

DATE: November 12, 2014

TO: College Leadership Council
Budget Administrators
Budget Officers

FROM: Cathy Dempsey, Director, Finance and Administrative Services
Mark Hoddenbagh, Chair, College Budget Committee

SUBJECT: 2015-16 Budget Preparation Process (Distribute as Required)

Please share this memo with the appropriate staff within your department.

The Budget Utility System (BUS) is now open for the 2015-16 Approved Budget preparation process.

Included with this memo is the *BUS Budget Instructions for 2015-16*. These instructions provide budgeting directions and information on revenue, salaries, and operating expenditures. In the instructions you can also find key contact information should you require clarification on any budget items and/or budget preparation processes.

Financial Services has prepared budget targets for each Area based on the College pro-forma budget that was endorsed by President's Council. These targets include inflation increases for some expenses, and salary increases as detailed in the Collective Agreements. All new full-time positions and I/O positions that have been endorsed by President's Council have also been integrated into the Area targets. The pro-forma budget will be presented to the Board of Governors for final approval on February 2, 2015. After the budget has been approved by the Board in February, it will be considered final; therefore until that time, changes may occur to Area targets. Any changes will be communicated in a timely fashion to the budget holder.

Area targets will be communicated to the appropriate CLC member on November 13, 2014.

The Budget Utility System will close at noon on December 9, 2014.

BUS Budget Instructions

2015-16

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BUS will open
Wednesday, November 12th
BUS will close
Noon Monday, December 9th

USE OF COMMENTS

We strongly encourage you to use the comments fields to provide brief explanations. This will help you and others understand your budget at later points in the year.

For example, notes made by this budget officer were very helpful when it came time for quarterly reviews:

Projection	Comments
8,000.00	IBM SERVER DIRECTOR & PLUG-INS SUPPORT
10,000.00	AVOTUS
10,000.00	NUANCE SUPPORT LICENSES
10,000.00	ROARING PENGUIN CANIT ANTI-SPAM SW
10,000.00	SERVER LICENSE/BMZ SERVER/WMF SQL SERVER

SECTION 1: REVENUE

The following revenue items are pre-populated. Departments will be able to change information by amending their projections in the Enrolment Management System (EMS) and “re-calculating” the cost centre.

FULL-TIME POST SECONDARY FEES

Revenue for full-time Post-Secondary/Post-Diploma activity will be loaded based on enrolment projections in the Enrolment Management System. Fees for Spring 2015 for Fall 2015 and Winter 2016 are based on 2014 Spring and Fall and 2015 Winter fees from GeneSIS with a 3% increase.

APPRENTICESHIP FEES

Apprenticeship per diem allowances and classroom fees (accounts 34100, 34101 and 34102) will be loaded as instructed by the Apprenticeship Planning Officer based on the Apprenticeship training plan. Please contact Julie Viau if you have questions (ext 5332 viauj@algonquincollege.com).

CO-OP PROGRAM FEES

Revenue for Co-Op Program activity will be loaded based on enrolment projections in the Enrolment Management System.

MOBILE COMPUTING FEES

Mobile Computing Fees revenue (account 36604) will be loaded based on enrolment in specified programs as recorded in the Enrolment Management System. Check to ensure that *the specified programs are mobile computing programs.*

INCIDENTAL COURSE FEES

Incidental Course Fees (account 36601) will be loaded based upon enrolment in specified courses and fees as set up in GeneSIS for 2014S, 2014F and 2015W. Please review these balances for accuracy.

INTERNATIONAL FEE SHARE

The 50% international fee share will be reflected in two transfers in the Deans' cost centres. 50% of the domestic fees paid by international students will appear under account 36010 (fulltime postsecondary fees) and the corresponding 50% of the domestic fees and international fees paid will appear under account 39936 international fee share revenue. These will be populated by Academic Operations and Planning. The offsets to these will appear under International in accounts 36010 and 49936 (internal fee share expense).

The following revenue items must be entered by departments, if applicable:

FULL-TIME NON FUNDED

Enrolment for full-time non-funded activity will not be transferred from the Enrolment Management System. Enter the revenue (account 36400) using the "I" screen and the appropriate enrolment and fees for the program.

TUITON SHORT

Enter Tuition Short revenue using the "I" screen with the appropriate training days and per diem rate for the program.

PART-TIME ACTIVITY

Use the "H" screen to input revenue for Continuing Education. Use the "J" screen to add revenue for part-time students in full-time programs.

INTERNATIONAL STUDENT PREMIUMS

Enter Full-Time, Part-Time and ESL premiums for International Students using the "J" screen.

INTERNAL REVENUE

Departments expecting cost recoveries from contracts or other sources should use Internal Revenue (account 39920). In the Comments field, please indicate the source of the revenue, including the cost centre (see example below). There must be an offsetting

expense (recorded under “College Services” account 49905) in the source cost centre for each revenue amount.

For example, the Centre for Continuing and Online Learning provides a course for a Contract with the Department of National Defense. The budget should be:

Budget Code	Amount	Comment
505A 39920	\$12,000	Reimbursement for DND contract (460W).
460W 49905	\$12,000	Reimburse CCOL (505A) for DND courses.

SECONDMENT SALARY RECOVERY

Budget any recoveries expected for seconded employees under revenue account 39918.

CONTRACT REVENUE

Revenue expected to be generated from new or continuing contracts should be budgeted using one of the following account codes, depending on who the contract partner is.

38300	<p>General Contract Revenue</p> <p>Contracts with Canadian organizations that are not related to the Ontario government. Contracts with private sector organizations and federal government departments belong here.</p>
38302	<p>Collaborative Contracts</p> <p>For collaborative contracts with Carleton U (IT) and U of Ottawa (nursing).</p>
38303	<p>Related Entities Contract Revenue</p> <p>Contracts with organizations related to the Ontario Government e.g. other colleges, Ontario government ministries other than MTCU; hospitals.</p> <p>Do not include universities or Federal Govt. sources here. (Use 38300.)</p>
38304	<p>MTCU Contract Revenue</p>
38307	<p>International Partnership Contract Revenue</p>

38308	MTCU Second Career Contract Revenue
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NOTE: A separate cost centre is required for each contract of \$100,000 or more. Contracts of less than \$100,000 may be combined in a single cost centre, if desired.

It is critical to prepare quarterly contract accruals (end of June, Sept. and Dec.) for revenue to be recognized and/or expenses to be accrued. Please prepare these journal entries, with appropriate backup, and email to Joanne Kalman kalmanj@algonquincollege.com.

As well, please ensure that you budget any expenses under the appropriate account codes.

OTHER REVENUE

Other Revenue such as Sale of Course Products (account 38200) and Testing Fees (account 39941) should be input using the “J” screen. If you use “Miscellaneous Revenue” (account 39908), please describe the nature of the revenue in the Comments field.

SECTION 2: SALARIES

FULL TIME SALARIES

Full Time Salaries and fringe benefits will be populated for all approved positions as of the day BUS opens. Step and rate increases have been factored in as follows:

Academic	Step increases have been calculated on anniversary dates using the salary table effective September 1, 2014 and in accordance with the Collective Bargaining Agreement.
Administrative	Step increases have been calculated on April 1, 2014 for employees who were full-time employees at the College on April 1, 2008. Step increases for employees hired after April 1, 2008 have been calculated

	on each employee’s anniversary date. A provision has been made for an annual rate adjustment to the salary table.
Support	Step increases have been calculated on anniversary dates using the salary table effective September 1, 2014 and in accordance with the Collective Bargaining Agreement.

VACANCIES

If a Full-Time position was vacant on November 12 2014, the position has been populated using the start dates and rates listed below. To change the rate or start date for Administrative and Support positions, please contact Joanne Kalman (kalmanj@algonquincollege.com). Start dates for academic positions may only be changed by contacting Academic Operations. Please direct your request to Cristy Richards (richarc1@algonquincollege.com)

Academic	Effective September 1 st at Step 10
Administrative	Effective April 1 st at 88% salary level-current classification
Support	Effective April 1 st at Step 3 - current classification

RETIREMENTS

Budget holders must budget for accrued vacation that will be paid to individuals retiring in 2015/16. This can be done by changing the end date for the position. E.g. for an employee with 4 weeks’ accrued vacation who will retire on May 30, budget an end date of June 30. If the position will be filled before the adjusted end date, an amount to cover this should be budgeted using the Temporary Salary account. Please indicate the details in the Comments field.

INTERNAL ASSIGNMENTS AND I/O POSITIONS

Internal assignments are budgeted to their end dates per HRIS. Please contact Elizabeth Smid (smide@algonquincollege.com ext 5134) to arrange to extend them.

I/O positions are also budgeted to their end dates per HRIS.

FRINGE BENEFITS

Fringe benefit costs for all salary lines have been calculated using the following rates:

Salary Account	Fringe Account	Rate	Description
40100	43000	23.9%	Full Time Academic
40500		11%	Coordinator Full Time
40700		11%	Bonus/Overtime
41200	43100	10%	Part Time Academic
40501		10%	Coordinator Part Time
41100	43200	14.5%	Partial Load Academic
41101			Partial Load Short Term
41300	43300	10.5%	Sessional Academic
40800	43001	27.51%	Sabbatical Academic
41500	43400	24%	Full-Time Administrative
41700	43401	27.64%	Sabbatical Administrative
41900	43500	10%	Temporary Administration
42000	43600	28%	Full-Time Support
42200		11%	Overtime Support
42201		11%	Lead Hand
42202		11%	Shift Premium
42500	43700	9.5%	Temporary Support
42501	43701	9.5%	Student Support

SALARY SPLITS AND COORDINATORS' ALLOWANCES

Salary splits and coordinators' allowances that were set up in the current year will not be carried over. If you wish to split a salary among cost centres, you must set this up for the new fiscal year using the A screen on BUS. **Note:** Salary allocations must be a minimum of 10%, with a minimum of 10% remaining in the home cost centre. Payroll will be updated using the BUS data effective for the first pay in 2015/16.

Set up Coordinators allowances, if required. In order for Human Resources to implement coordinator changes on HRIS, please complete the Coordinator Allowance form (*found on the Budget web page*). It is imperative that the Program/Course Number Applicable and Release Hours Assigned be recorded on this form.

Please email the completed form to: smide@algonquincollege.com

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PART-TIME STAFFING

Refer to Human Resources web-site for pay rates when budgeting temporary salaries (or click on this link: [Temporary Staff Pay Rates](#))

If you will be hiring temporary staff from an employment agency, such as Robert Half, budget for this under Account Code 42502.

CSEP (COLLEGE STUDENT EMPLOYMENT PROGRAM)

Requests for CSEP dollars were submitted previously for 15/16. These requests will be reviewed by the College Budget Committee. Financial Services will advise you whether your request has been approved before BUS closes.

If you have any questions about CSEP, please contact Cresdelle Zubrycki at ext. 7268 zubrycc@algonquincollege.com.

NEW POSITIONS

New positions or I/O extensions endorsed by President's Council have been added to BUS by Financial Services.

CHANGES TO HOME COST CENTRES

If you wish to change the home cost centre for a particular position, please complete a [Position Change Worksheet](#) and email it to:

Area 5: Cristy Richards (richarc1@algonquincollege.com)

All other Areas: Joanne Kalman (kalmanj@algonquincollege.com).

SECTION 3: OPERATING EXPENSES

***It is important to budget under the correct account code.** The accuracy of the College's data depends on this. Please take particular note of the following accounts when budgeting Operating Expenditures.*

CONTRACT TEACHING

Any contract services related to instruction, including curriculum development and program coordination, must be budgeted under Contract Teaching account 46501.

CONTRACT SERVICES

Budget contract services such as consulting services under account 46500. Do not include teaching contracts here. Do not include any international contract services here.

INSTRUCTIONAL SUPPLIES

Use Instructional Supplies account 44000 to budget for any supplies to be used by students or teachers in a classroom. This includes office type supplies (e.g. paper) that will be used in an instructional capacity.

OFFICE SUPPLIES

Use Office Supplies account 44200 for supplies used for administrative purposes. Office type supplies (e.g. paper) that will be used in an instructional capacity should be budgeted under Instructional Supplies account 44000. Bottled water for dispensers should be included under 44200.

COLLEGE SERVICES

This account should be used to budget for services from another cost centre. The offset to this account must be 39920 – Internal Recoveries. Please see “Internal Revenue” on page x.

INTERNAL CHARGES

Charges for services provided by Ancillary Services, ITS and Marketing are listed in the [Schedule of Rates](#). The Schedule includes the correct account to use when budgeting for these expenses.

EQUIPMENT – **REVISED FOR 2015-16**

Account	Category	Examples
48500	Instructional Equipment > \$5,000 except IT	Equipment costing MORE than \$5,000 per unit and having a useful life of more than a year purchased for use in a classroom or lab EXCEPT Information Technology.
48502	Instructional Equipment < \$5,000 Except IT	Equipment costing LESS than \$5,000 per unit purchased for use in a classroom or for use by academic staff, EXCEPT Information Technology.
48705	Instructional IT Equipment > \$5,000	Information Technology Equipment costing MORE than \$5,000 per unit and having a useful life or more than a year purchased for use in a classroom or for use by academic staff.
48503	Instructional IT Equipment < \$5,000	Information Technology Equipment costing LESS than \$5,000 per unit purchased for use in a classroom or for use by academic staff.
48900	Administrative Equipment > \$5,000 except IT	Equipment costing MORE than \$5,000 per unit and having a useful life of more than a year purchased for use in an office or for administrative purposes EXCEPT Information Technology.
48704	Administrative Equipment < \$5,000 except IT	Equipment costing LESS than \$5,000 per unit purchased for use in an office or for administrative use, EXCEPT Information Technology.
48902	Administrative IT Equipment > \$5,000	Information Technology Equipment costing MORE than \$5,000 per unit and having a useful life of more than a year purchased for use in an office or for administrative purposes.
48901	Administrative IT equipment < \$5,000	Information Technology Equipment costing LESS than \$5,000 per unit purchased for office or for administrative use.

Please take care to record budgets for equipment under the correct account code. Proper accounting for capital assets, among other things, depends on the accuracy of these accounts. If you are uncertain of the code to use, please contact:

Judy Sayeau Ext 5143 (sayeauj@algonquincollege.com) or

Joanne Kalman Ext 7043 (kalmanj@algonquincollege.com)

SECTION 4: NEW COST CENTRES

If you are going to be budgeting for a new activity and need a new Cost Centre, please complete a *New Cost Centre Request form* and send it to the appropriate contact below.

Area 5: Cristy Richards (richarc1@algonquincollege.com)

All other Areas: Joanne Kalman (kalmanj@algonquincollege.com)

*All forms and information regarding the Budget
can be found on the **BUDGET PROCESS 15/16** website*