



June 22, 2009

MEMORANDUM

TO: District Board of Trustees
FROM: William D. Law, Jr., President
SUBJECT: Budget Amendment #2

Item Description:

This item is to update the College's operating budget to accommodate additional salary expenses resulting from authorized pay increases.

Overview:

In September 2009, the Board approved a 7.5% budget reduction which included a \$1.2 million decrease in budgeted salaries. Although the College has reduced actual salary expenditures as planned, the latest expense projections indicate total salary expenditures will exceed the reduced budget amount due to pay increases approved in December 2008.

Since the College has also reduced materials and supplies expenditures, the projected current expense budget surplus will be over \$1 million. The staff recommends transferring \$539,067 from the current expense to the salary budget to ensure sufficient salary budget for the balance of this fiscal year.

Salient Facts:

Each fiscal year the College's operating budget is approved by the State Board of Community Colleges. Once approved and executed, any expenditures or obligations exceeding the budgeted amounts are not allowed. Florida rule 6A-14.0716 authorizes the Board to make amendments to the College's operating budget if needed.

Past Actions:

In December 2008, the Board authorized the College to provide faculty a 2.5% pay increase along with a one-time bonus for staff. An amendment to the salary budget was not requested at that time for the additional costs (\$158,019 for pay increase and \$381,048 for one-time bonus).

Future Actions:

No future Board action will be required for this initiative.

Funding/Financial Matters:

Since the budget will be re-allocated from current expense budgets, the College's overall budget will not be affected and no additional budget will be required.

Staff Resource:

Teresa Smith

Recommended Action:

Authorize an amendment to the College's operating budget, moving \$539,067 from current expense budget to salary budget.

	Original 08-09 Budget	Amendment #1	Amended 08-09 Budget	Amendment #2	Proposed 08-09 Budget
Beginning Fund Balance	5,246,716	217,859	5,464,575		
Budgeted Revenue					
Tuition & Fees	22,281,172		22,281,172		
State Support	32,210,130	(2,325,000)	29,885,130		
Federal Support	255,503		255,503		
Other Revenue	788,875		788,875		
Non Revenue Sources	1,500,000		1,500,000		
Total Budgeted Revenue	57,035,680		54,710,680		54,710,680
Total Available	62,282,396	(2,107,141)	60,175,255		60,175,255
Budgeted Expenditures					
Personnel	45,117,406	(1,200,000)	43,917,406	539,067	44,456,473
Current Expenses	12,017,695	231,873	12,249,568	(539,067)	11,710,501
Capital Outlay	858,459	(417,208)	441,251		
Total Budgeted Expenitures	57,993,560	(1,385,335)	56,608,225	-	56,608,225
Projected Ending Fund Balance	4,288,836	(721,806)	3,567,030		3,567,030