

**State of Vermont**  
**Agency of Administration**  
**Department of Finance & Management**  
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*Adam Greshin, Commissioner*

**TO:** Exempt Heads of Agencies and Departments  
Financial Directors and Managers  
**FROM:** Adam Greshin  
**DATE:** June 28, 2024  
**RE:** **FY 2024 Year End Balances and Carryforward, FY 2024 to FY 2025**

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Pursuant to **2024 Act 87, Sec. 103** (the FY 2024 Budget Adjustment Act):

**Sec. 103. CARRYFORWARD AUTHORITY**

**(a)** Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund (21932), and Agricultural Water Quality Fund (21933) appropriations remaining unexpended on June 30, 2024 in the Executive Branch shall be carried forward and shall be designated for expenditure.

**(b)** Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2024 in the Legislative and Judicial Branches shall be carried forward and shall be designated for expenditure.

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Pursuant to **2024 Acts and Resolves No. 113, Sec. E.106** (the FY 2025 Budget Act):

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**(b)** The Commissioner of Finance and Management shall revert all unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority prior to December 31, 2024. The total amount of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority reverted in accordance with this subsection shall equal the amount of new spending authority established pursuant to 32 V.S.A. § 511 for the following purposes in the following order:

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**(c)** If previously obligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority becomes unobligated after December 31, 2024, the Commissioner of Finance and Management may, with the approval of the Joint Fiscal Committee, revert the unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority and establish new spending authority pursuant to 32 V.S.A. § 511 for any existing American Rescue Plan Act – Coronavirus State Fiscal Recovery programs in accordance with the requirements of 31 C.F.R. Part 35.

Pursuant to **32 V.S.A. § 703:**

The unexpended and unencumbered balances of any sums appropriated by the General Assembly shall, at the end of the fiscal year, unless otherwise specifically provided, revert to the appropriate fund balance. Refunds of expenditures and reimbursements shall be credited to the appropriate fund and to appropriation accounts in the current fiscal year.

**In summary**, all spending authority shall revert at fiscal year-end except for General Fund, Transportation Fund, Transportation Infrastructure Bond Fund, Education Fund, Clean Water Fund, and Agricultural Water Quality Fund with an approved carryforward plan from the Secretary of Administration. This includes one-time and base appropriations.

All American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority shall carryforward until no later than December 31, 2024 at which time any remaining, unobligated balance must be reverted. Any obligated balances that become unobligated after this date will also be reverted.

The final amount of spending authority eligible for carryforward in your various appropriations will be determined by the Department of Finance and Management’s Financial Operations Division by close of business, Friday, July 19, 2024. **Expenditure of this carryforward, however, is subject to approval by the Commissioner of Finance & Management and should not be considered automatic.**

Residual spending authority balances in VISION may be obtained by using the **VT\_APPROP\_FUND\_SUM\_NW - Appropriation Summary by Fund query**. The query should be run for budget period 2024, fiscal year 2024 and period 998. Note the spending authority balances are reflected in the report as credits (negative). Spending authority balances subject to the carryforward process include any FY 2024 obligations reported in the “Encumb Amt” column of the query plus any unencumbered balances reported in the “Available Amt” column of the query. FY 2024 obligations are automatically carried forward therefore the carryforward plan should itemize anticipated uses of the unencumbered spending authority balances found in the “Available Amt” column of the query.

The submission deadline for your carryforward plan is Friday, August 2, 2024. FY 2024 spending authority cannot be added to your organizational budgets or expended in FY 2025 until your carryforward plan is approved by the Secretary of Administration through the Commissioner of Finance & Management. Carryforward plans are executive privileged communications and must be submitted by the exempt head of the State entity to the Secretary of Administration, via your budget analyst, using the email address [Adm.budget@vermont.gov](mailto:Adm.budget@vermont.gov).

Itemized carryforward plans, for both base and one-time appropriations, should be organized by Dept ID and Fund and provide a detailed explanation of the need for the carryforward, the program/project it is supporting, what, exactly, the funds will be purchasing, and whether it is to continue the base budget activities for which the original funding was provided or if it is for one-time purchases. Priority will be given to carryforward used to offset future Pay Act needs and for one-time investments resulting in future cost savings and operational efficiencies. Residual balances may be reverted to capitalize persistent special fund deficits associated with your business unit.

Your budget analyst will be in contact once the review is complete.

**Encumbrances**

FY 2024 encumbered spending authority that does not reflect valid obligations, or for which associated purchase orders are subsequently cancelled, may be subject to reversion or transfer in the FY 2025 Budget Adjustment Act.

**Fiscal Year-End Special Fund and Federal Fund Cash Balances**

As part of the year-end process, Finance and Management reviews Special Fund cash balances. For each Special Fund from which your business unit incurs expenditures, please provide a recommendation and justification regarding whether your business unit's remaining balance should be retained, or whether all or a portion can be proposed for transfer in the FY 2025 Budget Adjustment. Special Funds without activity for several years should be recommended for termination. For Special Funds or Federal Funds with negative cash balances, Finance and Management's Financial Operations Division FY 2024 Year-End Closing Instructions require submission of a Receipt Confirmation Form by July 19, 2024.

**Closeout Problems**

Please inform your budget analyst of any FY 2024 closeout problems encountered, including:

- FY 2024 obligations requiring the use of FY 2025 spending authority.
- Special Funds or Federal Funds, for which you have responsibility, ending the year in a cash deficit (see Receipt Confirmation Form discussion above);
- Necessity – after the specified deadline – to request Excess Receipts or Appropriation Transfers to close out the Fiscal Year;
- Special Fund or Federal Fund receivables of a significant amount that have not materialized;
- Interdepartmental Transfer receipts that have not materialized;
- Internal Service Fund billings that have not been paid; and
- Any other situation you regard as a problem related to FY 2024 closeout.

**In the absence of a response by August 2, 2024, Finance & Management will assume no significant FY 2024 closeout problems were encountered.**

Please contact your budget analyst with questions regarding this memorandum.

Thank you for your cooperation.