne & Gaebler, 1992)
- The process is intended to curb the “*use it or lose it*” mentality and encourage more productive spending and investment
- Also helps to avoid overspending total department appropriations

Purpose

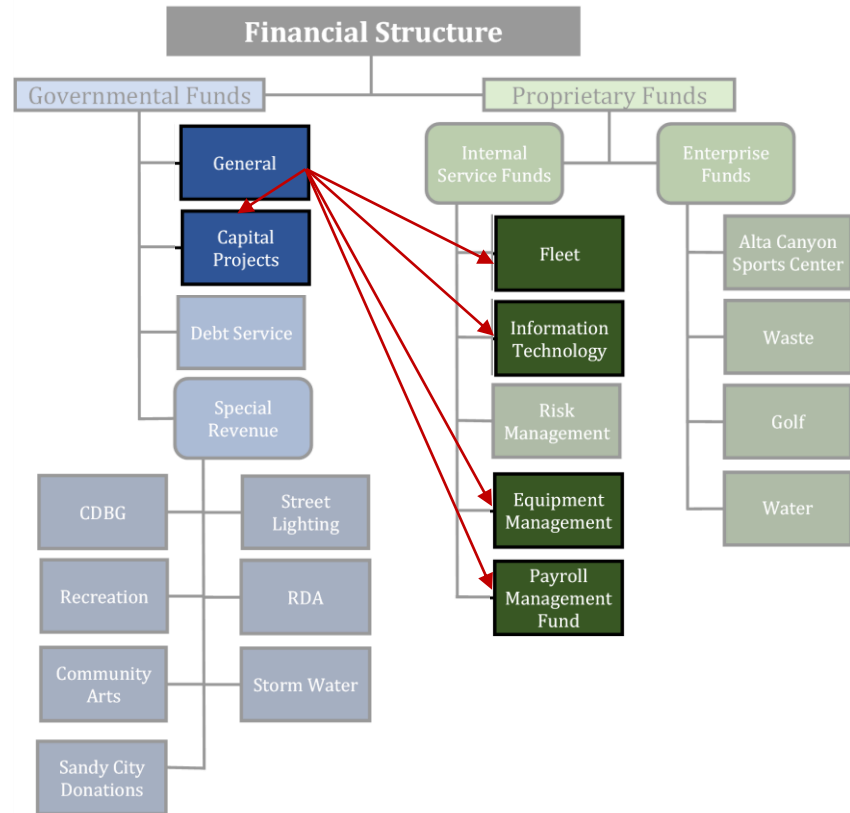
The goal is to appropriate remaining funds to **increase productivity, efficiency, and service levels.**

Recommended appropriations must be for expenditures such as:

- Equipment
- Capital Projects
- Fleet Vehicles
- IT Projects/Software

Accounting Principles

- Governmental Accounting Standards Board (GASB) does not allow remaining budget to be used for operating costs
- General Fund savings may be paid to appropriate internal service funds or transferred to other funds, such as the Capital Projects fund



Carryover Process

- ❑ **Step 1:** Savings in each General Fund department budget are reviewed after the close of each fiscal year and sent to departments

- ❑ **Step 2:** Departments submit requests to spend that remaining budget on equipment, software, capital projects, etc.

- ❑ **Step 3:** Requests are reviewed and recommended to Budget Committee and City Council for approval and appropriation