

# FLORIDA DEPARTMENT OF EDUCATION



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## Memorandum Number 03-17

May 30, 2003

## MEMORANDUM

**TO:** Community College Presidents

**FROM:** J. David Armstrong, Jr.

**SUBJECT:** 2003-2004 College Operating Budget Instructions

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The college operating budgets are due to the Division no later than **June 30, 2003**.

The budget should be prepared in accordance with the enclosed instructions. To assist in the preparation of the operating budget, we have placed the forms for Exhibits A, B, C, D, and E on the Internet in the Council of Business Affairs' website (<http://www.dbcc.cc.fl.us/cba/forms.htm>). The operating budget instructions and budget review file (BGTREVVU) are also located at this site. The files on the Internet are Lotus Version 5.0 spreadsheets.

Please be sure that the completed forms are returned to Sophia Gaines, Community College Office of Budget and Financial Services, 325 West Gaines Street, Room 1201 Turlington Building, Tallahassee, Florida 32399-0400. If the forms are returned by e-mail, the address is: [Sophia.Gaines@fldoe.org](mailto:Sophia.Gaines@fldoe.org). Otherwise, please send a diskette to the above address. Hard copies of Exhibits are to be provided per the enclosed instructions.

A chart listing the 2003-2004 Legislative Appropriations, for use in the preparation of the budget documents, is a sheet within the BGTREVVU file. Each college will receive payments as funds are available for these appropriations.

**J. DAVID ARMSTRONG, JR.**  
*Chancellor, Community Colleges*

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FLORIDA COMMUNITY COLLEGE SYSTEM

PUTTING MINDS TO WORK

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Additional guidelines for the use of these appropriations:

**BACCALAUREATE DEGREE PROGRAMS**

Section 2 of the General Appropriations Act (Senate Bill 2A) states that the funds appropriated in Specific Appropriation 101A shall be allocated to St. Petersburg College. The College shall submit a progress and expenditure report to the State Board of Education in a format prescribed by the Board. Section 1 of the General Appropriations Act, Specific Appropriation 6, states that \$1,000,000 be provided to implement the baccalaureate degree programs as approved by the State Board of Education. These funds are restricted to the phase-in of baccalaureate degree programs at Chipola Junior College, Edison Community College and Miami-Dade Community Colleges. **These funds should be accounted for in Fund 2, Restricted Current Funds and are not to be included in Fund 1, Unrestricted Current Fund, of the Operating Budget.**

Effective May 20, 2003, the State Board of Education delegated authority to the Chancellor of the Division of Community Colleges to approve the community college operating budgets and budget amendments. This action will provide a faster approval process for the operating budgets and amendments.

If you have questions on the above or other issues associated with the construction of the 2003-2004 operating budgets, please contact Maybelle Montford at SUNCOM 205-9372 or Sophia Gaines at SUNCOM 205-9387.

JDA/sgl

Enclosures (Instructions and Exhibits A-E)

c: Community College Business Officers  
Community College Comptrollers  
Community College Report Coordinators

## ***OPERATING BUDGET INSTRUCTIONS***

### **General**

The operating budget for community colleges consists of the following:

- Exhibit A - Budget Summary
- Exhibit B - Student Fee Rates
- Exhibit C - Budget Worksheet
- Exhibit D - Schedule of Budgeted Revenues, Expenditures and Estimated Fund Balance
- Exhibit E - Summary of Budgeted Expenditures by Function

### **Forms**

The forms to be used to prepare the operating budget, including budget review guidelines, will be provided annually by the Division of Community Colleges.

### **Submission**

Two copies of Exhibit A must be submitted to the Department of Education for review and approval. Both copies must be signed with the original or facsimile signature of the President (as Secretary of the Board). One approved copy will be returned to the College to be placed in the official files of the Board.

Budgets are to be submitted in accordance with State Board of Education Rule 6A-14.0716. One copy of Exhibits B, C, D, and E must also be submitted. These Exhibits are on the Council of Business Affairs' website (<http://www.dbcc.cc.fl.us/cba/forms.htm>) and are programmed using Lotus 5.0. The files have been sealed and you may only enter data in the unprotected cells.

To use the files downloaded from the Internet, you must first **change the default directory** to the location where you have downloaded your files (Tools, User Setup, Worksheet Directory are the commands necessary to accomplish this step). The next step is to open all seven files to ensure that all file links are operable. Complete the Exhibits in the following order: Exhibit B, Exhibit C, Exhibit D, Exhibit E, and Exhibit A. Enter the appropriate amounts in each cell using whole dollars. An entry should be made for each general ledger code. **If no revenues or expenditures exist for a specific code, enter a zero in that cell.** Enter all **numbers as positive** amounts except for the "Amount Expected to be Financed in Future Years" on Exhibit D and, if a debit, the "Beginning Fund Balance, July 1, 2003" on Exhibit A. All totals and subtotals will be calculated automatically. **Do not enter amounts as labels.** The cells have been formatted for numbers and will align correctly.

### **Exhibit A - Budget Summary**

The Exhibit A is a summary of the financial plan for the Current Fund-Unrestricted through which money resources will be received and disbursed throughout the budget year. The summary for Fund 1 will reflect the budgets as presented on succeeding exhibits for review and approval. The percentage of the Unallocated Fund Balance should be reported on this Exhibit in accordance with the statutory guidelines. The Unallocated Fund Balance reported on this Exhibit should agree with the amount reported on Exhibit D. The Beginning Fund Balance, July 1, 2003, (cell F21) and Debit Reserve for Compensated Absences, (cell F22) are the only cells where you can enter data. The remainder of the Exhibit A will be generated from the Exhibit D.

***NOTE: Please do not include compensated absences in the Beginning Fund Balance, July 1, 2003 (cell F21).***

## **Exhibit B - Student Fee Rates**

Report on the Exhibit B the student fee rates as mandated by the Legislature and approved by your Board of Trustees. No other fees are to be included on this exhibit.

The student fees established by your Board are very important elements in calculation of the Community College Program Fund; therefore, it is necessary that we have accurate information on student fee rates reported on Exhibit B and the student fee dollars generated and reported on Exhibits C and D. Budgets will not be approved if fee rates are not in conformity with legislatively authorized fees as outlined in Memorandum Number 03-18 to Community College Presidents dated May 30, 2003. **Safety and security cannot be established as a separate fee.** A portion of the matriculation and tuition fees may be designated for safety and security activities. Local boards of trustees must approve criteria to be submitted to the Division of Community Colleges as justification if a portion of the fee is so designated.

Section 1009.23(10), F. S., authorizes each community college district board of trustees to establish a separate fee for technology, which may not exceed \$1.80 per credit hour for resident students and not more than \$5.40 per credit hour for non-resident students. Revenue from these fees must be expended according to technology improvement plans. However, plans are not required if technology is a part of tuition and out-of-state fees. The technology fee applies only to college credit and college preparatory instruction. Fifty percent of the revenues from the technology fee may be pledged by a community college board of trustees as a dedicated revenue source for the repayment of lease-purchase agreements not to exceed the useful life of the asset being financed.

Section 1009.23(6), F. S., permits a differential out-of-state fee and service charge fee. Each community college board of trustees that has a service area that borders another state may implement a plan for a differential out-of-state fee.

Section 1009.23(15), F. S., allows each community college to assess a service charge for the payment of tuition and fees in installments. Such service charge must be approved by the community college board of trustees.

## **Exhibit C - Budget Worksheet, Student Fees and Transfers**

The estimated worksheet for student fees and transfers in and out is reported on this Exhibit. Enter the Estimated Student Semester Hours (SSH), and with the exception of continuing workforce education, the remainder of Page One of the Exhibit is generated from the Exhibit B. Please enter the Continuing Workforce Education Estimated SSH in cell E21, and enter the average Continuing Workforce Education fee rate in cell F21. Section 1009.22(3)(b), F. S., allows flexibility in continuing workforce education fee rates. The estimated average fee should be entered on this Exhibit in order to generate the total planned revenue.

## **Exhibit D - Schedule of Budget Revenues, Expenditures and Estimated Fund Balances**

This schedule presents the revenue and other income expected to be received for the budgeted Current Fund-Unrestricted and also the estimated expenditures. Under the Revenue Section, the amounts reported for student fees (Community College Program Fund) should agree with the amounts reported on Exhibit C, and the amounts reported for the state support should agree with the legislatively approved appropriations. Fee revenues for Continuing Workforce should at least equal the amount of the Continuing Workforce Education portion of the Workforce Development allocation. General Ledger Codes listed must be shown at the level of detail required by Section 11 of the Accounting Manual for Florida's Public Community Colleges.

Amount Expected to be Financed in Future Years, general ledger code 30800, should be entered as a **minus** figure on the Exhibit D (cell G246).

Transfers-in (General Ledger Codes 49110 and 49210) will be shown on this Exhibit. Transfers-out (General Ledger Codes 69110 and 69210) will also be shown on Exhibit D. Amounts shown should agree with the transfer amounts shown in Item II, Exhibit C and the amounts shown on Exhibit A.

### **Exhibit E - Summary of Budgeted Expenditures by Function**

Report on Exhibit E the amounts budgeted for salaries, expenses and capital outlay for each function. Exhibit E has been expanded to comply with budgeting requirements of Staff and Program Development Rule 6A-14.029. There is a rule pending which would eliminate the 2% Staff and Program Development (SPD) requirement. However, at this time, please budget the SPD required funds. If, after the rule is amended your board chooses to spend less than the 2% amount, you can reduce it by submitting a budget amendment. **You are also required to submit, under separate cover, the 2002-2003 SPD plan supported by the SPD budget. Budget approval is contingent upon receiving a copy of the SPD plan.** Information on reporting format, content, due date, etc. can be obtained from Dr. Sylvia Fleishman, Office of Student and Academic Success, Division of Community Colleges. Dr. Fleishman can be reached at (850) 245-0407 or SUNCOM 205-0407. Her email address is: [Sylvia.Fleishman@fldoe.org](mailto:Sylvia.Fleishman@fldoe.org).

### **Baccalaureate Degree Programs**

Section 2 of the General Appropriations Act (Senate Bill 2A) states that the funds appropriated in Specific Appropriation 101A shall be allocated to St. Petersburg College. The College shall submit a progress and expenditure report to the State Board of Education in a format prescribed by the Board. Section 1 of the General Appropriations Act, Specific Appropriation 6, states that \$1,000,000 be provided to implement the baccalaureate degree programs as approved by the State Board of Education. These funds are restricted to the phase-in of baccalaureate degree programs at Chipola Junior College, Edison Community College and Miami-Dade Community Colleges. **These funds should be accounted for in Fund 2, Restricted Current Funds and are not to be included in Fund 1, Unrestricted Current Fund, of the Operating Budget.**

### **2002-2003 Operating Budget Review (BGTREVV)**

The BGTREVV file is designed to automatically check the exhibits. This file contains separate sheets for 2003-04 appropriations, additional 2% student financial aid fee, estimated student semester hours for resident and non-resident, and staff and program development requirements. The areas listed on the sheet entitled CKSHEET are the areas normally checked manually by Division staff. This file must be loaded and opened along with all other exhibit files. As you complete the exhibits, you can check them for accuracy in adhering to the reporting requirements. Several exhibits are driven by the college name in C9 on the BGTREVV check sheet. **College name must be typed in ALL CAP, left aligned, with no extra spaces on the cell.**

**NOTE: The BGTREVV file is only a working document and does not need to be submitted along with the other exhibits to your Board of Trustees for approval.**