



THE UNIVERSITY OF
ALABAMA IN HUNTSVILLE

Draft Board Rule 108 System Office and University Policies (adapted from Board Rule 306 Publication of Faculty, Personnel, or Other Handbooks or Manuals)

- Consultation with Affected Constituencies. In the development and formulation of policies, appropriate constituencies should be consulted for input; provided, however, such input does not constitute a veto or interference with administrative rights and responsibilities.
- *“Although the policies contained herein are intended to reflect current rules and policies of the University, users are cautioned that changes or additions may have become effective since the publication of this material. In the event of a conflict, current statements of Board policy contained in the Bylaws, Rules, official minutes, and other pronouncements of the Board or Chancellor, or superseding law, shall prevail.”*
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- Consistency Among Policies. The Board of Trustees recognizes that campus policies may differ to reflect appropriate and legitimate differences in role and mission. However, each campus and the System Office should seek consistency to the extent practicable, consider the policies of its sister institutions during policy development, and shall work with the Office of Counsel in furtherance of this goals.
- The Campus Designee will consult with the Chancellor's Designee and Office of Counsel regarding the goals and purposes of this Board Rule, and the goals and purpose of the proposed policies. Policies must be consistent with the will of the Board as expressed in these and other Board Bylaws and Rules, and should seek to promote fairness, equitable treatment, safety, security, and other Board goals.



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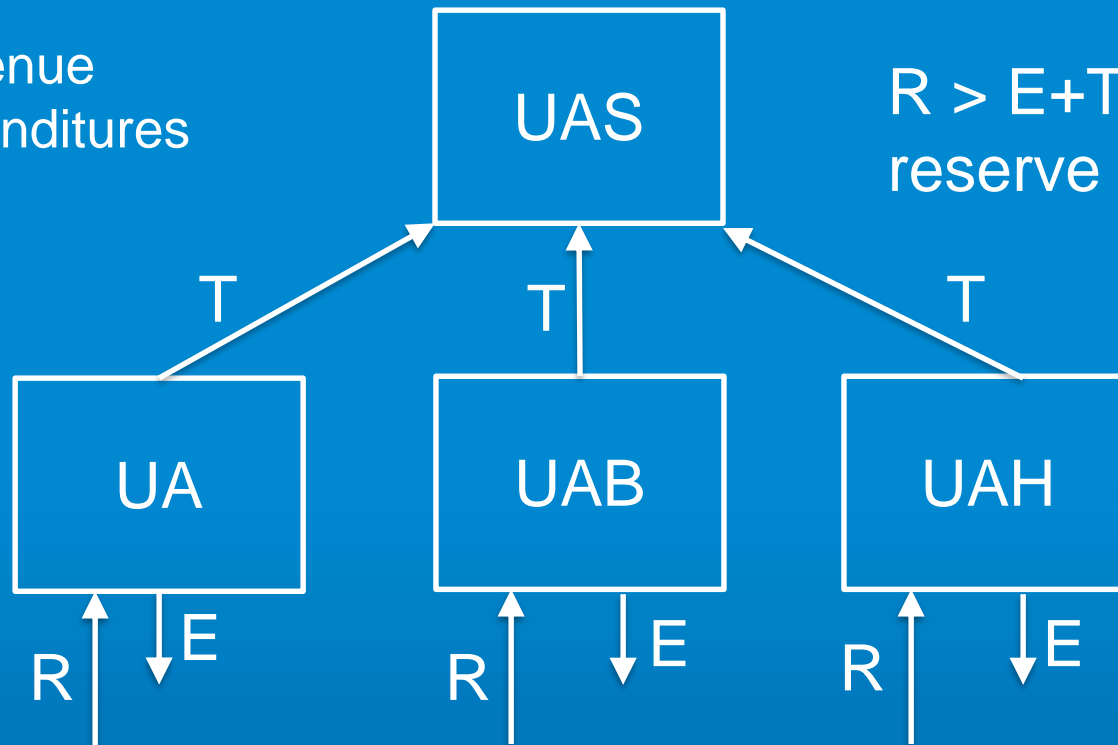
- Before final adoption, the Campus Designee must give specific assurance to the Chancellor's Designee that the proposal is not inconsistent with Board pronouncements. The Chancellor's Designee and Office of Counsel will review the proposed policy to confirm same, and the policy will not take effect until such confirmation is received.

Decentralized Reserves at Unit Level

R = Revenue

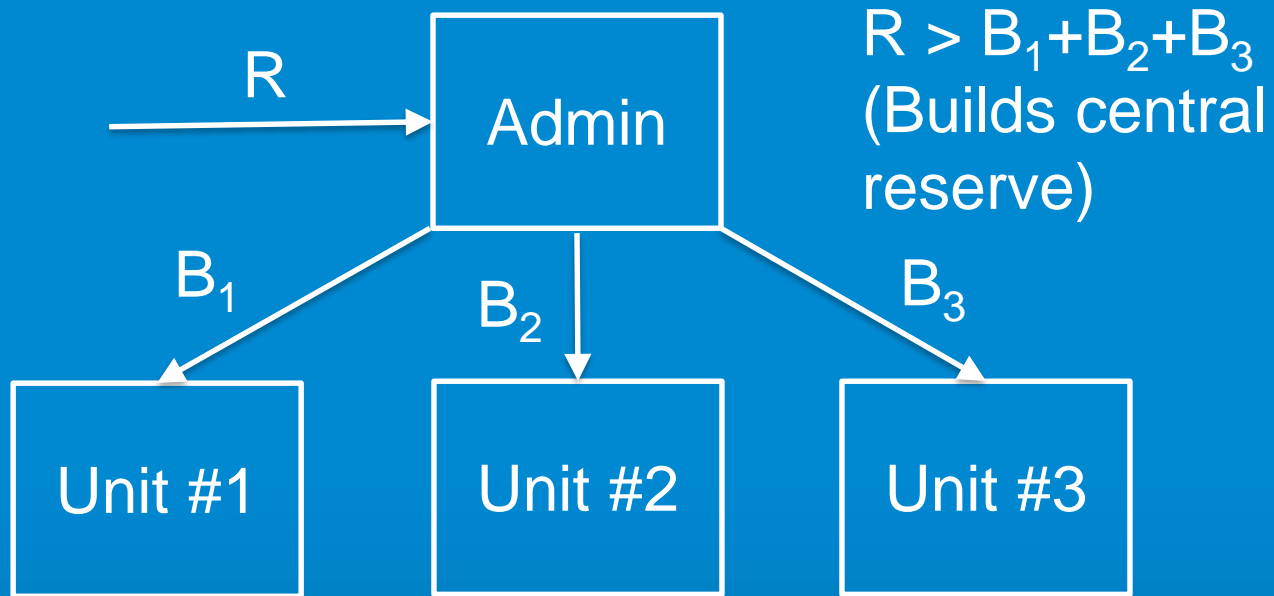
E = Expenditures

T = Tax



$R > E + T$ (Builds unit
reserve funds)

Centralized Reserves at Admin Level



R = Revenue
B = Budget allocation

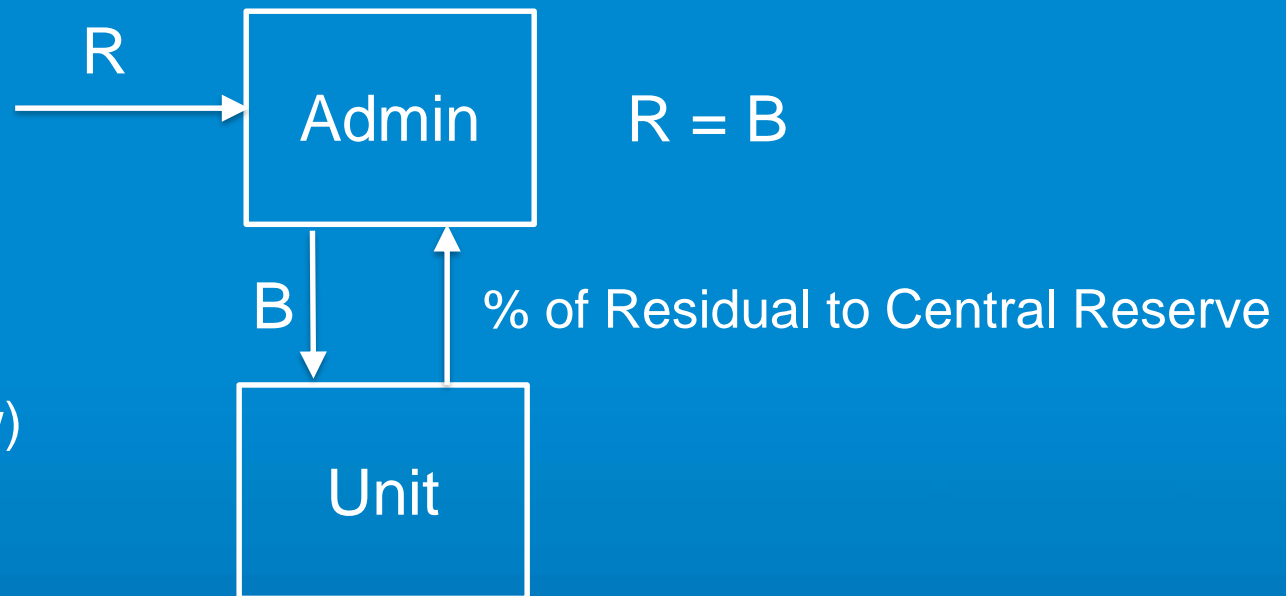
Hybrid Reserves at Admin (Central) and Unit Level

R = Revenue

B = Budget allocation

Residual = Unspent
budget allocation

Central Reserve =
% Residual (inflow) –
expenditures (outflow)



Before 2007 % of Residual = 50%

After 2007 % of Residual = 0 (no flow
back to Central Reserve)

- Budgetarily central reserve counted on to cover
 - Campus-wide projects
 - Maintenance
- In the audit statement residual counted on to cover
 - Investment income loss (if there is a loss)
 - Depreciation
 - Currently we “hope” that the residual is sufficient
- FY18 is first time Board required depreciation to be shown in the budget

- Need to
 - Replenish the central reserve
 - Budget depreciation up front
 - Budget accurately up front and not hope there are unit residuals
- Budget units accurately
- Budget personnel costs annually
- FY18 to replenish the reserve
 - Recurring funds in vacant faculty positions revert to a central pool and part-time/temp instructors paid from unit reserves
 - Recurring funds from vacant staff positions revert to a central pool
- FY 19 and beyond
 - Vacant faculty and staff position funds revert to central pools
 - Faculty and staff positions budgeted annually
 - Depreciation accounted for in the budgeting process replenishing the reserve annually



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