

**Board of Governors
2006-2007 Legislative Budget Request**

<u>Category</u>	<u>2005-06 Budget</u>	<u>Proposed Increase</u>	<u>2006-07 Budget Request</u>	<u>% Increase</u>
1 Salaries & Benefits	\$4,623,248	\$0	\$4,623,248	0.00%
2 Other Personal Services	\$65,681	\$0	\$65,681	0.00%
3 Expenses	\$1,367,709	\$40,768	\$1,408,477	2.98%
<u>Issue:</u>				
1. SREB Increases		\$10,500		
2. PC Replacement Cycle		\$20,400		
3. Trust Fund Reduction		(\$11,657)		
4. Increased Expenses		\$21,525		
4 Operating Capital Outlay	\$51,236	\$7,000	\$58,236	13.66%
<u>Issue:</u>				
1. DMS Renovations		\$7,000		
Transfer to DMS for HR				
5 Services	\$39,454	\$0	\$39,454	0.00%

Total	\$6,147,328	\$47,768	\$6,195,096	0.78%
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<u>Fund Source:</u>				
General Revenue	\$5,273,574	\$59,425	\$5,332,999	1.13%
Other Trust Funds	\$873,754	(\$11,657)	\$862,097	-1.33%
Total	\$6,147,328	\$47,768	\$6,195,096	0.78%

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1. **SREB Increase** – Through a compact entered into in 1948 by Florida and other Southern States, the Southern Regional Education Board (SREB) was created. The SREB was the nation's first interstate compact for education and assists state leaders by directing attention to key education issues; collecting, compiling and analyzing comparable data; and conducting broad studies and initiating discussions that help states and institutions form long-range plans, actions and policy proposals. Florida's annual membership dues are paid by the BOG office; they were formerly paid by the Board of Regents and then the Division of Colleges and Universities. For 2005-2006, the SREB's dues are \$177,100, which is 3% more than 2004-2005. SREB has indicated that the membership dues will increase another 3% in 2006-2007. Thus, \$10,500 is requested to cover the increase of Florida's membership in this organization.

2. **Personal Computer (PC) Replacement Cycle** – To make sure that the Board of Governors' staff has the proper computer equipment to carry out the duties of the Board, funds are requested to implement a four-year PC replacement program. This will allow the appropriate technology to be upgraded on a regular basis consistent with industry recommendations. Therefore, \$20,400 will allow 25% of the PCs to be replaced annually.

3. **Trust Fund Reduction** – When appropriations were transferred from the Department of Education to the Board of Governors' budget entity, one trust fund (Capital Improvement Fee Trust Fund) was transferred that has no associated cash, only budget authority. To align the budget authority with the proper cash balance, there should be a reduction to eliminate this trust fund. Therefore, a reduction of \$11,657 is requested.

4. **Increased Expenses** – Utilizing a 1.8% CPI as determined by the Florida Office of Economic and Demographic Research, \$21,525 is requested to cover anticipated increases in Board expenses.

5. **Department of Management Services Renovations** – The DMS is currently renovating space occupied by BOG staff. Although DMS pays for the actual renovation, they do not pay for the furniture/equipment (such as cubicles, desk tops) needed to adhere to the new DMS office space standards. Therefore, \$7,000 is requested to address this issue.