ALABAMA COMMUNITY COLLEGE SYSTEM

RECOMMENDATION FOR ACTION

	Action Item Number	VII.A.6.
September 9, 2020	Chancellor's Recommendation	
Date of Board Meeting Action	Source	

ACTION ITEM TITLE

ALABAMA COMMUNITY COLLEGE SYSTEM OFFICE

2020-2021 System Office Budget

RECOMMENDATION

It is recommended "That the Alabama Community College System Board of Trustees approve the 2020-2021 budget for the Alabama Community College System Office and limit expenditures to available revenues."

FISCAL CONSIDERATION

The total amount of the 2020-2021 budget is \$97,094,184 based on state appropriations, estimated federal grants and contracts, and estimated other funds.

RATIONALE

The Chancellor has prepared the budget for the annual operation of the System Office so as to comply with State statute requiring Board of Trustees approval of the budget. Revenue and expenditure details are presented below.

The annual operations budget is based on the State appropriation for the Alabama Community College System's (ACCS) Administration, Industry Certification Initiatives, Special Populations Training, Dual Enrollment, the Science, Technology, Engineering, Arts and Math (STEAM) Project, the Volunteer EMSP Certification Pilot, the Automotive Workforce Training Scholarship Program, the Distance Learning Program, the Automotive Manufacturing Workforce Development Program, the Women's Fund of Greater Birmingham Pilot Program, Smart Career Workforce Pilot Project, and the Alabama Workforce Council Committee on Credentialing and Career Pathways. A State appropriation and Federal grant are available for the Adult Education administration and services. Additional Federal grants include; a Carl D. Perkins Vocational and Technical Education Act grant for vocational education administration and leadership, an Alabama Department of Human Resources grant for the administration of an educational scholarship program for childcare center directors, teachers, and home providers, a U.S. Department of Labor Advanced Manufacturing Apprenticeships Program grant, and an Appalachian Regional Commission grant for the STRONG program. The Department of Veteran's Affairs Education Service provides funds to support veterans' educational activities through our State Approving Agency. The Private School Licensure generates fees to fund their operation.

Revenue sources available for the upcoming fiscal year, with prior-year figures, are as follows:

	Budgeted	Proposed
	<u>2019-2020</u>	2020-2021
Education Trust Fund	65,167,075	69,567,174
Grants and Awards	25,848,597	25,127,010
Other Funds	2,400,000	2,400,000
TOTAL REVENUE	\$ 93,415,672	\$ 97,094,184

Budgeted expenditures for 2019-2020 and proposed budgeted expenditures for 2020-2021 are as follows:

	Budgeted	Proposed
	2019-2020	2020-2021
Personnel Costs	8,561,286	8,054,146
Employee Benefits	2,825,224	2,989,549
Travel - In-State	213,042	12,236
Travel - Out-of-State	188,280	4,513
Operating Expense	2,084,422	2,012,348
Professional Services	2,008,712	1,398,700
Grants & Benefits	76,858,649	82,065,515
Equipment and Transportation	676,057	557,177
TOTAL EXPENDITURES	\$ 93,415,672	\$ 97,094,184

Personnel Costs include 118 positions and includes annual step increases for eligible employees, projected new hires, and longevity bonuses totaling \$25,600 in accordance with the Code of Alabama 1975, Section 36-6-11. State teachers' retirement benefits decreased from 12.43% to 12.36% for Tier 1 employees and decreased from 11.34% to 11.22% for Tier II employees. State Employees' insurance remains level at \$930 per month.

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Code/Statute	Act No. 2015-125 Act No. 2020-169	Burandelnes	9 19120
Policy		VC for Administrative and Financial Services	Date
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Additional action required