

State Board of Education  
FY 2004 Budget Request Guidelines

Motion:

I move the Board instruct staff to prepare an FY 2004 budget request for all agencies and institutions of the Board according to the following:

Personnel Benefit Increases	Calculated per the Division of Financial Management's Budget Development Manual.
Inflationary Increases	Use a general inflationary increase of 2.4%, or a 4.0% medical inflationary increase in Operating Expenditures and/or Trustee and Benefits, per DFM.
Replacement Items	Cost of replacing operating expenditure and capital outlay items, per DFM.
Change in Employee Compensation (CEC)	Calculate using 1% multiplier, per DFM.
Interagency Non-Standard Adjustments	Includes fees for: State Controller Office, State Treasurer, Attorney General, risk management, refactored classes, building services space charges by the Department of Administration and all other lease or rent increases, per DFM.
External Non-Standard Adjustments	Maintain current operations due to: occupancy of new buildings, enrollment changes, increases utility costs and separate inflationary factor for library books and periodicals and all per DFM.
Fund Shift	Shift cost of Maintenance of Current Operations (MCO) costs from student fees and endowment funds to General Fund, as allowed by DFM.

When in doubt, the Division of Financial Management's Budget Development Manual or DFM staff should be consulted regarding calculations and/or amounts.

Agencies and institutions should not prepare any budget enhancement requests unless directed by the Budget and Human Resources (BAHR) committee of the State Board of Education. The full Board would then determine if such requests would be put forth as the official request of the State Board of Education.

The DFM Budget Manual specifically states that any agency requesting restoration funds for something that was included in a negative supplemental or base reduction must use an enhancement, not Maintenance, decision unit for restoration.

Agencies and institutions of the Board must also provide to the Board the programmatic effect of operating at 95% of the FY 2004 Maintenance of Current Operations budget (General Funds), prepared using the above guidelines.