

MEMORANDUM 2007-FAS-088

DATE: June 19, 2007
TO: Presidents, The Alabama College System
FROM: Bradley R. Byrne, Chancellor
RE: 2007-2008 Operating Budget

Budgets for fiscal year 2007-2008 shall be submitted to the Department of Postsecondary Education on or before **July 6, 2007**. Your Business Dean has been provided the new budget database with accompanying directions for the process.

Attached is a draft copy of the 2007-2008 allocations of the Education Trust Fund appropriations which will be recommended to the State Board of Education for verification/allocation this month. The employer rates for benefits are \$775/month for PEEHIP insurance and 11.75% for Teachers' Retirement (TRS). The TRS rate includes a 0.69% addition for a one-time payment to retirees. I am directing that each college maintain the required three-month minimum contingency. If the three-month contingency is not met, the College should submit, in writing, a detailed plan of correction. Tuition projections will be at the discretion of the college but will be carefully reviewed before recommendation to the State Board of Education. The College should be prepared to explain and document variances from the prior year.

If you have any questions concerning the budgets or the budget process, please contact Ms. Leigh Grogan or Ms. Kathy Childree of my staff.

BRB/kc

Attachments

cc: Business Deans

**THE ALABAMA COLLEGE SYSTEM
COMMUNITY AND TECHNICAL COLLEGES
INCLUDING PRISON EDUCATION**

O & M ALLOCATION

	1	2	3	4	5	6	7	8	9
	2005-2006 PEEHIP INCREASE	2005-2006 TRS INCREASE	6% COLA	2004-2006 TOTAL ETF O & M FUNDS	2005-2006 TOTAL ETF O & M FUNDS	\$ CHANGE OVER 2004-2005 TOTAL ALLOCATION	% INCREASE OVER 2004-2005 ALLOCATION	2005-2006 PRISON EDUCATION ALLOCATION	2005-2006 TOTAL O & M ALLOCATION
COLLEGES									
----- TECHNICAL -----									
BESSEMER	\$95,372	\$53,393	\$315,848	\$8,183,894	\$8,848,505	\$484,611	7.5132%		\$8,848,505
DRAKE	\$55,847	\$31,528	\$195,228	\$3,478,219	\$3,761,820	\$282,601	8.1225%		\$3,761,820
INGRAM	\$74,820	\$48,982	\$292,422	\$2,435,724	\$2,851,748	\$416,024	17.0801%	\$3,755,758	\$8,807,508
REID	\$64,492	\$39,215	\$231,824	\$3,910,083	\$4,245,414	\$335,331	8.5781%		\$4,245,414
TRENHOLM	\$139,882	\$81,335	\$484,848	\$9,299,088	\$10,005,151	\$706,063	7.5928%		\$10,005,151
----- COMMUNITY -----									
ALABAMA SOUTHERN	\$98,290	\$51,257	\$288,152	\$8,107,381	\$8,543,080	\$435,699	7.1340%		\$8,543,080
BEVILL	\$246,874	\$126,202	\$888,892	\$15,887,381	\$18,949,149	\$1,081,768	6.6831%		\$18,949,149
BISHOP	\$254,158	\$135,081	\$778,014	\$13,411,797	\$14,579,030	\$1,167,233	8.7030%		\$14,579,030
CALHOUN	\$288,257	\$170,882	\$991,518	\$15,439,398	\$18,890,155	\$1,450,757	9.3985%	\$915,185	\$17,805,320
CENTRAL ALABAMA	\$103,038	\$68,193	\$352,058	\$7,074,496	\$7,595,783	\$521,287	7.3685%		\$7,595,783
CHATTahoochee	\$81,601	\$42,038	\$458,912	\$4,589,178	\$4,980,829	\$381,651	8.2982%		\$4,980,829
ENTERPRISE	\$143,312	\$80,956	\$478,848	\$7,707,828	\$8,412,042	\$704,214	9.1383%		\$8,412,042
FAULKNER	\$144,858	\$78,350	\$478,288	\$7,778,270	\$8,477,778	\$699,508	8.9931%		\$8,477,778
GADSDEN	\$331,352	\$221,248	\$1,168,858	\$19,357,713	\$21,077,189	\$1,719,458	8.8825%	\$743,370	\$21,820,539
JEFFERSON DAVIS	\$87,235	\$50,440	\$288,058	\$4,515,285	\$4,948,998	\$433,713	9.6059%	\$1,185,898	\$6,134,896
JEFF STATE	\$320,285	\$174,581	\$1,010,502	\$15,734,741	\$17,240,109	\$1,505,368	9.5872%		\$17,240,109
L. B. WALLACE	\$107,313	\$63,221	\$348,782	\$8,827,437	\$7,148,783	\$519,328	7.8380%		\$7,148,783
LAWSON	\$158,808	\$74,383	\$385,374	\$7,214,043	\$7,832,608	\$618,565	8.5745%	\$824,567	\$8,457,175
NORTHEAST	\$79,478	\$48,390	\$287,748	\$5,112,199	\$5,527,813	\$415,614	8.1288%		\$5,527,813
NORTHWEST-SHOALS	\$195,069	\$109,778	\$584,970	\$10,172,788	\$11,062,603	\$889,815	8.7470%		\$11,062,603
SHELTON	\$308,518	\$153,752	\$773,292	\$15,759,068	\$18,994,828	\$1,235,822	7.8403%		\$18,994,828
SNEAD	\$78,495	\$34,578	\$233,742	\$5,119,879	\$5,484,492	\$344,613	6.7351%		\$5,484,492
SOUTHERN UNION	\$177,483	\$94,257	\$585,494	\$12,018,181	\$12,855,415	\$837,234	6.9664%		\$12,855,415
WALLACE-DOTHAN	\$225,352	\$133,187	\$755,844	\$13,480,395	\$14,574,758	\$1,114,383	8.2788%	\$780,172	\$15,354,930
WALLACE-HANCEVILLE	\$257,381	\$122,123	\$737,772	\$13,180,289	\$14,307,585	\$1,117,278	8.4704%		\$14,307,585
WALLACE-SELMA	\$92,872	\$55,544	\$325,722	\$8,315,827	\$8,789,965	\$474,138	7.5071%		\$8,789,965
TOTAL ALLOCATED O & M	\$4,208,240	\$2,340,948	\$13,302,822	\$237,911,338	\$257,763,348	\$19,852,010	8.3443%	\$8,004,930	\$265,768,278

- Increase in PEEHIP monthly rate from \$583 to \$668
- Increase in TRS rate from 7.03% to 8.17%
- 6% Cost of living adjustment (Act # 2005-174)
- 2004-2006 Operation and Maintenance allocation from Act No. 2004-458
- Sum of columns 1, 2, 3, and 4. From the above appropriation from the ETF for Operations and Maintenance, each of the colleges shall receive the amounts necessary to fund additional employer contributions to PEEHIP and teachers' retirement, a 6% cost-of-living adjustment plus an amount equal to the Operations and Maintenance allocation received from the ETF in Act 2004-458. The Chancellor shall be authorized to distribute any remaining funds to develop and implement programs designed to provide a skilled workforce and to strengthen emergency medical services educational programs, and to provide college operations and maintenance allocations.
- The allocations required herein for Operations and Maintenance of Postsecondary Prison Education shall be distributed to the two-year colleges as determined by the Chancellor and approved by the State Board of Education.
- Sum of Columns 5 and 8.

Source: Act No. 2005-173