

Boulder Faculty Assembly Budget and Planning Committee

Motion: Policy to Recover Costs Due to Deficit Spending

Whereas,

The President's Office has agreed from now on not to charge interest on any form of deficit spending by our faculty

Let it be Resolved that,

The Boulder Campus will proceed with the following policy to recover the costs from flagrant deficit spending:

- Every two months the Sponsored Program Accounts (SPA) office will send to the Office of Contracts and Grants (OCG) a list of accounts that for any reason are overspent by more than \$10,000.
- The director of OCG (Laurence Nelson) will comment on whether there are special reasons why a particular account should not be considered for charges.
- This list will be sent to the Vice-Chancellor for Research (Carol Lynch), to the Vice-chancellor for Budget and Planning (Ric Porreca), and to the chair of the BFA Budget and Planning Committee (Uriel Nauenberg for this year).
- For those accounts without an adequate reason for the deficit, a letter, indicating the deficit and requesting that the deficit be corrected, will be sent from the Associate Vice-chancellor for Research (Carol Lynch) and the chair of the BFA Budget and Planning Committee (Uriel Nauenberg) to the Principal Investigator with copy to the Chair of the appropriate Department, the Dean of the Unit, the Vice-chancellor for Budget and Planning (Ric Porreca), and the Vice-chancellor for Academic Affairs (Phil DiStefano).
- If after two months of receipt of the letter the faculty member has not corrected the deficit, an interest charge of 1% per month will be charged to the department. This charge will be applied from the date at which the letter indicating the deficit was sent to the department.
- These costs will then be deducted in the next allocation period from the funds to be apportioned to the department.
- In case the deficits are incurred in programs funded by gifts or other auxiliary accounts, Ric Porreca's office will directly receive deficit information from the Accounting Office; the interest penalty, determined by the Vice-chancellor for Budget and Planning, will be charged starting immediately.

Notice of Motion
to the BFA Executive Committee: December 13, 1999

Notice of Motion to BFA: February 2, 2000

From BFA Committee: Budget and Planning

Approved by Executive Committee for
forwarding to BFA: December 13, 1999

Notice of Motion to BFA: February 3, 2000

Approved by BFA: February 3, 2000

Forwarded to: Dean Carol Lynch

Forward date February 4, 2000