Lapsed Salary and Other Unspent Funds

**Summary/Purpose:** Any lapsed salary money shall be allocated, at the end of the fiscal year. Any other unspent funds may be carried forward by the originating department so as to temporarily increase their budget in the ensuing year. Any deficits will be carried forward by the originating department, which, of course, decreases their budget in the ensuing year.

Any lapsed salary money shall be allocated, at the end of the fiscal year, and used as follows:
- **25%** will be allocated to the originating school, college, or non-academic division, to be distributed at the dean’s or non-academic Vice Chancellor’s discretion, with preference given to the originating department or unit. These funds may be used by the department as temporary budget increases for operating expenses or equipment acquisitions.
- **50%** will be placed in a special reserve fund for equipment replacements and upgrades (Equipment Replacement Reserve). This reserve fund will be available to all functions eligible for funding through the fund 10 budget, to replace or upgrade equipment of all types. These funds will be under the supervision of the Provost’s Office.
- **25%** will be added to the Unallocated Fund Balance in the General Fund until the Unallocated Fund Balance shall be in the same proportion to the E & G budget as it was on July 1, 1995. Any excess amounts shall be placed in the Equipment Replacement Reserve.

**Other Unspent Funds**
- Any other unspent funds may be carried forward by the originating department so as to temporarily increase their budget in the ensuing year.

**Deficits**
- Any deficits will be carried forward by the originating department, which, of course, decreases their budget in the ensuing year.
- Wage deficits will be deducted from the lapsed salary distribution available for the appropriate dean or Vice Chancellor, unless funds are otherwise identified.