

The annual approval of the budget and personnel documents designating the salary and other personnel benefits for an institution head shall not constitute an implied nor expressed agreement for continued employment throughout that fiscal year but are executed or approved solely for the purpose of budgeting and associated fiscal and administrative matters.

1. Compensation. The president of an institution shall be entitled to an overall compensation package which shall be competitive with positions of comparable requirements, responsibilities, and authority as approved by the Board. (*See PPM*)
2. Presidential Housing and Related Services. For the expedience of the institution, housing is provided on the campus premises where available. Other related services including such items as utilities, furnishings, maintenance, custodial, and domestic services shall be provided to the institution president, the president's spouse, and dependents who are residing with the president. The institution president must reside in such housing, where available, as a condition of employment. This requirement is in recognition of the need for the institution president to be readily available to the institutional community and facilities, to provide for the hosting of official functions, meetings, and activities, and for the overall performance of official duties. Where suitable housing is not available on campus, the president shall be provided additional compensation as specified through the terms of employment.

**C. Presidential Expenses. In accordance with applicable state policies and procedures, an institution shall make adequate provisions within an appropriate expenditure category of its operating budget for funding of campus-related activities and functions that the institution president is expected to host and furnish. Expenditures for these activities may encompass items such as food, beverages, flowers, decorations, and other entertainment-related expenses.**

1. **Adequate financial and accounting records shall be maintained by the administrative offices of the institution relative to these expenditures so that their specific nature can be identified and verified. The amount of operating funds to be budgeted for these expenses shall be reviewed and approved by the Board annually through the normal budget process.**
2. **As the head of a state university, an institution/system president is entitled to choose between the use of a personally owned vehicle or to utilize a vehicle provided by an affiliated, non-profit organization of the university (foundation, alumni association, or dealership through an affiliated entity). If the president chooses to utilize his/her personal vehicle, a monthly allowance established by the board or the current State mileage reimbursement rate shall be paid by the university. If the President chooses to utilize a vehicle provided by an affiliated**

entity (foundation, alumni association, or dealership through an affiliated entity) and that entity does not provide any financial support for the operating expenses of the vehicle, the president shall be paid a monthly allowance established by the board from the university. The cost to own and operate the president's vehicle is as noted above and shall constitute the totality of the vehicle related payments to the president from all sources. (revised 10-24-08).