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## Internal Audit Report

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### Divisional Carryforward / Deficit Balances

Report No. SC-18-07  
December 2017

**Performed by:**

Frank Beahan  
Senior Auditor

Steve Architzel  
Principal Auditor

**Approved**

Barry Long, Director  
Internal Audit & Advisory Services

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## I. EXECUTIVE SUMMARY

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Audit and Management Advisory Services has completed a review of fund balances within campus academic units to evaluate the appropriateness of academic divisional resource management practices over accumulated carryforward/deficit balances. This review was included on the FY2017 internal audit plan.

Overall, campus governance and divisional management practices were not in place to optimize transparency and utilization of academic divisional carryforward/deficit balances. The campus had developed little formal policy; minimal training tailored to key budget roles, and was in the development stage of forming metrics to evaluate the appropriateness of division and department carryforward balances.

The lack of common policy and formal training was especially detrimental to the campus during recent periods of turnover amongst key divisional budget roles. Nine of the 15 key academic division budget positions were filled by individuals with less than two years of experience in their current role or were vacant entirely. Without policy or training, employees filling these roles will not have all the tools possible to mitigate this loss of institutional knowledge during periods of this relatively high turnover. The loss of institutional knowledge increases the Campus's risk of mismanagement and could ultimately have a negative impact on the University's brand image.

A collaborative group including key budget personnel from the Office of Planning and Budget and the five largest academic divisions could provide a natural mechanism for developing, implementing, and providing feedback on governance tools such as guidance, training, and metrics. The Office of Planning and Budget has indicated that the Executive Vice Chancellor is indeed undertaking discussions with divisions across campus in how to improve management and stewardship of carryforward balances.

The following observation requiring management corrective action is identified below:

### A. Governance of Carryforward Balances

Campus governance and divisional management practices were not in place to optimize transparency and utilization over academic divisional carryforward/deficit balances.

Agreement was reached with Planning and Budget management to formalize a strategic action they had planned to implement that would address risks identified in these areas. The observation and related management corrective actions are described in greater detail in section III.

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## II. INTRODUCTION

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### Purpose

The purpose of the audit was to review and evaluate the appropriateness of academic divisional resource management practices over accumulated carryforward/deficit balances. This audit was included on the campus FY18 Internal Audit Plan.

### Background

Proper management of fiscal year-end carryforward and deficit balances is an important element for the overall stewardship of University resources. UC Santa Cruz has a relatively decentralized organizational structure for managing these resources. While the Campus centrally allocates divisions “Core funds” (consisting primarily of state funds, tuition, and overhead receipts), the day-to-day responsibility to manage these funds is generally delegated to divisions who further delegate to Department Chairs, Directors and Faculty members. Generally, this report focuses on core funds as these “permanent” dollars represent a large portion of the funds divisions use in their budgeting process.

### Academic Divisions

The responsibility to provide stewardship over fiscal resources within each of the five largest academic divisions<sup>1</sup> at UC Santa Cruz ultimately resides in the Dean’s Office. Generally, each Dean’s Office has three key positions involved in managing their resources:

- The *Dean*, whom provides the strategic direction/vision for the division and is ultimately responsible for managing the divisional budget and spending.
- The *Assistant Dean for Planning and Resources* (or similar title), whom executes the Dean’s vision and is the primary decision-maker for financial planning purposes. Generally, this individual will provide oversight over unit budgets and spending.
- The *Director of Finance* (or similar title), whom is responsible for developing detailed financial plans, managing the day-to-day control of the budget and spending, and to serve as the chief fiscal advisor to division leadership.

While the Deans’ offices generally allocate funds to departments and units to manage, the Division retains the responsibility to provide governance overall divisional resources by monitoring spending and balances, providing local policy, and to take corrective actions when needed. Generally, the divisions allow departments to retain control of year-end carryforward balances with some exceptions. For example, divisions did not allow departments to carryforward Temporary Academic Salaries (TAS) and would sweep remainders into a division level carryforward balance for redistribution.

### Office of Planning and Budget

The Budget and Resource Management unit within the Office of Planning and Budget, performs analytical support for the Chancellor and campus leadership, helps coordinate campus-wide budget planning as well as identifying and allocating the resources necessary for UC Santa Cruz. Some of the responsibilities of the unit include:

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<sup>1</sup> These five academic divisions are Arts, Baskin School of Engineering (BSOE), Humanities, Physical and Biological Sciences (PSci), and Social Sciences (SocSci).

- Supports campus-wide operational budget activities, including forms and training; and
- Publishes reports and overviews relating to budgets, and maintains the campus reporting and budget systems (InfoView and FMW); and
- Documenting Budget Office Policies and Procedures including budget calendar.

The degree of involvement of higher levels of the organization above divisional management depends on the source of the funds, the materiality of the balance, and if the balance is positive or negative. Generally, we found relatively few instances of large long-term deficit balances occurring within the five largest academic divisions and we partially attribute this to the involvement of campus leadership when these large deficits do occur. Accumulation of large balances appear to have been occurring more frequently, although there are currently few metrics in place to determine the appropriateness of these balances.

Planning and Budget monitors large deficit balances and has previously produced reports for campus leadership regarding units with large deficit balances. However, due to turnover and vacancies, Planning and Budget has not distributed this report during the last two years. Despite this recent lapse in reporting, the Planning and Budget personnel have stated that they have been informing campus leadership of progress on remediation of accounts with material deficit balances outside of this report. However, each unit ultimately has the responsibility to be aware of their own financial balances and is required to review their financial balances each month.

Planning and Budget is currently working with the Executive Vice Chancellor on enhancing the monitoring and reporting of fiscal health of units. The Executive Vice Chancellor is undertaking exploratory discussions with divisions across campus in how to improve monitoring, management and stewardship of these accumulated carryforward balances.

### Scope

During the course of the audit, we reviewed means by which the University provides governance over carryforward and deficit balances:

- We reviewed existing formal or informal policies at UC Office of the President, UC Santa Cruz, UC San Diego and other UC campuses; and local division policy.
- We interviewed the Director of Budget and Resource Management and 9 of the 15 key divisional key players<sup>2</sup>: 1 Dean, 4 Assistant Deans, and 4 Directors of Finance
- We reviewed budget-related training opportunities for all UC Santa Cruz staff.
- We reviewed data the university maintains on carryforward and deficit balances over five years (FY 2012-2017) for the five largest academic divisions.
- We reviewed FY 2016 and FY 2017 journal vouchers within the five largest academic divisions
- We reviewed draft metrics the Budget and Resource Management unit is developing.

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<sup>2</sup> One Assistant Dean and one Director of Finance position was vacant at the time of our audit.

**III. OBSERVATION REQUIRING MANAGEMENT CORRECTIVE ACTION**

<b>A.</b>	<b>Governance of Carryforward Balances</b>					
<p>Campus governance and divisional management practices were not in place to optimize transparency and utilization over academic divisional carryforward/deficit balances.</p>						
<b>Risk Statement/Effect</b>						
<p>Without proper governance to manage carryforward balances, the University may not effectively use resources in a strategic manner. Further, the lack of transparency over the details of carryforward balances could negatively affect the University’s brand image.</p>						
<b>Agreement (This recommendation was originated by the Planning and Budget Director and offered to us as a part of the Planning and Budget strategic plan during the course of the audit)</b>						
<b>A.1</b>	<p>The Budget Office will formalize their plans to engage in a collaborative process to develop recommendations and guidelines for divisions to monitor and manage carryforward balances. Such activities included in the Budget Office’s plan will include:</p> <ul style="list-style-type: none"> <li>a) Documented guidelines that define appropriate management of year-end carryforward balances;</li> <li>b) Training tailored for varying levels of budget responsibilities; and</li> <li>c) Performance Metrics to support decision-making, reporting, and monitoring of carryforward balances.</li> </ul>	<table border="1"> <tr> <td style="background-color: #d9e1f2;">Implementation Date</td> </tr> <tr> <td>06/01/2018</td> </tr> <tr> <td style="background-color: #d9e1f2;">Responsible Manager</td> </tr> <tr> <td>Director, Budget and Resource Management</td> </tr> </table>	Implementation Date	06/01/2018	Responsible Manager	Director, Budget and Resource Management
Implementation Date						
06/01/2018						
Responsible Manager						
Director, Budget and Resource Management						

**A. Governance of Carryforward Balances**

We summarized our findings into four areas of governance:

- Guidance
- Training
- Performance Metrics
- Stakeholder Input and Feedback

**Guidance**

UC Santa Cruz has little formalized policy or guidance in writing for how divisions should specifically manage their carryforward balances. Instead, most of these principles are informal. In the absence of formal, specific, central policy, divisions have developed local policies and procedures to manage their carryforward balances. These local policies vary widely in terms of level of formality and the degree to which they are enforced and communicated.

Personnel we interviewed generally acknowledged that the lack of clear and specific policy related to carryforwards could be detrimental to the management of these resources at the division level. Specifically, personnel stated that the lack of a uniform campus policy:

- Made it difficult to transfer knowledge to new employees during periods of turnover. Much of the informal processes and policies would be lost when turnover occurred.
- Made long-term strategic planning more difficult, as there was no “target” to aim for. Some divisions stated that their departments would sometimes make carryforward decisions on a short-term basis in the absence of a long-term strategic plan for carryforwards.
- Made accountability more difficult as divisions need to develop local policy to control the growth of carryforward balances rather than being able to point to a campus policy to serve as a starting point for decisions.

One assistant dean indicated that having central policy outlining standards in carryforward would have additional value to them by providing a concrete and clear standard in discussions with their departments. Having a policy in writing that they can point departments to frees the division from having to revisit what these standards should be with each of their own departments. For example, UC San Diego has policy in writing detailing management responsibilities related overdrafts across the campus (*see APPENDIX B*). **This policy provides clear guidelines for overdrafts that provide clarity for the various key users on campus.**

The campus would benefit from formalizing guidance or policy related to the management of carryforwards in order to mitigate some of these potential risks. The Office of Planning and Budget has indicated it is a priority to develop and communicate formal guiding principles or policy regarding the management of divisional carryforward balances in collaboration with key stakeholders.

**Training**

UC Santa Cruz does not currently have sufficient formal training for individuals involved with the management of budgets. While Planning and Budget has developed two training courses related to budgeting: “The University’s Budget” and “What’s My Budget,” these two courses are tailored for a basic level of budget knowledge. A more advanced course geared towards divisional budget employees and specialist would be of great benefit.

Effective formal training is especially important during periods of high turnover. When turnover is relatively low, divisions may rely on the collective accumulated institutional knowledge of individuals holding key budget roles in their organizations. Unfortunately, UC Santa Cruz has undergone a great deal of turnover in the key academic division budget roles (Dean, Assistant Dean for Planning and Resources, and the Finance Director) over the last two years. For example, as of September 27, 2017 four of the five Assistant Dean positions for Planning and Resources were either being held by an individual with less than two years of experience in their current role or were vacant. In total, nine of the 15 (60%) key positions were filled by individuals with less than two years of experience in their current role or were vacant:

Years of Experience in Current Role					
	PBSci	BSOE	SocSci	Humanities	Arts
Dean					
Assistant Dean					
Finance Director					

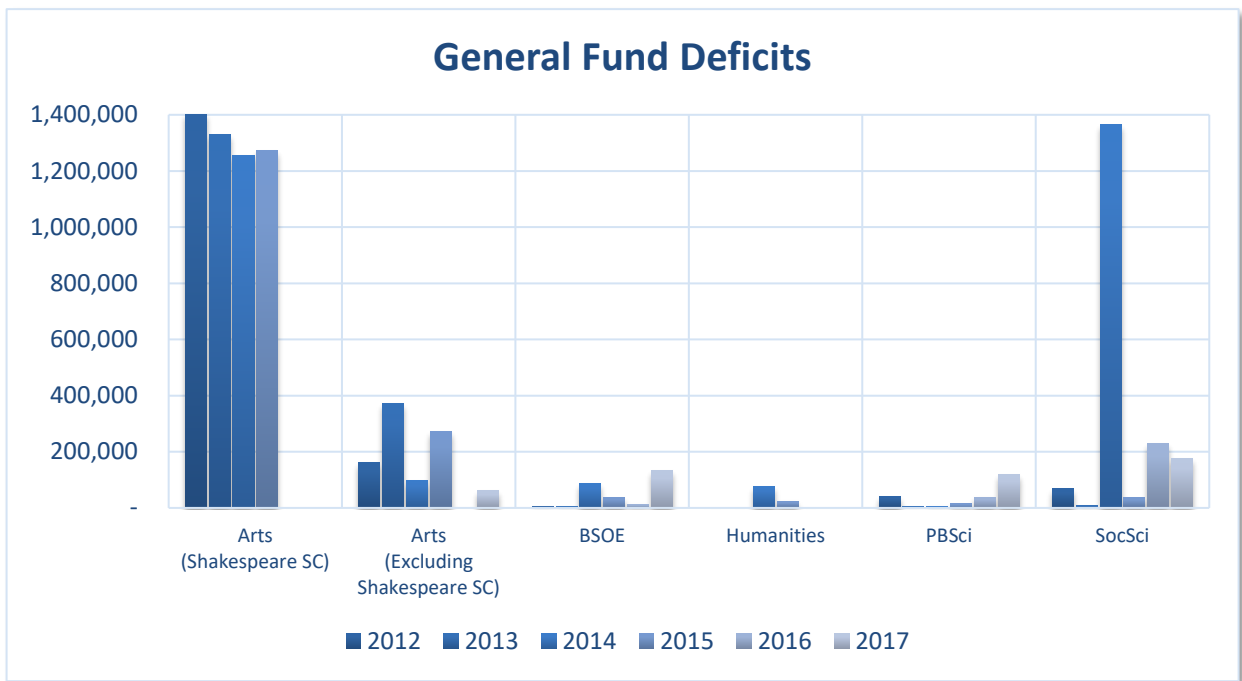
> 2 years in current position	< 2 years in current position	Position was vacant
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With little stability in division leadership roles to provide internal training, few formal training opportunities, and little formal policy for new employees to reference as discussed in the previous section, new employees filling these roles will not have all the tools possible to mitigate this loss of institutional knowledge during periods of high turnover. The loss of institutional knowledge will increase the University’s risks of resource mismanagement that may result in ineffective use of resources or damage to the University’s brand image.

During our analysis of carryforward and deficit balances as well as during our conversations with divisions, we learned of several examples of impacts to individual divisions when they lost key personnel to turnover:

- One division did not fully understand the cost-sharing agreement with central on the hiring of new faculty members and consequently did not see timely reimbursement of approximately \$1.3 Million in costs related to central’s portion of new faculty hires.
- Another division incurred “Short Term Investment Pool” interest charges on over a million dollar deficit because a newly hired finance director did not fully understand the year-end closing process and need for balancing cost transfer entries. There were also no adequate controls to prevent this from occurring.

We reviewed general fund deficit balances within academic divisions between FY2012 and 2017. Except for large deficits incurring between 2012 and 2015 within Arts (Shakespeare Santa Cruz<sup>3</sup>) which is now closed; and a one-time occurrence related to year-end closing processes in Social Science during 2014 as described above, there are presently no material ongoing deficits within the academic divisions as outlined in the following chart:



The chart above (General Fund Deficits) shows the cumulative value for any divisional Fund-Org combination for General Fund dollars (199xx) with a negative year-end balance.

With the high level of turnover and the impact mistakes can have on divisions, the university would benefit from holding regular training related to the management of carryforwards. The Director of Budget and Resource Management stated that they would like to develop a “boot-camp” style training tailored towards the needs of

<sup>3</sup> The University no longer operates “Shakespeare Santa Cruz”.



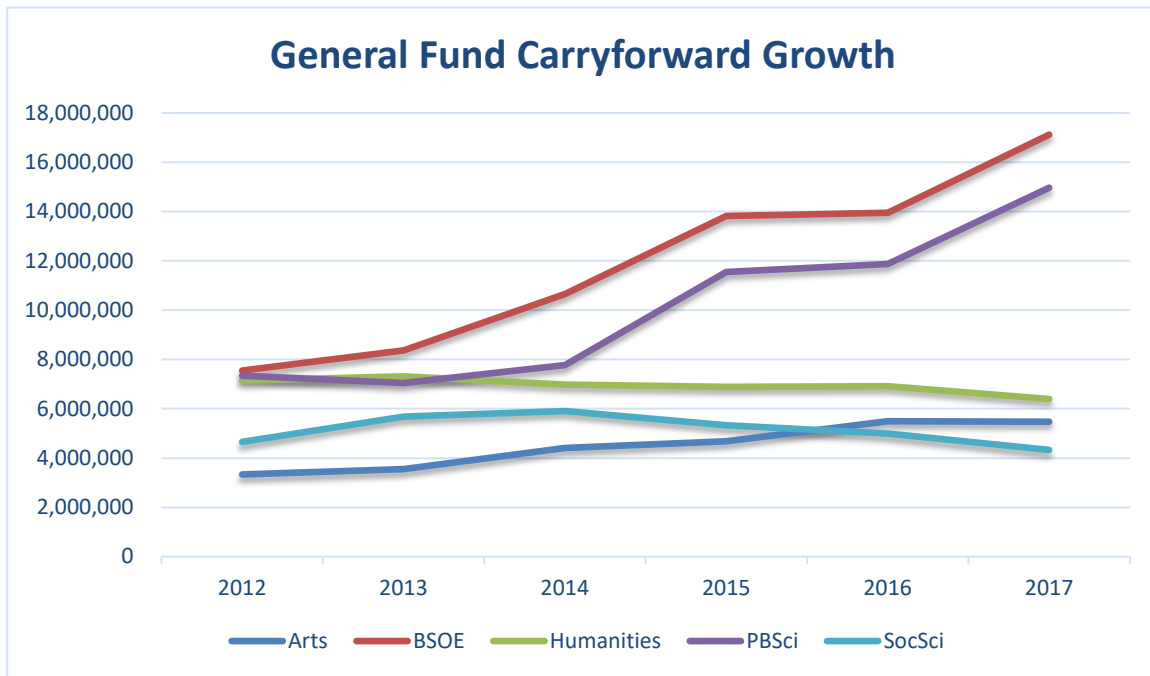
new employees occupying specialized budget roles at the university. A more advanced course geared towards divisional budget specialist would be of great benefit to new employees at all levels. The Office of Planning and Budget has indicated they plan to develop and make available this training in collaboration with key stakeholders.

**Performance Metrics**

The office of Budget and Resource Management has initiated, based on preliminary discussions with the Executive Vice Chancellor, work on developing reporting metrics that will provide more context behind carryforward balances.

Perhaps the simplest metric that could be used to understand carryforward is to simply aggregate the total change in carryforward balances over time. Between 2012-2017 General Fund carryforward balances within the five largest academic divisions have risen by over \$18.2 million (60.8%). This growth has been especially high in Engineering and PBSci which together account for nearly \$17.2 million of this growth:

General Fund Carryforward Growth 2012 - 2017		
Division	Dollar Amount	Percentage
Arts	\$2,144,528	64.3%
BSOE	\$9,568,522	126.7%
Humanities	\$(750,323)	-10.5%
PBSci	\$7,624,019	103.8%
SocSci	\$(329,106)	-7.1%
<b>Total</b>	<b>\$18,257,640</b>	<b>60.8%</b>



The charts above (General Fund Carryforward Growth) show the cumulative growth in General Fund (199xx) year-end carryforward balances for divisions and their subsidiary departments and units.

However, this metric, taken alone, is not particularly helpful because:

- It does not provide context for growth or decline. For example, it does not put into context the relative size (enrollment, Faculty FTE, etc.) of particular divisions, growth rate of these divisions, turnover of faculty members resulting in salary savings, or the change in fiscal environment between 2012 and 2017.
- It does not distinguish between sources/purpose of funding.
- It does not distinguish between carryforward dollars that have already been committed. These committed funds are sizable and can be accumulated and spent over multiple years. For example, faculty startups are one of the more common commitments divisions make. These funds are typically committed for five years and can be especially large in BSOE and PBSci where they are commonly in the hundreds of thousands or, in some cases, millions of dollars.

One example of a metric being developed by the office of planning and budget is a metric that shows department carryforward as a percentage of expenditures. The advantage of this metric is that it allows departments of varying sizes to be compared and contrasted over time relative a target percentage. However, like all metrics, using it alone would have limitations such as how to communicate the source and purpose of the funds as well as the existing commitments or lack thereof of these funds. Therefore, obtaining feedback from stakeholders on additional metrics or revisions to existing metrics could mitigate some of these challenges and give users of these metrics a fair and full picture. *See Appendix C for an early draft of the Planning and Budget Year-end Balance as a Percent of Expenses report being used in early discussions between the EVC and campus divisions.*

No one metric will tell the full story behind carryforward. The Office of Planning and Budget is planning to continually develop and refine metrics to support decision-making, reporting, and monitoring in collaboration with key stakeholders.

### **Stakeholder Input and Feedback**

The Office of Planning and Budget will play an important role in developing any governance tools put into place at UC Santa Cruz in relation to carryforward or deficit balances. However, these tools will be most beneficial with input and feedback from key stakeholders within the various divisions, including the academic divisions.

Presently, the Assistant Deans responsible for fiscal resources within the five largest academic divisions meet on a periodic basis to discuss matters common to the academic divisions. During our discussions with the academic divisions, multiple individuals indicated that a similar type of collaboration consisting of the key budget players within the academic divisions and a member of planning and budget would be extremely beneficial. We heard varying suggestions for the frequency and personnel makeup of these working group meetings. Most frequently, we heard suggestions for the meetings to occur monthly to quarterly with the following participants:

- A member of planning and budget
- The Assistant Dean and Finance Director from each of the five academic divisions
- Other individuals on an invitation basis when necessary

A regular collaborative process, which includes key budget players from planning and budget and the five largest academic divisions, could provide a natural mechanism for developing, implementing, and providing feedback on governance tools such as guidance, training, and metrics for carryforward balances. As the primary authority on the subject matter, the Office of Planning and Budget could host and facilitate these groups. The office of Planning and Budget has indicated that the Executive Vice Chancellor is already in the process of undertaking exploratory discussions with divisions across campus in how to improve management and stewardship of

carryforward balances. The office of Planning and Budget could use these discussions as a starting point to serve as a mechanism to develop, refine, and obtain feedback on governance tools including guidance, training, and performance metrics.

**APPENDIX A – Summary of Work Performed and Results**

<b>Preliminary Analysis</b>	
<b>Work Performed</b>	<b>Results</b>
<ul style="list-style-type: none"> <li>Reviewed UC Regents and UCOP guidance and policies for coverage of carryforward and deficit balances.</li> <li>Reviewed UCSC guidance and policies.</li> </ul>	<ul style="list-style-type: none"> <li>Guidance and policies are generally focused on financial responsibilities and stewardship with reliance on delegation of responsibility without specific requirements for carryforward and deficit balances. The exception being endowment funds which have specific stewardship and carryforward balance requirements.</li> </ul>
<ul style="list-style-type: none"> <li>Conducted initial interviews with representatives of Planning and Budget, Financial Affairs, Faculty Senate Office, and University Relations.</li> </ul>	<ul style="list-style-type: none"> <li>Developed scope and plan for audit.</li> </ul>
<ul style="list-style-type: none"> <li>Conducted preliminary analysis of carryforward and deficit balances.</li> </ul>	<ul style="list-style-type: none"> <li>Developed scope and plan for audit.</li> </ul>


<b>Campus Guidance, Policy, and Procedures</b>	
<b>Work Performed</b>	<b>Results</b>
<p>Conducted interviews with representatives of:</p> <ul style="list-style-type: none"> <li>Planning and Budget Office</li> <li>Arts Division</li> <li>Baskin School of Engineering</li> <li>Humanities Division</li> <li>Physical and Biological Sciences Division</li> <li>Social Sciences Division</li> </ul> <p>Reviewed local policies and procedures.</p>	<ul style="list-style-type: none"> <li>Planning and Budget reported there is a procedure for informing campus leadership of ongoing deficits across campus. The current procedure is not as robust as in prior years due to vacancies and turnover in the Planning and Budget Office.</li> <li>Planning and Budget reported there is not a campus policy nor formal guidance regarding management of carryforward balances. Planning and Budget report supporting the EVC in the early stages of developing guidance, metrics and reporting.</li> <li>The five largest academic divisions have varied approaches in providing departments with guidance, policy and procedures for the management of carryforward balances.</li> </ul>

<b>Balance Analysis</b>	
<b>Work Performed</b>	<b>Results</b>
<ul style="list-style-type: none"> <li>• Conducted data analysis of carryforward/deficit balances for the five largest academic divisions to detect trends and anomalies.</li> <li>• Conducted follow-up interviews to discuss the patterns and anomalies found with representatives of:                             <ul style="list-style-type: none"> <li>• Planning and Budget Office</li> <li>• Arts Division</li> <li>• Baskin School of Engineering</li> <li>• Humanities Division</li> <li>• Physical and Biological Sciences Division</li> <li>• Social Sciences Division</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Found pattern of carryforward balances per source of funds at the department level to be generally positive with few material, ongoing deficits.</li> <li>• The divisions had procedures in place to include carryforward balances in resource planning. Faculty startup funding being a large component of carryforward balances managed at the Deans Office level.</li> <li>• The divisions generally delegate management of operating, and gift funds carryforward balances to responsible department or Faculty member.</li> <li>• The campus enterprise systems are not routinely used to support identification of prior commitments of carryforward balances. The Divisions have developed individual procedures for tracking commitments.</li> </ul>

<b>Journal Voucher Testing</b>	
<b>Work Performed</b>	<b>Results</b>
<ul style="list-style-type: none"> <li>• Testing sample included Journal Vouchers authored by the five divisions for FY 2016 and FY 2017. Reviewed 5,970 Journal Vouchers in population with 25,583 line items</li> <li>• Conducted key word search and time studies to identify patterns in timing of transactions.</li> <li>• Reviewed Journal Vouchers text for description using data analysis to select a sample of 87 Journal Vouchers for detailed testing.</li> <li>• For detailed testing we analyzed all text for sufficient content to meet campus guidance, including identifying the author of the Journal Voucher, providing contact information, and including a statement of purpose.</li> </ul>	<ul style="list-style-type: none"> <li>• The purpose of 3,894 Journal Vouchers were Transfer of Expense and 2,076 Journal Vouchers were Transfer of Funds.</li> <li>• We did not identify noncompliance, nor patterns of transactions that would indicate an intent to manipulate Year End Carryforward balances, among the 5,970 Journal Vouchers in which we conducted basic analysis.</li> <li>• Analyzed all text for sufficient content to meet campus guidance, identifying the author of the Journal Voucher and contact information, and a statement of purpose.</li> <li>• We did not identify noncompliance among the 87 Journal Vouchers we sampled for detailed testing.</li> </ul>

## APPENDIX B – UC San Diego – Funds Management (Overdraft) Policy

While we did not find formalized policy related to the use of carryforward funds at other UC campuses, we did find several had policies related to overdrafts. Overdraft is a term to describe a deficit in a Fund caused when an Organization spends more than is authorized or available. Refer to the following UC San Diego – Funds Management (Overdraft) Policy issued September 21, 2017:



### UC San Diego Policy & Procedure Manual

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**ACCOUNTING PROCEDURES – GENERAL**  
**Section: 300 - 2**  
 Effective: 09/19/2017  
 Supersedes: 02/23/2017  
 Review Date: 09/19/2020  
 Issuance Date: 09/21/2017  
 Issuing Office: [Business & Financial Services, General Accounting Division](#)

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**FUNDS MANAGEMENT (OVERDRAFT) POLICY**

**I. SCOPE**

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All employees at UC San Diego, excluding Medical Center employees.

**II. POLICY SUMMARY**

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This policy defines Overdrafts and management responsibilities for resolving and reporting Overdrafts across the UC San Diego campus.

**III. DEFINITIONS**

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**Administrative Official** - For this policy, the term Administrative Official refers to any UC San Diego employee or faculty member who holds one of the following positions with delegated financial, administrative, or management responsibility, also see [Administrative Responsibilities Handbook](#):

- Associate Chancellor
- Assistant Chancellor
- Associate & Assistant Vice Chancellors
- Chief of Staff
- Deans
- Department Business Officers
- Department Chairs
- Directors
- Managers
- Principal Investigators
- Provosts
- Unit/Department Heads
- Vice Chancellors

**Fund** – A source of funding for a transaction or expenditure identified by a specific code used in the Integrated Financial Information System. For further detail, please see [Fund Overview](#).

**Organization** - A department or functional unit within a department identified by a specific Organization Code in the Integrated Financial Information System. For further detail, please see [Organization Codes](#).

**Overdraft** - A deficit in a Fund caused when an Organization spends more than is authorized or available.

Overdrafts may be measured by testing balances at any of several levels within the accounting hierarchy; the appropriate level depends on the nature of the Funds and is typically identified by funding source limitations. The measurement of a deficit largely depends on the financial activity

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PPM 300 - 2 Funds Management (Overdraft) Policy**

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within a particular fund. To effectively and consistently identify and remediate fund deficits, fund balances are measured in three business practice categories: General Campus, Sponsored Project Awards, and Self-Supporting Funds.

**IV. POLICY STATEMENT**

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It is in the best interest of the campus for Administrative Officials to identify and remedy the circumstances creating an Overdraft and to prevent a misuse of resources. This policy is structured to:

- Define Overdrafts and management responsibilities for their resolution, and
- Facilitate Administrative Officials' efforts to remedy circumstances creating an Overdraft.

**V. RESPONSIBILITIES**

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A. Principal Investigators or Fund Managers

1. For sponsored projects, the person(s) named as the Principal Investigator, manager, or director in an award of a contract or grant accepted by UC San Diego, has primary responsibility for adherence to the conditions of the award and for ensuring that expenditures made are appropriate, allowable, and within the budgetary limitations of the award. Thus, the Principal Investigator is responsible for:
  - a. Avoiding Overdrafts, cost over-runs, and unallowable, unreasonable, or unauthorized cost-transfers or expenditures;
  - b. Identifying the need for additional funds;
  - c. Immediately resolving any Overdraft or developing and implementing a written action plan to eliminate the Overdraft within the current fiscal year when the Fund's cumulative expenses exceed the authorized funding from the sponsor for longer than 30 days.
2. For Funds other than sponsored projects' Funds and Recharge Activities (see Procedures below), the Fund Manager is responsible for:
  - a. Avoiding Overdrafts, cost over-runs, and unallowable, unreasonable, or unauthorized cost transfers or expenditures;
  - b. Identifying the need for additional funds;
  - c. Immediately resolving any Overdraft or developing and implementing written action plans to eliminate Overdrafts larger than \$25,000 or five percent of the Fund's fiscal year budget, whichever is more within the current fiscal year.

B. Responsibilities of Department Chair and Department Business Officer (or Equivalent Officers)

Department Chairs, Department Business Officers, and Equivalent Business Officers shall:

1. Identify, avoid and, if necessary, resolve Overdrafts.
2. Ensure that sponsored projects' expenses do not exceed the cumulative amount of the award, allocation, or budget and, if Overdrafts do occur, ensure that corrective action is taken to eliminate the Overdraft. In the case of Overdrafts lasting over 30 days, ensure that an overdraft resolution plan is in place to resolve the Overdraft before the end of the current fiscal year or before the award's end date, whichever is sooner.

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PPM 300 - 2 Funds Management (Overdraft) Policy**

3. Ensure that Principal Investigators or Fund Managers develop a written plan under which Overdrafts larger than \$25,000 or five percent of the Fund's fiscal year budget, whichever is more, will be eliminated within six months of approval of the written plan or before the fiscal year end, whichever is sooner. Any longer period for resolution of an Overdraft must be approved by the appropriate Vice Chancellor or Dean and any rollover of an Overdraft to the next fiscal year must be approved by the Chief Financial Officer (see Procedures below).

**C. Responsibilities of Vice Chancellors and Deans**

For the Organizations under their purview, the Vice Chancellors/Deans are responsible for ensuring that:

1. Overdrafts are routinely monitored at the level of the Department Chairs and Business Officers;
2. Written plans to resolve Overdrafts are prepared and submitted to the Department Chair/Designee and Vice Chancellor/Dean for review and approval when deficit balances are larger than \$25,000 or five percent of the funds fiscal year budget, whichever is more; and
3. Actions specified in approved overdraft resolution plans are realistic and effective towards timely resolution of the targeted Overdraft within the current fiscal year.
4. If any Overdraft cannot be resolved by fiscal year end, forward written requests to roll over deficits to the next fiscal year to the CFO through the Controller. All such requests shall be submitted before March 31 and shall include justification for the roll over.

**D. Responsibilities of the Controller**

If an Overdraft occurs, the Controller is responsible for ensuring that prompt and final resolution is effectively achieved. As such, the Controller's duties include monitoring financial and budget data for Overdrafts to ensure that:

1. System support tools are providing timely information required to effectively report and remedy Overdrafts;
2. The Overdraft remediation process satisfies the University's policy requirements and the sponsors' terms and conditions when applicable;
3. There is support for the development of written action plans to discharge Overdrafts when they are larger than \$25,000 or five percent of the Fund's fiscal year budget, whichever is more;
4. For Overdrafts that remain unresolved for more than 180 days or after March 31, the Controller shall partner with the appropriate Administrative Official(s) to ensure that appropriate corrective actions are taken; and
5. The Controller shall also:
  - i. Review requests to roll over Overdrafts to the next fiscal year from Vice Chancellors and/or Deans and make a recommendation for approval or disapproval to the CFO; and
  - ii. Ensure that this policy is maintained to incorporate current regulations and support operating requirements.



**University of California San Diego Policy – PPM 300 - 2**  
**PPM 300 - 2 Funds Management (Overdraft) Policy**

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**VI. PROCEDURES**

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A. Timely Resolution and Roll Overs

- i. Overdrafts typically must be resolved within the fiscal year, i.e., before June 30th. Under extenuating circumstances and with the approval of the Chief Financial Officer (CFO), fund Overdrafts may be carried forward to the next fiscal year if an authorized Overdraft resolution plan is in place and the unit is in compliance with the plan or if the unit is in compliance with the campus recharge policy.
- ii. All approved Overdraft resolution plans must be in place before the end of the third quarter of the fiscal year in order to be carried forward to the next fiscal year. All rollovers of Overdrafts to the next fiscal year must be formally submitted to the Controller for initial review and approved by the CFO.
- iii. Requests and approvals to carry forward Overdrafts to the next fiscal year are expected to be rare and will be approved only under exceptional circumstances. Approved Overdraft resolution plans should resolve overspending by the end of the third quarter or for deficits remaining or accumulating in the last quarter, by the fiscal year-end.
- iv. Any Overdrafts remaining or accumulating in the last quarter of the fiscal year must be resolved by fiscal year end. Vice Chancellors will consolidate all such fund Overdrafts and apply their available unrestricted funds to resolve them before fiscal year end.
- v. If Overdrafts are not resolved within the department by fiscal year end, by direction of the CFO, the Campus Budget Office will transfer funds and/or expenses from unrestricted funds sources within the department/unit or cognizant Vice Chancellor area and will withhold future budget appropriations from the Vice Chancellor to clear the Overdraft.

B. Recharge Activities

- i. Recharge activities are operated on a no-gain/no-loss basis. Any surplus or deficit occurring in any one year shall be corrected by timely management of expenses or adjustment of rates in the succeeding year to achieve a break-even balance at the succeeding year end. Every effort should be made to ensure that year-end surpluses do not exceed two months of the recharging unit's activity. The adjustment of rates will generally be based on estimates since actual performance data for the year will not be available prior to the development and publication of the succeeding year's recharge rates. In exceptional cases when such an adjustment would create a severe fluctuation in rates from one year to the next, achievement of a break-even balance can be extended for a reasonable period beyond the succeeding year upon approval by the local campus recharge review committee. The local campus recharge review committee may also approve the maintenance of surpluses in excess of two months of the recharging unit's activity when appropriate.

C. Electronic Deficit Reporting System

- i. An electronic deficit reporting system is available to help administrative officials meet their fund management responsibilities. It provides a view of current overdrafts by Vice Chancellor with drill-down capabilities for various levels of accounting and organizational hierarchies. Although the use of the report is discretionary, it is an effective report for monitoring current overdrafts. As such, Administrative Officials, Fund Managers, and Principal Investigators are urged to make appropriate use of it. The deficit report can be accessed on [Blink](#).

**University of California San Diego Policy – PPM 300 - 2  
PPM 300 - 2 Funds Management (Overdraft) Policy**

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**VII. FORMS**

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None.

**VIII. RELATED INFORMATION**

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- A. Board of Regents Standing Order 100. Officers of the University
  - [100.1 Designation and To Whom Responsible](#)
  - [100.4 Duties of the President of the University](#)
- B. [Academic Personnel Manual](#)
- C. [UCOP Accounting Manual, D-224-17, Delegation of Authority-Signature Authorization, Section II.B., Responsibility Attendant to Delegated Authority](#)
- D. [UCOP Contract and Grant Manual](#)
  - [6-440 Responsibilities of the Principal Investigator](#)
  - [6-450 Responsibilities of Department Chair \(or Equivalent Officers\)](#)
  - [6-460 Responsibilities of Campus Controllers](#)
- E. [UC San Diego Administrative Responsibilities Handbook](#)

**IX. FREQUENTLY ASKED QUESTIONS (FAQ'S)**

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See blink: [Deficit Balance Analytics](#)

**X. REVISION HISTORY**

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- 2017-09-19 First revision regarding administrative actions and accountability for overdraft resolution.
- 2017-02-23 New Policy published.

## APPENDIX C – Analytical Metrics under Development – Office of Planning and Budget

Below is a preliminary version of an analytical metric titled, “Academic Units – Year-end Balance as a Percent of Expenses 2011-2016”, currently under development within the Office of Planning and Budget. A metric like this could be used to assist in the oversight and management of campus carryforward and deficit balances.

### 11 ACADEMIC UNITS

#### 111 ARTS DIVISION

Year-end Balance as a Percent of Expenses -- Operating Funds\*

	2011	2012	2013	2014	2015	2016	Cfwd
ARTS ADMINISTRATION	54.06%	64.35%	72.07%	74.36%	34.05%	40.57%	\$914,384
ARTS ACADEMIC SUPPORT SERVICES	73.70%	17.16%	26.99%	34.74%	30.48%	16.05%	\$179,372
ARTS INSTRUCTION	-2,551.27%	1,119.07%	1,504.83%	1,243.83%	858.05%	240.96%	\$766,693
ART DEPARTMENT	26.51%	19.59%	19.10%	27.02%	45.72%	42.14%	\$1,226,160
FILM & DIGITAL MEDIA	35.98%	26.51%	26.29%	29.59%	32.38%	23.50%	\$964,036
SESNON GALLERY	0.32%	16.54%	21.48%	10.90%	10.71%	5.42%	\$9,136
HISTORY OF ART AND VISUAL CULTURE	28.56%	24.96%	22.55%	28.63%	36.68%	44.37%	\$1,115,304
DIGITAL ARTS NEW MEDIA	117.95%	111.00%	76.25%	46.21%	66.06%	196.49%	\$621,126
MUSIC	21.80%	12.07%	13.44%	19.57%	26.38%	27.93%	\$1,197,766
THEATER ARTS	20.70%	18.18%	12.55%	14.39%	16.85%	23.81%	\$800,248
ARTS RESEARCH	2,949.10%	80.27%	393.46%	224.10%	368.70%	177.40%	\$206,499
SHAKESPEARE SANTA CRUZ	-109.81%	-89.05%	-90.79%	-255.27%	-7,583.94%	0.00%	\$0
MRPI GRANTS - ARTS	56.89%	114.07%	86.03%	3,270.60%	16.70%	-116,487.57%	\$2,156
ARTS MUSEUM		100.00%	62.73%	30.29%	35.99%	66.05%	\$309,976

Year-end Balance as a Percent of Expenses -- Core Funds Subset

	2011	2012	2013	2014	2015	2016	Cfwd
ARTS ADMINISTRATION	52.19%	48.92%	53.17%	47.94%	18.11%	34.46%	\$701,706
ARTS ACADEMIC SUPPORT SERVICES	67.30%	13.30%	17.52%	23.05%	27.19%	14.84%	\$161,260
ARTS INSTRUCTION	-2,452.48%	1,093.72%	1,479.88%	1,228.99%	968.94%	170.62%	\$466,363
ART DEPARTMENT	23.48%	15.88%	16.26%	21.14%	40.61%	40.14%	\$1,096,609
FILM & DIGITAL MEDIA	27.28%	18.84%	19.61%	23.76%	27.16%	20.40%	\$807,312
SESNON GALLERY	-10.78%	1.05%	2.45%	5.04%	3.00%	0.00%	\$3
HISTORY OF ART AND VISUAL CULTURE	27.35%	23.23%	21.11%	27.56%	34.29%	41.87%	\$1,041,913
DIGITAL ARTS NEW MEDIA	115.95%	108.29%	68.77%	38.38%	59.62%	192.55%	\$608,868
MUSIC	15.71%	5.16%	5.60%	11.14%	17.43%	24.98%	\$974,690
THEATER ARTS	16.18%	13.18%	8.28%	10.54%	11.18%	17.52%	\$540,985
ARTS RESEARCH	2,949.10%	80.27%	372.85%	234.82%	175.52%	236.57%	\$160,718
SHAKESPEARE SANTA CRUZ	100.00%	-128,393.96%	100.00%	100.00%	100.00%	0.00%	\$0
MRPI GRANTS - ARTS	56.89%	74.56%	2,780.81%	3,189.71%	14.77%	-103,058.92%	\$1,907
ARTS MUSEUM		100.00%	53.04%	22.49%	2.95%	0.02%	\$86

Core Funds are defined as General State Funds (199xx), Lottery Funds, Indirect Cost Recover, Tuition and Student Fees (excluding referendum fees, course fees, and materials fees)

Acronym: MRPI/Multi-campus Research Programs and Initiatives

UCSC Office of Planning and Budget, Budget and Resource Mgmt  
Data Source: UCSC Data Warehouse (FIS)  
Report: UCSC Unit Financial Perspectives

\* Excludes Reserve Funds, Extramural Contract & Grant Funds, Multi-campus Research, Campus Provisions, Campus-wide Clearing and Liabilities, Transfers, Student Aid, Plant/Capital Projects, Purchased Utilities, Revenue, Encumbrances

> 16% < -10%

**112 HUMANITIES DIVISION**

**Year-end Balance as a Percent of Expenses -- Operating Funds\***

	2011	2012	2013	2014	2015	2016	Cfwd
HUMANITIES ADMINISTRATION	6.61%	17.16%	31.00%	22.89%	18.49%	5.36%	\$78,441
AMERICAN STUDIES	16.69%	15.45%	17.63%	46.18%	100.00%	0.00%	\$0
HISTORY	20.26%	17.57%	19.15%	16.47%	14.22%	14.31%	\$842,426
HISTORY OF CONSCIOUSNESS	28.92%	27.06%	28.93%	26.65%	25.25%	30.80%	\$155,883
LANGUAGES & APPLIED LINGUISTICS	12.83%	12.30%	12.39%	11.89%	10.76%	10.95%	\$360,194
LINGUISTICS	29.08%	24.55%	28.43%	28.70%	27.10%	26.27%	\$756,923
LITERATURE	16.43%	15.38%	17.40%	17.69%	17.82%	17.74%	\$1,131,994
PHILOSOPHY	7.83%	5.36%	2.57%	2.44%	9.61%	7.51%	\$143,398
FEMINIST STUDIES	13.75%	14.22%	12.59%	10.59%	13.14%	21.79%	\$353,936
WRITING	13.12%	11.47%	5.39%	10.70%	5.31%	4.90%	\$186,936
INTERDISCIPLINARY STUDIES				6.16%	0.22%	-0.34%	\$-1,274
HUMANITIES RESEARCH AND INSTRUCTION	34.28%	19.16%	31.00%	50.41%	49.89%	90.76%	\$522,692
DP DICKEN'S PROJECT	87.48%	85.06%	68.51%	97.31%	100.38%	18.54%	\$83,095
CRITICAL RACE AND ETHNIC STUDIES				185.88%	279.84%	325.63%	\$168,341
MEDITERRANEAN STUDIES	81.28%	0.23%	0.00%				
MRPI GRANTS - HUMANITIES	17.55%	696.38%	0.00%	0.00%			
HUMANITIES ACADEMIC SUPPORT	161.93%	190.88%	205.02%	172.85%	168.94%	122.77%	\$1,084,506
HUMANITIES INSTRUCTION	-5,334.59%	4,342.22%	3,057.83%	7,320.49%	14,220.00%	798.30%	\$2,267,125

**Year-end Balance as a Percent of Expenses -- Core Funds Subset**

	2011	2012	2013	2014	2015	2016	Cfwd
HUMANITIES ADMINISTRATION	6.61%	17.16%	30.54%	22.50%	18.17%	5.34%	\$76,966
AMERICAN STUDIES	14.02%	11.53%	11.85%	8.59%	100.00%	0.00%	\$0
HISTORY	15.21%	13.19%	15.34%	13.53%	11.42%	11.92%	\$689,438
HISTORY OF CONSCIOUSNESS	29.08%	27.41%	29.35%	26.55%	24.93%	29.92%	\$161,081
LANGUAGES & APPLIED LINGUISTICS	9.40%	8.83%	8.94%	8.86%	7.56%	8.10%	\$265,276
LINGUISTICS	27.83%	24.02%	27.85%	27.14%	24.97%	22.81%	\$652,492
LITERATURE	13.85%	13.05%	15.02%	15.07%	15.28%	15.61%	\$982,582
PHILOSOPHY	6.69%	4.32%	2.07%	1.77%	8.99%	7.09%	\$134,805
FEMINIST STUDIES	10.71%	13.00%	11.16%	9.31%	12.08%	20.79%	\$337,074
WRITING	11.41%	9.85%	4.84%	10.22%	5.10%	4.68%	\$177,363
INTERDISCIPLINARY STUDIES				6.16%	0.22%	-0.34%	\$-1,274
HUMANITIES RESEARCH AND INSTRUCTION	30.18%	19.39%	26.76%	41.72%	40.66%	98.21%	\$340,859
DP DICKEN'S PROJECT		-600.00%	0.00%	100.00%	-144.98%	-3,053.18%	\$22,590
CRITICAL RACE AND ETHNIC STUDIES				176.10%	276.09%	328.27%	\$167,514
MEDITERRANEAN STUDIES	81.28%	0.23%	0.00%				
MRPI GRANTS - HUMANITIES	17.55%	696.38%	0.00%	0.00%			
HUMANITIES ACADEMIC SUPPORT	151.77%	160.68%	190.71%	156.70%	167.31%	107.48%	\$927,468
HUMANITIES INSTRUCTION	-5,334.59%	4,342.22%	3,057.83%	7,320.49%	14,220.00%	798.30%	\$2,267,125

Core Funds are defined as General State Funds (199xx), Lottery Funds, Indirect Cost Recover, Tuition and Student Fees (excluding referendum fees, course fees, and materials fees)

Acronym: MRPI/Multi-campus Research Programs and Initiatives

UCSC Office of Planning and Budget, Budget and Resource Mgmt  
 Data Source: UCSC Data Warehouse (FIS)  
 Report: UCSC Unit Financial Perspectives

\* Excludes Reserve Funds, Extramural Contract & Grant Funds, Multi-campus Research, Campus Provisions, Campus-wide Clearing and Liabilities, Transfers, Student Aid, Plant/Capital Projects, Purchased Utilities, Revenue, Encumbrances

> 15% < -10%

**113 PHYSICAL & BIOLOGICAL SCIENCES**

**Year-end Balance as a Percent of Expenses -- Operating Funds\***

	2011	2012	2013	2014	2015	2016	Cfwd
ASTRONOMY & ASTROPHYSICS	11.23%	17.90%	42.60%	24.10%	30.05%	58.20%	\$1,758,934
BIOLOGY CORE	5.52%	6.27%	6.29%	11.61%	9.32%	9.96%	\$59,844
ECOLOGY & EVOLUTIONARY BIOLOGY	38.44%	52.67%	37.73%	32.16%	42.01%	34.46%	\$2,183,890
MOLECULAR & CELL DEVELOPMNT BIOLOGY	43.69%	27.97%	22.93%	32.53%	39.53%	39.43%	\$2,765,532
CHEMISTRY AND BIOCHEMISTRY	31.15%	18.06%	16.59%	22.26%	34.98%	29.67%	\$2,320,985
EARTH & PLANETARY SCIENCES	18.83%	14.94%	16.71%	22.79%	36.39%	38.68%	\$2,062,234
MICROBIOLOGY & ENVIRONMENTAL TOX.	29.97%	19.40%	20.75%	17.36%	16.67%	22.41%	\$366,043
INSTITUTE OF MARINE SCIENCES	53.63%	53.15%	49.57%	40.35%	49.35%	58.82%	\$1,538,845
INTERDISCIPLINARY INSTRUCTION	45.04%	39.08%	37.79%	30.59%	28.29%	32.00%	\$560,196
OCEAN SCIENCES	35.12%	23.42%	28.28%	54.22%	52.62%	44.27%	\$966,551
MATHEMATICS	20.35%	8.74%	6.24%	13.12%	10.36%	10.24%	\$470,963
NATURAL RESERVES	127.74%	115.87%	113.48%	102.89%	111.87%	106.00%	\$1,257,342
PHYSICS	21.28%	18.82%	14.62%	13.07%	24.84%	59.48%	\$3,430,200
SC INSTITUTE FOR PARTICLE PHYSICS	47.97%	48.61%	54.47%	55.44%	43.20%	46.13%	\$378,762
STEPS INSTITUTE							
INST FR GEOPHYSICS & PLANET PHYSICS	53.14%	52.82%	89.46%	224.89%	43.64%	181.57%	\$120,577
SCIENCE WRITING	49.93%	31.68%	18.13%	4.77%	11.94%	18.02%	\$56,573
PHYS & BIO SCIENCES ADMINISTRATION	60.00%	9.49%	20.80%	34.15%	25.19%	17.84%	\$512,288
PHYS & BIO SCI DEAN'S ALLOCATIONS	-200.85%	-322.72%	-478.98%	-145.82%	-420.32%	313.24%	\$208,891
PHYS & BIO SCIENCES OUTREACH	42.05%	143.12%	23.35%	31.14%	19.35%	38.95%	\$49,317
PHYS & BIO SCI DIVISIONAL SUPPORT	319.20%	343.13%	377.90%	368.52%	335.77%	113.86%	\$2,339,856
PHYS & BIO SCIENCES FACILITIES	54.41%	15.28%	21.77%	18.75%	22.24%	14.74%	\$128,316
COASTAL SUSTAINABILITY GRAD PROGRAM						100.00%	\$37,600

**Year-end Balance as a Percent of Expenses -- Core Funds Subset**

	2011	2012	2013	2014	2015	2016	Cfwd
ASTRONOMY & ASTROPHYSICS	6.60%	16.66%	28.13%	24.07%	25.67%	42.00%	\$1,165,602
BIOLOGY CORE	5.52%	6.27%	6.29%	11.61%	4.09%	10.13%	\$57,087
ECOLOGY & EVOLUTIONARY BIOLOGY	30.40%	46.08%	31.40%	25.27%	26.40%	22.04%	\$1,236,369
MOLECULAR & CELL DEVELOPMNT BIOLOGY	27.14%	17.36%	15.64%	24.72%	32.72%	34.41%	\$2,261,327
CHEMISTRY AND BIOCHEMISTRY	26.14%	14.99%	11.87%	16.31%	20.44%	20.58%	\$1,451,333
EARTH & PLANETARY SCIENCES	16.46%	10.84%	12.83%	18.93%	23.83%	30.33%	\$1,619,048
MICROBIOLOGY & ENVIRONMENTAL TOX.	26.17%	16.23%	13.30%	9.92%	10.99%	14.18%	\$216,056
INSTITUTE OF MARINE SCIENCES	17.07%	20.20%	28.63%	37.09%	45.43%	46.67%	\$526,744
INTERDISCIPLINARY INSTRUCTION	42.58%	35.22%	32.94%	28.53%	25.24%	25.42%	\$414,063
OCEAN SCIENCES	33.23%	19.05%	29.36%	33.65%	39.61%	37.18%	\$719,504
MATHEMATICS	14.43%	2.95%	2.28%	8.95%	7.33%	6.83%	\$310,107
NATURAL RESERVES	117.06%	116.52%	79.94%	75.15%	70.60%	94.91%	\$641,893
PHYSICS	16.31%	14.59%	11.11%	10.62%	21.43%	56.26%	\$3,158,067
SC INSTITUTE FOR PARTICLE PHYSICS	47.71%	17.49%	24.16%	50.59%	24.41%	22.63%	\$156,035
STEPS INSTITUTE							
INST FR GEOPHYSICS & PLANET PHYSICS	26.33%	302.00%	187.57%	439.11%	175.36%	349.44%	\$112,140

UCSC Office of Planning and Budget, Budget and Resource Mgmt  
 Data Source: UCSC Data Warehouse (FIS)  
 Report: UCSC Unit Financial Perspectives

\* Excludes Reserve Funds, Extramural Contract & Grant Funds, Multi-campus Research, Campus Provisions, Campus-wide Clearing and Liabilities, Transfers, Student Aid, Plant/Capital Projects, Purchased Utilities, Revenue, Encumbrances

> 15% < -10%

**114 SOCIAL SCIENCES DIVISION**

**Year-end Balance as a Percent of Expenses -- Operating Funds\***

	2011	2012	2013	2014	2015	2016	Cfwd
SOC SCI ADMINISTRATION	11.79%	11.26%	12.13%	10.17%	7.74%	7.22%	\$181,846
SOC SCI GENERAL	458.16%	-3,560.18%	2,942.73%	-621.44%	1,729.77%	420.41%	\$844,297
SOC SCI ACADEMIC SUPPORT	166.02%	204.71%	211.71%	414.43%	132.94%	147.25%	\$1,822,973
SOC SCI FACILITIES	62.04%	8.22%	2.67%	-54.74%	12.11%	5.68%	\$19,662
SOCSCI INTERDISCIPLINARY	389.99%	391.57%	372.09%	191.62%	177.41%	114.38%	\$1,287,723
ANTHROPOLOGY DEPARTMENT	16.21%	11.58%	14.57%	19.30%	19.91%	22.73%	\$938,795
ECONOMICS DEPARTMENT	17.32%	14.56%	14.89%	14.62%	20.34%	21.28%	\$1,297,192
EDUCATION DEPARTMENT	14.12%	11.35%	12.00%	13.32%	12.04%	9.41%	\$341,052
POLITICS DEPARTMENT	15.24%	18.78%	19.13%	18.15%	18.55%	16.34%	\$466,037
SOCIOLOGY DEPARTMENT	16.28%	19.79%	17.20%	15.12%	30.02%	25.71%	\$825,928
PSYCHOLOGY DEPARTMENT	17.37%	20.63%	14.89%	12.76%	12.59%	11.89%	\$784,319
LATIN AMERICAN/LATINO STUDIES DEPT	15.84%	16.14%	10.42%	8.99%	13.83%	10.09%	\$193,202
ENVIRONMENTAL STUDIES DEPARTMENT	29.34%	32.83%	27.44%	21.73%	24.80%	21.69%	\$1,051,927
COMMUNITY STUDIES PROGRAM	12.45%	29.41%	107.73%	29.85%	25.65%	27.88%	\$43,707
AGROECOLOGY PROGRAM	45.74%	37.81%	46.63%	54.34%	59.39%	48.63%	\$900,970
COLLEGE NINE ACADEMIC	40.53%	43.14%	41.00%	37.54%	30.97%	46.09%	\$166,215
COLLEGE TEN ACADEMIC	54.64%	49.88%	55.09%	61.63%	57.72%	53.26%	\$190,256
NEW TEACHER CENTER	-1,000.11%	-2,826.99%	274.28%	-20,834.85%	100.00%	100.00%	\$4,456
MRPI - COLLAB RSCH EQUITABLE CALIF	32.08%	0.00%		-100.00%	0.00%		
PACIFIC RIM RESEARCH PROGRAM	-9.93%	0.00%					
MRPI GRANTS - SOCIAL SCIENCES	10.29%	54.14%	156.16%	52.67%	52.88%	100.00%	\$0

**Year-end Balance as a Percent of Expenses -- Core Funds Subset**

	2011	2012	2013	2014	2015	2016	Cfwd
SOC SCI ADMINISTRATION	11.79%	10.83%	11.83%	10.16%	7.74%	7.23%	\$181,846
SOC SCI GENERAL	-7,572.58%	1,147.01%	6,349.74%	-957.03%	5,372.99%	747.03%	\$700,345
SOC SCI ACADEMIC SUPPORT	139.74%	196.08%	203.89%	392.99%	116.52%	135.08%	\$1,671,883
SOC SCI FACILITIES	60.52%	8.29%	2.67%	-54.74%	12.11%	5.68%	\$19,662
SOCSCI INTERDISCIPLINARY	371.17%	516.80%	515.80%	240.85%	194.58%	63.91%	\$426,579
ANTHROPOLOGY DEPARTMENT	12.39%	8.32%	10.09%	14.79%	16.15%	18.69%	\$736,794
ECONOMICS DEPARTMENT	4.83%	3.43%	4.07%	5.10%	10.61%	9.09%	\$526,385
EDUCATION DEPARTMENT	6.61%	4.88%	5.30%	6.19%	4.67%	3.59%	\$125,498
POLITICS DEPARTMENT	6.93%	8.00%	9.14%	8.75%	10.05%	7.14%	\$199,427
SOCIOLOGY DEPARTMENT	8.15%	10.37%	9.06%	9.21%	14.89%	15.93%	\$476,548
PSYCHOLOGY DEPARTMENT	9.21%	11.46%	8.11%	6.23%	7.08%	5.15%	\$333,496
LATIN AMERICAN/LATINO STUDIES DEPT	11.87%	9.16%	5.88%	3.87%	8.83%	6.06%	\$111,276
ENVIRONMENTAL STUDIES DEPARTMENT	11.29%	8.83%	10.01%	11.24%	12.98%	9.54%	\$406,277
COMMUNITY STUDIES PROGRAM	4.93%	9.07%	74.11%	17.41%	5.11%	-6.45%	\$-10,339
AGROECOLOGY PROGRAM	26.05%	27.36%	7.13%	8.74%	3.91%	-1.19%	\$-4,947
COLLEGE NINE ACADEMIC	23.19%	24.70%	23.78%	15.61%	7.88%	18.91%	\$64,572
COLLEGE TEN ACADEMIC	20.39%	8.01%	10.86%	12.85%	12.54%	15.61%	\$47,870
NEW TEACHER CENTER	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	\$160

Acronym: MRPI/Multi-campus Research Programs and Initiatives

UCSC Office of Planning and Budget, Budget and Resource Mgmt  
 Data Source: UCSC Data Warehouse (FIS)  
 Report: UCSC Unit Financial Perspectives

\* Excludes Reserve Funds, Extramural Contract & Grant Funds, Multi-campus Research, Campus Provisions, Campus-wide Clearing and Liabilities, Transfers, Student Aid, Plant/Capital Projects, Purchased Utilities, Revenue, Encumbrances

> 15% < -10%

**154 ENGINEERING**

**Year-end Balance as a Percent of Expenses -- Operating Funds\***

	2011	2012	2013	2014	2015	2016	Cfwd
CE COMPUTER ENGINEERING DEPT	60.39%	60.36%	48.86%	38.57%	57.56%	58.76%	\$2,608,673
BIOMOLECULAR ENGINEERING DEPT	43.54%	29.72%	33.29%	44.56%	65.01%	56.51%	\$1,904,511
CS COMPUTER SCIENCES DEPT	39.65%	34.67%	35.71%	35.72%	62.64%	75.73%	\$4,463,085
ELECTRICAL ENGINEERING	85.95%	85.28%	78.62%	89.40%	69.20%	49.75%	\$1,988,408
APPLIED MATH & STATISTICS	10.50%	11.38%	13.02%	19.14%	28.70%	20.71%	\$731,667
ENGINEERING GENERAL	300.81%	323.38%	406.26%	329.69%	466.46%	357.33%	\$7,164,941
ENGINEERING ADMINISTRATION	7.44%	14.98%	21.09%	29.71%	29.20%	40.60%	\$677,451
ENGINEERING ADVISING&OUTREACH PROG	7.69%	4.77%	8.98%	6.55%	6.78%	5.74%	\$49,329
ENGINEERING DEPARTMENT SERVICE CTR	29.06%	45.19%	14.88%	12.07%	9.26%	1.58%	\$2,124
CTR BIOMOLECULAR SCI & ENGINEERING	174.73%	239.39%	179.18%	230.34%	269.17%	243.17%	\$2,162,134
CTR INFO TECH RES INTEREST SOCIETY	228.19%	316.71%	203.05%	100.92%	153.32%	369.92%	\$662,824
MRPI GRANTS - BSOE		3.45%	0.00%				
CENTER FOR GAMES & PLAYABLE MEDIA	240.61%	114.24%	124.06%	234.95%	241.78%	391.04%	\$318,753
TM TECHNOLOGY MANAGEMENT DEPT	94.57%	88.86%	80.06%	113.24%	122.80%	136.22%	\$1,826,343
COMPUTATIONAL MEDIA DEPT	71.62%	145.92%	301.64%	112.19%	46.69%	39.21%	\$894,234

**Year-end Balance as a Percent of Expenses -- Core Funds Subset**

	2011	2012	2013	2014	2015	2016	Cfwd
CE COMPUTER ENGINEERING DEPT	18.45%	17.34%	13.40%	9.22%	29.71%	25.85%	\$1,010,769
BIOMOLECULAR ENGINEERING DEPT	39.01%	27.67%	21.63%	36.83%	58.41%	48.88%	\$1,462,285
CS COMPUTER SCIENCES DEPT	8.51%	5.24%	3.44%	11.49%	24.04%	32.16%	\$1,763,731
ELECTRICAL ENGINEERING	67.74%	62.32%	56.32%	74.86%	44.57%	27.82%	\$1,024,701
APPLIED MATH & STATISTICS	9.05%	9.21%	9.84%	17.06%	25.07%	17.91%	\$630,348
ENGINEERING GENERAL	277.48%	338.36%	469.77%	381.98%	544.18%	396.66%	\$6,459,322
ENGINEERING ADMINISTRATION	7.32%	14.74%	20.89%	29.54%	28.99%	40.25%	\$668,126
ENGINEERING ADVISING&OUTREACH PROG	7.46%	2.35%	4.03%	3.26%	4.10%	1.73%	\$14,667
ENGINEERING DEPARTMENT SERVICE CTR	3.85%	9.92%	0.76%	1.21%	4.01%	1.63%	\$2,124
CTR BIOMOLECULAR SCI & ENGINEERING	159.28%	124.41%	137.51%	184.45%	235.85%	208.14%	\$768,400
CTR INFO TECH RES INTEREST SOCIETY	21,203.39%	134.63%	861.97%	970.91%	-109,715.99%	123,070.79%	\$93,706
MRPI GRANTS - BSOE		3.45%	0.00%				
CENTER FOR GAMES & PLAYABLE MEDIA	237.15%	265.13%	107.48%	182.47%	505.32%	578.08%	\$191,918
TM TECHNOLOGY MANAGEMENT DEPT	65.76%	48.64%	53.74%	70.61%	74.77%	81.98%	\$961,133
COMPUTATIONAL MEDIA DEPT	61.94%	48.41%	517.73%	108.66%	27.43%	26.61%	\$478,149

Core Funds are defined as General State Funds (1990x), Lottery Funds, Indirect Cost Recover, Tuition and Student Fees (excluding referendum fees, course fees, and materials fees)

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