SUBJECT: BUDGET ADJUSTMENT PARAMETERS

SUBMITTED BY: Joint Board House Budget Review Committee

REFERRED TO: AOA House of Delegates

WHEREAS, the House of Delegates met in July, 2016 and approved the following Budget Adjustment Parameters Policy:

"RESOLVED, that without explicit approval of the Joint Board/House Budget Review Committee the AOA Board of Trustees may take no financial actions between meetings of the AOA House of Delegates which when taken together either decrease AOA's cash or increase its long term or recurring short term debt (to include operating leases and other contractual obligations) to an aggregated amount greater than 10% of the AOA's total equity as audited in the prior year; and, be it further

RESOLVED, that this policy will be reviewed by the Joint Board/House Budget Review Committee every three years.”, and

WHEREAS, the Finance Committee reviewed the Budget Adjustment Parameters Policy and believes it remains relevant and appropriate; now, therefore, be it

RESOLVED, that the Finance Committee re-affirms its support of the Budget Adjustment Parameters Policy; and be it further

RESOLVED, that this resolution be forwarded to the Joint Board/House Budget Review Committee for consideration.

Explanatory Statement:
The above budget adjustment parameters were initially approved by the Joint Board/House Budget Review Committee in July 1995. These parameters were re-affirmed by the Joint Board/House Budget Review Committee in July 1998, July 2001, July 2004, July 2007, July 2010, July 2013, July 2016 and July 2019. These budget adjustment parameters were reviewed and approved by the Joint Board/House Budget Review Committee in July, 2019 as part of the three-year review process as required by the initial resolution.

Continuation of this policy is in accord with the specific subset of the budget adjustment provision contained in the Reserve Requirement Policy.

ACTION TAKEN ___________________

DATE ____________________________

**EDITORIAL NOTE: Per the HOD Speaker, due to the nature and timing of this resolution it will not need to be addressed by the Rules & Order of Business Reference Committee as a late entry.**