

Definition of Non-Recurring Expense Items

Vetted by CAFA as of 8/13/2019

Senate Bill 190 details specific items that would be expected in the newly-required Carryforward Spending Plans that must be submitted for approval.

The annual Legislative Budget Request Instruction Manual glossary indicates that non-recurring means “expenditures or revenues that are not expected to be needed or available after the current year”.

An E&G non-recurring expenditure is defined as an expenditure that is not expected to be needed or available after the current fiscal year. Non-recurring expenditures have distinct elements:

- Time-limited in nature, where an end date to a given contract or activity is known
- There is no promise or guarantee of future funding
- May cross multiple years, but the above two provisions apply
- May address financial challenges resulting from external factors (examples could include federal government shutdown, drop in state revenue resulting in a mid-year reduction)

The following is a list of non-recurring expenditure examples vetted by the Council for Administrative and Financial Affairs (CAFA) group, to be updated as new items are identified:

A unified understanding of non-recurring expenditures will be critical for the planning process and consistency of operations or all of the institutions.

Some examples of non-recurring expenditures include, but are not limited to:

1. Summer Appointments
2. OPS Appointments
3. Adjunct Faculty Appointments
4. Visiting Faculty Appointments
5. Limited/Time Specific Employment
6. DROP Employees
 - If there is an overlap for cross-training. Focus on the position. For example, if a CFO enters DROP or announces his/her retirement, that should not make the position non-recurring as someone will replace him or her (or the university could reorganize)
 - If the position (position responsibilities) is being eliminated or reassigned
7. Start-Up Funds
8. Repairs and Maintenance
9. Equipment Purchases
10. Student Financial Aid Payments
11. Travel
12. Office Supplies
13. Bonus/Temporary Payments
14. Utilities Expense (such as a mid-year, unexpected increase, that wasn't built into the original budget)
15. Consultant Fees
16. One-Time/Annual Contracts (case-by-case determination by each university)
17. Rentals (short-term)
18. Transportation (such as transportation costs for site visits, additional buses required on a short-term basis, etc.)
19. ERP Updates
20. Demolition
21. Leases (case-by-case determination by each university)