All,

I want to update you on some changes to Fund 1101 for FY 2007-08.

Over the course of FY 2006-07, we realized that it was very difficult to manage Fund 1001, 1101, 1102, and 1xxxxx spending. For FY 2007-08, we are hoping to streamline and clarify the use of Funds 1001, 1101, and 1102.

- Fund 1001 remains the current year General Fund for regular operations – the default fund for FY08 activity.
- Fund 1101 remains the fund for maintaining the budget balances accumulated through FY 2005-06 – should NOT be used for posting revenues or expenses.
- Fund 1102 will be the fund used for approved spending against prior year balances – should be used for spending against prior year balances from Fund 1101 or FY07 balances reallocated in FY08.

For FY 2007-08, we have authorized spending of approximately $820,000 from Fund 1101 based on requests received during the budget process. These amounts will be transferred from Fund 1101 and posted to Fund 1102 or a designated fund (Fund 1xxxxx) for FY08 spending.

Fund 1101 will be ‘frozen’ to prevent any unintentional posting of activity. Any additional approvals for spending from Fund 1101 will
need to go through the Vice Presidents, and we will make a transfer from 1101 to the appropriate fund for spending. This includes transactions less than $2,000.

As stated below, all FY07 balances remaining in Fund 1102 were consolidated in Fund 1101 at the end of FY07.

Thank you for your patience as we work through our Chart of Accounts Fund Code changes.