

System-wide Policy:		
BT0028 - Discretionary Expenditure Reporting for the President and		
Version: 3	Chancellors	Effective Date: 06/21/2019

BOARD OF TRUSTEES
POLICY STATEMENT ON DISCRETIONARY EXPENDITURE REPORTING
FOR THE PRESIDENT AND CHANCELLORS

PURPOSE

The President and the Chancellors have operating budgets approved for their office that are audited by the University's Office of Audit and Compliance using a risk-based approach. The President and the Chancellors may also have use of or access to discretionary funds not part of their general operating budget. In compliance with requirements of the Higher Education Accountability Act of 2004, Tennessee Code Annotated §§ 49-14-101 et seq., the Board of Trustees adopts this policy statement to ensure adequate oversight and accountability with respect to expenditure of these discretionary funds.

REQUIREMENTS

1. An analysis and reporting of expenditures made by, at the direction of, or for the benefit of the President or a Chancellor from funds other than their general operating budget shall be undertaken at least quarterly and more frequently if warranted. These funds may include, but are not limited to, unrestricted and restricted discretionary gift funds, foundation funds, athletic funds, sponsorship fees, licenses and royalty funds, and other such funds not included in the operating budget for the President's office or Chancellor's office or otherwise not under their direct control.
2. The report shall include, as a minimum, a list of expenditures made by, at the direction of, or for the benefit of the President or a Chancellor, the purpose of the expenditure, the amount of the expenditure, the date of the expenditure, and the source of funds.
3. The Chief Financial Officer shall file annual reports with the Audit and Compliance Committee, President, the Chancellors, and the Chief Audit and Compliance Officer. The reports shall be filed within 45 days of the end of each fiscal year, and copies shall be provided to each member of the Board of Trustees.
4. The President and the Chancellors shall not have authority to grant themselves, their spouses, or their offices an exception to fiscal, spending, or travel policies established by the Board or by statute.

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History:

Adopted	06/24/2004
Revised	02/25/2011
	06/21/2019 (technical revisions)