

Southeast Tech
Task Update
EXECUTIVE SUMMARY

Purpose:

To present an oral report on the FY17 Operating Efficiency Task.

FY17 Operating Efficiency Task:		(\$638,438)
Description:	Variance F/(U)	
Tuition ¹	(258,378)	
Student Fees ²	(263,523)	
Local Sources ³	128,143	
State Aid ⁴	217,964	
Other State ⁵	1,316,948	
Federal Revenue ⁶	46,878	
IT Infrastructure – FY16 Carryover ⁷	150,000	
Projected FY17 Revenue Variance Subtotal:		1,338,032
Salaries ⁸	303,124	
Benefits ⁹	160,194	
Purchased Services ¹⁰	204,218	
Supplies & Materials ¹¹	64,915	
Capital – Equipment ¹²	(391,781)	
Capital – Buildings/Grounds ¹³	(1,269,020)	
Dues & Fees ¹⁴	219,445	
Projected FY17 Expenditure Variance Subtotal:		(708,905)
FY17 Operating Efficiency Task – Projected:		(\$9,311)

NOTES:

- ¹ Represents approximately 4% variance in budgeted credits compared to actual credits.
- ² Inclusive of the per credit student fees. Also includes online course fees, payment plan fees, and late payment fees.
- ³ Includes interest earnings, sales of goods/services, rental income, miscellaneous revenue, and reimbursement from Trust & Agency accounts.
- ⁴ Includes formulary distribution, tuition buy down, and HB1182 proceeds.

- ⁵ Includes proceeds from the Health and Education Facility Authority. Construction project timelines were modified, resulting in a larger percentage of the project undertaken in FY17.
- ⁶ Includes TAACCT 3, ABE, Perkins, and Federal Work Study.
- ⁷ Information Technology infrastructure for the new building was budgeted in FY16; however, expenditures for the project were incurred in FY17.
- ⁸ The savings realized are primarily from FY17 attrition in various positions that were not replaced.
- ⁹ Trailing benefits associated with staff attrition. Additional savings realized from methodology used in calculating FICA costs and SDRS pensions on adjunct positions.
- ¹⁰ Savings realized from contracted services and a vacancy in contracted security services. Additional savings projected in travel categories.
- ¹¹ Savings realized across all supplies and materials accounts.
- ¹² Primarily related to IT infrastructure purchases and TAACCT 3 capital expenditures.
- ¹³ Projected costs of completing the new building and renovation of Ed Wood. Also includes miscellaneous building maintenance/repair items.
- ¹⁴ Savings primarily realized in liability insurance, drainage fees, and TAACCT 3.

Administrative Recommendation to School Board:

Acknowledge the FY17 Operating Efficiency Task update.