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To: faculty@etsu.edu; staff@etsu.edu
Subject: Monitor and Review of Institutional Expenditures
Date: Wednesday, February 19, 2014 8:38:38 AM
Importance: High

In light of the current financial pressures facing the institution, it is paramount that we monitor and review institutional expenditures in advance of the close of the fiscal year. The 2013-14 academic budget incorporates aggressive projections which magnify the importance of placing a focused emphasis on the wise stewardship of departmental, college, and university resources. Budgetary planning assumptions entail an increased end-of-year fund balance to mitigate ongoing fiscal challenges that have resulted from the inability to meet our enrollment goals.

While internal discussions considered the utilization of an early cutoff date for purchases, staff recognizes the inherent challenges/opposition to this proposal. Subsequently, staff recommends that we empower colleges, departments, and units to exercise judgment and make informed decisions regarding end of year expenditures. As we transition toward the close of the fiscal year, we will pursue strategies to define both responsibility and authority for budget oversight. In concert with ongoing discussions to create a new institutional budget process, staff recognizes that Deans and Directors best understand what is needed for their respective entities. Rather than abruptly closing the purchasing cycle, staff recommends the immediate implementation of the following actions:

1. eBucs - Currently Deans/Directors (or designee) approve requisitions at the \$5,000 limit. This limit will be reduced to \$1,000, with any purchases over \$5,000 requiring the approval of the appropriate Vice-President. This change is effective for all account types, regardless of funding source (Foundation funds, grants, etc.)
2. Procards – Regardless of the funding source, per transaction limits will be reduced from the current level of \$5,000 to \$1,000.
3. Reimbursements and check requests outside of eBucs – For those instances in which spending approval is not obtained prior to purchase, Deans/Directors will be required to approve any check/reimbursement request in excess of \$1,000. In addition, approval from the appropriate Vice President will be required for any amount over \$5,000.
4. Purchases of the following types will be frozen for the remainder of the fiscal year:
 - a. Computers, personal desktop printers, iPads and other Personal Electronic Devices
 - b. All renovations, including carpet, unless specifically approved by a Vice President as being necessary to meet academic program requirements or verified by Environmental Health and Safety as a safety issue. Grants and Foundation accounts would be exempted from this provision. Furthermore, specialized course fees could be utilized as appropriate, but require Vice Presidential approval.

In lieu of the aforementioned policy changes, the chart below articulates the year end dates for the 2013-14 academic year.

Activity	Deadline
Process FY 14 purchase requisitions that require sealed bidding (\$50,000 or more)	Friday, May 9, 2014
Submit budget revisions for travel and supplies for FY 14 to Budget and Finance	Wednesday, May 21, 2014
Process FY 14 purchase requisitions that do not require sealed bidding (less than \$50,000)	Friday, May 23, 2014
New year purchase requisitions can be entered into eBucs (FY 15 budgets are available)	Beginning Monday, June 16, 2014
Procards – Last day for FY 14 Procard	Thursday, June 19, 2014

transactions	
All FY 14 blanket purchases orders are cancelled by Procurement	Friday, June 27, 2014
New FY 15 purchase orders are released to suppliers by Procurement	Wednesday, July 2, 2014

Thank you for your cooperation,
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Brian Noland
President