Calculating County Fund Carryforward

The goal of this job aid is to help Extension County Offices to calculate operating carryforward for the current calendar year.

*This calculation is only an estimate and will not accurately reflect the exact operating carryforward. It omits many assumptions including salary and benefit increases and large fluctuations in expenditures due to seasonal projects. This is meant as a quick tool for planning and budget purposes.

If you need a specific operating carryforward amount mid-year you will need to review your eReports carefully and know the trends for your unit. The Business Office can help with this if needed but for normal budgeting purposes this job aid will be enough.

Pull the current balance from the 3OS-61 Report

- eReports Quick Access Guide: http://cfaesfinance.osu.edu/training
- This example pulls the report as of AUGUST. This means we are 2 months into the Fiscal Year (July-Jun)

Take the CURRENT FUND EQUITY and multiply by a negative 1 to reverse the sign.

The current balance in this example as of 8/31/2012 was $128,642

Estimate remaining expenses for the Year
Calculating County Fund Carryforward

Next take the **YEAR TO DATE DEDUCTIONS** and divide that number by the number of months that have elapsed in the fiscal year to get an average monthly expense.

The average monthly expense in this example as of **8/31/2012 was $26,548**

<table>
<thead>
<tr>
<th>Month</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiply By</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>Use the current balance</td>
<td>11</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>6</td>
</tr>
</tbody>
</table>

Last, multiply that amount by the remaining months in the calendar year to estimate how much you will spend for the rest of the year. *

The estimated remaining expense in this example ($26,548*4) as of **8/31/2012 is $106,192**

**Identify remaining Appropriations to be received**

Take the remaining amount not yet paid by your commissioners or levy. Ask the Business Office or see old 91 reports.

The remaining appropriation in this example as of **8/31/2012 was $30,000**

**Calculate the estimated Carryforward**

- CURRENT BALANCE  $128,642
- MINUS REMAINING EXPENSES  -$106,192
- PLUS REMAINING REVENUE  $30,000

EQUALS ESTIMATED CARRYFORWARD =  $52,450

**Compare that to the estimated yearly expenses. Operating carryforward should equal or exceed 25% of the estimated yearly expenses.**

Take your average monthly expense and multiply by 12.

- Estimated yearly expenses  $26,548*12= $318,576

Take your **ESTIMATED YEARLY EXPENSES** and divide by 4 (25%).

- Required Carryforward  $318,576/4 = $79,644

Do they match? If you are noticeably over or under the needed carryforward, talk with your Regional Director.

In this example the county is estimated to have operating carryforward lower than recommended. They should be planning to build in some reserve to their budget request. As stated before, talk with your Regional Director.