

# **BOARD OF REGENTS BRIEFING PAPER**

**1. AGENDA ITEM TITLE:** Handbook Revision – Financial Policies

**MEETING DATE:** December 5-6, 2019

**2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

Recommendation to update the reporting threshold for the Self-Supporting budgets. Self-Supporting budget found in the BOR Handbook, Title 4, Chapter 9C, Section 2.11.

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

Recommend the following revision to Section 2:

11. Budget to Actual Report

The System Administration will develop annually a report that compares the original budget to actual revenues and expenditures for Self-Supporting Budget as defined under Policy 3 the review will include all self-supporting budgets that exceed annually [~~\$25,000~~] \$250,000 in projected annual expenditure activity. The report will summarize and highlight those activities that vary from the original budget by [~~\$25,000~~] \$250,000.

**4. IMPETUS (WHY NOW?):**

The Budget to Actual Report remained at the \$25,000 threshold, we request that the threshold be raised to the \$250,000 threshold to stay consistent between the reports.

Below is what was approved at the March 1, 2018 Board Meeting:

3. Self-Supporting Budget Review

All self-supporting budgets exceeding [~~\$25,000~~] \$250,000 of projected annual expenditure activity will be included in the annual budget process. Fund transfers will not be included in determining whether self-supporting budget meets the [~~\$25,000~~] \$250,000 threshold for inclusion in the annual budget process. Excluded from this requirement are grants and contracts and plant, loan, endowment and scholarship funds.

5. Transfers

c. Budget transfers between functions of more than [~~\$100,000~~] \$500,000 of State Appropriated or Self-Supporting Budget Funds must be reviewed/approved by System Administration. A quarterly report will be provided to the Board of Regents.

**5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

This update will allow the Self-Supporting Budget Review and the Budget to Actual Report to reflect the same threshold amount.

**6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

N/A

**7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

No Alternatives.

**8. COMPLIANCE WITH BOARD POLICY:**

***NSHE Handbook***  
**TITLE 4, CHAPTER 9C, SECTION 2.11**  
Financial Policies

Additions appear in ***boldface italics***; deletions are [~~stricken~~ and bracketed]

2.11. Budget to Actual Report

The System Administration will develop annually a report that compares the original budget to actual revenues and expenditures for Self-Supporting Budgets as defined under Policy 3 the review will include all self-supporting budgets that exceed annually [~~\$25,000~~] ***\$250,000*** in projected annual expenditure activity. The report will summarize and highlight those activities that vary from the original budget by [~~\$25,000~~] ***\$250,000***.