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<b>Present:</b>	Anthony Asti, Marsha Foster, Paul Golisch, David Matus, Chris Scinto, Sue Van Boven, Sandy McDill, Bob Metivier, Stella Napoles,
<b>Absent:</b>	Denise DiGianfilippo, John Snelling
<b>Notes:</b>	Jeanette Saxon
<b>Distribution List:</b>	<a href="mailto:dl-pvc-fpat@pvmail.maricopa.edu">dl-pvc-fpat@pvmail.maricopa.edu</a>

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## BUDGET GUIDELINES AND POLICIES – [HANDOUT]

- Committed to send to PLT by 9/23/11
- Communicate guidelines to Managers before APB is opened for submission of Operational Plans (Oct 17, 2011)
- Work with Budget Development Steering Team (BDST) and President's Leadership Team (PLT)
  - Semester reviews with current budget
  - Coordinate with BDST to complement, not duplicate
    - FPAT: strategic
    - BDST: operational
  - Joint meeting with BDST at 45th day

## WORK STUDY FUNDS

- Sandy McDill explained use of work study: if a department has work study employees, the department pays half and the Federal program pays half
  - Find out details – Ken Clarke or Sandy McDill
    - Eligibility rules
    - Our roles to understand financial flow and how to manage it
    - Approval process, etc. goes through Financial Aid

### ► RECOMMEND DEPARTMENTS EMPLOY WORK STUDY HELP FIRST

- Need to promote a better understanding of how it works, how much funding exists
- **Dedicate a part of budget to work study; wrap into annual budget planning**
- If department manager commits to use of work study but cannot find qualified students, what are budget implications?
- Academic areas have very sensitive information – can we allow students access?
  - FERPA Training
  - Confidentiality Agreement

## FUND 200 – [HANDOUT]

- Revenue from special projects
- PLT wants recommendations on:
  - Look at expense patterns vs. Base Budget; we have room to make changes

- Estimate Carry Forward in excess of \$2.1MM
  - Estimate annual revenues of \$400K – \$500K
  - Special Projects fund primarily created from Fund 210 (Athletics) conversion to Fund 110
  - Major Maintenance vs. Special Projects:
    - Major Maintenance is for repairs
    - Special Projects is for something new which enhances the campus
    - With either, any time we fund a capital project, Facilities must submit a Project Management form describing the scope of work. This is evaluated by District Facilities, Planning & Development office and forwarded to Capital Assets office which issues a Project Number. Project spending is tracked in CFS by Project Number.
- How do we handle extra revenues?
- Evaluate where revenue is used, e.g., Fine Arts uses for salaries
- Tie budget to strategic direction and goals
  - Base Budget as starting point
  - Here are the resources; what's the best way to tie resources to core needs?
- Large revenues incomes are usually OYO; departments have regular, associated expenses
  - Athletics
  - CPA
  - Pay-for-Print
  - Possibly Traffic fines
  - Managers of these accounts submit list of where funds are spent; after reviewing this, FPAT can determine how to use / split up remainder
    - How would our decisions impact those managers' areas?

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## SALARY SAVINGS – [HANDOUT]

- Planned Salary Savings – we know we have turnover, but have never budgeted for it
  - For 10 faculty positions held open
  - 14 M&O positions held open
- Also have unplanned savings
- When added up, estimated 2.5% savings in MAT/PSA salary and benefits – varies by year; at end of year this results in increased Carry Forward
  - Note that of the \$4.4 MM Carry Forward from FY 10/11 to FY 11/12. \$2.2MM is from previous year
  - The FY 11/12 Budget includes \$1MM in that will be returned to District for FY 12/13. These funds were utilized to provide funding for OYO in FY 11/12.
- Budget vacancy savings manage hiring process
  - Key components
    - Cannot count funds twice
    - Faster hiring process:
      - DO is pushing some hiring activities to campuses, speeding up hiring process; not sure of the timeline on this
      - Campus allowed to make employment offer
      - Committee size is a factor
  - Realign Base Budget before doing this
  - Vacancy savings may be used to hire people
    - You have to have clear budget and supporting reports to track vacancy savings amount since vacancy savings is variable
  - Most Temp dollars are not in Base Budget, Spent \$1.7 MM in FY 10/11 only 200 K in Base Budget
  - 87% of Base Budget is Personnel – need a big chunk of saving in Personnel

- Management estimates what vacancy savings would be
- Lessen length of time positions are held vacant / open
- Key is not filling all vacancies with Temp
- Build this into our budget, e.g., estimate 5 to 6 vacancies at any time (not including planned vacancies)
- If we build in 2-5% vacancy savings into budget and we exceed that amount, Contingency funds can cover it
  - FPAT has already recommended holding \$500K in Contingency funds as recommended by FPAT

► **RECOMMENDATION: WHEN WE BUILD BUDGET, KEEP 2.5% IN SALARY SAVINGS FOR FY 2012-13 (INCLUDING “HALLWAY DEALS”) WITH MECHANISMS TO TRACK ACTUAL SAVINGS**

- Budget you had at the beginning of year will stay in your budget so we can track savings; cannot spend it
- If you backfill positions, savings drops significantly; campus would have to agree to no backfill in order to achieve savings amount
- FMLA costs
- Hiring turn-around time

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## TEMP WAGES

- Historically, Vacancy Savings funded Temp Wages
- FY 2010-11 \$1.692MM spent on Temp Wages; \$200K was in Base Budget
- FY 2011-12 \$1.8MM allocated for Temp Wages
- Get breakout by Division on who is using
  - Approximately 25% used by M&O and Safety – 14 M&O positions held vacant funded much of this
  - This can be analyzed by Pay Period
- Fund 3 – Work Study
  - \$140K plus \$60K match
- Is there a duplication of services?
- Create an internal Kelly Services-type pool
  - Temps hired and moved around where needed
  - Maximum flexibility
  - Keep certain percentage in Base for this

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## KSC HOURS REDUCTION – [HANDOUT]

- Table 1 – Cost Savings by reducing hours during Fall & Spring
  - M-Th: 8am – 6pm
  - F: 8am – 1pm – have only Board-approved employees work Fridays
  - Save: \$70K - \$140K
- Table 2 – Cost Savings Fall & Spring closed Fridays
  - Save: \$33K - \$67K
- Table 3 – Cost Savings for Summer
  - M-Th: 8am – 6pm
  - F: closed
- If we're closed these hours, scheduling should allow for retaining coverage with fewer Temp hours
- Exception should be for first two weeks of semester
- Providing quality service tied to this goal
- How many Saturday classes do we have?

- Savings shown on handout are from Temp wages only; do not account for Shift Differential
- Rather than hire Temps, hire 9-10 month Board approved employees
  - Precedence / Pay Scales are in place indicating little trouble putting these into effect
  - If kept in same Grade, less obstacles than if bumping positions up or down a grade
  - GOAL: increase number of permanent staff

► **RECOMMEND GOING TO THESE HOURS STARTING IN JANUARY**

- Tied to this recommendation: FPAT reviews savings from hours reduction and recommends how they would be used
  - Monitor funds throughout year; make recommendations regarding carry forward excess
  - Allowed 5% Carry Forward and 1.5% transfer to Fund 7 this budget year

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## UPCOMING MEETINGS - A122, 1-3PM

- 9/23/11
- 10/7/11
- 10/21/11
- 11/4/11
- 11/18/11
- 12/2/11