



*BOARD*

*OF*

*GOVERNORS*

August 21, 2012

## Schedule/Agenda

### Meeting of the Pierpont Community & Technical College Board of Governors

**August 21, 2012**

Falcon Center Board Room  
Locust Avenue Campus, Fairmont, WV

**11:30 A.M. BOG Luncheon**  
*Falcon Center Conference Rooms*

**1:00 P.M. ATC Advisory Committee Meeting**  
*Falcon Center Board Room*

**2:00 P.M. Full Board Meeting**  
*Falcon Center Board Room*

**Legislated purpose for Pierpont  
Community and Technical College**

**H. B. 3215 – establishing community  
colleges, 18B – 3C-8 Legislative findings  
and intent**

*“The primary goal of the Legislature is to  
create a statewide network of  
independently accredited community  
and technical colleges that focus on  
technical education, workforce training,  
and lifelong learning for the Twenty-First  
Century.”*

*“A necessary precedent to accomplishing  
the legislative goal is to change the way  
that leaders at all levels of education,  
including institutional governing boards,  
view community and technical colleges.  
Specifically, that the mission of technical  
colleges is different from that of  
traditional four-year colleges in what  
they accomplish and how they can  
achieve it effectively and that the state  
cannot compete successfully in today’s  
information-driven, technology-based  
economy if community and technical  
colleges continue to be viewed as add-  
ons or afterthoughts attached to  
baccalaureate institutions.”*

**Pierpont Community & Technical College**  
**Board of Governors Meeting**  
**August 21, 2012**

**Call to Order**

1. Opening Comment
2. Last Call for Public Comment Sign Up
3. Open Letter to the Board from Chairman McConnell
4. Approval of Minutes (*June 19, 2012*)

*Tab 1 - Informational*

*Tab 2 - Action Item*

**Special Recognitions**

1. Recognition of Barbara Pavel-Alvarez as the 2012-2013 Campus Community LINK Faculty
2. Welcome Rod Mayhew, Director of Marketing
3. Welcome and Recognition of Dr. Raymond Mainenti, Dean of Academic Studies
4. Welcome and Recognition of Brian Floyd, Dean of Human Services
5. Welcome and Recognition of David Beighley, President of Faculty Assembly

**Operation Reports**

1. President's Report (*Doreen Larson*)
2. Academic Affairs (*Leslie Lovett*)
3. Center for Workforce Education Report (*Paul Schreffler*)
4. Foundation Report (*Kim Pellillo*)

*Tab 3 - Informational*

*Tab 4 - Informational*

**Committee of the Whole**

1. Financial Reports - May 31, 2012 and June 30, 2012 (*Dale Bradley*)
2. Board of Governors Policy #38 Faculty Sick Leave  
30-Day Comment Period Summary Review and Approval (*Steve Leach*)
3. Board of Governors Policy #46 Mission Statement Review (*Steve Leach*)  
Mandated Review

*Tab 5 - Informational*

*Tab 6 - Action Item*

*Tab 7 - Informational*

**Committee Reports**

1. Audit/Finance Committee Report (*Dale Bradley*)
  - a. FY 2014 Capital Appropriations Request
  - b. FY 2014 State Appropriations Request

*Tab 8 - Action Item*

*Tab 9 - Informational*

## **“Gaining Momentum”**

I would like to begin by thanking the Board for their support and confidence in allowing me to carry out the role and duties as Chair of the Pierpont Community and Technical College Board of Governors. This is truly a great honor and privilege and I will strive to work diligently towards achieving any and all goals that will further our institution.

I would like to propose the theme for the upcoming year as one of “Gaining Momentum.” It’s a year to build on the tremendous momentum created by our President, Dr. Doreen Larson, her Cabinet, as well as the faculty and staff within the Pierpont community. We are also gaining momentum as we commence the construction phase of the new Advanced Technology Center located at the I-79 Technology Park.

Pierpont Community and Technical College’s reputation for excellence has been born from the experience, professionalism and passion you find within the hearts of every Pierpont employee throughout our 13-county service region. Pierpont is also gaining momentum as a place to take pride in the work that is being done, while also living each day with purpose and passion. By sharing that passion with colleagues, we celebrate and embrace the difference being made in the lives of our students.

I also look forward to working alongside my fellow Board members. Collectively, they bring an incredible cross section of knowledge and expertise, and each is dedicated to a vision of an evolving and forward moving Community College. I know that I speak on their behalf when I commit to our collective dedication to gain the momentum needed to advance the goals of Pierpont Community and Technical College. Please allow me to sincerely thank you for your confidence and for this opportunity.

Thank you.

Earl W. McConnell

2. Off Campus/Regional Academics Committee Report (*Tom Stose*)
3. Marketing Committee Report (*Sharon Shaffer*)

### **New Business**

1. Appointment of AY 2012-2013 Marketing, Audit/Finance, and Regional Academics Sub-Committee Officers (Earl McConnell)

### **Old Business**

### **Public Comment**

### **Possible Executive Session**

\_\_\_\_\_ moved pursuant to 6-9A-4(b)2A of the WV Code that the Board shall go in to Executive Session to discuss personnel and personnel matters, which if discussed in public might adversely affect the reputation of any person.

\_\_\_\_\_ moved pursuant to 6-9A-4(b)9 of the WV Code that the Board shall go into Executive Session to consider matters involving or affecting the purchase, sale or lease of property, advance construction planning, the investment of public funds or other matters involving commercial competition, which if made public, might adversely affect the financial or other interest of the state or any political subdivision.

**The next Board of Governors Meeting will be held on Tuesday, September 18, 2012 – Falcon Center Board Room, 2:00 PM.**

**PIERPONT COMMUNITY & TECHNICAL COLLEGE**  
**BOARD OF GOVERNORS MEETING**  
**June 19, 2012**  
**2:00 PM**

**MINUTES**

**Notice of Meeting and Attendance**

A meeting of the Pierpont Community & Technical College Board of Governors was held on June 19, 2012, beginning at 2:00 PM in the Falcon Center Board Room.

Present at the meeting were Board members: Chairman James Griffin, Kyle Hamilton, Beverly Jones, Earl McConnell, Rick Pruitte, Sharon Shaffer, Jeff Tucker, and Tom Stose. Board member present via teleconference was: Gene Weaver. Board members absent were: Linda Aman and Barbara Hendrey.

President's Cabinet members present were: President Doreen Larson, Dale Bradley, Sarah Hensley, Steve Leach, Leslie Lovett, Paul Schreffler, and Cyndee Sensibaugh. Faculty and staff were also in attendance.

**Call to Order and Call for Public Comment**

Chairman Griffin called the meeting to order and announced last call for public sign up for comments to the Board.

**Approval of Minutes**

The minutes of May 15, 2012 were presented for approval. Sharon Shaffer moved that the minutes of May 15, 2012 be Approved. Tom Stose seconded the motion. All agreed. Motion carried.

**Special Recognitions/Presentations**

President Dr. Doreen Larson recognized and commended each member of the Board of Governors for their outstanding 100% completion of Continuing Education training hours. The Board met, and well-exceeded, the required training hours for the past two years of service.

Dr. Larson introduced and welcomed Dana Gribben to the staff of Pierpont. Dana began her service in mid-May as the Senior Administrative Assistant for Academic Affairs working for the Provost and also for the Vice President of Finance.

## **President's Report**

President Larson was proud to say that Pierpont received notice that we are one of 18 colleges in the nation to participate in “Advancing the Humanities: A National Endowment for the Humanities Bridging Cultures Project.” With this project, Pierpont faculty will design a humanities literature course that will focus on work in various global cultures. Through reading and study, students will explore the impact of globalization on their career choices.

At the June Community and Technical College Council Retreat the Pierpont developmental faculty was recognized for taking the lead in fashioning and implementing innovations in developmental education that are serving as models across the state. Pierpont was also noted for its breadth and depth of dual enrollment offerings within our service region.

Dr. Larson credited Doug Furr, Power Plant instructor, who has secured all 15 Power Plant graduate students internship employment at First Energy. That is 100 percent placement!

Dr. Larson discussed partnerships developed with the North Central WV Airport in Bridgeport and the Monongalia Technical Education Center in Morgantown. Mr. Tom Stose then provided an update to the Board on the status of the soft hanger runway project at the airport.

Continuing discussions to address gaps between available jobs and skilled applicants, Dr. Larson explained that regional barriers need to be addressed. As industries rely on natural resources like rivers and geographical areas such as the Marcellus Shale deposits, Pierpont is partnering WV Northern CC to provide mining and drilling training, green up programs, and ShaleNet programs, as well as with First Energy PSI programs in Ohio and Pennsylvania. This regional approach, one that crosses state lines, utilizes colleges and campuses, and highlights the prime location of North Central WV, is the key to filling these open jobs.

Pierpont is in the final design phase of the Pierpont Institute of Power and Energy (PIPE) Program, and soon will engage a diverse advisory team for this project.

Dr. Larson informed the Board that Pierpont continues to be in good budget position. Continued enrollment growth and modest increases in tuition have provided the opportunity to increase funding in areas to strengthen the college. Pierpont has fully funded the Mercer step increase for classified staff, approved faculty promotions have been funded, new full-time and adjunct faculty positions have been funded, support has been recommended for more courses at regional campuses, and a marketing operations budget has been established.

Dr. Larson updated the Board on staffing reorganization and reassignments implemented upon the vacant VP of Enrollment Services position. This shift has reflected a budget savings and better recruitment services for both institutions.

Dr. Larson applauded and thanked Dale Bradley and Rick Porto for their work on the refunding of the revenue bonds that will realize a savings of over \$11 million over the life of the Bonds.

In closing, Dr. Larson showed a video produced by Bob Tinnell for the Culinary Arts program featuring the Entrepreneurship in Pastry Arts Symposium coordinated by Brian Floyd through grant funding.

## **Operation Reports**

- Leslie Lovett presented the Academic Affairs Report
- Kim Pellillo presented the Foundation Report

## **Committee of the Whole**

- *Financial Report*

Dale Bradley provided a report on the Pierpont Community & Technical College Unrestricted and Restricted Funds and Fund Manager Budgets for the current budget and year-to-date actual as of April 30, 2012. A detailed review was provided in the June 19, 2012 Board of Governors book.

- *Board of Governors Policy #38 – Faculty Sick Leave – Recommendation for 30-Day Comment Period*

Mr. Steve Leach brought forth a Resolution to approve the announcement of a 30-day public comment period for Board of Governors Policy #38 – Faculty Sick Leave.

Language in the existing policy needs clarification in addressing the guidelines established in the WV Council Community and Technical College Education Policy 135-38 and the Higher Education Policy Commission Series 38. The revisions proposed will clarify the rights and responsibilities of faculty members that are absent due to a n illness or injury and are unable to carry out their duties.

A detailed copy of the recommended policy revision was provided in the June 19, 2012 Board of Governors Book.

Sharon Shaffer presented a Motion to Approve the 30-day Public Comment Period for the proposed revisions to Board of Governors Policy #38 – Faculty Sick Leave. Tom Stose Seconded the motion. All agreed.



➤ *Missing Textbook Adoption Report*

Ms. Leslie Lovett presented a Resolution to the Board to accept the Missing Textbook Adoption Report and forward the same to the West Virginia Council for Community and Technical College Education.

Bookstore Policy #54 Section 2.2.7 requires the bookstore to compile a report regarding missing textbook adoptions by June 1 of each year and to forward this report to the Board of Governors for review and submission to the WVCCTC. Textbook adoptions for AY 2012-2013 achieved a 96% success rate by the end of March 2012.

Sharon Shaffer Moved to Accept the Missing Textbook Adoption Report and forward this report to the West Virginia Council for Community and Technical College Education. Tom Stose Seconded the motion. All agreed.

## **Committee Reports**

➤ *Finance/Audit Committee*

a. Approval of the Unrestricted Budget for FY 2013

Mr. Dale Bradley brought forth a Resolution for approval of the Unrestricted Education & General Budget for FY 2013. A detailed report of the proposed FY2013 Unrestricted E&G Budget was provided in the June 19, 2012 Board of Governors Book.

Kyle Hamilton Moved to Approve and Adopt the Unrestricted Education & Budget for FY 2013. Rick Pruitte Seconded the motion. All agreed.

b. Approval of the Pierpont/FSU Chargeback Agreement for FY 2013

Mr. Dale Bradley presented a Resolution for approval of the FY 2013 Chargeback Agreement between Pierpont and Fairmont State University. A detailed report of this Agreement, including the Chargeback Table and the estimated Chargeback Budget, was provided in the June 19, 2012 Board of Governors Book.

Sharon Shaffer Moved to Accept and Approve the Pierpont/FSU Chargeback Agreement for FY 2013. Kyle Hamilton Seconded the motion. All agreed.

c. Approval of the Capital Projects for FY 2013

Mr. Dale Bradley presented a Resolution for approval of the Capital Projects for FY 2013. A detailed report of the FY 2012 Continuing Capital Projects and the FY 2013 Proposed Capital Projects was included in the June 19, 2012 Board of Governors Book.

Kyle Hamilton Moved to Approve the Capital Projects for AY 2013, as presented. Sharon Shaffer Seconded the motion. All agreed.

d. Savings from Refunding of Revenue Bonds

Mr. Dale Bradley presented, as an informational item, the Savings from the Refunding of Outstanding Revenue Bonds. Both the Pierpont and the Fairmont State Boards of Governors approved in February 2012 the refunding of outstanding revenue bonds.

The details of the bond refunding have been finalized and the interest rates have been determined. Based on this Bond Refunding the institutions have saved over \$550,000 annually and over \$11.5 million over the life of the Bonds.

A detailed Bond Refunding Savings Summary was provided in the June 19, 2012 Board of Governors Book.

➤ *Board of Governors Nominating Committee*

Gene Weaver, Chair of the Nominating Committee, entrusted Sharon Shaffer to provide the Nominating Committee report to the Board.

As Chairman James Griffin has met his office term limits, a new Board Chair will need to be appointed. Ms. Shaffer and the entire Board of Governors, along with President Larson, faculty, and staff thanked Chairman Griffin for his devoted and excellent service to the Board as Chairman. Chairman Griffin will remain in service to the Board as a continuing Board Member.

Sharon Shaffer read the Nominating Committee's recommendations. The nomination presented for the new Board of Governors Chair was Mr. Earl McConnell. The nomination presented for the new Board of Governors Vice Chair was Mr. Kyle Hamilton. The nomination presented for the continuing Board of Governors Secretary was Mrs. Beverly Jones.

Ms. Sharon Shaffer presented a Motion to Accept the Nominating Committee's recommendations for new Board officers, with service in these positions beginning on July 1, 2012.

Mr. Tom Stose Seconded the Motion. All agreed.

**Public Comment**

No signatures were recorded.

## **New Business**

- *Appointment of AY 2012-2013 Marketing, Audit/Finance, Off-Campus/Regional Academic Subcommittee Officers*

Chairman-elect Earl McConnell will consider appointment of Subcommittee Officers at the next Board of Governors meeting in August.

- *Pierpont BOG Meeting Dates for AY 2012-2013*

Proposed dates were provide to the Board of Governors in the June 19<sup>th</sup> Board Book for the Board of Governors Meetings for AY 2012-2013. After review, it was unanimously agreed to accept the dates as presented.

- *Bob Heffner Scholarship Kick-Off*

Immediately following the Board of Governors meeting, the Bob Heffner Scholarship Kick-Off event was held in the Falcon Center and all Board members were encouraged to attend.

- *Final Expressions of Gratitude to Chairman James Griffin*

Mr. Earl McConnell expressed, once again, his gratitude to James Griffin for his excellent service to the Board as Chairman over the past four years. Chairman Griffin received a standing round of applause.

## **Old Business**

No old business announced.

## **Executive Session**

No executive session called.

## **Adjournment and Next Meeting**

There being no further business, the Board meeting was adjourned at 3:10 PM. The next Pierpont Board of Governors Meeting will be held on August 21, 2012 at 2:00 PM, in the Falcon Center Board Room.

**PIERPONT COMMUNITY & TECHNICAL COLLEGE**  
**BOARD OF GOVERNOR'S REPORT**  
**ACADEMIC AFFAIRS**  
**August 21, 2012**

**SCHOOL UPDATES**

Academic Studies

- The following faculty members attended the State Developmental Math meeting at Stonewall, June 6,7,8: Debbie Benedetti, Linda King, Debra Lupica-Scott, Nancy Park, Leslie Lovett (Provost), Wayne Daniel (adjunct math).
- Dr. Pat Albano attended the Threshold Concepts Conference, held by the NAIRL Academy, at Trinity College in Dublin, Ireland.
- New Mathematics Instructional Specialist, Michael Davisson, started on August 1.

BAT

- Transitioned coordinators in the Mechatronics program. Jo Calvez finished his summer courses and completed his exit interview with Dean Bacza. Jo now resides in Kansas City. We appreciate all of the hard work and effort that he did to incubate a new program. Hired Gene Turchin as the new coordinator. Gene brings forth higher ed experience, industrial experience and expertise in recruiting and running summer camps.
- Assistant Dean Nancy Lawler has worked tirelessly to ensure that the first class of Electrical Utility Technology students are enrolled and in the Pierpont pipeline.
- All BAT faculty but one completed their annual evaluations. Hired three replacement faculty at the Air Center.
- Received a wonderful donation from Thelma Hutchins and the library staff. This donation included a mapping case with many USGS maps of West Virginia and the United States. This material will complement the new Mapping initiatives in the CAD area and the new Land Management degree.
- Working on facility designs for MTEC, the Marion County Public Library, and other potential space projects.

Health Careers

- Instructor and Clinical Director of Respiratory Care Jodi Nelson attended the Great Teachers Seminar.
- The Physical Therapy Assistant AAS program will have an accreditation site visit on August 27 – 29<sup>th</sup>.
- Reverend Michael Waide has been hired as a temporary Medical Laboratory Technology faculty member and started on August 13<sup>th</sup>.

Human Services

- Faculty members Jay Mahoney & Allison McCue returned with 9 students who spent three weeks studying Culinary and Pastries in Florence Italy, and working in the local businesses.
- The EMS program is working on strategies to expand the program and program services.
- Dr. Susan Coffindaffer has been hired through a grant to serve as the Coordinator for the Land Manager program and develop curriculum, and teach.
- Ms. Nicole Holyfield has been hired as a new pre-school teacher.
- Culinary accreditation site visit is scheduled for October 15-18<sup>th</sup>

- EMS accreditation site visit will be Fall 2012, dates to be announced.

#### Regional Academics

- Dean Hawkins attended the RESA 7 meeting in Elkins.
- Dean Hawkins, Leslie Lovett and Linda Cronin attended the Monongalia Technical Education Center General Advisory Council meeting.
- Regional academics are working on strategies for increasing enrollment while helping students to complete their degrees.
- Regional Academics held Adjunct Faculty Orientation sessions in Lewis County and MTEC on August 7<sup>th</sup> and 9<sup>th</sup> respectively.

#### **FACULTY ACHIEVEMENTS**

- Dr. Raymond Mainenti has been selected as Dean of Academic Studies and Associate Professor Brian Floyd has been selected as Dean of Human Services through internal searches. The internal searches for the Deans were open to respective School faculty, with a number of highly qualified applicants under consideration. The review of the applicants and their credentials demonstrated the deep and diverse talent, creativity, passion, and expertise present within the ranks of our faculty.
- Associate Professor David Beighley was elected President of Faculty Assembly.

#### **GRANT UPDATES**

- NSF nanotechnology grant with WVU – Deans Bacza, Romesburg, and Provost Lovett continue to work on this grant with WVU faculty. WVU is the lead on this grant.
- CCHA Grant Work has started on the Community College Humanities Association (CCHA) Bridging the Culture Grant. Dr. Sandra Woods, Debbie Benedetti, James Savchuk, Linda King and Dr. Paul Edwards participated in a conference call with our grant advisor Kathy Federoko. We have been assigned three books to read. Our next conference call is August 16.

#### **OFFICE OF ACADEMIC AFFAIRS (INTERNAL PROJECTS)**

- General Education Committee: Will begin next week and hold joint meetings with the Pathways team.
- Faculty Handbook Committee: Completed in final stages for Provost review and release.
- Evaluation Committee: In progress, results to be presented to Assembly.
- Curriculum revisions: Over 25 curriculum proposals were reviewed for 2011-12.
- Pathways Quality Initiative Project: Report submitted in July, new platform released by HLC August 1, training to take place August 1-30, meeting in St. Charles, IL, October 16-17
- Distance Learning Validation of Courses: Self-evaluation by programs offering courses is still in progress.
- Faculty Evaluation: Received evaluations from all but one full-time faculty member.
- Credit hour Compliance: New HLC form for U.S. Department of Education Compliance working with Institutional Research for method for tracking of compliance.

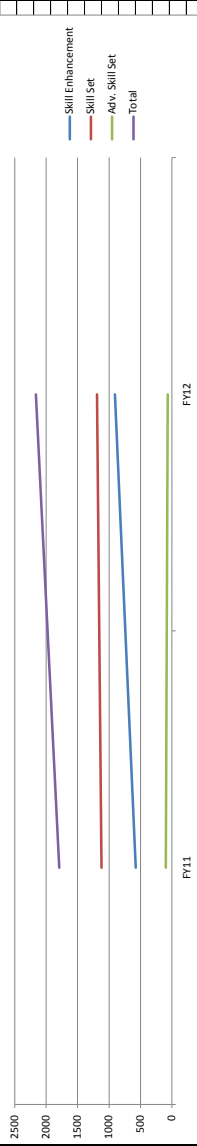
## **ADDITIONAL INITIATIVE PROJECTS/MEETINGS**

- **Student Success Summit, Morgantown, WV August 2 and 3**  
Linda King, Nancy Parks, Leslie Lovett, Jennifer Weist, Jeani Hawkins, Linda Cronin, adjunct Lyla Grandstaff and student Lauren Birks attended the WV Student Success Summit in Morgantown, WV on August 2 & 3. On Thursday Linda Cronin co-presented the session, “College Transition through the Community and Technical College System of West Virginia” and Culinary student Lauren Birk who is also a member of the Culinary team, served as a member of the student panel presenting during the Chancellor’s lunch and plenary addresses session. Dr. Adam Green HEPC Senior Director of the Division of Student Success stated that Chancellor Skidmore was extraordinarily impressed with Lauren and her responses. Friday presenters included, Nancy Parks, “Being Prepared Works Both Ways: Managing Early College Placement Testing”, and Pierpont/WV Wesleyan College CFWV fellows Isaac Casto and Angela Miller, Franchesca Nestor (Director WV Campus Compact), Jeani Hawkins, and Leslie Lovett were co-presenters for the session, “The CFWV Fellows Program: Building Two-Year and Four-Year College Partnerships to Engage and Assist Adult Learners”.
- **Advisory Council of Faculty (ACF), Logan, WV, July 15-16**  
ACF representative Nancy Lawler and Assembly President David Beighley attended the annual ACF Retreat to set agenda and dialog for the year.
- **HLC Summer Academy Round Table, St. Charles, IL, July 25-27**  
Associate Professors Nancy Parks and David Beighley attended the event for returning members. Information will be shared with faculty during Professional Development week.
- **WVCCA/WVADE Meeting**  
Planning in progress for 2012-13, save the dates, October 24- 26 (Canaan Valley)
- **North Central West Virginia CTC/Career and Technical Education District Consortium**  
Consortium members met twice and will be working on by-laws and other organizational agenda items.
- **Women on Wellness**  
Many faculty, staff, administrators and students supported this Marion County daylong event. President Doreen Larson was the Keynote speaker. Associate Professor Nancy Parks, Jennifer Weist and Leslie Lovett presented the session, “Exploring Your Future: It’s Never Too Late To Step Into College and Complete a Degree”. Assistant professors, Brooke Nissim-Sabat and Karen Wigal presented the session, “Nutrition and Heart Health”.

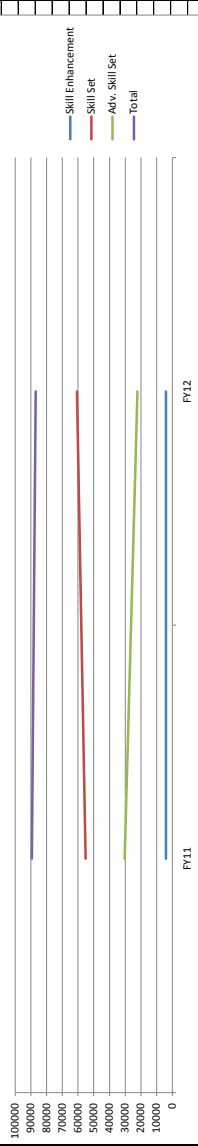
Pierpont Continuing Education Matrix Summary: Year-to-Year

ATTRIBUTE	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Skill Enhancement (<1 Cr/Hr or Equivalent)	Students							577	905
	Contact Hours							3577	4151
Skill Set (1-11 Cr/Hr or Equivalent)	Students							1118	1193
	Contact Hours							55154	60657
Advanced Skill Set (12 to 29 Cr/Hr or Equivalent)	Students							98	66
	Contact Hours							30386	22100
Total Workforce Education	Students							1793	2164
	Contact Hours							89517	86908

Total # of Workforce Students



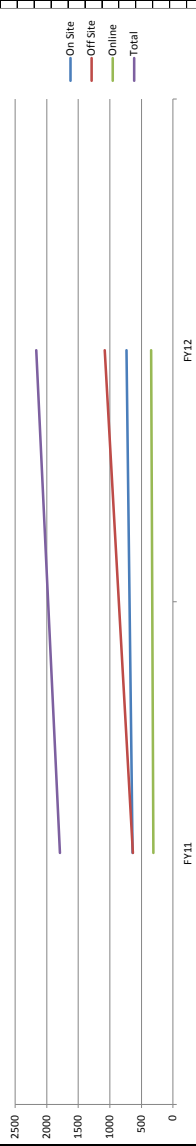
Total # of Workforce Contact Hours



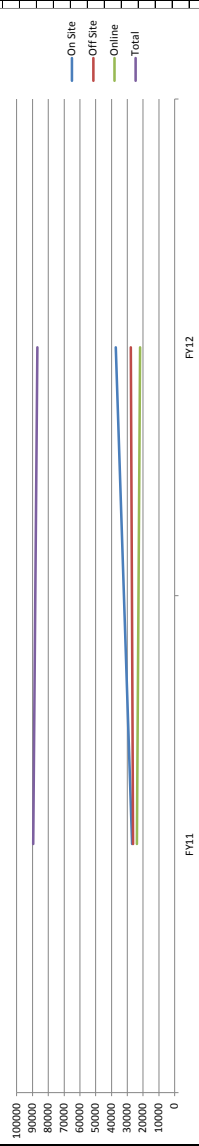
Pierpont Continuing Education Matrix Summary: Year-to-Year

DELIVERY METHOD	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
On Site (Pierpont Location)	Students							642	738
	Contact Hours							26956	37237
Off Site (3rd Party Location)	Students							634	1079
	Contact Hours							26392	27792
Online	Students							309	347
	Contact Hours							23880	21882
Total Workforce Education	Students							1793	2164
	Contact Hours							89517	86908

Total # of Workforce Students



Total # of Workforce Contact Hours



**Pierpont Community & Technical College - Performance Indicator Report - Continuing Education Department - 9-Year Trend Analysis  
NON-CREDIT ACTIVITIES ONLY**

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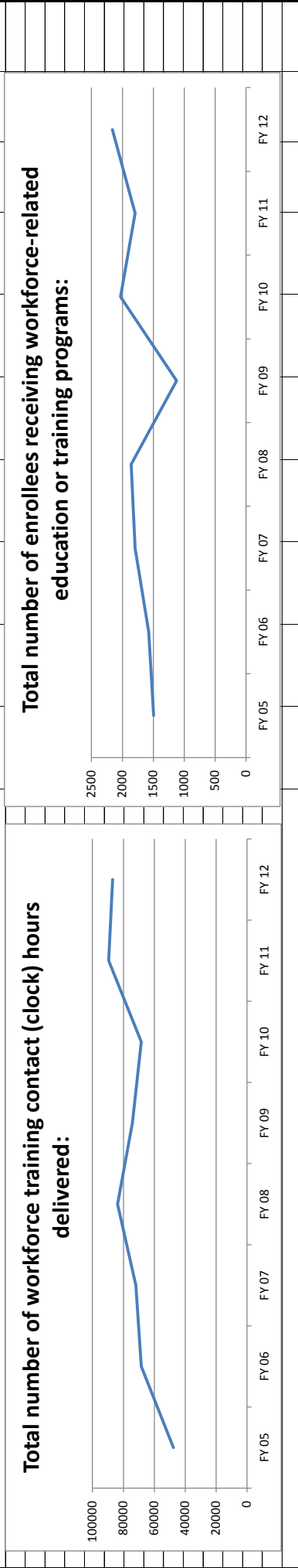
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Total number of enrollees receiving workforce-related education or training programs:

Total number of workforce training contact (clock) hours delivered:





**Board of Governors  
Financial Report FY 2012  
Pierpont Community & Technical College  
as of May 31, 2012**

**SUMMARY:**

The projected effect on net assets at June 30, 2012 as of May 31, 2012 is an increase of \$560,471 which includes \$341,776 in additional personnel budget savings. However, this amount also includes a Board approved spend down of \$102,938 (\$66,500 approved for the current FY and \$36,438 carried forward from last year's approval) in cash reserves which is a reduction of net assets, therefore the adjusted projected effect on assets at June 30, 2012 is an increase of \$457,533.

**UNRESTRICTED OPERATING FUNDS:**

The Budget Balance as of May 31, 2012 is \$218,695. The adjusted budget balance is \$115,757 after removing the approved cash reserve spending. This represents a budget increase of \$13,599 from the April 30, 2012 Finance Report. As of this report date, approximately 100% of projected tuition and fees revenue and approximately 96 % of overall revenues have been realized while 83% of operating expenses have been incurred. The primary budget changes, that impacted the budget since the April 30, 2012 Finance Report, are as follows:

- **Operating Revenues Budget:**
  - Increased by \$166,707. This was primarily due to the following changes:
    - The President controlled "Operating Cost Revenue" budget decreased by (\$857) primarily due to a transfer between two organizations with differing chargeback rates.
    - The Fund Manager controlled "Tuition and Fees" budget increased by \$155,155 due to the recognition of revenues beyond projections from students in the Emergency Medical Services, Folklife and the Medical Lab. Technician programs as well as Workforce Development.
    - The Fund Manager controlled "Other Operating Revenue" increased by \$12,410 in recognition of revenues beyond projections for services delivered by the Emergency Medical Services Program.
- **Operating Expenses Budget:**
  - Increased by \$153,392. This was due to the following changes:
    - The President controlled "Salaries" expense budget increased by \$6,867 due to multiple transfers between temporary and adjunct positions.
    - The President controlled "Benefits" expense budget decreased by (\$3,916) due the above labor increases which were offset by a benefits updates reduction for an employee's status change in their PEIA benefits and a \$124 budget clean up.
    - The President controlled "Supplies and Other Services" expense budget decreased by (\$7,242) primarily due to transferring supplies budget to labor budget.

- The President's controlled "Assessment for Support Services" expense budget decreased by (\$9,882) due to multiple transfers between temporary and adjunct positions as well as a benefits updates.
- The Fund Managers controlled "Salaries" increased by \$34,471 due to multiple transfers between temporary and adjunct positions as well as increases to temporary and student labor in Emergency Medical Services as a result of the increased revenues.
- The Fund Managers controlled "Benefits" expense budget increased by \$3,624 due the above labor increases.
- The Fund Managers controlled "Supplies and Other Services" expense budget increased by \$129,468 associated the increased revenues recognized by the Emergency Medical Services and Workforce Development.
- **Nonoperating Revenues (Expenses):**
  - Increased by \$2,487. This was due to the following changes:
    - The President's controlled "Gifts" increased by \$2,487 in recognition of gifts transferred from the Foundation.
- **Exclude Operating:**
  - Increased by \$2,203. This was due to the following changes:
    - The President's controlled "Capital Expenditures" increased by \$2,487 in recognition of gifts transferred from the Foundation.
    - The President's controlled "Transfers - Other" increased by \$217.

Of the adjusted projected effect on net assets of an increase of \$560,471 as of June 30, 2012; President's Controlled Fund(s) are projected to have a budget surplus of \$180,048; Personnel Budget Savings are projected to be \$341,776, and Fund Manager's Controlled Fund(s) are projected to have a budget surplus of \$38,647 with Board approved spending of \$102,938 in cash reserves. The Year-To-Date Actual Budget Balance is \$2,829,291.

#### **RESTRICTED FUNDS:**

There was no change in the overall Restricted Funds Budget Balance. There were a variety of other changes that occurred within the budget that did not impact the overall budget balance. The Budget Balance as of May 31, 2012 is (\$449,606). This deficit is covered by grant funds cash balances totaling \$1,426,871 on June 30, 2011.

Pierpont Community & Technical College  
Actual vs Budget Statement of Revenues and Expenses  
Current Unrestricted  
As of May 31, 2012

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>					
	Tuition and Fees	8,673,566	9,095,454	9,077,986	99.81
	Faculty Services Revenue	1,502,589	1,502,589	1,290,088	85.86
	State/Local Grants and Contracts	0	0	0	
	Auxiliary Enterprise Revenue	1,252,667	1,306,529	1,344,494	102.91
	Operating Costs Revenue	203,317	193,595	121,504	62.76
	Support Services Revenue	377,210	376,897	251,660	66.77
	Other Operating Revenue	301,909	524,516	406,525	77.50
	<b>Total:</b>	<b>12,311,258</b>	<b>12,999,580</b>	<b>12,492,257</b>	<b>96.10</b>
<b>OPERATING EXPENSE</b>					
	Salaries	6,667,540	6,698,608	5,951,572	88.85
	Benefits	1,464,714	1,468,152	1,206,935	82.21
	Student financial aid-scholarships	140,844	130,844	155,564	118.89
	Utilities	0	0	1,156	
	Supplies and Other Services	1,774,275	2,194,853	1,636,234	74.55
	Equipment Expense	128,582	169,175	199,390	117.86
	Loan cancellations and write-offs	0	0	0	
	Fees retained by the Commission	104,619	116,560	116,560	100.00
	Assessment for Faculty Services	1,272,439	1,272,439	1,375,876	108.13
	Assessment for Support Services	3,907,560	3,885,387	2,626,563	67.60
	Assessment for Student Activity Costs	158,131	174,729	170,147	97.38
	Assessment for Auxiliary Fees & Debt Service	1,252,667	1,306,529	1,280,618	98.02
	Assessment for Operating Costs	2,437,328	2,415,922	1,829,858	75.74
	<b>Total:</b>	<b>19,308,698</b>	<b>19,833,199</b>	<b>16,550,473</b>	<b>83.45</b>
<b>OPERATING INCOME / (LOSS)</b>		<b>(6,997,440)</b>	<b>(6,833,619)</b>	<b>(4,058,216)</b>	<b>59.39</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
	State Appropriations	8,421,177	8,421,177	8,421,177	100.00
	State Fiscal Stabilization Funds	0	0	0	
	Gifts	1,000	3,487	1,985	56.95
	Investment Income	97,194	97,194	7,087	7.29
	Assessment for E&G Capital & Debt Service Costs	(1,397,782)	(1,539,782)	(1,525,164)	99.05
	Reappropriated State Funding	0	716	0	0.00
	<b>Total:</b>	<b>7,121,589</b>	<b>6,982,792</b>	<b>6,905,085</b>	<b>98.89</b>
<b>TRANSFERS &amp; OTHER</b>					
	Capital Expenditures	0	(1,987)	(60)	
	Transfers for Fin Aid Match	(78,992)	(66,102)	(52,191)	78.96
	Indirect Cost Recoveries	877	2,430	2,430	100.00
	Transfers - Other	0	32,243	32,243	100.00
	One-time use of reserve	66,500	102,938	0	0.00
	<b>Total:</b>	<b>(11,615)</b>	<b>69,523</b>	<b>(17,578)</b>	<b>(25.28)</b>
<b>BUDGET BALANCE</b>		<b>112,534</b>	<b>218,695</b>	<b>2,829,291</b>	
<b>PERSONNEL BUDGET SAVINGS</b>		<b>0</b>	<b>341,776</b>		
<b>PROJECTED EFFECT ON NET ASSETS AT JUNE 30</b>		<b>112,534</b>	<b>560,471</b>	<b>2,829,291</b>	
<b>* Add: UNRESTRICTED NET ASSETS - Beginning of Year</b>		<b>4,768,054</b>	<b>4,768,054</b>		
<b>Less: USE OF RESERVE</b>		<b><u>66,500</u></b>	<b><u>102,938</u></b>		
<b>Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year</b>		<b><u>4,814,088</u></b>	<b><u>5,225,587</u></b>		

\* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$2,194,850.

\* Unrestricted Net Asset Balance is 25.74% of the current budgeted total operating expense. Management has established a target of 15% or \$2,779,001 as the goal for the level of unrestricted net asset balance that should be maintained.

Pierpont Community & Technical College  
Actual vs Budget Statement of Revenues and Expenses  
Current Unrestricted - President  
As of May 31, 2012

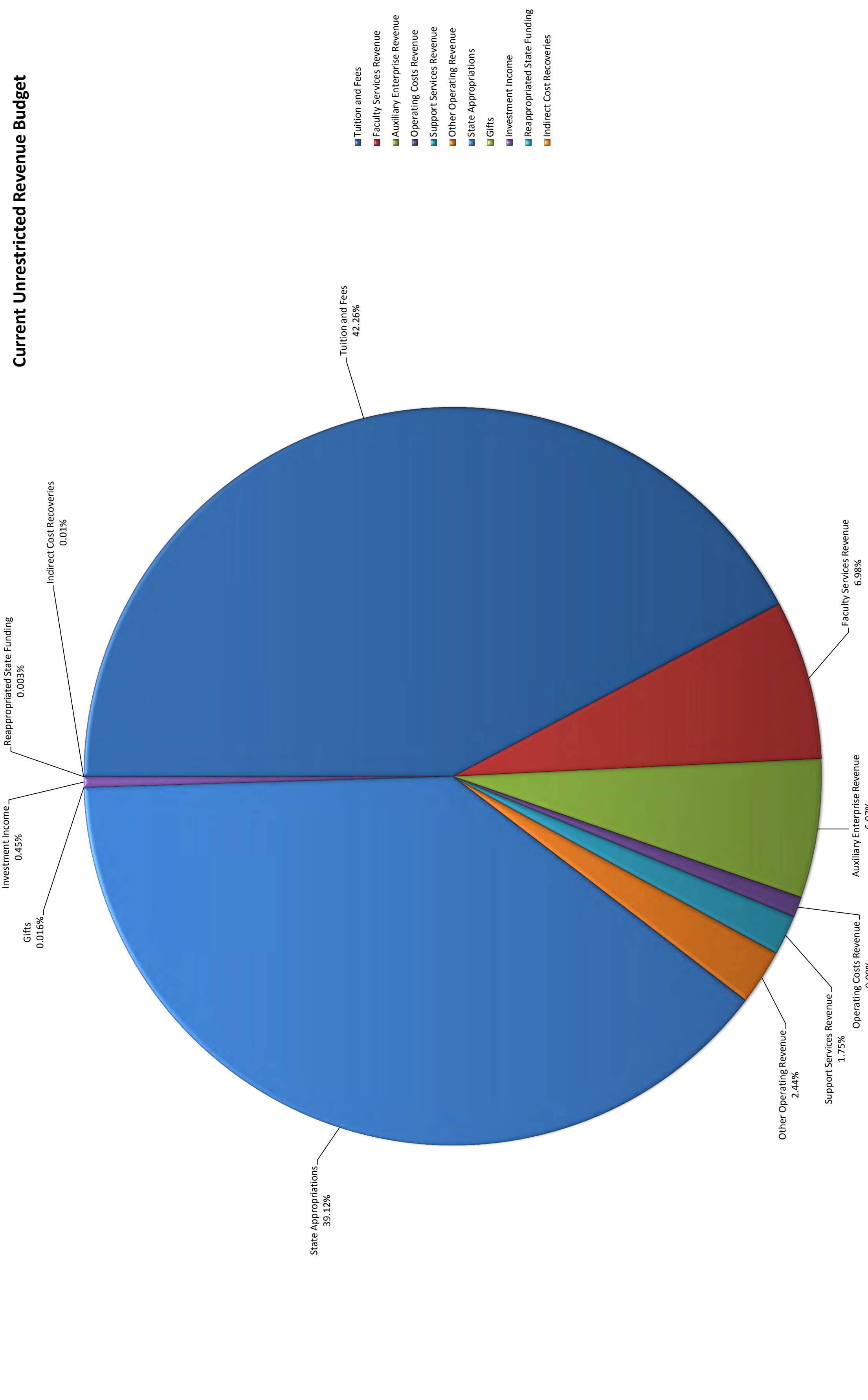
		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>					
	Tuition and Fees	7,719,834	7,878,432	8,107,917	102.91
	Faculty Services Revenue	1,502,589	1,502,589	1,290,088	85.86
	State/Local Grants and Contracts	0	0	0	
	Operating Costs Revenue	203,317	193,595	121,504	62.76
	Support Services Revenue	377,210	376,897	251,660	66.77
	Other Operating Revenue	193,583	376,747	331,123	87.89
	<b>Total:</b>	<b>9,996,534</b>	<b>10,328,260</b>	<b>10,102,292</b>	<b>97.81</b>
<b>OPERATING EXPENSE</b>					
	Salaries	6,346,475	6,289,176	5,666,493	90.10
	Benefits	1,402,515	1,408,739	1,165,288	82.72
	Student financial aid-scholarships	140,844	130,844	155,564	118.89
	Utilities	0	0	1,156	
	Supplies and Other Services	1,123,645	1,331,328	1,113,262	83.62
	Equipment Expense	57,042	61,197	70,044	114.46
	Loan cancellations and write-offs	0	0	0	
	Fees retained by the Commission	104,619	116,560	116,560	100.00
	Assessment for Faculty Services	1,272,439	1,272,439	1,375,876	108.13
	Assessment for Support Services	3,907,560	3,885,387	2,626,563	67.60
	Assessment for Student Activity Costs	158,131	174,729	170,147	97.38
	Assessment for Operating Costs	2,437,328	2,415,922	1,829,858	75.74
	<b>Total:</b>	<b>16,950,597</b>	<b>17,086,321</b>	<b>14,290,811</b>	<b>83.64</b>
<b>OPERATING INOCME / (LOSS)</b>		<b>(6,954,064)</b>	<b>(6,758,062)</b>	<b>(4,188,519)</b>	<b>61.98</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
	State Appropriations	8,421,177	8,421,177	8,421,177	100.00
	State Fiscal Stabalization Funds	0	0	0	
	Gifts	0	2,487	1,985	79.85
	Investment Income	97,194	97,194	7,087	7.29
	Assessment for E&G Capital & Debt Service Costs	(1,397,782)	(1,539,782)	(1,525,164)	99.05
	Reappropriated State Funding	0	716	0	0.00
	<b>Total:</b>	<b>7,120,589</b>	<b>6,981,792</b>	<b>6,905,085</b>	<b>98.90</b>
<b>TRANSFERS &amp; OTHERS</b>					
	Capital Expenditures	0	(1,987)	0	
	Transfers for Fin Aid Match	(78,992)	(66,102)	(52,191)	78.96
	Transfers - Other	0	(594)	(594)	100.00
	One-time use of reserve	25,000	25,000	0	0.00
	<b>Total:</b>	<b>(53,992)</b>	<b>(43,682)</b>	<b>(52,785)</b>	<b>120.84</b>
<b>BUDGET BALANCE</b>		<b>112,533</b>	<b>180,048</b>	<b>2,663,781</b>	
* <b>Add: UNRESTRICTED NET ASSETS - Beginning of Year</b>		<b>4,096,524</b>	<b>4,096,524</b>		
<b>Less: USE OF RESERVE</b>		<b><u>25,000</u></b>	<b><u>25,000</u></b>		
<b>Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year</b>		<b><u>4,184,057</u></b>	<b><u>4,251,572</u></b>		

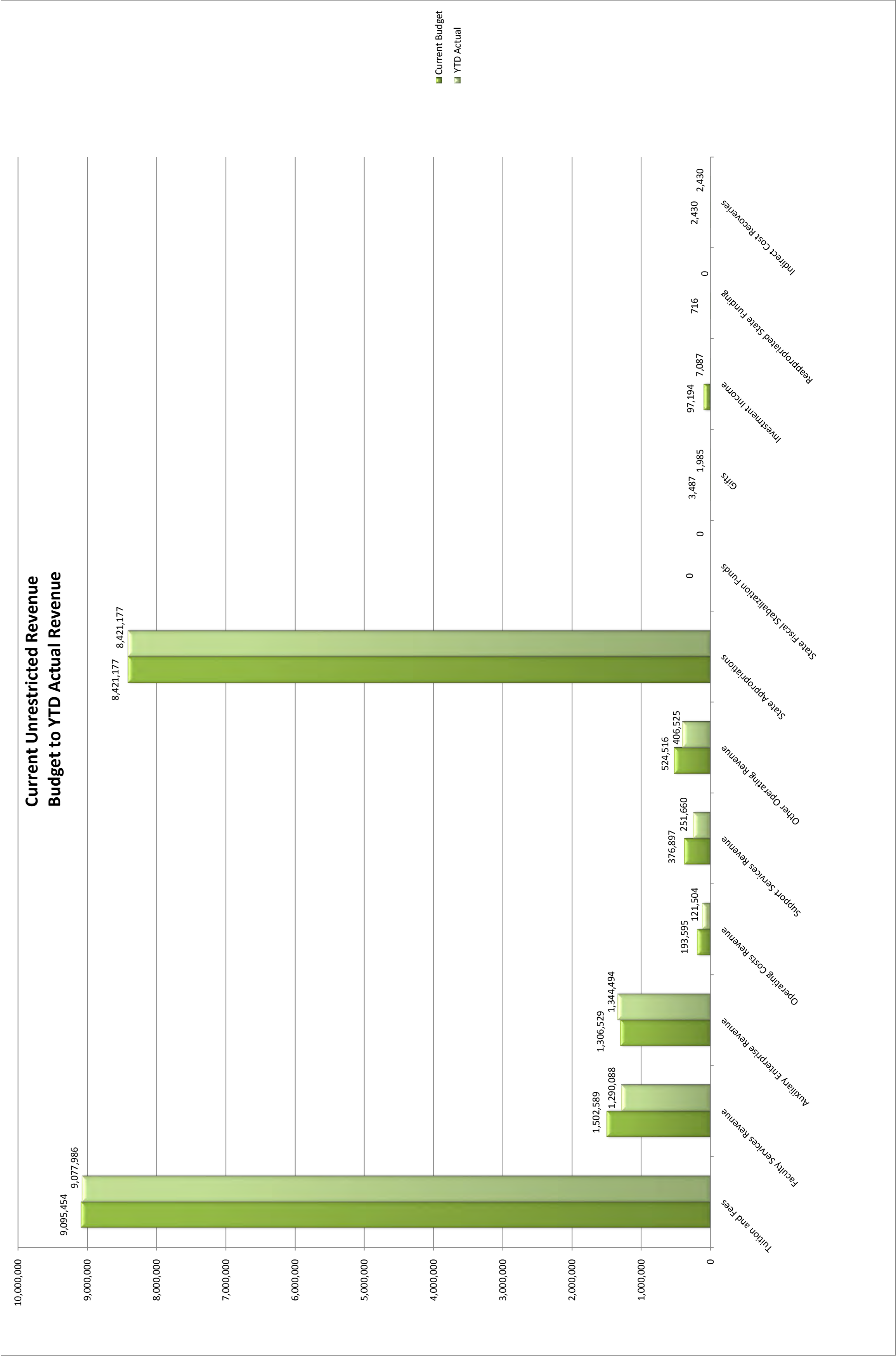
\* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$2,194,850.

Pierpont Community & Technical College  
Actual vs Budget Statement of Revenues and Expenses  
Current Unrestricted - Fund Manager  
As of May 31, 2012

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>					
	Tuition and Fees	953,732	1,217,022	970,069	79.71
	Other Operating Revenue	108,326	147,769	75,402	51.03
	<b>Total:</b>	<b>1,062,058</b>	<b>1,364,791</b>	<b>1,045,471</b>	<b>76.60</b>
<b>OPERATING EXPENSE</b>					
	Salaries	321,065	409,432	285,079	69.63
	Benefits	62,199	59,413	41,648	70.10
	Supplies and Other Services	650,630	863,525	522,972	60.56
	Equipment Expense	71,541	107,979	129,346	119.79
	Loan cancellations and write-offs	0	0	0	
	<b>Total:</b>	<b>1,105,435</b>	<b>1,440,349</b>	<b>979,044</b>	<b>67.97</b>
<b>OPERATING INCOME / (LOSS)</b>		<b>(43,377)</b>	<b>(75,558)</b>	<b>66,427</b>	<b>(87.92)</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
	Gifts	1,000	1,000	0	0.00
	<b>Total:</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>	<b>0.00</b>
<b>TRANSFERS &amp; OTHER</b>					
	Capital Expenditures	0	0	(60)	
	Indirect Cost Recoveries	877	2,430	2,430	100.00
	Transfers - Other	0	32,837	32,837	100.00
	One-time use of reserve	41,500	77,938	0	0.00
	<b>Total:</b>	<b>42,377</b>	<b>113,205</b>	<b>35,207</b>	<b>31.10</b>
<b>BUDGET BALANCE</b>		<b>0</b>	<b>38,647</b>	<b>101,634</b>	
<b>Add: UNRESTRICTED NET ASSETS - Beginning of Year</b>		<b>657,001</b>	<b>657,001</b>		
<b>Less: USE OF RESERVE</b>		<b><u>41,500</u></b>	<b><u>77,938</u></b>		
<b>Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year</b>		<b><u>615,501</u></b>	<b><u>617,710</u></b>		

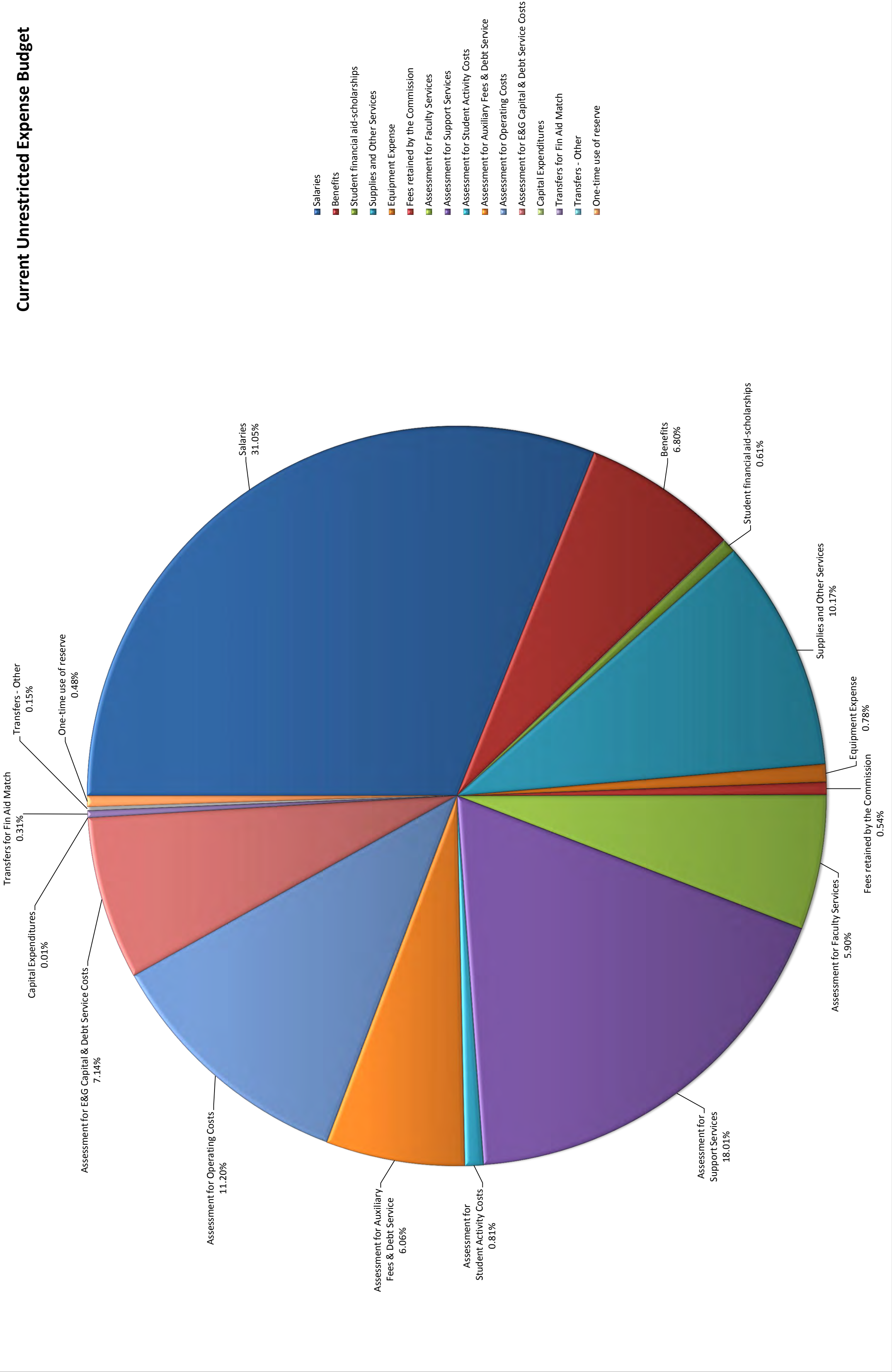
Current Unrestricted Revenue Budget



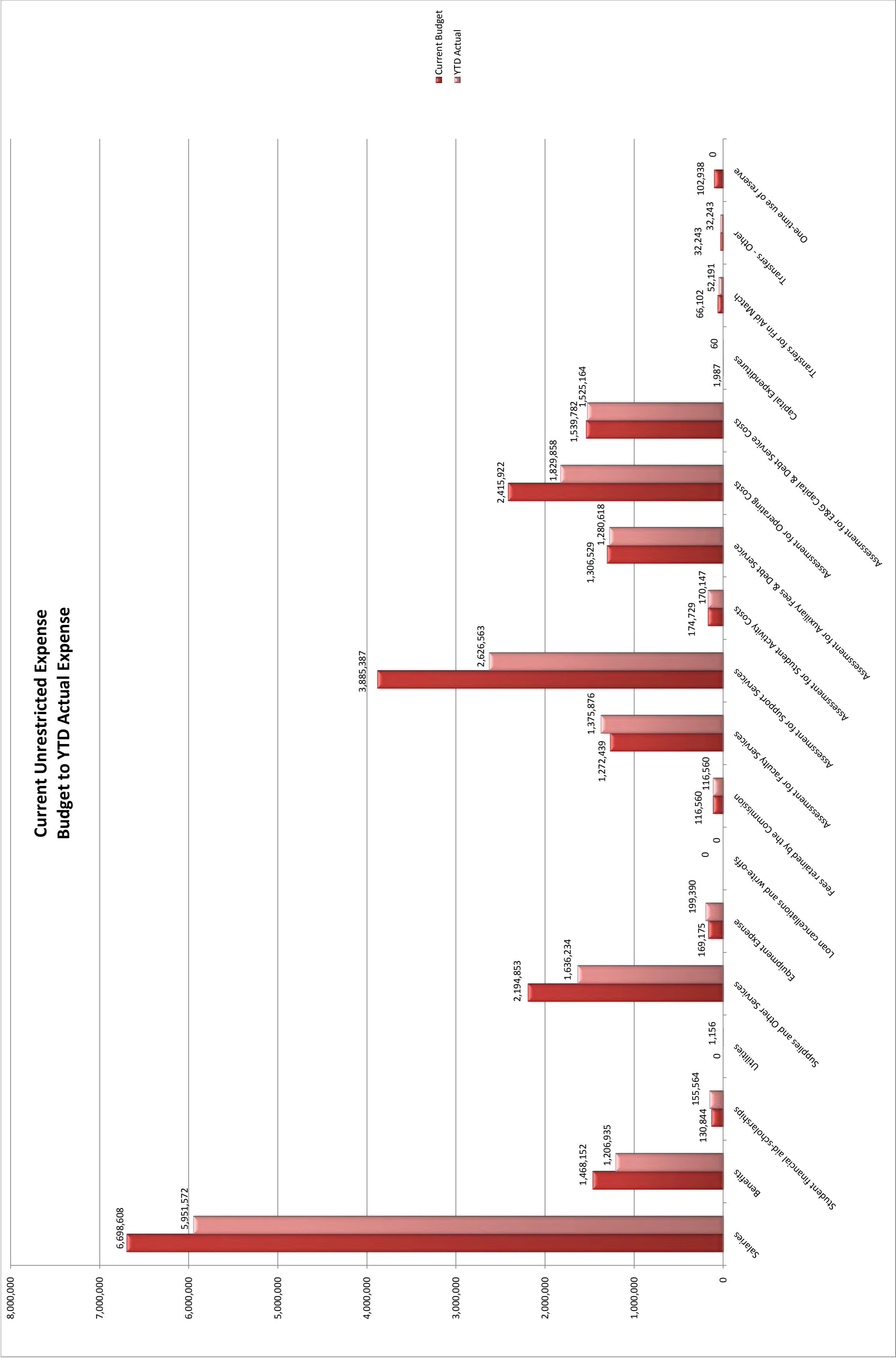




Current Unrestricted Expense Budget







Pierpont Community and Technical College  
Board of Governors  
Financial Report  
Restricted Funds  
For the period ending May 31, 2012

**New Grant Funds**

Perkins Leadership Fund	7,817.00
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**Other Grant/Restricted Fund Related Changes**

ARRA GOEO Weatherization Grant Close	(79,531.00)
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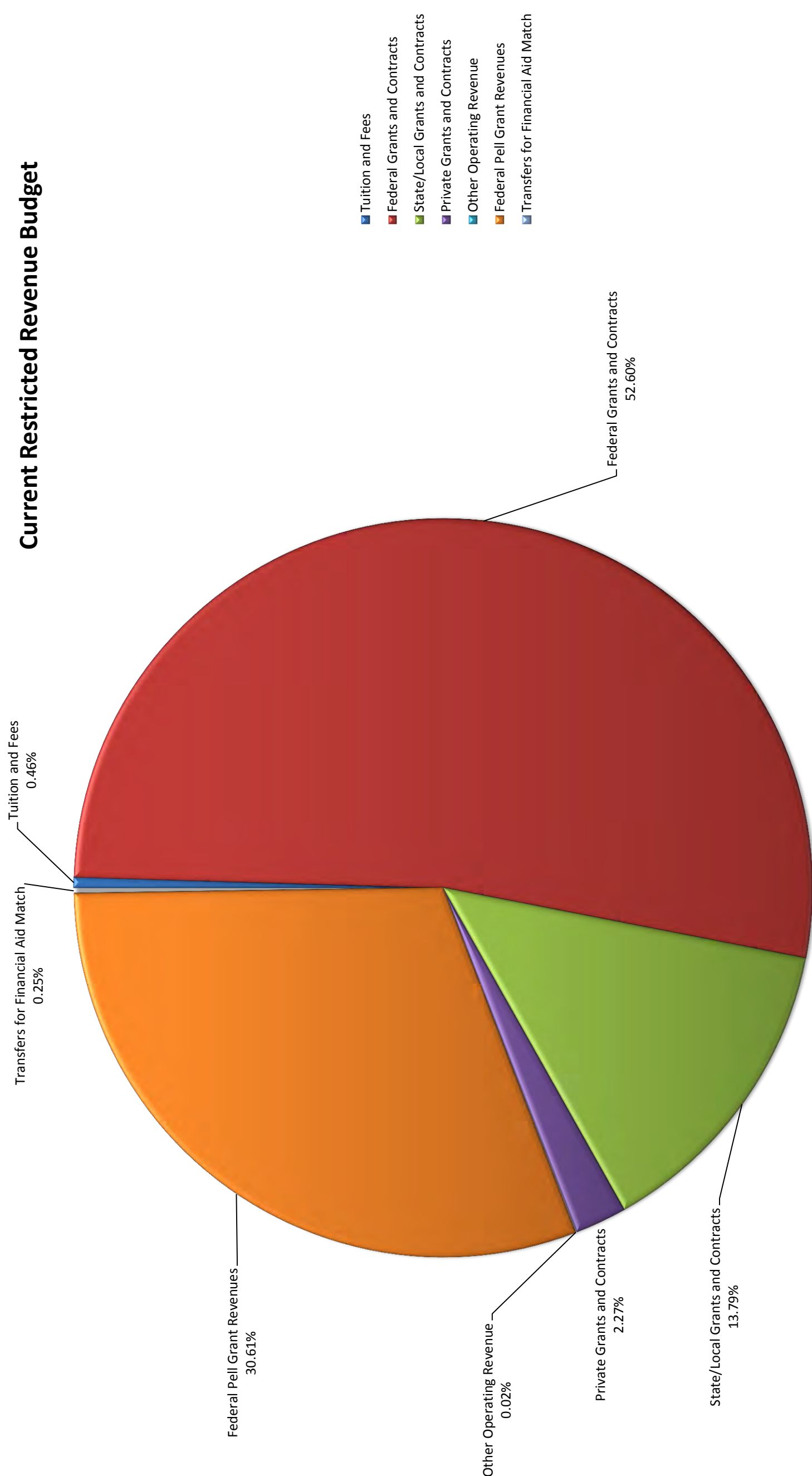
<b>Net Change</b>	<b>-</b>
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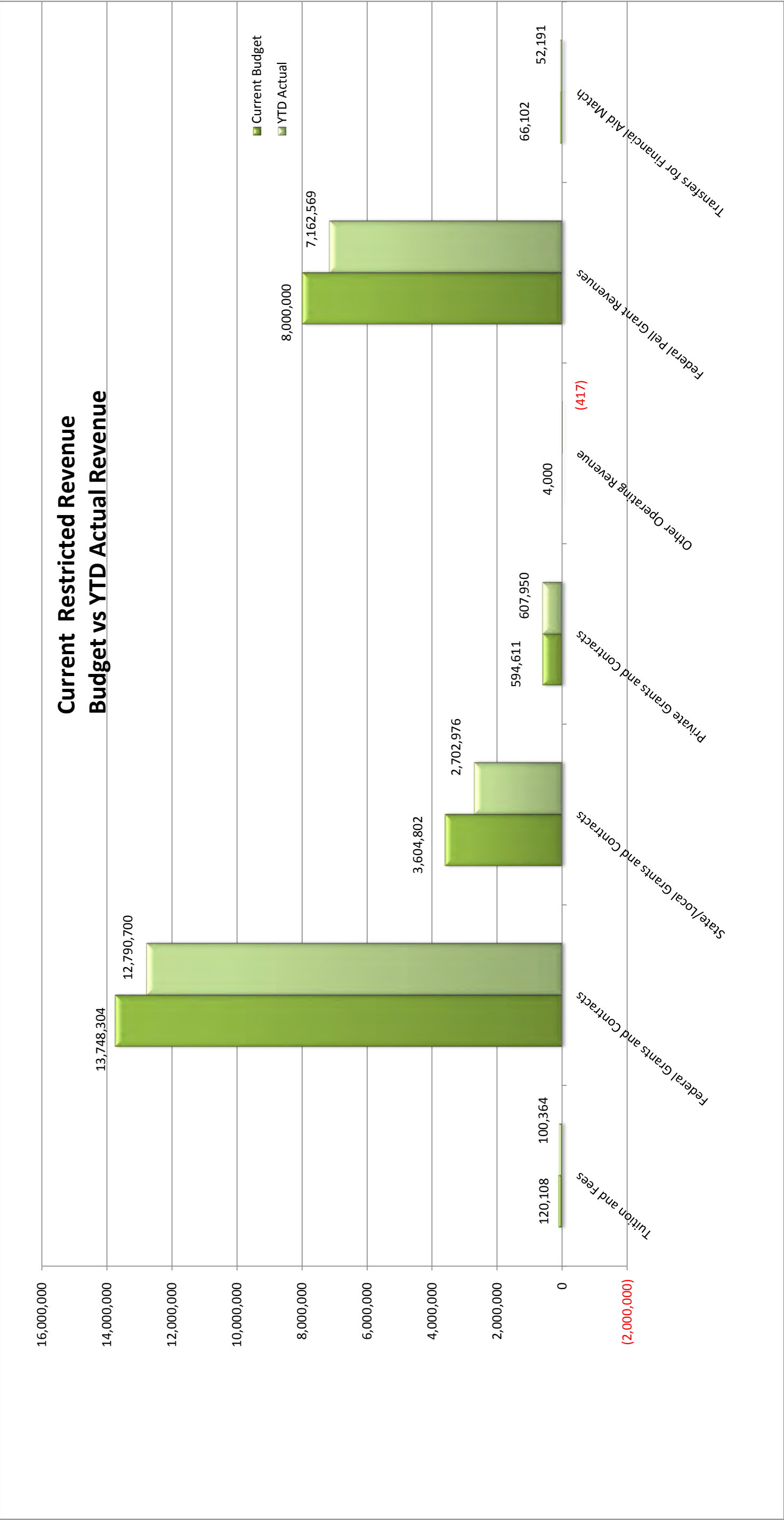
The budget balance of **(\$449,606)** is covered by the restricted fund cash balance of \$1,426,871 on June 30, 2011

Pierpont Community and Technical College  
Budget vs Actual Statement of Revenues and Expenses  
Current Restricted  
As of May 2012

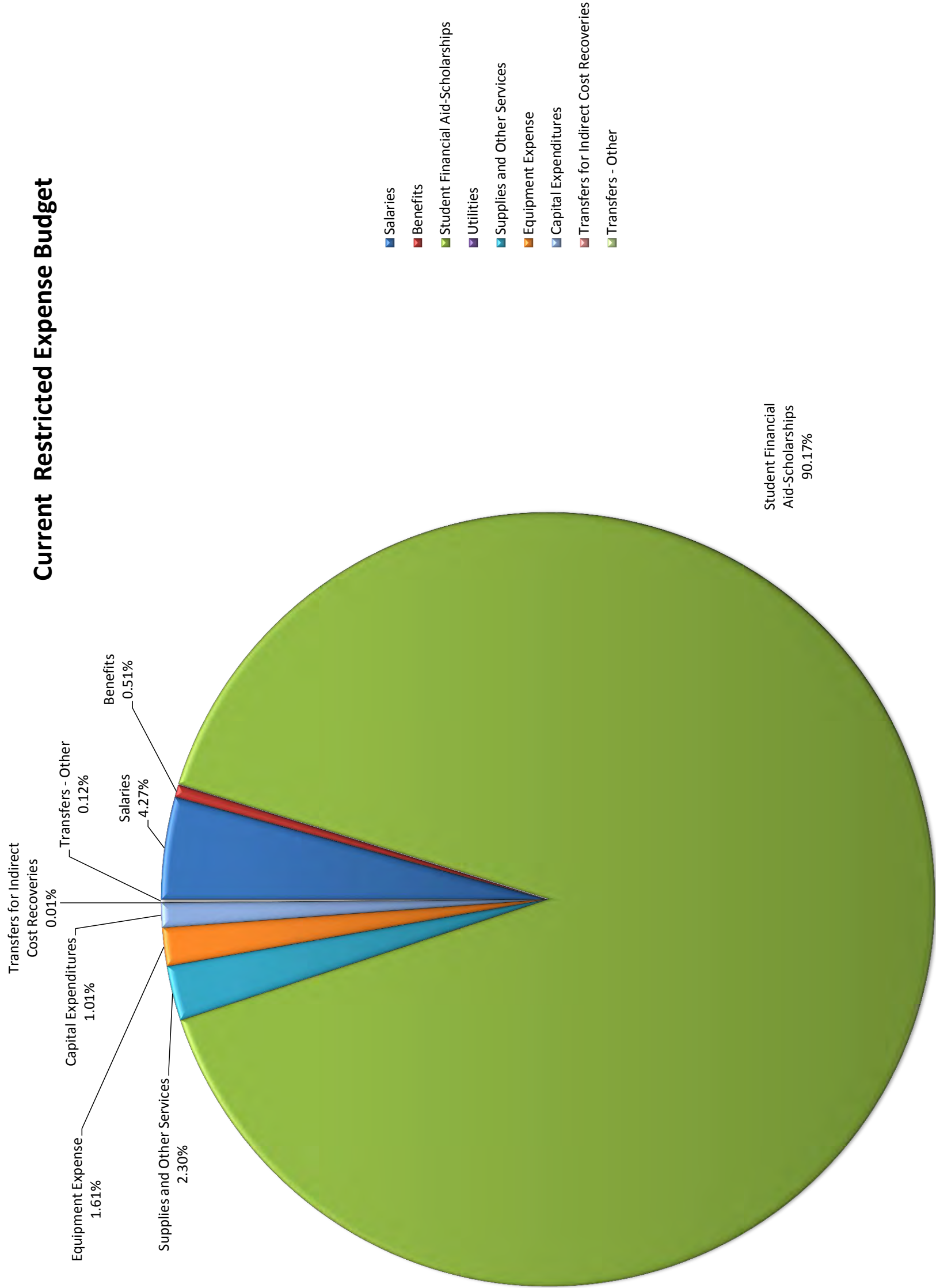
		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>	Tuition and Fees	34,213	120,108	100,364	83.56
	Federal Grants and Contracts	13,771,179	13,748,304	12,790,700	93.03
	State/Local Grants and Contracts	3,048,871	3,604,802	2,702,976	74.98
	Private Grants and Contracts	534,611	594,611	607,950	102.24
	Other Operating Revenue	3,000	4,000	(417)	(10.41)
	<b>Total:</b>	<b>17,391,874</b>	<b>18,071,824</b>	<b>16,201,573</b>	<b>89.65</b>
<b>OPERATING EXPENSE</b>	Salaries	923,758	1,135,162	482,117	42.47
	Benefits	82,224	136,854	63,200	46.18
	Student financial aid-scholarships	23,946,419	23,972,571	22,394,697	93.42
	Utilities	500	500	207	41.49
	Supplies and Other Services	497,690	611,720	246,864	40.36
	Equipment Expense	238,878	427,385	164,410	38.47
	Loan Cancellation and Write-Off	0	0	(59)	
	<b>Total:</b>	<b>25,689,469</b>	<b>26,284,192</b>	<b>23,351,436</b>	<b>88.84</b>
<b>OPERATING INCOME / (LOSS)</b>		<b>(8,297,595)</b>	<b>(8,212,368)</b>	<b>(7,149,863)</b>	<b>87.06</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>	Federal Pell Grant Revenues	8,000,000	8,000,000	7,162,569	89.53
	<b>Total:</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>7,162,569</b>	<b>89.53</b>
<b>TRANSFERS &amp; OTHER</b>	Capital Expenditures	(203,365)	(268,667)	(236,033)	87.85
	Transfers for Fin Aid Match	78,992	66,102	52,191	78.96
	Indirect Cost Recoveries	(4,956)	(2,430)	(2,430)	100.00
	Transfers - Other	0	(32,243)	(32,243)	100.00
	<b>Total:</b>	<b>(129,329)</b>	<b>(237,238)</b>	<b>(218,515)</b>	<b>92.11</b>
<b>BUDGET BALANCE</b>		<b>(426,924)</b>	<b>(449,606)</b>	<b>(205,810)</b>	<b>45.78</b>
<b>* Add: PROJECTED RESTRICTED NET ASSETS - Beginning of Year</b>		<b>1,426,871</b>	<b>1,426,871</b>		
<b>** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year</b>		<b>999,947</b>	<b>977,265</b>		

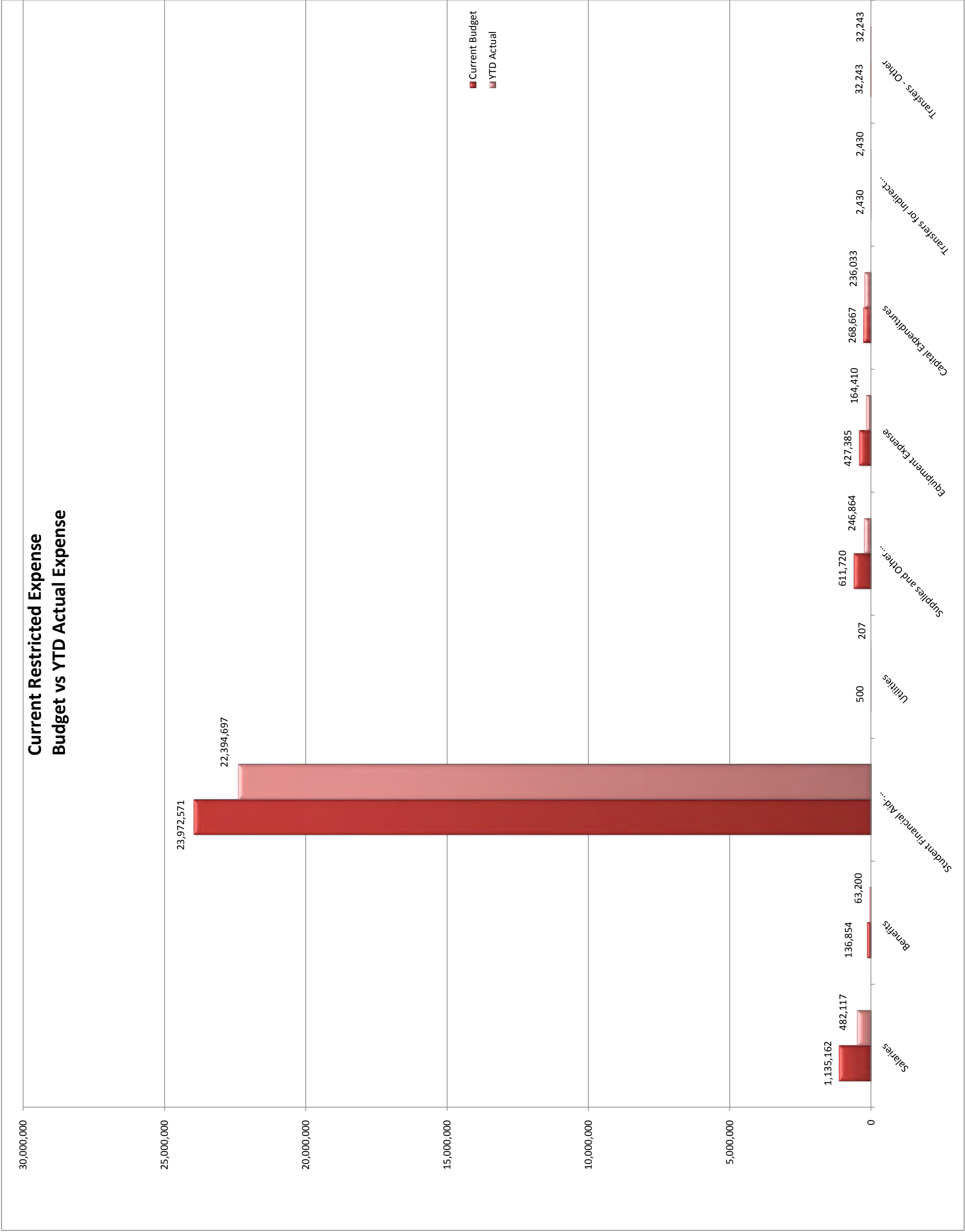
Current Restricted Revenue Budget





Current Restricted Expense Budget





**Board of Governors  
Financial Report FY 2012  
Pierpont Community & Technical College  
as of June 30, 2012**

**SUMMARY:**

The projected effect on net assets for FY 2012 as of June 30, 2012 is an increase of \$722,548 which includes \$376,077 in additional personnel budget savings. However, this amount also includes a Board approved spend down of \$102,938 (\$66,500 approved for the current FY and \$36,438 carried forward from last year's approval) in cash reserves which is a reduction of net assets, therefore the adjusted projected effect on assets at June 30, 2012 is an increase of \$619,610.

**UNRESTRICTED OPERATING FUNDS:**

The Budget Balance as of June 30, 2012 is \$346,471. The adjusted budget balance is \$243,533 after removing the approved cash reserve spending. This represents a budget increase of \$127,776 from the May 31, 2012 Finance Report. As of this report date, approximately 100% of projected tuition and fees revenue and approximately 98 % of overall revenues have been realized while 95% of operating expenses have been incurred. The primary budget changes, that impacted the budget since the May 31, 2012 Finance Report, are as follows:

- **Operating Revenues Budget:**
  - Increased by \$2,200. This was primarily due to the following changes:
    - The Fund Manager controlled "Tuition and Fees" budget increased by \$2,200 due to the recognition of revenues beyond projections from students in the Culinary Arts Program as well as Workforce Development.
- **Operating Expenses Budget:**
  - Decreased by (\$10,752). This was due to the following changes:
    - The President controlled "Benefits" expense budget decreased by (\$12,812) due to multiple updates to employees PEIA benefits costs.
    - The President's controlled "Assessment for Support Services" expense budget increased by \$4,432 due to multiple updates to employees PEIA benefits costs for the University.
    - The Fund Managers controlled "Salaries" decreased by (\$1,123) due to a transfer from student labor to supplies expense.
    - The Fund Managers controlled "Benefits" expense budget decreased by (\$4,578) due to multiple updates to employees PEIA benefits costs.
    - The Fund Managers controlled "Supplies and Other Services" expense budget increased by \$3,329 associated the increased revenues recognized by Workforce Development and the transfer from student labor.
- **Exclude Operating:**
  - Increased by \$114,823. This was due to the following changes:
    - The President's controlled "Transfers - Other" increased by \$1,854.



- The Fund Manager Controlled “Transfers – Others” increased by \$112,970 due to the close out of a restricted fund that was no longer needed. The restricted fund cash balance of \$112,970 was transferred to the unrestricted Workforce Development fund.

Of the adjusted projected effect on net assets of an increase of \$722,548 as of June 30, 2012; President’s Controlled Fund(s) are projected to have a budget surplus of \$190,282; Personnel Budget Savings are projected to be \$722,548, and Fund Manager’s Controlled Fund(s) are projected to have a budget surplus of \$156,189 with Board approved spending of \$102,938 in cash reserves. The Year-To-Date Actual Budget Balance is \$766,157.

**RESTRICTED FUNDS:**

There was a decrease of (\$93,732) in the overall Restricted Funds Budget Balance. There were a variety of other changes that occurred within the budget, but the primary reason for the decrease was related to the two transfers identified above to the unrestricted funds. The Budget Balance as of June 30, 2012 is (\$543,338). This deficit is covered by grant funds cash balances totaling \$1,426,871 on June 30, 2011.

Pierpont Community & Technical College  
Actual vs Budget Statement of Revenues and Expenses  
Current Unrestricted  
As of June 30, 2012

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>	Tuition and Fees	8,673,566	9,097,654	9,121,074	100.26
	Faculty Services Revenue	1,502,589	1,502,589	1,319,526	87.82
	State/Local Grants and Contracts	0	0	0	
	Auxiliary Enterprise Revenue	1,252,667	1,306,529	1,345,483	102.98
	Operating Costs Revenue	203,317	193,595	178,291	92.10
	Support Services Revenue	377,210	376,897	352,030	93.40
	Other Operating Revenue	301,909	524,516	430,391	82.05
	<b>Total:</b>	<b>12,311,258</b>	<b>13,001,780</b>	<b>12,746,796</b>	<b>98.04</b>
<b>OPERATING EXPENSE</b>	Salaries	6,667,540	6,697,485	6,438,776	96.14
	Benefits	1,464,714	1,450,762	1,310,570	90.34
	Student financial aid-scholarships	140,844	130,844	155,396	118.76
	Utilities	0	0	1,457	
	Supplies and Other Services	1,774,275	2,198,182	1,825,230	83.03
	Equipment Expense	128,582	169,175	214,598	126.85
	Loan cancellations and write-offs	0	0	(3,433)	
	Fees retained by the Commission	104,619	116,560	116,560	100.00
	Assessment for Faculty Services	1,272,439	1,272,439	1,428,331	112.25
	Assessment for Support Services	3,907,560	3,889,820	3,588,859	92.26
	Assessment for Student Activity Costs	158,131	174,729	178,851	102.36
	Assessment for Auxiliary Fees & Debt Service	1,252,667	1,306,529	1,343,350	102.82
	Assessment for Operating Costs	2,437,328	2,415,922	2,308,228	95.54
	<b>Total:</b>	<b>19,308,698</b>	<b>19,822,447</b>	<b>18,906,773</b>	<b>95.38</b>
<b>OPERATING INCOME / (LOSS)</b>		<b>(6,997,440)</b>	<b>(6,820,667)</b>	<b>(6,159,977)</b>	<b>90.31</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>	State Appropriations	8,421,177	8,421,177	8,421,177	100.00
	State Fiscal Stabilization Funds	0	0	0	
	Gifts	1,000	3,487	2,485	71.29
	Investment Income	97,194	97,194	7,995	8.23
	Assessment for E&G Capital & Debt Service Costs	(1,397,782)	(1,539,782)	(1,599,282)	103.86
	Reappropriated State Funding	0	716	0	0.00
	<b>Total:</b>	<b>7,121,589</b>	<b>6,982,792</b>	<b>6,832,375</b>	<b>97.85</b>
<b>TRANSFERS &amp; OTHER</b>	Capital Expenditures	0	(1,987)	(2,047)	103.02
	Transfers for Fin Aid Match	(78,992)	(66,102)	(53,691)	81.22
	Indirect Cost Recoveries	877	2,430	2,430	100.00
	Transfers - Other	0	147,067	147,067	100.00
	One-time use of reserve	66,500	102,938	0	0.00
	<b>Total:</b>	<b>(11,615)</b>	<b>184,346</b>	<b>93,759</b>	<b>50.86</b>
<b>BUDGET BALANCE</b>		<b>112,534</b>	<b>346,471</b>	<b>766,157</b>	
<b>PERSONNEL BUDGET SAVINGS</b>		<b>0</b>	<b>376,077</b>		
<b>PROJECTED EFFECT ON NET ASSETS AT JUNE 30</b>		<b>112,534</b>	<b>722,548</b>	<b>766,157</b>	
<b>* Add: UNRESTRICTED NET ASSETS - Beginning of Year</b>		<b>4,768,054</b>	<b>4,768,054</b>		
<b>Less: USE OF RESERVE</b>		<b><u>66,500</u></b>	<b><u>102,938</u></b>		
<b>Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year</b>		<b><u>4,814,088</u></b>	<b><u>5,387,664</u></b>		

\* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$2,194,850.

\* Unrestricted Net Asset Balance is 25.75% of the current budgeted total operating expense. Management has established a target of 15% or \$2,777,388 as the goal for the level of unrestricted net asset balance that should be maintained.

Pierpont Community & Technical College  
Actual vs Budget Statement of Revenues and Expenses  
Current Unrestricted - President  
As of June 30, 2012

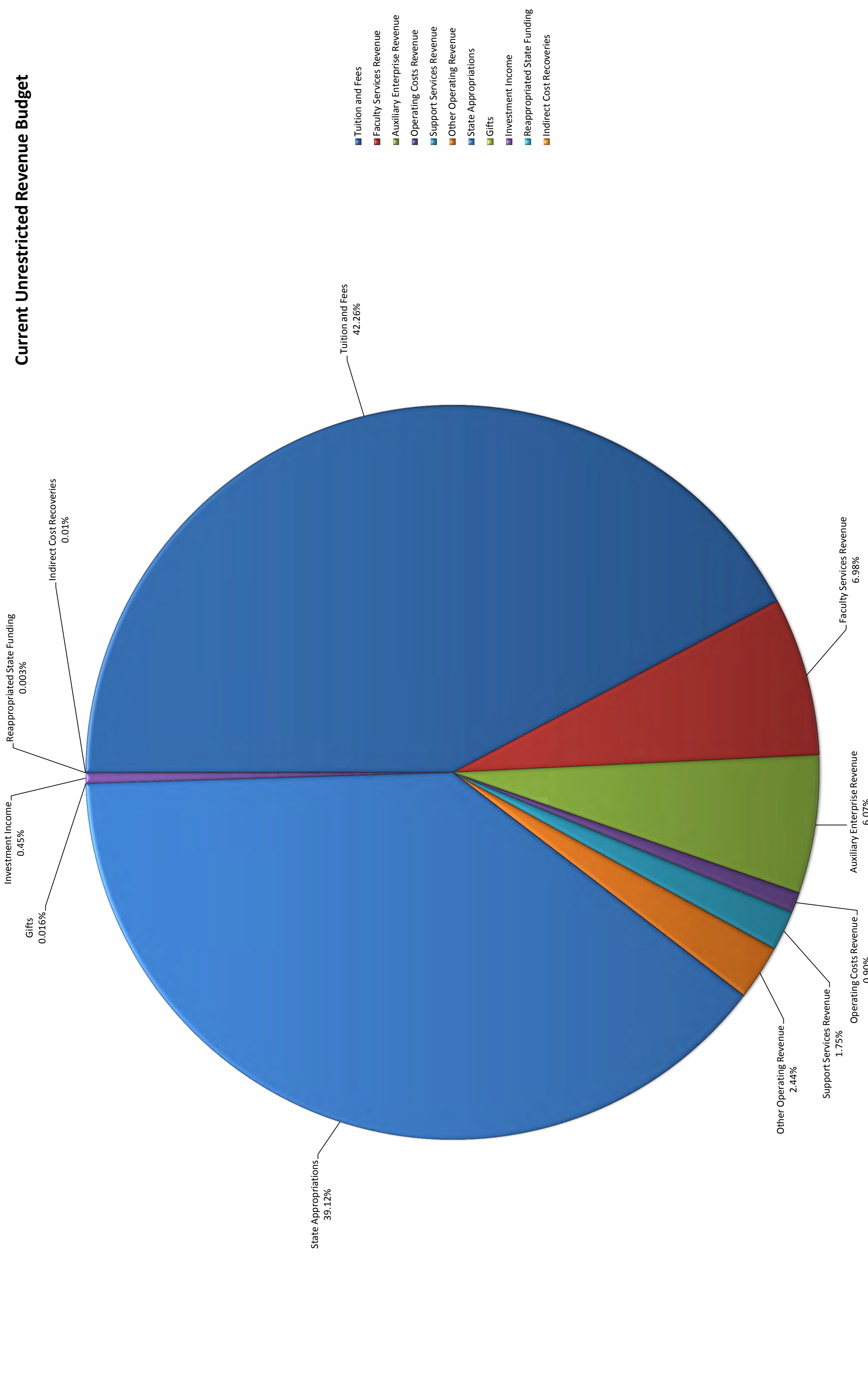
		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>					
	Tuition and Fees	7,719,834	7,878,432	8,082,331	102.59
	Faculty Services Revenue	1,502,589	1,502,589	1,319,526	87.82
	State/Local Grants and Contracts	0	0	0	
	Operating Costs Revenue	203,317	193,595	178,291	92.10
	Support Services Revenue	377,210	376,897	352,030	93.40
	Other Operating Revenue	193,583	376,747	353,575	93.85
	<b>Total:</b>	<b>9,996,534</b>	<b>10,328,260</b>	<b>10,285,754</b>	<b>99.59</b>
<b>OPERATING EXPENSE</b>					
	Salaries	6,346,475	6,289,176	6,094,462	96.90
	Benefits	1,402,515	1,395,927	1,262,432	90.44
	Student financial aid-scholarships	140,844	130,844	155,396	118.76
	Utilities	0	0	1,457	
	Supplies and Other Services	1,123,645	1,331,328	1,213,713	91.17
	Equipment Expense	57,042	61,197	76,917	125.69
	Loan cancellations and write-offs	0	0	(2,315)	
	Fees retained by the Commission	104,619	116,560	116,560	100.00
	Assessment for Faculty Services	1,272,439	1,272,439	1,428,331	112.25
	Assessment for Support Services	3,907,560	3,889,820	3,588,859	92.26
	Assessment for Student Activity Costs	158,131	174,729	178,851	102.36
	Assessment for Operating Costs	2,437,328	2,415,922	2,308,228	95.54
	<b>Total:</b>	<b>16,950,597</b>	<b>17,077,941</b>	<b>16,422,890</b>	<b>96.16</b>
<b>OPERATING INOCME / (LOSS)</b>		<b>(6,954,064)</b>	<b>(6,749,682)</b>	<b>(6,137,136)</b>	<b>90.92</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
	State Appropriations	8,421,177	8,421,177	8,421,177	100.00
	State Fiscal Stabalization Funds	0	0	0	
	Gifts	0	2,487	2,485	99.96
	Investment Income	97,194	97,194	7,995	8.23
	Assessment for E&G Capital & Debt Service Costs	(1,397,782)	(1,539,782)	(1,599,282)	103.86
	Reappropriated State Funding	0	716	0	0.00
	<b>Total:</b>	<b>7,120,589</b>	<b>6,981,792</b>	<b>6,832,375</b>	<b>97.86</b>
<b>TRANSFERS &amp; OTHERS</b>					
	Capital Expenditures	0	(1,987)	(1,987)	100.00
	Transfers for Fin Aid Match	(78,992)	(66,102)	(53,691)	81.22
	Transfers - Other	0	1,260	1,260	100.00
	One-time use of reserve	25,000	25,000	0	0.00
	<b>Total:</b>	<b>(53,992)</b>	<b>(41,828)</b>	<b>(54,417)</b>	<b>130.10</b>
<b>BUDGET BALANCE</b>		<b>112,533</b>	<b>190,282</b>	<b>640,822</b>	
* <b>Add: UNRESTRICTED NET ASSETS - Beginning of Year</b>		<b>4,096,524</b>	<b>4,096,524</b>		
<b>Less: USE OF RESERVE</b>		<b><u>25,000</u></b>	<b><u>25,000</u></b>		
<b>Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year</b>		<b><u>4,184,057</u></b>	<b><u>4,261,806</u></b>		

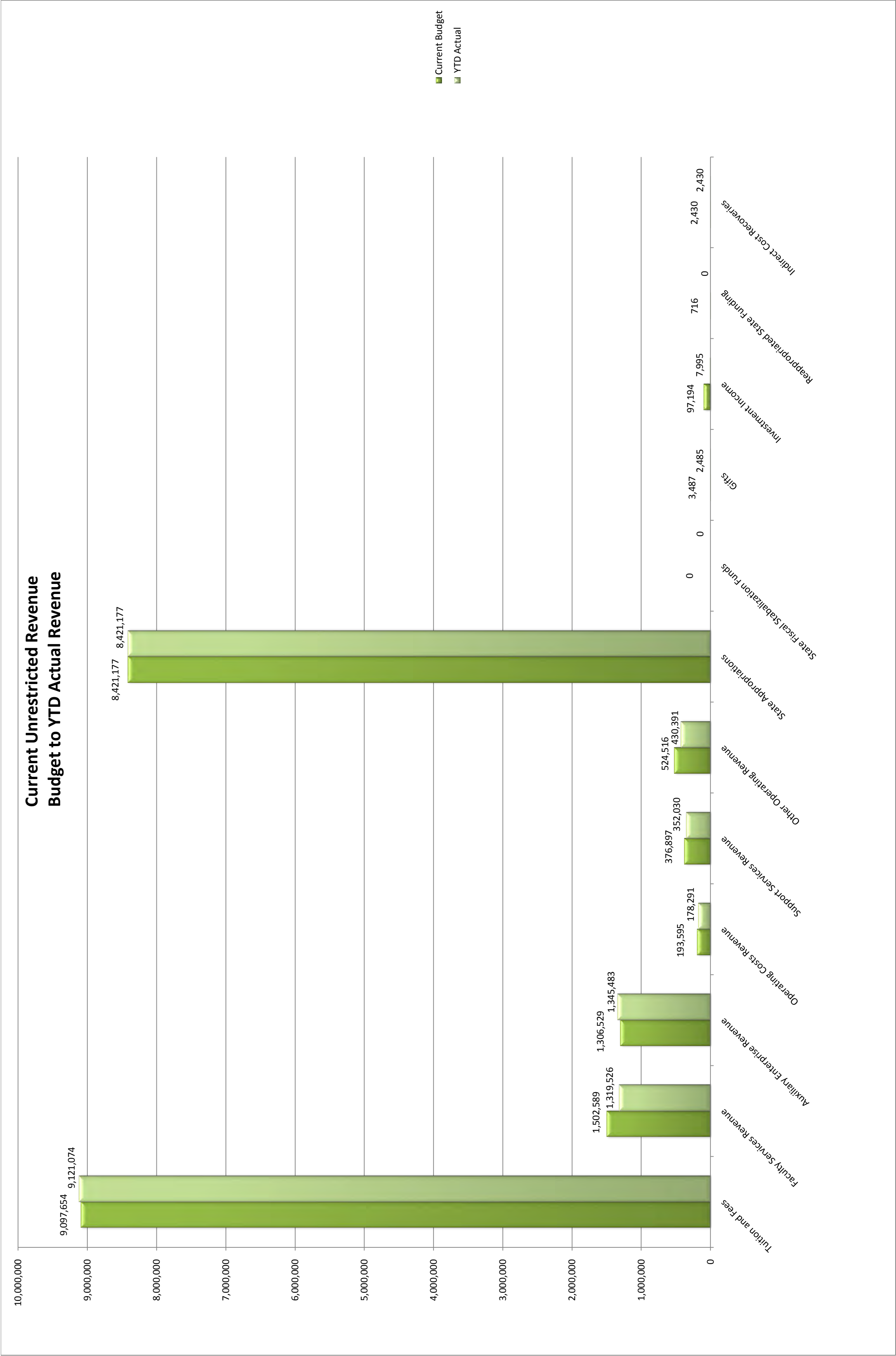
\* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$2,194,850.

Pierpont Community & Technical College  
Actual vs Budget Statement of Revenues and Expenses  
Current Unrestricted - Fund Manager  
As of June 30, 2012

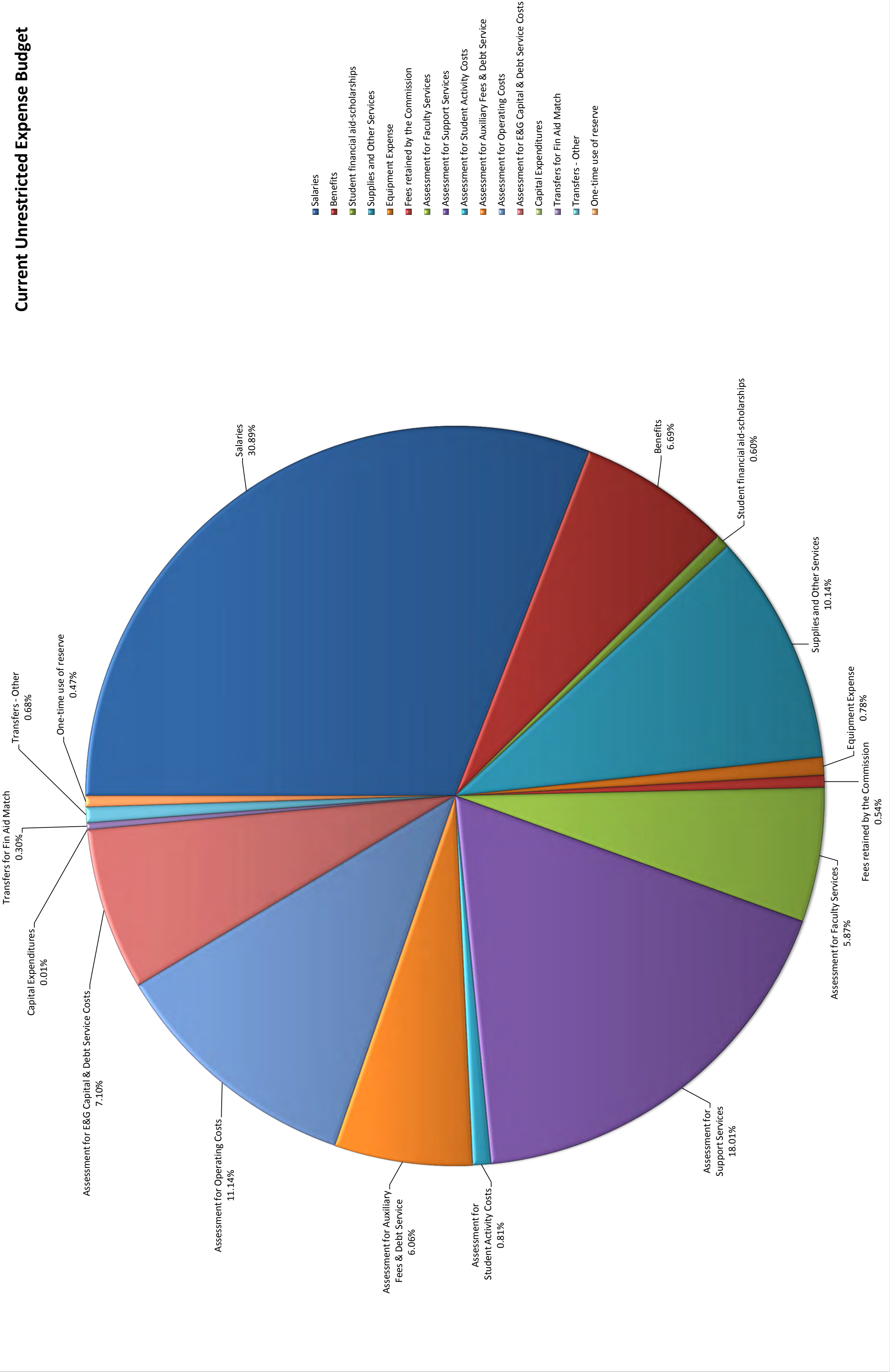
		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>					
	Tuition and Fees	953,732	1,219,222	1,038,743	85.20
	Other Operating Revenue	108,326	147,769	76,816	51.98
	<b>Total:</b>	<b>1,062,058</b>	<b>1,366,991</b>	<b>1,115,559</b>	<b>81.61</b>
<b>OPERATING EXPENSE</b>					
	Salaries	321,065	408,309	344,315	84.33
	Benefits	62,199	54,835	48,138	87.79
	Supplies and Other Services	650,630	866,854	611,517	70.54
	Equipment Expense	71,541	107,979	137,681	127.51
	Loan cancellations and write-offs	0	0	(536)	
	<b>Total:</b>	<b>1,105,435</b>	<b>1,437,977</b>	<b>1,141,116</b>	<b>79.36</b>
<b>OPERATING INCOME / (LOSS)</b>		<b>(43,377)</b>	<b>(70,986)</b>	<b>(25,556)</b>	<b>36.00</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
	Gifts	1,000	1,000	0	0.00
	<b>Total:</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>	<b>0.00</b>
<b>TRANSFERS &amp; OTHER</b>					
	Capital Expenditures	0	0	(60)	
	Indirect Cost Recoveries	877	2,430	2,430	100.00
	Transfers - Other	0	145,807	145,807	100.00
	One-time use of reserve	41,500	77,938	0	0.00
	<b>Total:</b>	<b>42,377</b>	<b>226,175</b>	<b>148,177</b>	<b>65.51</b>
<b>BUDGET BALANCE</b>		<b>0</b>	<b>156,189</b>	<b>122,620</b>	
<b>Add: UNRESTRICTED NET ASSETS - Beginning of Year</b>		<b>657,001</b>	<b>657,001</b>		
<b>Less: USE OF RESERVE</b>		<b><u>41,500</u></b>	<b><u>77,938</u></b>		
<b>Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year</b>		<b><u>615,501</u></b>	<b><u>735,252</u></b>		

Current Unrestricted Revenue Budget

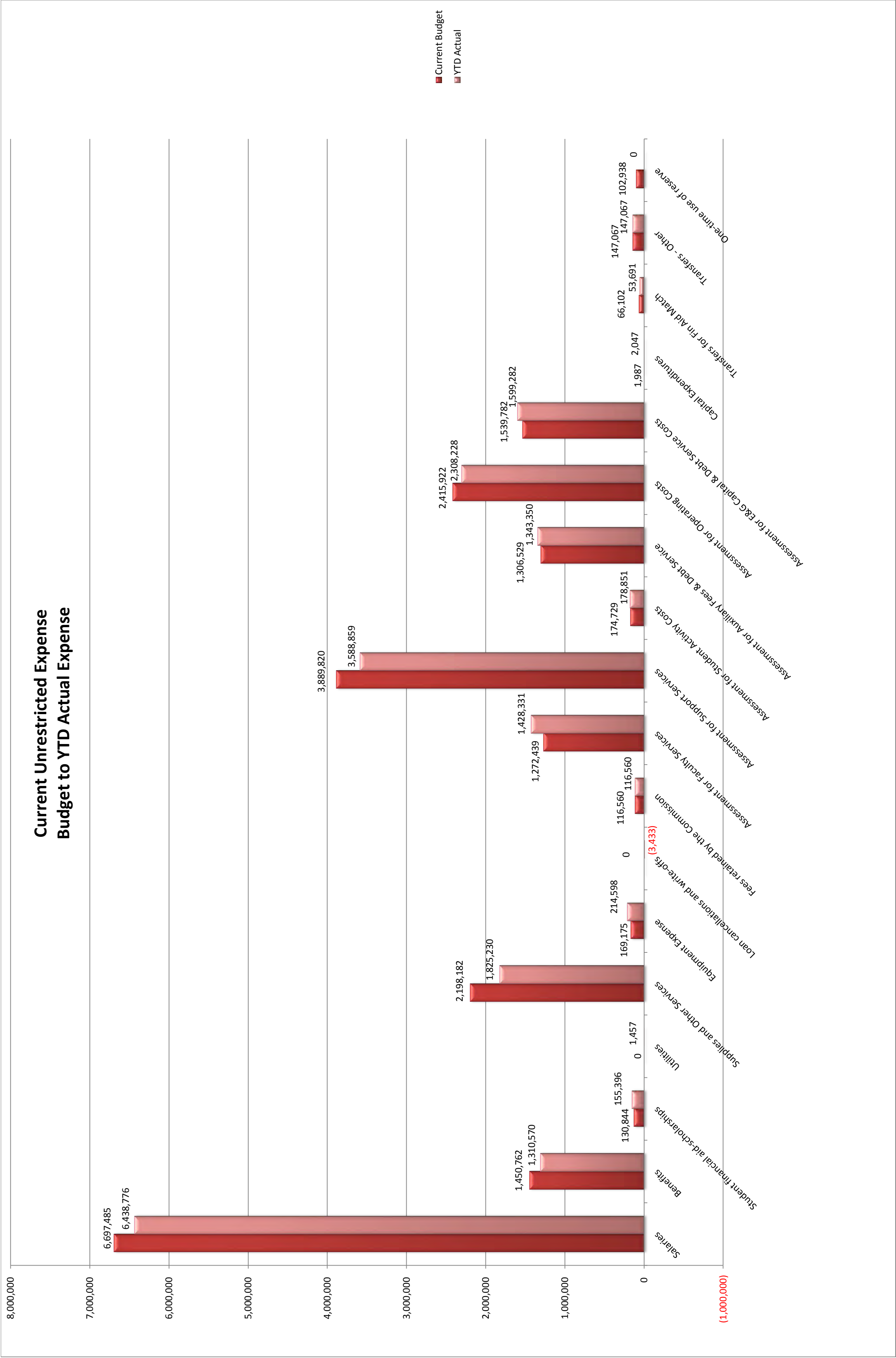




Current Unrestricted Expense Budget









Pierpont Community and Technical College  
Board of Governors  
Financial Report  
Restricted Funds  
For the period ending June 30, 2012

**New Grant Funds**

**Other Grant/Restricted Fund Related Changes**

Tech Training Fund Closed out	(92,962.79)
HEOP Fund Closed out	(0.42)
Aviation Maintenance UTC Fund budget to actual budget adjustment	(768.52)

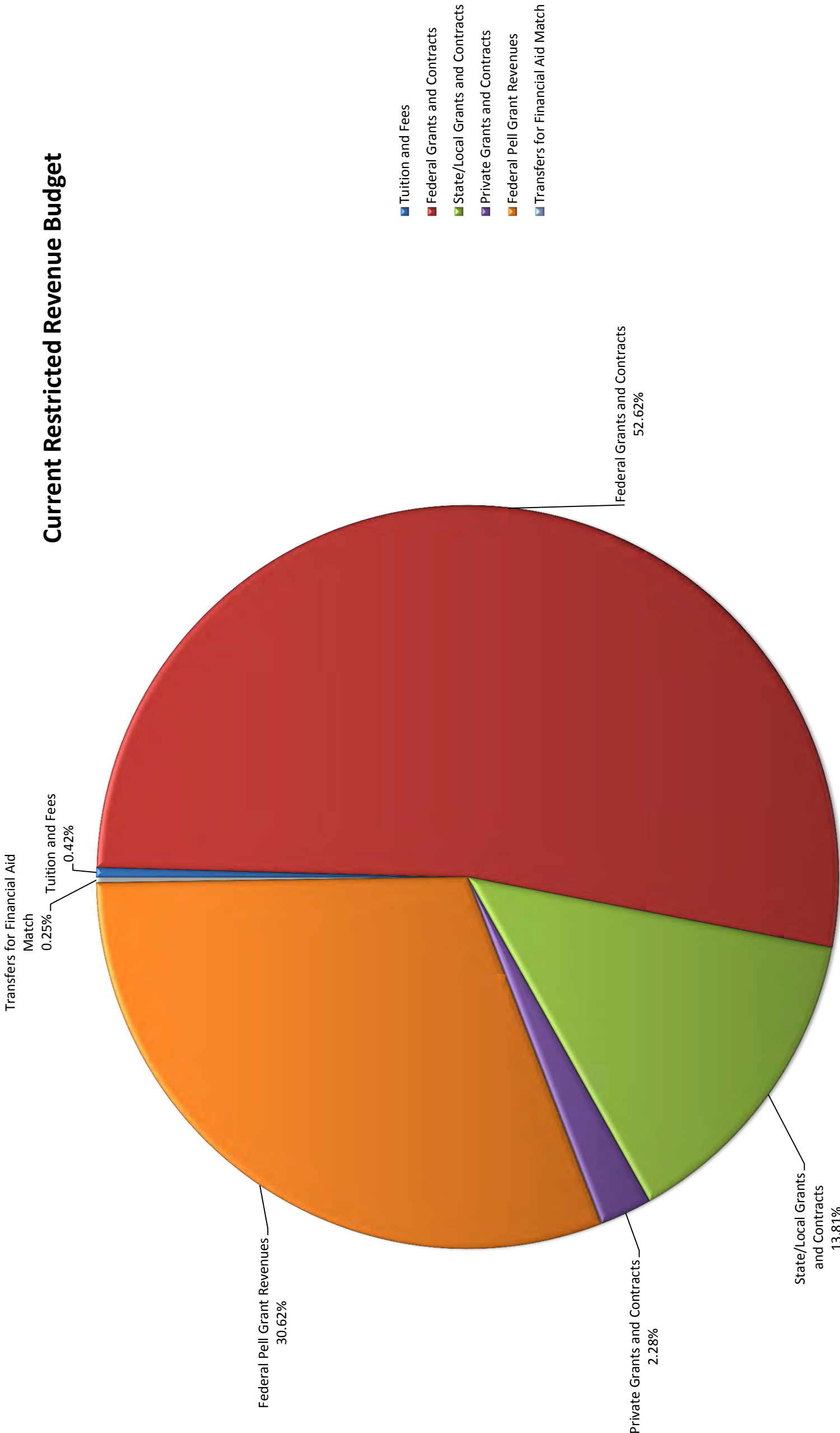
<b>Net Change</b>	<b>(93,731.73)</b>
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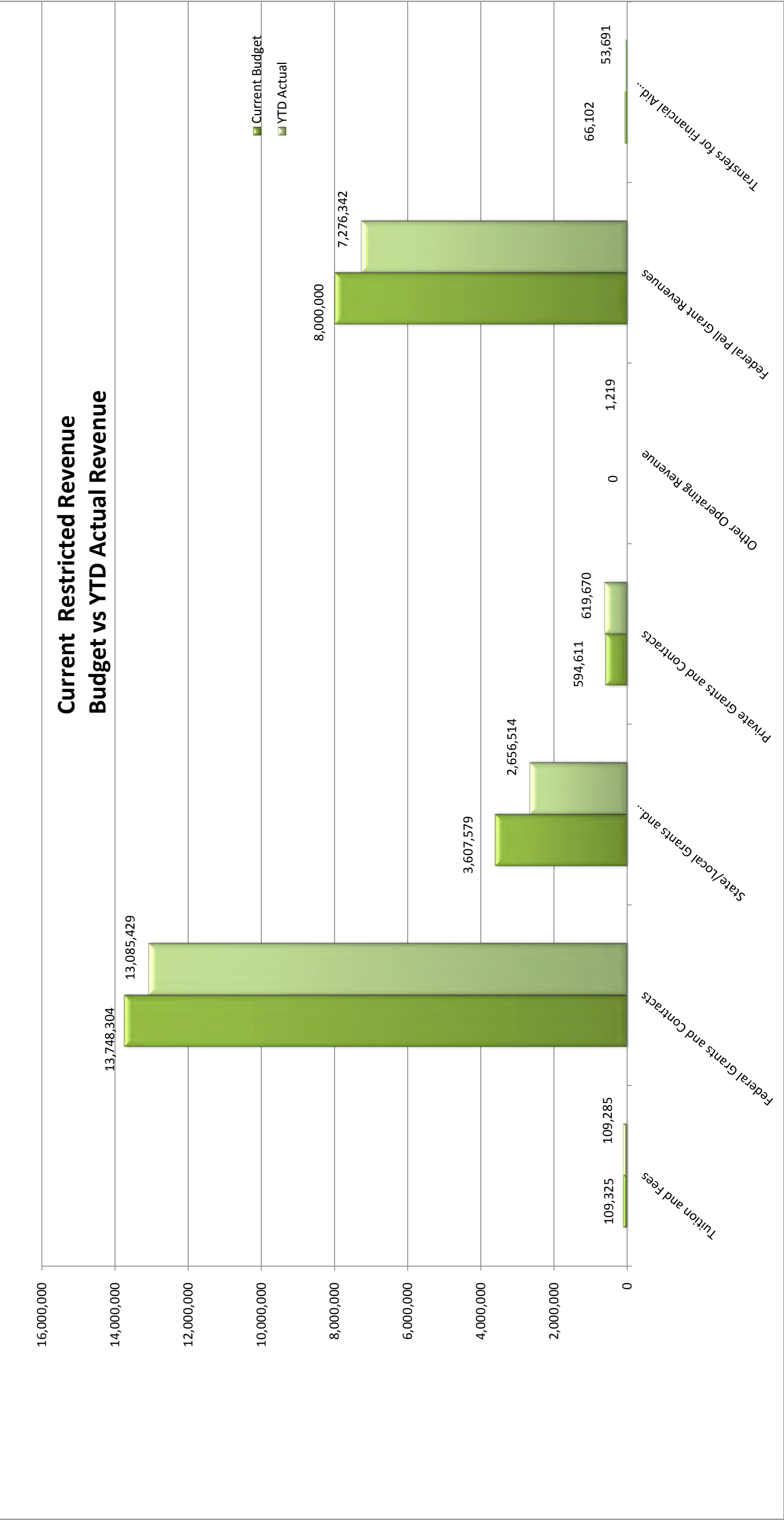
The budget balance of **(\$449,606)** is covered by the restricted fund cash balance of \$1,426,871 on June 30, 2011

Pierpont Community and Technical College  
Budget vs Actual Statement of Revenues and Expenses  
Current Restricted  
As of June 2012

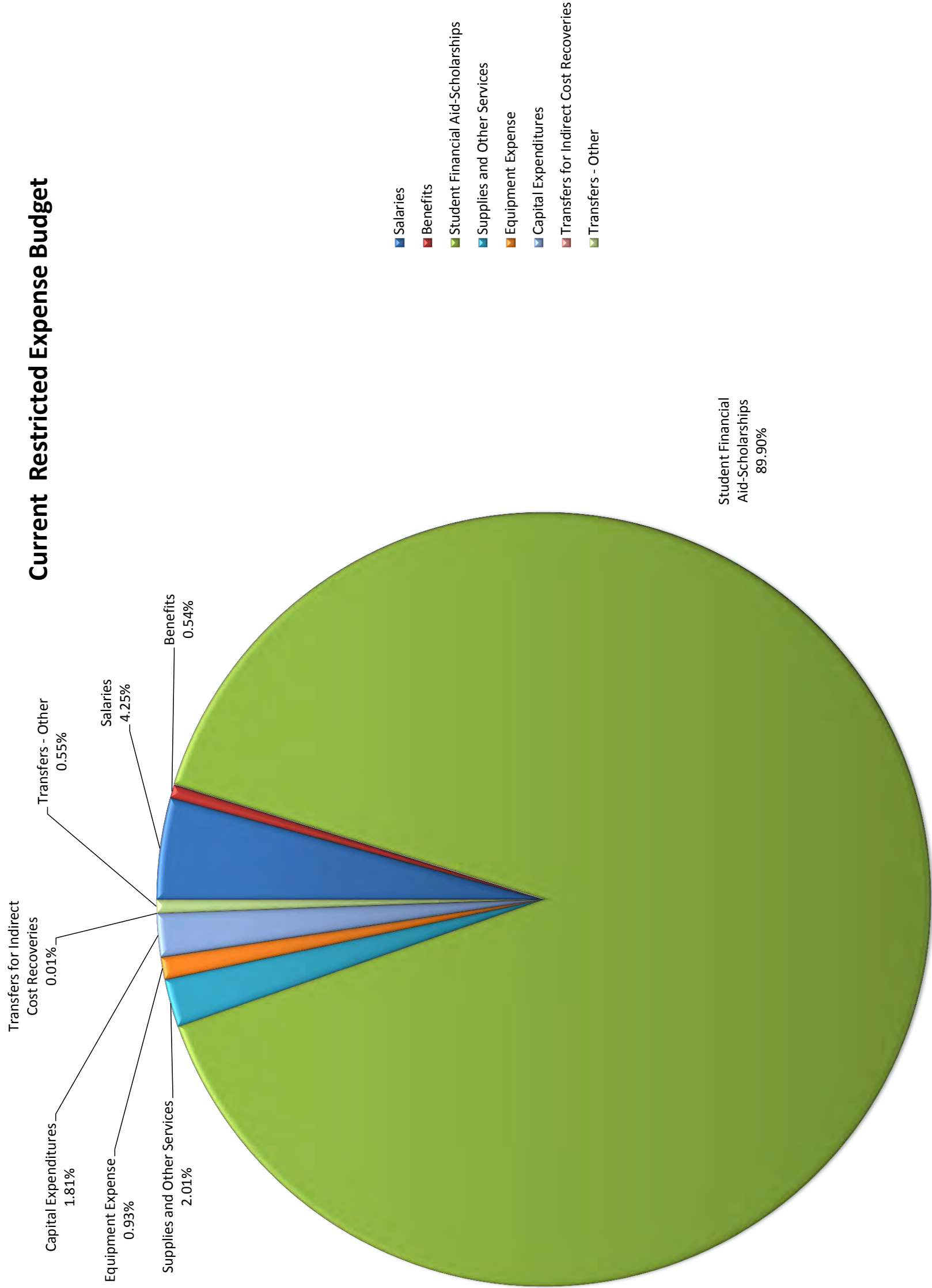
		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
<b>OPERATING REVENUE</b>					
	Tuition and Fees	34,213	109,325	109,285	99.96
	Federal Grants and Contracts	13,771,179	13,748,304	13,085,429	95.18
	State/Local Grants and Contracts	3,048,871	3,607,579	2,656,514	73.64
	Private Grants and Contracts	534,611	594,611	619,670	104.21
	Other Operating Revenue	3,000	0	1,219	
	<b>Total:</b>	<b>17,391,874</b>	<b>18,059,818</b>	<b>16,472,117</b>	<b>91.21</b>
<b>OPERATING EXPENSE</b>					
	Salaries	923,758	1,132,822	513,747	45.35
	Benefits	82,224	145,075	64,405	44.39
	Student financial aid-scholarships	23,946,419	23,972,571	22,757,180	94.93
	Utilities	500	207	207	100.00
	Supplies and Other Services	497,690	536,849	257,365	47.94
	Equipment Expense	238,878	248,662	175,201	70.46
	Loan Cancellation and Write-Off	0	0	(59)	
	<b>Total:</b>	<b>25,689,469</b>	<b>26,036,187</b>	<b>23,768,046</b>	<b>91.29</b>
<b>OPERATING INCOME / (LOSS)</b>		<b>(8,297,595)</b>	<b>(7,976,369)</b>	<b>(7,295,929)</b>	<b>91.47</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
	Federal Pell Grant Revenues	8,000,000	8,000,000	7,276,342	90.95
	<b>Total:</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>7,276,342</b>	<b>90.95</b>
<b>TRANSFERS &amp; OTHER</b>					
	Capital Expenditures	(203,365)	(483,574)	(251,334)	51.97
	Transfers for Fin Aid Match	78,992	66,102	53,691	81.22
	Indirect Cost Recoveries	(4,956)	(2,430)	(2,430)	100.00
	Transfers - Other	0	(147,067)	(147,067)	100.00
	<b>Total:</b>	<b>(129,329)</b>	<b>(566,969)</b>	<b>(347,140)</b>	<b>61.23</b>
<b>BUDGET BALANCE</b>		<b>(426,924)</b>	<b>(543,338)</b>	<b>(366,726)</b>	<b>67.50</b>
<b>* Add: PROJECTED RESTRICTED NET ASSETS - Beginning of Year</b>		<b>1,426,871</b>	<b>1,426,871</b>		
<b>** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year</b>		<b>999,947</b>	<b>883,533</b>		

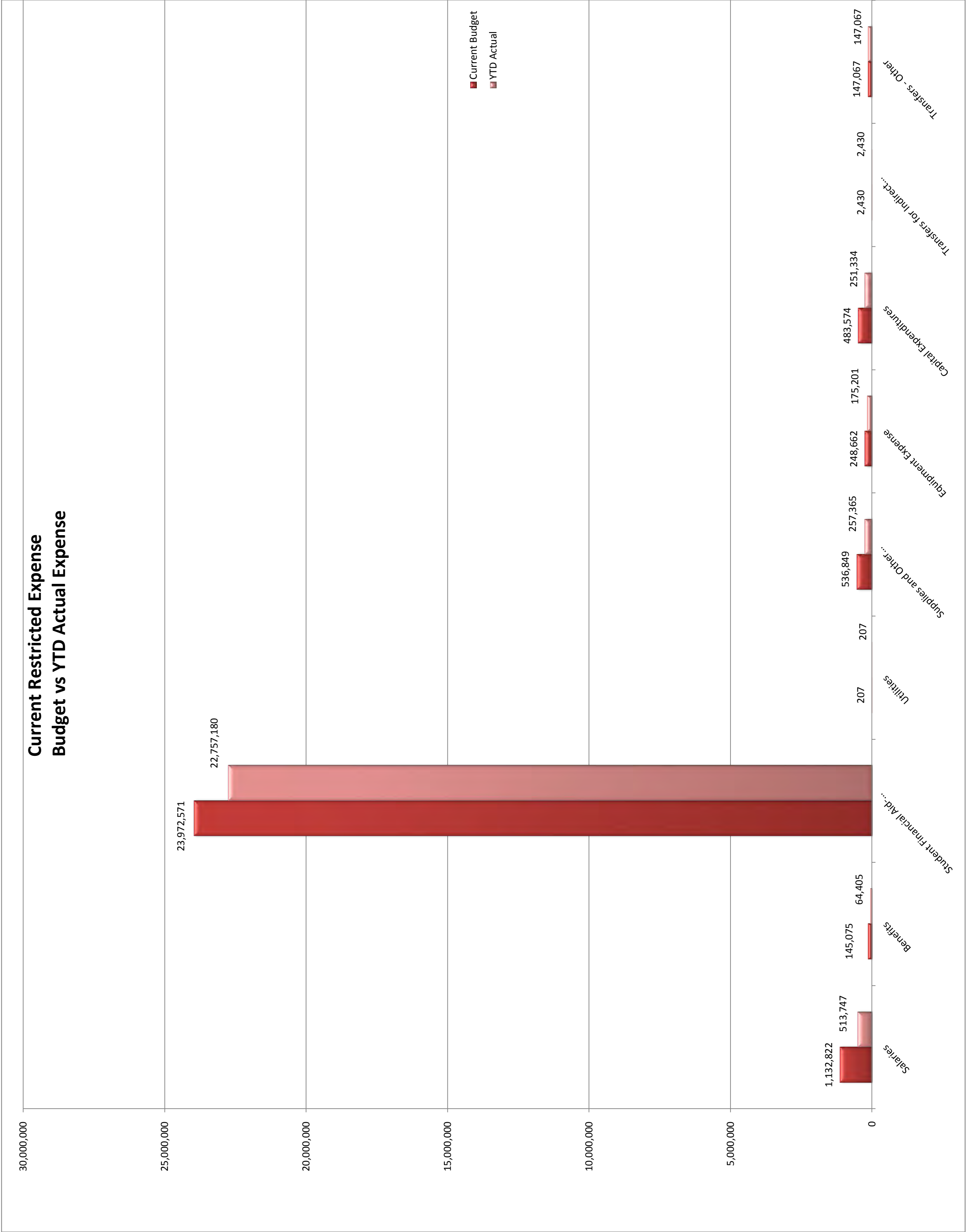
Current Restricted Revenue Budget





Current Restricted Expense Budget





# **Pierpont Community & Technical College Board of Governors**

## **Meeting of August 21, 2012**

<b>ITEM:</b>	Policy #38 – Faculty Sick Leave (Recommended amended title of Faculty Absence Due to Illness or Injury, henceforth)
<b>COMMITTEE:</b>	Committee of the Whole
<b>RECOMMENDED RESOLUTION:</b>	Resolved that the Pierpont Board of Governors Approve a final version of Policy #38 – Faculty Sick Leave (recommended amended title of Faculty Absence Due to Illness or Injury), based on the draft revision circulated for public comment and modifications to this draft revision based on comments received.
<b>STAFF MEMBER:</b>	Stephen Leach
<b>BACKGROUND:</b>	<p>Language in the existing Faculty Sick Leave Policy #38 needs clarification in addressing the guidelines established in the WV Council Community and Technical College Education Policy 135-38 and the Higher Education Policy Commission Series 38. The proposed revisions will clarify the rights and responsibilities of faculty members that are absent due to an illness or injury and are unable to carry out their duties. The revisions proposed will provide the Board of Governors the option of applying the recommended amendments to this policy.</p> <p>At the Pierpont Board of Governors meeting of June 19, 2012, a 30 Day Public Comment Period was established from June 20, 2012 to July 19, 2012 to provide the public the opportunity to address the proposed changes to Policy 38 – Faculty Sick Leave. The public comment period was announced via campus email to Pierpont faculty, staff, and student. Notice of the comment period was also provided via email to legal counsel and staff members at the Council for Community and Technical College Education.</p> <p>Four comments were received and are attached to this Resolution.</p>

**PIERPONT COMMUNITY & TECHNICAL COLLEGE  
BOARD OF GOVERNORS  
POLICIES**

**SUMMARY OF COMMENTS RECIEVED  
FOR POLICIES OUT FOR 30-DAY COMMENT PERIOD**

***Policy No. 38  
Faculty Sick Leave***

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Number of Comments Received: 3

Source of Comments Received:

Legal Counsel

No comments were received from Legal Counsel during the Comment Period.

Staff

1. A comment was received from the office of Human Resources to provide clarification to the draft policy. Some confusion may exist regarding the 5 days vs. 6 days references. HR staff stated that, as appropriate, the wording for all references to 5 days should be: "... after an absence of five (5) or more consecutive work days...." The operational words are "five (5) or more" and "consecutive" and "work days" and the phrasing should include all of these words. References that note six (6) days should be changed to say five (5) consecutive days.

The HR staff member also stated that the language under Faculty Responsibilities that begins "Faculty members whose illness or injury prevents them...." needs to be clarified to state "...for fourteen (14) consecutive calendar days will be removed from payroll. Up until this point the employee may remain on payroll, with the appropriate notification to HR of the employee's absence after the five (5) consecutive work days."

2. Comments were received from a staff member asking for clarification on the meaning of "six days" and whether the revision meant six consecutive days or *any* six days for illness? The staff member also asked about institutional work-related absences, and if this revision applied.



### Faculty

1. A comment was received from a faculty member regarding the revision of striking out the word "consecutive" under the Dean's responsibilities section. The faculty member suggested that this strike-out revision would mean missing one day a month for six months requires a physician's note to return to work.

### President's Cabinet

1. Comments were received from a member of the President's Cabinet to clarify the revisions regarding the language addressing the 'six days' reference and 'consecutive' strike-out reference.

The Cabinet member stated that the wording related to 'six days' should be considered consecutive days. References that note six (6) days should be changed to say five (5) consecutive days.

### General

No comments were received from the General public during the Comment Period.

*Notice: A complete written copy of the policy comments received during the 30-day comment period are available for public viewing in Room 230 Hardway Hall, Pierpont Community & Technical College, Fairmont, WV.*

**Pierpont Community & Technical College Board of Governors  
Meeting of August 21, 2012**

<b>ITEM:</b>	Pierpont Board of Governors' Policy #46 – Mission Statement Review Policy
<b>COMMITTEE:</b>	Committee of the Whole
<b>RECOMMENDED RESOLUTION:</b>	Resolved, that the Pierpont Board of Governors be informed that the President's Cabinet has reviewed the Pierpont Mission Statement, in accordance with Board Policy #46, and finds no action or modification necessary at this time.
<b>STAFF MEMBER:</b>	Stephen Leach
<b>BACKGROUND:</b>	<p>Pierpont Community &amp; Technical College Board of Governors Policy # 46 Mission Statement Review Policy mandates that the Institution's Mission Statement be reviewed every five years, or as needed.</p> <p>At the President's Cabinet Retreat in June 2012, the Pierpont Community &amp; Technical College's Mission Statement was reviewed for content by the President's Cabinet members. The Cabinet found no immediate need for action to the existing Mission Statement.</p>

## Pierpont Mission Statement

The Mission of Pierpont Community & Technical College is to provide opportunities for learning, training, and further education that enrich the lives of individuals and promote the economic growth of our service region and state.

Pierpont strives to enhance the quality of life for people of north-central West Virginia through accessible, affordable, comprehensive, responsive, workforce-related training, and quality higher education opportunities.

**Pierpont Community and Technical College**  
**Board of Governors**  
**August 21, 2012**

**Item:** FY 2014 Capital Appropriation Request

**Committee:** Finance Committee

**Recommended Resolution:** Be it resolved, that the Board of Governors approve the attached updated E&G Capital Appropriation Request for FY 2014.

**Staff Member:** Dale Bradley

**Background:** Annually prior to September 1<sup>st</sup> we are requested and required to submit our capital project priorities that have a relation to the campus master plan and for which funding is requested, or for which institutional funding is planned/committed, and/or for which funding has been provided and these projects are in-progress.

This prioritized list is evaluated by the State CTCS (HEPC) Staff and is placed on a state wide CTCS (HEPC) prioritized projects list for funding based on the following categories:

- Code compliance projects receive the highest priority.
- Re-roofing and building envelope projects are the second highest priority.
- HVAC and energy and utility improvements are the third highest priority.
- Building and campus renewal (renovation) projects.
- New Buildings

There is no guarantee that the list being submitted will receive funding, however the recently funded projects was a result of prior year submissions.

Note: Pierpont and Fairmont State University are required to submit separate and unduplicated projects to the CTCS (HEPC) staff, however, our Separation of Assets Agreement requires us to be jointly responsible for all existing Education and General buildings. Therefore, the submissions on behalf of each institution are being reviewed and approved by both institutions, (please reference the Separation of Assets document {pages 5 & 6} section titled "Education and General Buildings and Infrastructure").

Please find attached recommended prioritized lists for both institutions for your approval.

Pierpont Community & Technical College  
Capital Project Appropriations Request  
FY 2014

Priority	Building	Project	Project Cost	Category	Notes
1	New Facility - Including Land Acquisition	Administration Headquarters/Academic	\$ 20,500,000	New Facility	
2	Building Acquisition & Remodel	Early Learning & Childcare Facility/EMS	\$ 4,000,000	New Facility	
3	Colebank/Education/Jaynes	Computer Labs - Developmental Education	\$ 300,000	Building & Campus Renewal	
4	Hunt Haught Hall	Vet Tech Expansion	\$ 1,000,000	Building & Campus Renewal	
5	Education Building	Culinary Center Expansion	\$ 2,000,000	Building & Campus Renewal	
6	New Facility	Morgantown Facility - Classroom Space	\$ 8,500,000	New Facility	

Fairmont State University						
Capital Project Appropriations Request						
FY 2014						
Priority	Dates	Building	Project	Project Cost	Category	Notes
1	7/1/2013	Jaynes Hall	Roof Renewal	\$ 350,000	Roof & Building Envelope	budgeted (partial)
2	7/1/2012	Hunt Hought Hall	Greenhouse Renovations	\$ 400,000	Roof & Building Envelope	budgeted (partial)
3	7/1/2013	Hunt Hought Hall	Window Replacement Project	\$ 250,000	Roof & Building Envelope	budgeted (partial)
4	7/1/2012	Caperton Center	Roof Renewal	\$ 400,000	Roof & Building Envelope	budgeted (partial)
5	1/1/2013	Caperton Center	Exterior Cleaning & Waterproofing	\$ 200,000	Roof & Building Envelope	
6	7/1/2012	Feaster Center	Basketball Locker Room Upgrades (Men's & Women's)	\$ 200,000	Building & Campus Renewal	
7	1/1/2013	Hunt Hought Hall	Elevator Upgrades	\$ 100,000	Building & Campus Renewal	budgeted
8	1/1/2013	Land Acquisition	Campus Periphery & Locust Avenue	\$ 2,500,000	New Facility	
9	7/1/2013	Education Building	Temperature Control Systems	\$ 100,000	HVAC & Energy Efficiency	
10	7/1/2013	Campus Wide	Smoke Huts	\$ 100,000	New Facility	
11	7/1/2013	Wallman Hall	Theatre Renovations	\$ 800,000	Building & Campus Renewal	
12	7/1/2013	Hazardous Waste Building	Building Replacement	\$ 200,000	Roof & Building Envelope	
13	7/1/2013	Hardway Hall	Painting	\$ 100,000	Building & Campus Renewal	
14	7/1/2013	Colebank Hall	IT Emergency Back-Up System	\$ 197,299	HVAC & Energy Efficiency	
15	7/1/2013	Wallman Hall	Roof Renewal	\$ 400,000	Roof & Building Envelope	
16	7/1/2013	Hardway Hall	Roof Renewal	\$ 400,000	Roof & Building Envelope	
17	7/1/2013	Colebank Hall	HVAC & Temperature Control Systems	\$ 1,500,000	HVAC & Energy Efficiency	
18	7/1/2013	Infrastructure	Walk To Upper Campus from Education Building	\$ 125,000	Building & Campus Renewal	
19	7/1/2013	Caperton Center	Additional Parking	\$ 900,000	Building & Campus Renewal	
20	7/1/2013	Kiln Building	Building Replacement	\$ 250,000	Building & Campus Renewal	
21	7/1/2013	Feaster Center	Windows & Doors	\$ 200,000	Auxiliary	
22	7/1/2013	Feaster Center	Seating & Floor Replacement	\$ 900,000	Auxiliary	
23	7/1/2013	Merchant Street	Roof Renewal	\$ 400,000	Roof & Building Envelope	
24	7/1/2013	Jaynes Hall	HVAC & Temperature Control Systems	\$ 2,600,000	HVAC & Energy Efficiency	
25	7/1/2013	Caperton Center	HVAC (Boilers)	\$ 400,000	HVAC & Energy Efficiency	
26	7/1/2013	Merchant Street	HVAC	\$ 500,000	HVAC & Energy Efficiency	
27	1/1/2014	Jaynes Hall	Interior Painting	\$ 250,000	Building & Campus Renewal	
28	1/1/2014	Merchant Street	Sprinkler System	\$ 500,000	Building & Campus Renewal	
29	1/1/2014	Feaster Center	Pool Upgrades & Drainage	\$ 300,000	Auxiliary	
30	1/1/2014	Feaster Center	Painting	\$ 100,000	Building & Campus Renewal	
31	7/1/2014	Infrastructure	Road to Gazebo	\$ 250,000	Utility Improvement	

Fairmont State University						
Capital Project Appropriations Request						
FY 2014						
Priority	Dates	Building	Project	Project Cost	Category	Notes
32	7/1/2014	Shaw House	Great Room Addition	\$ 200,000	University's President's Home	
33	7/1/2014	Infrastructure	Pedestrian Steps between Hardway & Turley	\$ 500,000	Building & Campus Renewal	
34	7/1/2014	Infrastructure	Exterior Renovations Hardway Hall Sidewalks	\$ 750,000	Roof & Building Envelope	
35	7/1/2014	New Facility	Student Housing Apartments (Demolotion of Existing)	\$ 29,117,574	Auxiliary - Student Housing	
36	7/1/2015	Parking Garage	Elevator Addition	\$ 100,000	Auxiliary	
37	7/1/2015	Infrastructure	Stone Steps to Locust Avenue	\$ 900,000	Building & Campus Renewal	
38	7/1/2015	Falcon Center	Elevator Addition	\$ 100,000	Auxiliary	
39	7/1/2015	Infrastructure	Development South of Locust Avenue (Drainage)	\$ 1,000,000	Utility Improvement	
40	7/1/2015	Turley Center	Roof Renewal	\$ 400,000	Roof & Building Envelope	
41	7/1/2015	Fine Arts Building	New Facility	\$ 25,000,000	New Facility	
42	7/1/2016	Hunt Haught Hall	Exterior Cleaning & Waterproofing	\$ 300,000	Roof & Building Envelope	
43	7/1/2016	Colebank Hall	Exterior Cleaning & Waterproofing	\$ 300,000	Roof & Building Envelope	
44	7/1/2016	Jaynes Hall	Exterior Cleaning & Waterproofing	\$ 300,000	Roof & Building Envelope	
45	7/1/2016	Musick Library	Exterior Cleaning & Waterproofing	\$ 300,000	Roof & Building Envelope	
46	7/1/2022	New Facility	Parking Garage -800 spaces (losing 300 original spaces)	\$ 20,000,000	Building & Campus Renewal	
47	7/1/2025	Morrow Hall	Renovations	\$ 10,375,859	Auxiliary - Student Housing	
48	7/1/2028	Pence Hall	Renovations	\$ 7,272,292	Auxiliary - Student Housing	
49	7/1/2031	Prichard Hall	Renovations	\$ 8,864,022	Auxiliary - Student Housing	
50	1/1/2012	Wallman Hall	Exterior Cleaning & Waterproofing	\$ 300,000	Roof & Building Envelope	budgeted
51	7/1/2012	Feaster Center	HVAC & Temperature Control Systems (Pool Area)	\$ 307,000	Auxiliary	budgeted
52	7/1/2012	Infrastructure	Campus Lighting Upgrades	\$ 200,000	HVAC & Energy Efficiency	budgeted
53	7/1/2012	Feaster Center	Natorium Upgrades	\$ 740,000	Building & Campus Renewal	budgeted
54	7/1/2012	Infrastructure	Parking Lot Paving (Spread over 5 years)	\$ 1,000,000	Building & Campus Renewal	budgeted (partial)
55	7/1/2012	Musick Library	HVAC & Temperature Controls	\$ 500,000	HVAC & Energy Efficiency	budgeted (partial)
56	7/1/2013	Infrastructure	Merchant Street Wall Structure Repair	\$ 350,000	Building & Campus Renewal	budgeted
57	7/1/2012	Wallman Hall	Elevator Replacement	\$ 200,000	Building & Campus Renewal	budgeted
58	7/1/2012	Hardway Hall	Renovations	\$ 5,500,000	Building & Campus Renewal	budgeted
59	7/1/2012	Turley Center	Renovations	\$ 6,000,000	Auxiliary - Student Housing	budgeted
60	7/1/2012	Wallman Hall	Foundation Waterproof	\$ 150,000	Roof & Building Envelope	budgeted
61	7/1/2012	Wallman Hall	Renovations	\$ 5,200,000	Building & Campus Renewal	budgeted
62	7/1/2012	Musick Library	Elevator	\$ 2,000,000	Building & Campus Renewal	budgeted



**Pierpont Community and Technical College  
Board of Governors  
Meeting of August 21, 2012**

**ITEM:** FY 2014 State Appropriation's Request

**COMMITTEE:** Finance Committee

**INFORMATION ITEM:**

**STAFF MEMBER:** Dale Bradley

**BACKGROUND:** On Monday August 6, 2012 the WV Cabinet Secretary Department of Revenue, Mr. Charles O. Lorensen sent information for the submission of our FY 2014 State Appropriations Request. In this document (The first three pages of this document are attached) Pierpont was directed to prepare our FY 2014 State Appropriations request incorporating a 7.5% reduction to our State Appropriation. This reduction amounts to \$633,278 loss in state appropriations.

On Wednesday, August 8, 2012 the Presidents of WV Community and Technical Colleges received the attached memo from Chancellor James Skidmore in which he directed that each institution provide Dr. Ed Magee, Vice Chancellor for Finance with brief bullet points describing the strategies to be implemented to comply with the projected decrease in state appropriations by August 17, 2012.

Also on Wednesday, August 8, 2012 the Chief Financial Officers of WV Higher Education Institutions received the attached memo from Ed Magee with directions for completing the FY 2014 State Appropriations Request with a due date for submission of August 20, 2012

At the time that the Pierpont Board of Governors August 21, 2012 meeting agenda items needed completed and distributed, Pierpont Administration was preparing all of the documents requested. The completed documents will be provided to the Board prior to the August 21, 2012 Board meeting.

The documents to be provided to the Board prior to the August 21, 2012 Board meeting will include the following:

- The memo describing the strategies Pierpont will implement to comply with the projected decrease in state appropriations.
- The cover memorandum to our FY 2014 State Appropriations Submission detailing additional appropriations requests for FY 2014.
- The memorandum that identifies any major issues (\$1 million minimum) that should be considered and reviewed for financial impact for FY 2015 – FY 2018.



## DEPARTMENT OF REVENUE

EARL RAY TOMBLIN  
GOVERNOR

STATE BUDGET OFFICE  
BUILDING 1, ROOM W310  
1900 KANAWHA BOULEVARD, EAST  
CHARLESTON, WEST VIRGINIA 25305

CHARLES O. LORENSEN  
CABINET SECRETARY

TO: All Spending Units

FROM: Charles O. Lorensen, Cabinet Secretary  
Department of Revenue

SUBJECT: FY 2014 Appropriation Request

DATE: August 6, 2012

A handwritten signature in cursive script, appearing to read "Charles O. Lorensen".

The Fiscal Year 2014 Appropriation Request Instructions provide direction for the preparation of the Governor's FY 2014 Executive Budget, which will be submitted to the Legislature during the Regular Legislative Session in February 2013.

Balancing the upcoming FY 2014 Budget will be a challenge that requires fiscal discipline. Recent projections show a significant funding gap for FY 2014. Simply stated, anticipated revenues are not expected to keep pace with costs for current programs. Due to the recent sluggish national economy and a slowdown in the mining of coal, general revenues are projected to grow by less than 1%. Moreover, as we have long expected, competition by bordering states is anticipated to lead to a decline of lottery revenues by 4% for FY 2014.

In the face of these revenue challenges, expenditures at current program base levels for FY 2014 are expected to grow by 9% of current FY 2013 base budgets. At this time, our current Medicaid program alone requires additional funding of over \$180 million above its FY 2013 base appropriation. Importantly, these costs are not related to any Medicaid expansion. Increased funding will also be needed for our retirement systems because investment returns last fiscal year were below the actuarially assumed 7.5%.

The strength of the State's Rainy Day Funds and our philosophy of conservative fiscal management have us well positioned to handle the challenges presented with the FY 2014 budget. Nevertheless, consistent with our commitment to provide a balanced budget and long-term fiscal stability, we as a State must take measures to reduce the overall FY 2014 expenditure growth and position the State to balance budgets in the years that follow. Therefore, targeted reductions are required at this time.

Budget reductions are never easy. But, as good financial stewards, there are times when we must do more with less. I know that you are up to the challenge. In fact, we recently ended FY 2012 spending \$12 million less than authorized by the Legislature. We must continue to be good stewards of taxpayer dollars.

**Generally speaking, General Revenue and Regular Lottery Revenue FY 2014 budget requests must be submitted at 92.5% (7.5% reduction) of the FY 2013 base budget (FY 2013 appropriation less any one-time appropriations). As mentioned above, targeting these reductions as a one-size fits all approach is not appropriate at this time.**

Therefore, at this time you may anticipate the reductions will not apply to all funds and the following funds will be excluded from the 7.5% reduction:

#### Debt Service

Public Education – School Aid Formula fund 0317, Child Nutrition fund 0303-130, Increased Enrollment fund 0313-140, Special Education-Counties fund 0314-159, Vocational Aid fund 0390-148 and Adult Basic Education fund 0390-149

Rehabilitation Services – fund 0310

Division of Miners' Health, Safety and Training – fund 0277

Division of Health – State Aid for Local Health Services fund 0407-184, Primary Care Support fund 0407-628, Behavioral Health Program fund 0525-219, and Institutional Facilities Operations fund 0525-335

Division of Human Services – All Medicaid accounts, Social Services fund 0403-195, Family Preservation Program fund 0403-196, Child Protective Services fund 0403-468, Child Support Enforcement fund 0403-705, Temporary Assistance for Needy Families fund 0403-707, Child Care MOE fund 0403-708, and Child and Family Services fund 0403-736

Division of Corrections – Correctional Units fund 0450

State Police – Trooper Retirement Fund fund 0453-605, Retirement Systems-Unfunded Liability fund 0453-775

Division of Juvenile Services – fund 0570

Department of Veterans' Assistance – Veterans' Nursing Home fund 0456-286

Senior Services – Transfers to DHHR in fund 0420-539 and fund 5405-539, and Senior Services Medicaid Transfer fund 5405-871.

Departmental Secretaries and Bureau Commissioners may adjust expenditures among funds/agencies/programs as deemed necessary as long as their department/bureau's total for General Revenue and Regular Lottery Funds is equal to or less than 92.5% of the FY 2013 base budget (adjusted for exemptions noted above). **Any movement of funds and the impact of the budget reductions should be fully explained in the justification/impact of budget cuts summary to be included with your appropriation request submission, i.e. how staffing is affected, proposed elimination of programs, etc.**

Consistent with the direction presented above, any requests for improvements or supplemental appropriations should be submitted only after careful review. Only in rare cases will these requests be considered. Additional state funding should not be requested to replace lost federal funding.

Again, we must be committed to fiscal discipline over the long term. Therefore, agencies must be diligent in controlling spending and maintaining programs that are sustainable and not rely on additional state funding for FY 2014.

The instruction guidelines and forms for the preparation and submission of the FY 2014 Appropriation Request can be accessed and printed from: <http://www.budget.wv.gov/stateagencyforms/AR>. Printed copies will not be distributed.

For your convenience in preparing the FY 2014 request, we will provide the following in hard copy:

- Division Evaluation Summary (Form AR1) as it appeared for FY 2013
  - Division Account Summary (Form AR2, AR2A) for FY 2014 that reflects your current approved FY 2013 Expenditure Schedule(s) (including Reappropriated Funds)
  - Schedule of Federal Funds (Form AR3) as submitted and edited for FY 2013 (if applicable)
- [Note: Instructions related to ARRA.]

The following shall be submitted to the State Budget Office, Building 1, Room W-310, Capitol Complex, Charleston, West Virginia 25305, **on or before September 4, 2012. Extensions cannot be granted per W.Va. Code §11B-2-3.**

**Original and one copy of:**

Cover letter  
Current level impact statement  
Future issues statement  
Forms AR1 thru AR11  
List of Acronyms

**Original and email to [State.Budget.Office@wv.gov](mailto:State.Budget.Office@wv.gov):**

List of Activity Names and Descriptions  
Agency Narrative

One copy of forms AR1 through AR11 shall be submitted to your Cabinet Secretary, if applicable.

Two copies of the request shall be submitted to the Legislative Auditor's Office, Budget Division, Building 1, Room W-314, Capitol Complex, Charleston, WV 25305.

By law, failure to submit the appropriation request by September 4th may result in all of the agency's encumbering and expending of funds being held until the request has been filed with the State Budget Office and the Legislative Auditor.

Each department secretary will be contacted by my office to schedule a budget hearing relative to the appropriation request for certain agencies.

If you have difficulty accessing the instructions or forms, contact the State Budget Office at 304-558-0040 or [State.Budget.Office@wv.gov](mailto:State.Budget.Office@wv.gov).

COL:jr

Enclosures



**WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION**

Robert L. Brown, Chair • James L. Skidmore, Chancellor

TO: Community and Technical College Presidents

FROM: James L. Skidmore

DATE: August 8, 2012

SUBJECT: Impact of the Proposed Budget Reduction

---

According to August 6, 2012, correspondence from Secretary of Revenue Charles Lorensen, the Fiscal Year 2014 appropriation request submission must reflect a 7.5% decrease in state appropriations. As part of the submission, which is due annually on September 1, the impact of the permanent budget reductions must be fully detailed. As a result, please provide to Dr. Dr. Magee brief bullet points describing the strategies to be implemented to comply with the projected decrease in appropriations. Descriptions should indicate any staffing reductions, program eliminations, student service cutbacks, or other areas that may be impacted by the proposed budget reduction.

Please submit the requested information to Dr. Ed Magee, Vice Chancellor for Finance, at [emagee@hepc.wvnet.edu](mailto:emagee@hepc.wvnet.edu) by August 17, 2012, for inclusion with the final appropriation request. Dr. Magee will follow up with institutional chief financial officers to provide additional information and relevant forms.

Please be assured that Council staff will work with officials from the Department of Revenue to discuss various alternatives including a full exemption for higher education, a lesser reduction to higher education, or an exclusion of student financial aid programs and other dedicated funding sources.

Should you have questions or need additional information, please contact Dr. Magee at 304-558-0281 or [emagee@hepc.wvnet.edu](mailto:emagee@hepc.wvnet.edu)

*Community & Technical College System of WV*



West Virginia Higher Education Policy Commission  
West Virginia Community and Technical College System

1018 Kanawha Boulevard East, Suite 700  
Charleston, WV 25301  
(304) 558-2101  
[www.hepc.wvnet.edu](http://www.hepc.wvnet.edu)  
[www.wvctcs.org](http://www.wvctcs.org)



David K. Hendrickson  
Chair

Paul L. Hill  
Chancellor

Robert L. Brown  
Chair

James L. Skidmore  
Chancellor

## MEMORANDUM

TO: Chief Financial Officers

FROM: Ed Magee

DATE: August 8, 2012

RE: FY 2014 Appropriation Request

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The FY 2014 appropriation request instructions and forms are now posted on the West Virginia Budget Office's website: <http://www.budget.wv.gov/stateagencyforms/AR>. General Revenue and Regular Lottery Revenue FY 2014 budget requests must be submitted at 92.5% (7.5% reduction) of the FY 2013 base budget (FY 2013 appropriation less any one-time appropriations).

As in prior years, the Commission and Council staff will compile the majority of the information required for the filing of the Higher Education Policy Commission's and Council for Community and Technical College Education's appropriation requests. However, several forms need to be completed by each institution.

### Operating Appropriation Request

The forms that require institution completion are AR3, AR6, and AR7. Please complete these forms in accordance with the instructions provided by the Budget Office.

Form AR3 – Schedule of Federal Funds for Each Grant. The Budget Office has requested that each institution complete these forms for all federal funds that have been or are expected to be received. Please refer to page 17 of the appropriation request instructions for information on how to complete Form AR3. Importantly, please note that a separate Form AR3 should be completed for each grant or expected grant. Please do not lump grants that come from the same grantor by separate contracts on one Form AR3. When reporting funds received from the American Recovery and Reinvestment Act of 2009 (ARRA), each grant/award should be reported as a separate program with a unique program name. DO NOT combine ARRA funds with federal funding received from regular funding sources.

Form AR6 – Summary of Other Nonappropriated Accounts. Follow the directions on page 25 of

the appropriation request instructions. This form is a summary of the funds and amounts that are included in the “Other” column of the Division Account Summary, Form AR2, AR2A. A separate Summary of Other Nonappropriated Accounts shall be submitted along with each AR2 that has “Other” funds. You should provide information concerning all nonappropriated funds on a single form.

Form AR7 – Summary of Receipts and Disbursements. Form AR7 will be used to consolidate receipts and disbursements for all nongeneral revenue accounts over a three year period. Follow the directions on page 27 of the appropriation request instructions. Three important notes: First, you must submit a separate form for each source of funds identified at the top of the form. Second, when completing forms for collapsed accounts, ending balances should be reflected in the new account’s beginning balance. Third, make sure you only include on the form how much your institution will spend each year.

#### Future Financial Issues

If applicable to your institution, please describe briefly in a couple of sentences one or two major issues (\$1 million minimum) that should be considered and reviewed for financial impacts for FY 2015 - FY 2018. This information is not being collected for budget improvement requests, but for a better understanding of the major issues that may negatively impact your institution. Include any financial issues (positive or negative), legislation or legal issues that need to be brought to the table for discussion and possible inclusion in the Governor’s “Six Year Financial Plan.” The information you provide will be presented in a consolidated Future Financial Issues Statement for Higher Education.

#### Capital Appropriation Request

Instructions for the Capital Appropriation Request will be provided in a separate memo from Rich Donovan.

#### Conclusion

The submission deadline to the Budget Office for the consolidated appropriation request is September 4, 2012. No submission extensions will be granted; therefore, Forms AR3, AR6 and AR7 are to be completed and returned via email to Pam Ashley ([ashley@hepc.wvnet.edu](mailto:ashley@hepc.wvnet.edu)) by August 20th. Please submit Future Financial Issues to Patty Miller ([miller@hepc.wvnet.edu](mailto:miller@hepc.wvnet.edu)) by August 20th. Please contact Pam Ashley at 304-558-0281 for questions or problems with the AR3, AR6, and AR7 forms.





**WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION**

Robert L. Brown, Chair • James L. Skidmore, Chancellor

TO: Community and Technical College Presidents

FROM: James L. Skidmore

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Should you have questions or need additional information, please contact Dr. Magee at 304-558-0281 or [emagee@hepc.wvnet.edu](mailto:emagee@hepc.wvnet.edu)

*Community & Technical College System of WV*



## DEPARTMENT OF REVENUE

EARL RAY TOMBLIN  
GOVERNOR

STATE BUDGET OFFICE  
BUILDING 1, ROOM W310  
1900 KANAWHA BOULEVARD, EAST  
CHARLESTON, WEST VIRGINIA 25305

CHARLES O. LORENSEN  
CABINET SECRETARY

TO: All Spending Units

FROM: Charles O. Lorensen, Cabinet Secretary  
Department of Revenue

SUBJECT: FY 2014 Appropriation Request

DATE: August 6, 2012

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The Fiscal Year 2014 Appropriation Request Instructions provide direction for the preparation of the Governor's FY 2014 Executive Budget, which will be submitted to the Legislature during the Regular Legislative Session in February 2013.

Balancing the upcoming FY 2014 Budget will be a challenge that requires fiscal discipline. Recent projections show a significant funding gap for FY 2014. Simply stated, anticipated revenues are not expected to keep pace with costs for current programs. Due to the recent sluggish national economy and a slowdown in the mining of coal, general revenues are projected to grow by less than 1%. Moreover, as we have long expected, competition by bordering states is anticipated to lead to a decline of lottery revenues by 4% for FY 2014.

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Department of Veterans' Assistance – Veterans' Nursing Home fund 0456-286

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**Original and one copy of:**

Cover letter  
Current level impact statement  
Future issues statement  
Forms AR1 thru AR11  
List of Acronyms

**Original and email to [State.Budget.Office@wv.gov](mailto:State.Budget.Office@wv.gov):**

List of Activity Names and Descriptions  
Agency Narrative

One copy of forms AR1 through AR11 shall be submitted to your Cabinet Secretary, if applicable.

Two copies of the request shall be submitted to the Legislative Auditor's Office, Budget Division, Building 1, Room W-314, Capitol Complex, Charleston, WV 25305.

By law, failure to submit the appropriation request by September 4th may result in all of the agency's encumbering and expending of funds being held until the request has been filed with the State Budget Office and the Legislative Auditor.

Each department secretary will be contacted by my office to schedule a budget hearing relative to the appropriation request for certain agencies.

If you have difficulty accessing the instructions or forms, contact the State Budget Office at 304-558-0040 or [State.Budget.Office@wv.gov](mailto:State.Budget.Office@wv.gov).

COL:jr

Enclosures

# Appropriation Request FY 2014

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## Basic Assumptions

Below are basic assumptions for all funds followed by assumptions for specific fund sources that have been incorporated into the *Executive Budget* guidelines:

1. No increase in positions (FTEs) for any fund type may be requested at the current-level.
2. The request must include, within the current-level, the following:
  - An additional \$60 annual increment for each eligible employee and an increase to employee benefits to cover the additional cost of increment.
  - Employee Benefits and Annual Increment are to be paid from the same account number that the salary of the employee is paid.
  - A reserve for PEIA transfer of 1% of annualized personal services expenditures from state funds (nonfederal) based on estimated filled full-time equivalent positions on April 1, 2014. (W.Va. Code §11B-2-15). This must be budgeted as a current expense.
3. All improvements above current-level, including new positions, shall be requested on Form AR4.

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## General Revenue and Regular Lottery Funds

1. Current-Level for FY 2014 will be at 92.5% (7.5% reduction) of the FY 2013 budget, less any one-time or surplus appropriations (less exempt appropriations).
2. The request shall not include increases for PEIA (object 012), BRIM (object 032), PERS (object 016) or Other Postemployee Benefits (object 160) as the State Budget Office will add these as additional funds to your division/agency, if deemed appropriate.
3. Department Secretaries have the option of adjusting expenditures among funds/agencies/programs as necessary as long as the department/bureau total for General Revenue and Regular Lottery Fund is 92.5% of the FY 2013 base appropriation (less exempt appropriations).

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## Special Revenue and Federal Funds (including nonappropriated)

1. The request should be within the FY 2013 current-level of spending authority. Do not increase the bottom line of the fund.
2. The request may include, within current-level, the following:
  - PEIA Object 012 - 0% increase from FY 2013 budget amount
  - OPEB Object 160 - 0% increase from FY 2013 budget amount
  - PERS Object 016 - increase from 14% to 14.5% of total personal services

## Employee Benefits Guidelines

(Employee Benefits are to be paid from the same account that the salary of the employee is paid.)

**010 Administrative Fees:**

Personnel Division	\$45.00 per FTE position per quarter
	\$45.00 per temporary FTE position per quarter

Public Employees' Health Insurance	\$50.00 annually per employee
------------------------------------	-------------------------------

**011 Social Security Matching** 7.65% of total personal services

**012 Public Employees' Health Insurance** 0% increase from FY 2013 budget amount

**013 Other Health Insurance** Projected premium for FY 2014

**014 Workers' Compensation** Current rate multiplied by total personal  
(Contact your payroll office or Workers' services divided by 100  
Compensation provider for rate)

**015 Unemployment Compensation** Actual evaluation of projected needs for FY 2014

**016 Employees' Retirement System** 14.5% of total personal services for PERS

15% of total personal services for Teachers'  
Defined Benefit Plan

7.5% of total personal services for Teachers'  
Defined Contribution Plan

15% for teachers paid through State Aid Formula

6% Higher Education (TIAA/CREF)

**160 WV OPEB Contribution** 0% increase from FY 2013 budget amount  
(must be budgeted as an employee benefit)

**163 WV OPEB Remaining Contribution** 0% increase from FY 2013 budget amount  
(must be budgeted as an employee benefit)

**NOTE: Do not budget object code 110 as an employee benefit. Budget object code 110 as a current expense.**

## Appropriation Request Submission Instructions Instructions and Forms

On the following pages, the Appropriation Request Forms are explained with examples. An Appropriation Request is to be completed for each appropriated fund of the division, including the funds that became appropriated for the first time in FY 2013, or by legislation that is to be appropriated for the first time in FY 2014.

As the forms are being prepared, each form should indicate the department and the division name. Care should be taken to assure that the fund numbers are the same as those assigned by WVFIMS for FY 2013. The forms and supporting information should be assembled as follows prior to submitting them to the State Budget Office.

### Order of Submission:

1. Cover Letter
2. Current Level Impact Statement
3. Future Issues Statement
4. List of Activity Names and Descriptions (printed copy and by e-mail)
5. Division Evaluation Summary (AR1)
6. Division Account Summary (AR2, 2A)
7. Schedule of Federal Funds (AR3)
8. Request for Appropriation - Improvement Above Current Level (AR4)
9. Request for Supplemental Appropriation (AR5)
10. Summary of Other Nonappropriated Accounts (AR6)
11. Summary of Receipts and Disbursements (AR7)
12. Capital Expenditure Project Information (AR8)
13. Division Summary of Capital Expenditure Projects (AR9)
14. Program Summary (AR10)
15. Division Program Summary (AR11)
16. Agency narrative
17. Alphabetical list of acronyms used anywhere in your submission.

**NOTE: If any amendments (revisions, additions, or deletions of any forms) to the original Appropriation Request are made, the original amendment and one (1) copy shall be submitted to the State Budget Office and two (2) copies to the Legislative Auditor's Office.**



## Current-Level Impact Statement

Please describe fully what impact this level of funding will have on your organization in FY 2014.

- Include any legislative, federal, or court mandates that would not be complied with at this level of funding.
- Detail any programs that would be eliminated, reduced or changed.
- Information about any reduction in force that would be necessary to meet this level of funding.
- Also include any other information, such as increased cost projections, decreased revenues, short and long range goals, or other data that would be beneficial in determining a recommended level of funding for your division.

**This impact statement must be included with the Appropriation Request.**

Be certain to detail all concerns in your agency's Current-Level Impact Statement and to clearly explain all improvement requests fully and completely on the improvement form.

---

## Future Financial Issues

Please describe fully what major issues (\$1 million minimum) should be considered and reviewed for financial impacts for FY 2015 - FY 2018, as well as any financial (positive or negative), legislative, or court issues that need to be brought to the table for discussion and possible inclusion in the Governor's "Six Year Financial Plan." Detail all information by fiscal year and provide a brief description. **Any changes or new information should be kept up to date with revisions/updates to the State Budget Office as necessary.**

---

## Activity Names and Brief Description

Please provide a list of all funds and activities currently appropriated to your agency and a brief description (2-3 sentences) of the purpose of the activity.

- Make sure you spell out any acronyms.
- Your submission should be in the landscape orientation on 8 ½" x 11" (Excel).
- Submit a hardcopy with your appropriation request and email [State.Budget.Office@wv.gov](mailto:State.Budget.Office@wv.gov) with the subject line "Activity List," of the file.

You do not have to include the following Activities for administrative functions. However, if specific programs/projects are funded within these activities then provide a brief description.

- Personal Services (001)
- Annual Increment (004)
- Employee Benefits (010)
- Unclassified (099)
- BRIM Premium (913)
- Current Expenses (130)
- Repairs and Alterations (064)
- Equipment (070)
- Buildings (258)
- Land (730)
- Other Assets (690)

## DHHR FUND DESCRIPTION

GENERAL REVENUE - FY 2014  
DHHR - DIVISION OF HEALTH - CENTRAL OFFICE

<u>FUND</u>	<u>ACTIVITY</u>	<u>ACTIVITY NAME</u>	<u>USE OF FUNDS</u>	<u>FUNDS PERSONAL SERVICES</u>
0407	727	Health Right Free Clinics	These funds are used to provide state dollars for grants to support the operations of Health Rights and/or Free Clinics in the state. A "Free" Clinic is defined as a private, not-for-profit organization, with a community-based board of directors, who provide free primary care services to poverty populations without private, public, Medicaid or Medicare insurance. Managing Program - Bureau for Public Health - OCHS.	No
0407	822	Emergency Response Entities - Special Projects	Provide funding for special projects (911, volunteer fire departments, ambulance services, etc.). Managing Program - Bureau for Public Health - OCHS.	No
0407	845	Assistance to Primary Health Care Centers Community Health Foundation	These funds will be used for the Community Health Foundation to support the development of the Man Community Trauma Center. Managing program - Bureau for Public Health - OCHS.	No
0407	906	Tobacco Education Program	Monies appropriated to support a comprehensive tobacco prevention program in West Virginia. Managing Program - Bureau for Public Health - OEHP.	Yes

AR1

# FY 2014 APPROPRIATION REQUEST DIVISION EVALUATION SUMMARY

Revised \_\_\_\_\_  
Page 1

Administration  
Department/Bureau  
Division of Finance  
Division

WV Code Chapter \_\_\_\_\_ 5A \_\_\_\_\_  
Statutory Reference \_\_\_\_\_ Article 2

## Division Description

The Division of Finance consists of two sections:

Accounting - Responsible for centralized general accounting, payroll, billing, accounts payable, accounts receivable, federal reporting and procurement for the department.

Financial Accounting and Reporting - Responsible for establishing and maintaining the centralized accounting system (WVFMS) and for preparation of the State's comprehensive annual financial report.

Funding Is Recommended As Follows:

Contact: Jon Doe

Title: Director

Telephone # 304-558-0000

Email address: jon.doe@wv.gov

Approved Signature Authority

## Division Evaluation Summary (Form AR-1)

**Division Description** - Briefly describe each division in terms of its major purpose, major objectives, long-range goals, the population served, the major services it provides, and any other pertinent information. Only one AR-1 should be submitted for your entire organization.

**Recommendation** - Please do not write in this section.

**Statutory Reference** - In the upper right corner, identify the Chapter(s) and Article(s) of the Code of West Virginia that address the functions of each organization.

Included is a copy of each Division's Evaluation Summary as presented in the FY 2013 *Executive Budget*. If minor changes are necessary, please make the changes in **RED** ink. If major changes to this summary are necessary, then a NEW summary must be submitted with the request and marked "**Revised**" in red ink. If the AR1 is correct, please write "**OK**" in red ink on form.

**If no changes are indicated in red, this form may not get updated.**

**If you retype the form, please indicate the changes in red or bold so they are easily identifiable.**

Form AR1 requires the original signature in blue ink of the Cabinet Secretary, Bureau Commissioner, or Board Director.

AR2

## FY 2014 Appropriation Request Division Account Summary

Revised

Page 2

Administration Department/Bureau		Finance Division											
		0203 Fund				2014 FY				0209 Org			
		Appropriated General Revenue Account Number											
						</							

\*An appropriated item designated Unclassified shall not exceed one percent of the total amount of the appropriation for such Fund.

## Division Account Summary (Forms AR2, AR2A)

**General Information** - This form is a summary of each FY 2013 appropriated fund of the division along with the corresponding federal fund(s) and nonappropriated Special Revenue fund(s). After the Appropriation Requests are reviewed and the recommendations are determined, these forms will be completed with appropriate amounts for inclusion in the *Executive Budget*. Please do not write in the column entitled "Recommendation."

**There must be a separate AR2 filed for each General Revenue, Appropriated Special Revenue, and Federal Block Grant Fund for your agency.**

For the FY 2014 Appropriation Request, there will be no appropriated fund/account that will be recommended as only Unclassified or Unclassified–Total, but will be appropriated at a more detailed level (activities).

For the FY 2014 Appropriation Request the activities to be used for each fund are listed below (it is not necessary to list each object code within each activity, with the exception of Employee Benefits). We strongly encourage each department/agency to budget into each of these activities where an expense may be anticipated as there are restrictions per Budget Bill language on the amount of funds a department/agency may move from line-item to line-item. If the line-item doesn't exist, example Buildings, it cannot be used without a supplemental appropriation approved by the Legislature when they are in session.

- Personal Services
- Annual Increment
- Employee Benefits (must list each object code)
- Current Expenses
- Repairs and Alterations
- Buildings
- Equipment
- Land
- Other Assets
- BRIM Premium (if applicable)
- **Unclassified (no more than 1% of the total appropriations by fund may be requested, in compliance with W.Va. Code 5-1A-4); this activity may not include funding for Personal Services, Annual Increment, or Employee Benefits.**

The blank lines following Unclassified shall be used to list specific appropriations by activity and category. Form AR2A is available if more space is necessary.

Each activity/appropriation for a program activity/appropriation such as GAAP Project, Women's Commission, etc., must be shown using the following breakdown: Number of Positions, Personal Services, Annual Increment, Employee Benefits (must list each object code), Current Expenses, Repairs and Alterations, Buildings, Equipment, Land, and Other Assets.

**NOTE: For a list of object codes see page 12.**

You may be required at a later date to provide more detailed information (object codes) by fund or activity to the State Budget Office and/or the Legislature.



**FY 2012 Actual State** - This column shall contain the Actual expenditures for both appropriated and reappropriated General Revenue or Special Revenue funds, as well as all Federal Block Grants that are appropriated in the Budget Act.

- Do not combine fund types in this column.
- Amounts shall agree with the Auditor's Monthly Line Item (object code) Report, WVR 4020.
- Appropriated Special Revenue funds have priority over appropriated Federal Funds.
- Do not include Activity 426 transfers/expenses in the actual column.
- Number of positions should reflect the filled average FTEs for the actual expenditures.
- Report object code 160 and 163 actual expenditures under Employee Benefits regardless of activity that expenditure occurred.
- Report object code 110 actual expenditures under Current Expenses regardless of activity that expenditure occurred.
- Refer to the list of object codes and categories on page 13 to report actual expenditures.

**FY 2013 Budgeted** - For all fund types - Enter the amount budgeted, by object code, for Employee Benefits and by Category for all other items, for FY 2013 as shown on the approved Expenditure Schedule(s) at the time of preparation of this request. If applicable, include all reappropriated amounts for each item of appropriation for General/Lottery and Special Revenue.

**Reappropriations** - If applicable, enter the amount of reappropriated funds (see "FY 2013 Budgeted"), and subtract these amounts from the Gross Totals to arrive at the Net Totals in each column. This should balance to the approved expenditure schedules for each fund.

**NOTE:** The gross totals for Federal, Special, and Other should match Form AR7 "Estimated Disbursements FY 2013" column totals.

**FY 2014 Current Level Request** - Enter the request for this fund for General, Federal, Special, and Other funds in the respective columns and the total request from all sources in the Total column.

The current level request shall not include funds that you anticipate being available from reappropriations.

A detailed list of the fund numbers, name, and amounts that make up the "Other" column will be provided on the Summary of Other Nonappropriated Accounts, Form AR6.

**Recommendation** - Do not use this column. After the Appropriation Requests are reviewed and the Governor's recommendations are determined, this column will be completed by the State Budget Office with appropriate amounts for inclusion in the *Executive Budget*.



## OBJECT CODES

### Personal Services

- 001 Personal Services (with payroll deductions)
- 002 Other Personal Services
- 003 Payroll Reimbursements

### Annual Increment

- 004 Annual Increment

### Employee Benefits

- 010 Personnel Division and Public Employees' Insurance
- 011 Social Security Matching
- 012 Public Employees' Insurance
- 013 Other Health Insurance
- 014 Workers' Compensation
- 015 Unemployment Compensation
- 016 Pension and Retirement
- 160 WV OPEB Contribution
- 163 WV OPEB Remaining Contribution

### Current Expenses

- 020 Office Expenses
- 021 Printing and Binding
- 022 Rental Expense
- 023 Utilities
- 024 Telecommunications
- 025 Contractual and Professional
- 026 Travel
- 027 Computer Services
- 028 Higher Education Interagency Contract Agreements and Fees (Higher Education use only)
- 029 Vehicle Rental
- 030 Rentals (machine and miscellaneous)
- 031 Association Dues and Professional Memberships
- 032 Fire, Auto, Bond and Other Insurance
- 033 Food Products
- 034 Clothing, Household and Recreational Supplies
- 035 Advertising and Promotional
- 036 Vehicle Operating Expense
- 037 Research, Educational and Medical Supplies
- 038 Routine Maintenance Contracts/Warranties
- 039 Manufacturing Supplies
- 040 Merchandise for Resale
- 041 Cellular Charges
- 042 Hospitality
- 043 Educational Training (stipends)

044	Energy Expense Motor Vehicles/Aircraft
045	Farm Expense
046	Subsistence
047	Energy Expense Utilities
048	Discharge and Parole Allowance
049	Inmate Per Diem Expenses
051	Miscellaneous
052	Training and Development
053	Postal and Freight
054	Computer Supplies and Equipment
056	Attorney Legal Service Payments
057	Attorney Reimbursable Expenses
058	Miscellaneous Equipment Purchases
059	Student Activities
080	Payment of Taxes
081	Payment of Claims and/or Settlement Agreements
083	Grants, Awards, Scholarships and Loans
084	Case Services (Human Services, Health, Vocational Rehabilitation)
086	Tax Mapping
088	Bond Sale Costs
089	Bank Costs
090	Assistance Payments
093	Reimbursement
094	Miscellaneous Land Expense
096	Other Interest and Penalties
097	Lottery Prizes
099	Natural Disaster Grants
100	Fund Transfers
101	Legislative Directed Transfer
110	Public Employees' Insurance Reserve Transfer
111	Counties and Municipalities
113	Payment of Coal Severance Tax
114	Investments
115	Membership Loans, Retirement Funds
116	Pension Benefits
117	Withdrawal from Retirement Funds
118	Purchase of U.S. Savings Bonds
119	Payments to Market Zone Retailers (ABCA use only)
123	Payments to National Guard (Adjutant General's Office use only)
124	Cost Allocation Adjustment/Settlement
125	Indirect Cost Reimbursement
127	Trustee Payments
128	Federal Subrecipient Disbursement
129	Taxable Grants and Subsidies for Agriculture
130	Reclamation of Non-State Owned Property
151	Debt Service (Bonded - Principal)
152	Debt Service (Bonded - Interest)
153	Debt Service (Leases - Principal)
154	Debt Service (Leases - Interest)
155	Taxable Grants and Subsidies
156	Medical Service Payments
158	Prepaid Tuition Payments (Treasurer's Office use only)
159	Royalties
161	Imprest Funds (Treasurer's Office approval required)
162	Debt Service (Bonded-Administrative Fee)
164	Supplemental Purse Awards (Racing Commission use only)

165	Crime Scene Cleanup
166	Crime Scene Cleanup/Claimant
167	Supreme Court Public Campaign Finance
168	Federal Funds transferred between State Agencies

### **Repairs and Alterations**

061	Office and Communication Equipment Repairs
062	Research, Educational and Medical Equipment Repairs
063	Building and Household Equipment Repairs
064	Routine Maintenance of Buildings
065	Vehicle Repairs
066	Routine Maintenance of Grounds
067	Farm and Construction Equipment Repairs
068	Other Repairs and Alterations

### **Equipment**

070	Office and Communication Equipment
071	Medical Equipment
072	Research and Educational Equipment
073	Household Equipment and Furnishings
074	Building Equipment
075	Vehicles
076	Livestock, Farm and Construction Equipment
077	Books and Periodicals
078	Other Capital Equipment
170	Computer Equipment

### **Buildings**

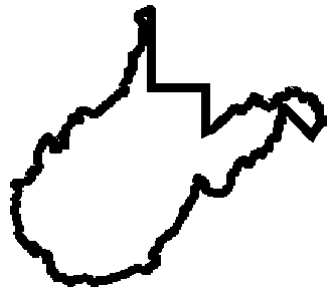
092	Building Construction
143	Building Improvements
150	Building Purchases
157	Leasehold Improvements

### **Land**

144	Reclamation of State Owned Property
148	Land Improvements
149	Land Purchases

### **Other Assets**

120	Contractor Payments for Capital Asset Projects
121	Purchase of Materials and Supplies
122	Consultant Payments for Capital Asset Projects
171	Computer Software
172	Intangibles
173	Internally Generated Software



AR3

## FY 2014 Schedule of Federal Funds

Page 4  
Revised \_\_\_\_\_

DEPARTMENT/BUREAU: Health and Human Resources			
DIVISION/AGENCY: Division of Human Services			
FEDERAL FUND #: <u>8722-2014-0511</u> Fund-FY-Org			
PROGRAM NAME: Title IV-E - Foster Care			
DESCRIPTION:  The Foster Care Program helps States to provide safe and stable out-of-home care for children until the children are safely returned home, placed permanently with adoptive families or placed in other planned arrangements for permanency.			
GRANTOR: U.S. Dept. of Health and Human Services			
Are state matching funds required? (Yes/No) <u>Yes</u>			
Formula: Federal (%) <u>73.63</u> State (%) <u>26.37</u> Local (%) <u>0.00</u>			
Is "Maintenance of Effort" required? (Yes/No) <u>No</u> (If so, describe in "COMMENTS" section.)			
Federal Catalog Number	Actual Receipts FY 2012	Estimated Receipts FY 2013	Estimated Receipts FY 2014
93.658	38,306,857	45,000,000	45,000,000
COMMENTS:  Matching formulas: Administration - 50% federal, 50% state Payments - Matched at Federal Medical Assistance Percentage (FMAP). FMAP changes yearly and applies for the Federal Fiscal Year. FFY2011 (73.73% Fed, 26.27% State), FFY2012 (74.04% Fed, 25.96% State), FFY2013 (73.63% Fed, 26.37% State) Training - 75% federal, 25% state SACWIS (Statewide Automated Child Welfare Information System); FACTS (Family and Children Tracking System) - 50% federal, 50% state			
CONTACT PERSON: Jane Doe		TELEPHONE: 304-558-0000	
TITLE: Director, Office of Grants Management		E-MAIL: <a href="mailto:jane.doe@wv.gov">jane.doe@wv.gov</a>	

## FY 2014 Schedule of Federal Funds (Form AR3)

This information is requested in order to fulfill requirements of W.Va. Code §11B-2-23 to submit a consolidated report containing a detailed itemization of all federal funds received by state spending units during the preceding and current fiscal years, as well as those scheduled or anticipated to be received during the next ensuing fiscal year. Last year's report is available on the West Virginia State Budget Office web site.

**General Information** - If federal funds have been or are expected to be received directly from the federal government, a Schedule of Federal Funds must be completed for each grant. Only one (1) form is required for each program, even if the program provides funds for more than one section. If using acronyms in your submission, please be sure to spell them out the first time used and include a list of acronyms used in your submission.

### NOTE: ARRA REPORTING

When reporting funds received from the American Recovery and Reinvestment Act of 2009 (ARRA), each grant/award should be reported as a separate program with a unique program name (examples: ARRA - Title I or ARRA - Independent Living). DO NOT combine with other federal funding received from regular federal funding sources.

**Department/Bureau** - Enter the name of your Department/Bureau (e.g., Department of Revenue, Bureau of Senior Services).

**Division/Agency** - Enter the name of your division/agency (e.g., Tax Division, Geological and Economic Survey).

**Fund #** - Enter the WVFIMS fund number and state level organization to which the federal funds will be received/expended.

**Program Name** - Enter the Name of the Program for which federal funds are granted. (Make sure each program has a unique identifying name, e.g. "January 2010 Winter Storm" or "Flood Disaster, June 2010.")

**Description** - Briefly explain the purpose of the program and its goals. Please limit the description to approximately 50 words.

**Grantor** - Enter the name of the federal agency granting the funds (see list of Federal Sources in Expenditure Schedule Instructions).

**Are State Matching Funds Required?** - Enter "X" in the appropriate space provided.

**Matching Formula** - Enter the matching formula of this grant. If no State match is required, enter 100% Federal.

**Is "Maintenance of Effort" Required?** - Enter "X" in the appropriate space provided. Provide details of effort in comments section.

**Federal Catalog Number** - Enter all federal catalog numbers that apply to these federal funds. If this does not apply, enter N/A.

**Actual Receipts 2012** - This column shall show by catalog number the actual federal receipts deposited directly into state federal funds for State FY 2012 (July 1, 2011 - June 30, 2012). (Should match Form AR7 "Actual Receipts FY 2012" column.)

**Total Estimated Receipts 2013** - This column shall show by catalog number the total estimated federal receipts for State FY 2013 as reflected on the approved Expenditure Schedule at the time of preparation of this request. (Should match Form AR7 "Estimated Receipts FY 2013" column.)

**Total Estimated Receipts 2014** - This column shall show by catalog number the estimated federal receipts for State FY 2014. (Should match Form AR7 "Estimated Receipts FY 2014" column.)

AR3

FY 2014 Schedule of Federal Funds

Page 5

Revised \_\_\_\_\_

DEPARTMENT/BUREAU: Health and Human Resources															
DIVISION/AGENCY: Division of Human Services															
FEDERAL FUND #: <u>8722-2014-0511</u> Fund-FY-Org															
PROGRAM NAME: ARRA - Title IV-E - Foster Care															
DESCRIPTION:  The Foster Care Program helps States to provide safe and stable out-of-home care for children until the children are safely returned home, placed permanently with adoptive families or placed in other planned arrangements for permanency.															
GRANTOR: U.S. Dept. of Health and Human Services															
Are state matching funds required? (Yes/No) <u>Yes</u>															
Formula: <table style="width: 100%; margin-top: 5px;"> <tr> <td style="width: 20%;">Federal (%)</td> <td style="width: 20%;"><u>100.00</u></td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> </tr> <tr> <td>State (%)</td> <td><u>0.00</u></td> <td></td> <td></td> </tr> <tr> <td>Local (%)</td> <td><u>0.00</u></td> <td></td> <td></td> </tr> </table>				Federal (%)	<u>100.00</u>			State (%)	<u>0.00</u>			Local (%)	<u>0.00</u>		
Federal (%)	<u>100.00</u>														
State (%)	<u>0.00</u>														
Local (%)	<u>0.00</u>														
Is "Maintenance of Effort" required? (Yes/No) <u>No</u> (If so, describe in "COMMENTS" section.)															
Federal Catalog Number  93.658	Actual Receipts FY 2012  1,106,094	Estimated Receipts FY 2013  1,499,167	Estimated Receipts FY 2014  -												
COMMENTS:															
CONTACT PERSON: Jane Doe		TELEPHONE: 304-558-0000													
TITLE: Director, Office of Grants Management		E-MAIL: <a href="mailto:jane.doe@wv.gov">jane.doe@wv.gov</a>													

**Comments** - Use this space if additional information is necessary to further explain the matching formula and/or the “Maintenance of Effort” requirements. This may also be used for any other information that is considered useful, such as the impact on the program of federal fund reductions.

**Contact Person** - Enter the name, title, telephone number, and email address of the individual to contact for additional information regarding this program. *This information is for State Budget Office use only.*

The dollar amounts have been deleted on the forms provided from the previous fiscal year submissions. If only minor changes are necessary, please mark changes in **RED** ink and enter new dollar amounts. If major changes are necessary or a new program is to be added, then a new form must be submitted with the request and marked “Revised/New.”

If you are updating an electronic form from previous years submissions, make sure you review the form provided to you from the State Budget Office for grammar and stylistic changes.

If the program no longer has receipts to report mark **“Delete”** at the top of the form and return it so we can remove it from our database.





## Request for Appropriation - Improvement above Current Level (Form AR4)

**General Information** - This form is designed to accommodate all requests for funds to expand programming over and above that which will be provided at the FY 2014 current level. All improvements or enhancements to a division's normal operation must be requested on this form.

**Improvement packages will not be approved absent extraordinary circumstances.** Requests for improvements above the FY 2013 appropriation may be submitted, only if necessary or per code requirement, but must include how the anticipated benefits related to the improvement will be measured and how these benefits relate to the program's mission. If a spending unit believes that an increased level of funding is necessary for a program, that spending unit should seek a corresponding reduction from within the spending unit. To ensure that any improvement package does not cause an increase above FY 2013 spending levels, you have multiple options that include, but are not limited to:

1. Activities may be decreased or deleted.
2. Programs may be decreased or deleted.
3. To accomplish a reduction in the personal services appropriation you may delete vacant positions or reduce them to the entry level associated with the title of the position. Filled positions or expenses may be shifted to non-General Revenue sources as long as the expenses are a legitimate charge to the non-General Revenue account as provided by statutory or other proper authority (no supplanting of federal funds, etc.).

**FY 2014 Improvement Requests** - Enter the Improvement Request for this fund in the same manner as previously outlined (see Form AR2) for General, Federal, Special, and Other funds in the respective columns and the total request from all sources in the Total column. DO NOT include the disbursement of any request for improvement above the current level on the other forms (except AR8) in the Appropriation Request package. Do include revenue information on the necessary forms. Indicate on this form if this improvement request is a one-time expenditure or an on-going annual expense. Also, include the program name, activity name(s), and activity number(s).

**Anticipated Cost Savings** - Please describe the anticipated cost savings this improvement will have on your agency budget if approved, if any.

**Justification/Anticipated Benefits** - Please justify in precise and explicit terms exactly why this improvement is necessary, what objective this improvement will accomplish, and the payback period, if applicable. If this improvement will become an ongoing program, explain the long-range objectives. Indicate by marking on the form if this is a "one-time expenditure" or "on-going expense."

**All improvement requests must include the anticipated benefits as they relate to the program's mission/performance measures and the effects to the program if this improvement is not funded. Improvements above Current Level will not be considered without this information.**

Any improvement request resulting from a court order or statutory mandate shall be explained in the justification section of Form AR4 identifying the date and reference of the court order or statute.

If the increased spending is for an appropriated Special Revenue or Federal Fund, make sure adequate revenue is available and reflected on Form AR7.

If the W.Va. Code requires a nonappropriated Special Revenue fund to be appropriated after the first year, the request for new appropriated spending authority should be requested on this form. Fill out the form to request the level of spending authority necessary so it can be included in the recommended budget bill submitted by the Governor. Provide the code citation requiring this action.



If this improvement is to be matched by additional federal funds, please indicate the dollar amount of additional federal funds anticipated.

If the improvement requested is for a Capital Expenditure, indicate the corresponding Capital Expenditure Project Information from Form AR8 so it can be matched together.

If the improvement request is for information technology upgrades, the review and approval by the Chief Technology Officer must be indicated/attached before it will be considered.

All Improvement Levels must be ranked according to the priority within the DIVISION as determined by the Division Director and Department Secretary/Bureau Commissioner or they will not be considered.

---

## Request for Supplemental Appropriation (Form AR5)

**General Information** - This form is only to be used when requesting a supplemental appropriation for FY 2013 (current fiscal year).

**FY 2013 Request** - Enter the request for this fund in the same manner as previously outlined (see Form AR2) for General, Federal, Special, and Other funds in the respective columns and the total request from all sources in the Total column.

**Justification** - Please justify in precise and explicit terms exactly why this supplemental appropriation request is necessary and what objective it will accomplish.

If the supplemental spending is for an appropriated Special Revenue or Federal Fund, make sure adequate revenue is available and reflected on Form AR7.

If the increased funding is for a Capital expenditure indicate the corresponding Capital Expenditure Project Information from Form AR8 so it can be matched together.

If the improvement request is for information technology upgrades, the review and approval by the Chief Technology Officer must be indicated/attached before it will be considered.

If this is a onetime expenditure or an ongoing annual expense, indicate it on the form. If a ongoing request, make sure to submit an Improvement Above Current Level form, Form AR4, for FY 2014 funding consideration. If this supplemental will become an ongoing program, explain the long-range objectives. Be sure to provide program name, supplemental impacts, and the related activity number(s).

Explain in detail any cost savings that would be realized if this supplemental is approved.

Any supplemental request resulting from a court order or statutory mandate shall be explained in the justification section of Form AR5 identifying the date and reference of the court order or statute.

If this supplemental is to be matched by additional federal funds, please indicate the dollar amount of additional federal funds anticipated.

**All supplemental requests must include the anticipated benefits as they relate to the program's mission/performance measures and the effects to the program if this improvement is not funded.**

AR6

**FY 2014 Current Level Request  
Summary of Other Nonappropriated Accounts**

Revised \_\_\_\_\_ Page 8

Administration Department/Bureau																	
Purchasing Division																	
Fund No.	Name/Purpose of Account	2010 Fund		2014 FY		2013 Org		2014 FY		2014 FY		2014 FY		2014 FY		2014 FY	
		Appropriated General Revenue Account Number		Appropriated Special Revenue Account Number		Appropriated Federal Revenue Account Number		Appropriated Federal Revenue Account Number		Appropriated Federal Revenue Account Number		Appropriated Federal Revenue Account Number		Appropriated Federal Revenue Account Number		Appropriated Federal Revenue Account Number	
		Personal Services		Annual Increment		Employee Benefits		Other		Total		Total		Total		Total	
2031	DOH Reimbursement - to accept reimbursement for expenses incurred during procurement activities for the Division of Highways & Department of Health and Human Resources.	145,768		3,350		53,698		61,200		264,016		264,016		264,016		264,016	
2034	Local Government Reimbursement - to supply copies of Statewide Contacts to political subdivisions so they may obtain commodities and services at reduced prices.							200		200		200		200		200	
2039	Seminars & Classes - to conduct seminars on purchasing rules, regulations, procedures and legal issues.							70,000		70,000		70,000		70,000		70,000	
2280	Federal Surplus Property - to dispose of expendable, unusable or obsolete commodities owned by the federal government by selling or transferring commodities to eligible organizations.							200,000		200,000		200,000		200,000		200,000	
2281	Surplus Property - to dispose of expendable, unusable, or obsolete commodities owned by the State by selling or transferring to eligible organizations.	512,029		14,338		229,776		660,952		1,417,095		1,417,095		1,417,095		1,417,095	

## Summary of Other Nonappropriated Accounts (Form AR6)

**General Information** - This form is a summary of the funds and amounts that are included in the "Other" column of the Division Account Summary, Form AR2, AR2A. A separate Summary of Other Nonappropriated Accounts shall be submitted along with each AR2 that has "Other" funds.

**Name/Purpose of Account** - Name and purpose of account as shown on Expenditure Schedule Form ES2B.

**Fund Number** - Fund number assigned by State Auditor.

**Personal Services** - Current Level Request for FY 2014.

**Annual Increment** - Current Level Request for FY 2014.

**Employee Benefits** - Current Level Request for FY 2014.

**Other** - Includes all requested dollars not specified as Personal Services, Annual Increment, or Employee Benefits.

**Total** - Total request for each fund.

**Total FY 2014 Current Level Request - Other** - Total all columns to equal the total Personal Services, Annual Increment, Employee Benefits, and Other that are requested on Form AR2, AR2A.

AR7

**SUMMARY OF RECEIPTS AND DISBURSEMENTS**  
Fiscal Year 2012 Through Fiscal Year 2014

Page 9  
Revised \_\_\_\_\_

- ☐ Appropriated Federal Funds & Federal Block Grants Accounts (Listed in Budget Act)  
☐ Appropriated Special Revenue Accounts (Listed in Budget Act)  
☐ Appropriated Lottery Funds (Listed in Budget Act)  
☐ Other Federal Funds  
☒ Other Special Revenue Accounts

Spending Unit \_\_\_\_\_ Finance \_\_\_\_\_  
 Department/Bureau of \_\_\_\_\_ Administration \_\_\_\_\_

		(Must match Expenditure Schedule)									
Account Name	WV FIMS Fund #	Actual Cash & Investment Balance End FY 2011	Actual Receipts FY 2012	Actual Disbursements FY 2012	Actual Cash & Investment Balance End FY 2012	Estimated Receipts FY 2013	Estimated Disbursements FY 2013	Estimated Cash & Investment Balance End FY 2013	Estimated Receipts FY 2014	Estimated Disbursements FY 2014	Estimated Cash & Investment Balance End FY 2014
Single Audit Services Fund	2029	351,175	1,200,000	1,000,000	551,175	1,603,100	1,275,143	879,132	1,300,000	1,275,143	903,989
<b>TOTAL</b>		351,175	1,200,000	1,000,000	551,175	1,603,100	1,275,143	879,132	1,300,000	1,275,143	903,989

## Summary of Receipts and Disbursements (Form AR7)

**General Information** - Form AR7 will be used to consolidate receipts and disbursements for all nongeneral revenue accounts over a three year period.

**NOTE:** At the top of AR7, the source of funds must be indicated by marking the appropriate box. A separate form must be submitted for each fund type.

For accounts that expire and have a 13th month (July) close out period, be sure to adjust the cash balances at the end of the fiscal year to reflect the 13th month expenditures.

1. The name of the fund and WVFIMS four-digit fund number.
2. Actual cash balance and any funds deposited in an investment account at the close of the 13th month of FY 2011. Obtain from WVFIMS Fund Ledger Inquiry. From WVFIMS main menu choose "WVFIMS INQUIRIES," then choose "LEDGER INQUIRIES," then choose "FUND LEDGER INQUIRY," (or at "NEXT:" prompt at bottom of screen use "QFQ"). Type in fund number, press Enter and tab/move to select "3900 – Fund Balance – Unreserved." Type "S"/Enter/F2 and use total at bottom of screen.
3. Actual Receipts and Actual Disbursements for FY 2012. Must match Auditor's Monthly Line Item Report (WVR4020) for the 13th month FY 2012.
4. Actual Cash and Investment Balance at the close of the 13th month of FY 2012. Obtain from WVFIMS Fund Ledger Inquiry Prompt. Use the total beside 3900 - Fund Balance - Unreserved.
5. Estimated Receipts and Disbursements for FY 2013 as shown on your approved FY 2013 Expenditure Schedule (Form ES-2). **Disbursements must match AR2, AR2A, and AR11.**
6. Estimated Cash and Investment Balance at the close of FY 2013 as shown on your approved FY 2013 Expenditure Schedule.
7. Estimated Receipts for FY 2014.
8. Estimated Disbursements for FY 2014 as reflected on your Appropriation Request at the Current Level. **Disbursements must match AR2, AR2A, and AR11.** Also, nonappropriated funds must match AR6.
9. Estimated Cash and Investment Balance at the close of FY 2014. **(This number cannot be negative.)**



AR8

**Capital Expenditure Project Information**  
FY 2013 - FY 2018

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**Department/Bureau:** Administration **Division:** General Services  
**Project Name:** P&G Debt Service **Division Priority:** 1  
**Contact Name:** Jane Doe **Telephone:** 304-558-0000  
**E-Mail:** [jane.doe@wy.gov](mailto:jane.doe@wy.gov)

**SOURCES OF FUNDING:**

	FY 2014						
		Current-Level Request	Improvement Request/ Increase *				
	FY 2013			FY 2015	FY 2016	FY 2017	FY 2018
General							
Federal							
Special							
Other	122,130	122,130		122,130			
<b>TOTAL</b>	122,130	122,130		122,130			

**SUMMARY OF EXPENDITURES:**

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Renovation & Repair						
New Construction						
Building/Land Acquisition	96,075	102,815	110,029			
Subtotal	96,075	102,815	110,029			
Cost of Financing	26,055	19,315	12,101			
Equipment						
Cost of Financing						
<b>TOTAL</b>	122,130	122,130	122,130			
Debt Service						

**Start date of project:** July 2005 **Estimated completion date:** June 2015

**Total project cost:** \$1,465,561

**Financed or leased?** Yes ☒ No ☐ **Annual Interest Rate:** 6.80%

**Method of financing/leasing:** Lease purchase contract #GSD signed 6/30/2005 with Edward A. Haddad for a two story office building and surrounding lot-formerly P&G Building. Terms 144 payments @ 10,177.51 beginning July 2005 and ending on June 25, 2015.

**Describe funding sources:** State Building Commission Fund 2241 - rent proceeds.

**Description and justification of project:** Expand available office space for state agencies.

**Benefit of project:** To eliminate overcrowding and update work areas.

**Describe how this project will impact your agency's operating budget.**  
After debt service is paid recovery should be in excess of \$140,000/year.

**Annual Impact on Operating Budget** **First full fiscal year of impact:** 2006  
 (Positive or Negative in Current Level Dollars)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
FTE's						
Personal Services						
Employee Benefits						
Utilities	115,868	115,868	115,868			
Maintenance	85,976	85,976	85,976			
Other	14,716	14,716	14,716			
<b>TOTAL</b>	216,560	216,560	216,560			

## Capital Expenditure Project Instructions (Form AR8)

**General Information** - A capital expenditure project is defined as any major construction, land acquisition, or renovation activity that adds value to a government's physical assets or significantly increases the useful life. A separate form must be completed for each project with a total cost of \$100,000 or more. A project may include several categories with a combined total cost of \$100,000 or more (e.g., \$90,000 construction, \$15,000 land acquisition).

In addition, a separate form must be submitted for each major equipment project of \$50,000 or more that is not included in any other project. A major equipment project is the purchase of a single item (e.g., a bulldozer) or like items (e.g., fleet of vehicles, computer equipment).

**Project Name** - Enter the name of the project.

**Division Priority** - All projects must be ranked from the most important (Number 1) to the least important by division. Enter the division priority number.

**Contact Name/Telephone/Email Address** - Please provide the name, telephone number, and email address of the person best suited to respond to questions regarding the project listed.

### SOURCES OF FUNDING:

**FY 2013** - Include funds that are on the approved expenditure schedule for your agency at the time of submission of this form plus any requested supplemental appropriations. If you are requesting a supplemental appropriation, please provide details (including the dollar amount) in the "Describe funding sources" section.

**FY 2014 Current Level Request** - Include funding that is already provided in your FY 2014 Current Level Request.

**FY 2014 Improvement Request/Increase** - Include any funds being requested in a FY 2014 improvement package (Form AR4). If you are requesting an improvement to provide funding for this project, you must indicate on the improvement package the project name. If an improvement form is not submitted the amount in the improvement request/increase column will be ignored.

**FY 2015** - Enter the total amount of funding that will be required during FY 2015, regardless of whether the funds will come from current level or improvements.

**FY 2016** - Enter the total amount of funding that will be required during FY 2016, regardless of whether the funds will come from current level or improvements.

**FY 2017** - Enter the total amount of funding that will be required during FY 2017, regardless of whether the funds will come from current level or improvements.

**FY 2018** - Enter the total amount of funding that will be required during FY 2018, regardless of whether the funds will come from current level or improvements.

**General** - Include any funding provided from the State's General Revenue Fund.

**Federal** - Include all federal funding, whether appropriated or nonappropriated.

**Special** - Include any Special Revenue funding that is appropriated by the Legislature.

**Other** - Include any Special Revenue funding that is not specifically appropriated by the Legislature.

**TOTAL** - Total of the four funding types above.

**SUMMARY OF EXPENDITURES:**

**FY 2013** - List any expenditures on capital expenditure projects for which FY 2013 funds have been budgeted.

**FY 2014 through 2018** - List the proposed expenditures for each fiscal year. Should be limited to the amount that could be reasonably funded and administered in a single year.

**Renovation and Repair** - Restoration projects to the government's physical assets.

**New Construction** - Expenditures should reflect the costs for the construction of roads, bridges, new buildings or facilities (including landscaping), or for the expansion or extension of existing facilities (Include architectural fees, surveying fees, etc.)

**Building/Land Acquisition** - Expenditures should reflect the estimated cost of building purchase, acquiring right-of-way, and preparing the site for construction, including demolition.

**Equipment** - List any of the following:

- Purchase of a single item of equipment with a total cost of \$50,000 or more (e.g., a bulldozer);
- Purchase of like items of equipment with a total cost of \$50,000 or more (e.g., five [5] automobiles);
- Equipment of any value that, when combined with other categories such as Renovation and Repair, puts the total cost of the project at \$100,000 or more (e.g., \$60,000 Renovation and Repair and \$40,000 Equipment).

**Cost of Financing** - Includes, but is not limited to, bond counsel, trustee counsel, underwriter counsel, credit enhancements, taxes, accountant fees, financial advisor fees, rating agency fees, debt service reserve, and interest. Do not include payment of principal.

**TOTAL** - Total of all expenditures.

**Debt Service** - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule. Enter the actual amount of debt service payments to be made during each fiscal year.

**Start/completion date** - Indicate dates of project.

**Financed or leased?** - Mark "X" in appropriate space provided. If "yes," state the annual interest rate.

**Method of financing/leasing** - Describe the terms of the finance options or lease contract.

**Describe funding sources** - Provide detailed information regarding the source(s) of funding for this project. Describe any special revenue funds, federal grants, requests for supplemental appropriations or improvements, or any proposed bonds, debt service, or other methods of financing options that are being considered.

**Description and justification of project** - Give a concise narrative explanation of the project and what is to be accomplished. The description should include the location of the improvement, its size or dimensions, and the type of construction proposed (if any). If the exact location of the project has not been determined, please indicate the proposed site(s). If the project is an equipment purchase, describe the nature of the purchase and its related benefits. Also, indicate the need for the proposed project and the reasons for selecting the proposed time period. Please cite any compliance issues (ADA, OSHA, etc.) or legal mandates that necessitate this project.

It is encouraged to identify the anticipated nonfinancial impact of significant nonroutine capital expenditures. Examples – cleaner environment, improved response time by public safety employees, smaller class sizes in schools.

If requesting an improvement package or supplemental appropriation to fund this project, or if the proposed funding is otherwise uncertain, describe the effect on the project if a portion of the funding were not provided. (For example, if 50% of the funds for a project are from your current level request and 50% are being requested as an improvement, what will

be the status of the project if the improvement is not granted? Will the other funding still be used to execute a portion of the project? Will the project be downscaled to match the available funds? Will the project be canceled completely? If so, where will the current level funds be used?)

**IMPACT ON OPERATING BUDGET:**

**Describe how this project will affect your agency's operating budget** - Describe the nature of the increases/decreases shown in the following item (e.g., Why are additional personnel needed? What classification of personnel are needed? Why will this project cause utility costs to decrease/increase? Why will this project cause maintenance costs to decrease/increase?). Cost and/or savings must be as detailed as possible.

**Annual Impact on Operating Budget** - Provide the first fiscal year of any impact on the operating budget. Indicate any anticipated increase or decrease in operating costs resulting from this project for the fiscal years indicated. (Increases are to be shown as positive (+) numbers; decreases are to be shown as negative (-) numbers. There must be an estimated impact included.) **If no impact is anticipated, it must be indicated by entering zeros.** Costs listed should reflect estimated expenditures and/or savings for the first full year of operation. For example, construction of a water main would not increase operating costs, but may produce some savings. Construction of a new maintenance facility may increase operating costs for utilities and supplies. Future year costs should be addressed in the project description narrative. Current year estimates for operating costs are to be based on FY 2013 dollars, and any future costs described in the narrative should not be adjusted for inflation.

## **Division Summary of Capital Expenditure Projects (Form AR9)**

Each division/agency must file a Summary of Capital Expenditure Projects on this form, listing all projects for which capital expenditure information is filed. The projects must be listed in order of priority to the division. For each project, please provide estimated Start/Finish dates, the total cost of the project, and the total annual impact on the operating budget for the project.

AR9

Division Summary of Capital Expenditure Projects  
FY 2013 - FY 2018

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Department/Bureau: Administration

Division: General Services

Priority #	Project Dates		Project Name	Total Project Cost	Impact on Operating Budget					
	Start	Finish			FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
1	2005	2015	P & G Debt Service	\$1,465,561	216,560	216,560	216,560			
2	1999	2014	Huntington Debt Service	2,068,000						
3	2005	2014	Capitol Complex Sidewalks, Pavers & Steps	2,700,000						
4	2006	2015	Capitol Roof Level Parapet Wall	9,660,000						
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
Subtotal Impact on Operating Budget					216,560	216,560	0	0	0	0

## Guidelines for Program Summary / Division Program Summary (Forms AR10, AR11)

Please complete the Program Summary worksheet and the Division Program Summary worksheet using the following criteria:

- **Program** - A group of related activities performed by one or more organization units for the purpose of accomplishing a function for which the government is responsible. A unit can be a division, a section, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service.
- Please define a **program** at the **lowest** reasonable unit that fully describes the intended activities/functions. **Make sure programs identified on Forms AR10 and AR11 match the programs submitted with your narrative information. The narrative program totals must match the totals of the current level request. (If you later amend an Annual Program Cost or FTE totals on the AR10, you must also request a change in the narrative program totals.)**

AR10

## FY 2014 PROGRAM SUMMARY

Page  
Revised

Department/Bureau Administration  
Division Finance

Program Name \_\_\_\_\_ Accounting \_\_\_\_\_

Federally Mandated? (Yes/No) No State Mandated? (Yes/No) Yes  
If State Mandated, cite WV Code Chapter 5A Statutory Reference Article 2

2014		2014		2014		2014	
Fund	FY	Fund	FY	Fund	FY	Fund	FY
0203	2014	0209	2014	2014	2014	2014	2014
Appropriated General Revenue		Appropriated Federal Revenue		Appropriated Special Revenue		Appropriated Lottery Revenue	
Account Number		Account Number		Account Number		Account Number	

Expenditure Summary	FY 2012 Actual				FY 2013 Budgeted				FY 2014 Current-Level Request			
	General	Federal	Special	Total	General	Federal	Special	Total	General	Federal	Special	Total
Number of Positions	0.70			0.70	0.70			0.70	0.70			0.70
Total Personal Services	21,992			21,992	21,171			21,171	21,171			21,171
Employee Benefits	9,000			9,000	6,000			6,000	6,000			6,000
Other	378,894			378,894	232,242			232,242	305,721			305,721
Gross Total	409,886			409,886	259,413			259,413	332,892			332,892
Less Reappropriations												
Total Program	409,886			409,886	259,413			259,413	332,892			332,892
% Funding	100.00%			100%				100%	100.00%			100%

FY 2014 Current Level Request Details:

General Revenue Account		
Fund No.	Activity No.	Amount
0203	001	20,271
0203	004	900
0203	010	6,000
0203	099	12,733
0203	130	82,029
0203	064	7,067
0203	070	3,000
0203	913	70,609
0203	125	130,283
Current-Level Request	Total	332,892

Total Current-Level Request 332,892  
Requested Improvement(s) \_\_\_\_\_  
Priority Number(s) \_\_\_\_\_  
Total Requested Program Cost for FY 2014 332,892

## Program Summary (Form AR10)

This form is to be used to provide financial details about one program. List each program on a separate form.

**Program Name** - Enter the name of the program. (Identify any Acronyms.)

**Mandated** - Indicate whether the program is mandated by the federal and/or state government, and provide the code citation if State-mandated.

**Expenditure Summary** - Program Expenditures (includes total dollars for delivery and administration/support of the program, unless it is an administration support separate program).

- Listed by major category of expenditures (Number of Positions, Total Personal Services (includes Annual Increment), Employee Benefits, Other).
  - Listed by fiscal year and revenue source.
- FY 2012 Actuals by fund - These columns detail actual spending of **all funds** (General, Appropriated Federal, Special, and Lottery, and Other Federal and Special) for this program. These amounts shall agree with the Auditor's Monthly Line Item (object code) Report, WVR4020.
- FY 2013 Budgeted by fund - The amount budgeted as shown on the approved expenditure schedule at the time of preparation of this request for this program. Appropriated Regular and Excess Lottery should be reported separate from Appropriated Special on this form. Include reappropriated funds. Do not include supplemental requests.
- FY 2014 Current Level Request by fund - The amount requested as shown on AR2 and AR2A. Do not include anticipated reappropriated funds or improvement requests to FY 2014. Please note that this is the Annual Program Cost should match in the narrative (see pages 44 - 45).
- % Funding - This will automatically calculate the breakdown of funding source by program.
- FY 2014 Current Level Request Details - The amount requested at the current level should be detailed by fund number, activity, and amount. The totals for each fund type should match column totals in the previous instructions.
- Requested improvements - Add any improvements requested that are specifically for this program.
- Total Requested Program Costs for FY 2014 - Total of the program cost if current level and requested improvements are approved.





## **Division Program Summary (Form AR11)**

**Programs** - List programs from Form AR10. Enter **gross totals** for FY 2012 Actuals, FY 2013 Budgeted, and FY 2014 Current-Level Request. A separate program summary, Form AR10, must be completed for each program listed on the Division Program Summary, Form AR11. Enter total reappropriations and the net total program cost for all programs.

**Expenditure Summary** - Consolidate all programs by major category of expenditures (Number of Positions, Total Personal Services, Employee Benefits, Other).

On AR11, total programs should balance under the Programs Names section and the Expenditure Summary section. Totals for the FY 2013 Budgeted and FY 2014 Current Level Request should match the totals of all AR2/AR2As for the division.

**NOTE:** Only one AR11 should be submitted per organization.

## Narrative Instructions

### Purpose

The purpose of the budget narratives is to provide brief but accurate descriptions of state government agencies. In general, the narrative explains an agency's mission and shows (through operations, goals, objectives, and performance measures) how that mission is to be and is being accomplished.

### Organization

The narratives organize state agencies into these levels:

- The highest level is the *Constitutional Officer/Department/Bureau*: established by state law.
- The next level down is *Division* (also referred to as an agency or organization).
- The lowest level, *Program*, must match the programs on an agency's FY 2014 Appropriation Request forms AR10 and AR11.

Please review the section levels on the "Checklist of Requested Information" page to determine what information should be submitted for each agency.

### Address of Main Web Page

Include the agency's website home URL (address). If there is no web page for an agency, then indicate "None" instead of a URL.

### Preparation

- Always begin with the narrative file as emailed to your agency – it contains the final version of the changes made last year, including those made during the proofing process. If your agency is unable to read the file, call 304-558-5890.
- Changes to an agency's organizational chart (if applicable) may be written directly on the printed copy.
- **The program FTEs and Annual Program Costs included in your narrative should match those listed on the AR10 and AR11 forms for FY 2014.**

### Narrative Formatting Guidelines

- Do not add any visual graphics (such as bullet points or check marks) to the narrative.
- Use a single space (not two) between sentences.
- Do not use manual page breaks ("Control" + "Enter"). Let your narrative flow across pages.
- **Each acronym in the narrative must be spelled out in the text (the first time it is used) and included in a separate alphabetical list submitted with the appropriation request.**
- Use tabbed columns for the multicolumn, statistical performance measures. (The columns are not required to line up.)
- Use a single tab between each column. **(Do not use the spacebar or tab key to align.)**
- If a multicolumn performance measure uses statistics with decimal points, use the same number of decimal places across that row.

### Submitting the Narrative

Send a word processing file on or before September 4, 2012, and submit one printed copy of your budget narrative, acronym list, and org chart (if applicable) with the Appropriation Request forms. The narratives will be formatted, edited, and returned to the agencies for proofing before the *FY 2014 Executive Budget* is produced.

If you have any questions regarding the narrative, please call 304-558-5890 or send an e-mail to [State.Budget.Office@wv.gov](mailto:State.Budget.Office@wv.gov).

## Checklist of Requested Information

CONSTITUTIONAL OFFICE, DEPARTMENT and BUREAU narratives shall include the following (plus a complete, alphabetical acronym list):

### With Divisions

- ☐ Website Home URL
- ☐ Organizational Chart
- ☐ Mission Statement
- ☐ Goals/Objectives

### Without Separate Divisions

- ☐ Website Home URL
- ☐ Organizational Chart
- ☐ Mission Statement
- ☐ Operations
- ☐ Goals/Objectives/Performance Measures
- ☐ Programs (if applicable)

Brief description

Estimated FTEs

Estimated program costs

Revenue Sources

DIVISION narratives shall include the following (plus a complete, alphabetical acronym list):

- ☐ Website Home URL (if applicable)
- ☐ Mission Statement
- ☐ Operations
- ☐ Goals/Objectives/Performance Measures
- ☐ Programs (if applicable)

Brief description

Estimated FTEs

Estimated program costs

Revenue Sources

## Narrative Instructions for Constitutional Offices/Departments/Bureaus

Our **ORGANIZATIONAL CHARTS** are programmatic charts, not staff charts. The charts may range from the simple to complex and may delineate relationships between agencies and/or other groups such as commissions or boards.

**MISSION STATEMENT** - The mission statement should explain why your agency exists and what it foresees for the future. It should respond to the following questions:

- What unique product or service do you provide?
- Who is your intended primary client or target group?
- Why is your product or service of benefit?

**Example:**

*The Department of Transportation (DOT) provides the transportation-related services and infrastructure necessary to enhance the safe, efficient, and environmentally sound movement of people and goods across a growing and economically progressive West Virginia.*

**OPERATIONS (include only if there are no separate divisions)** – (For explanation and examples, see *Operations* under “Narrative Instructions for Divisions.”)

### GOALS/OBJECTIVES

For departments and bureaus, the goals and objectives should relate back to those of the Governor’s Office.

- **Goals** are established by the agency. They are general, issue-oriented statements that declare what an agency intends to accomplish to fulfill its mission.
- **Objectives** are detailed, quantifiable, time-specific statements of activities related to achieving the goals. They are targets for specific agency or program actions.

When there are no separate divisions, the agency needs to have quantifiable objectives.

When there are separate divisions for constitutional offices/departments/bureaus, objectives tend to be less quantifiable. In those cases, the divisions have the specific objectives that should relate back to the goals/objectives of the higher level.

Divisions must be placed in alphabetical order (although an administrative/executive division may be placed first).

**Example of a Goal with a specific Objective:**

*Continue to enhance revenue collection through improved compliance efforts made possible by the Tax Division’s integrated tax system.*

*Collect \$185 million from delinquent taxpayers in 2012.*

**PERFORMANCE MEASURES (only if there are no separate divisions)** – (For explanation and examples, see *Performance Measures* under “Narrative Instructions for Divisions.”)

**PROGRAMS (may be listed if there are no separate divisions)** – (For explanation and examples, see *Programs* under “Narrative Instructions for Divisions.”)

## Narrative Instructions for Divisions

**MISSION STATEMENT** - The mission statement should explain why your division exists and what it foresees for the future. It should respond to the following questions:

- What unique product or service do you provide?
- Who is your intended primary client or target group?
- Why is your product or service of benefit?

**Example:**

*The mission of the West Virginia Economic Development Authority is to provide financial assistance and credit enhancement enabling a favorable environment for job creation and retention for business in West Virginia.*

**OPERATIONS** – The Operations section details the activities and/or functions of the division that are relatively unique to the division. (Do not list items such as payroll, purchasing, inventory, administrative support, personnel issues, prepare reports, etc., since most divisions do these things).

**Example:**

***Operations***

*Provides administrative support and supervision for ten regional jails.*

*Supervises recruitment, selection, and training of regional jail staff.*

*Provides security at regional jails.*

*Conducts inmate job fairs at various locations around the state of West Virginia.*

### **GOALS/OBJECTIVES/PERFORMANCE MEASURES -**

**GOALS** are established by the agency. They are general, issue-oriented statements that declare what an agency intends to accomplish to fulfill its mission.

**OBJECTIVES** are detailed, quantifiable, time-specific statements of activities related to achieving the goals. They are targets for specific agency or program actions.

Consider presenting a variety of short-term, medium-term, and long-term objectives.

Agencies usually have more objectives than are measured. The overall selection of goals and objectives should accurately reflect the activities of the agency.

**Example:**

***Meet federal benchmarks to receive maximum federal incentive funding.***

*Maintain an efficiency rate above the 75% federal standard for the collection and distribution of child support.*

*Establish paternity for at least 90% of the children in the bureau's child support cases.*

*Collect current support in at least 70% of child support cases in the month in which it was due.*

PERFORMANCE MEASURES - *Performance measures* are a tool used by all levels of management, as well as the public, to determine whether a program is accomplishing its mission efficiently and effectively.

- Reflect the division's extent of achievement
- Describe what you do directly for your customers
- Likely to be viewed by the public as a benefit

**Performance measures should be efficiency or effectiveness type.**

- EFFICIENCY - Reflects the relationship between work performed and the resources required to perform them
- EFFECTIVENESS - Depicts the degree to which performance objectives are achieved or reflects the quality of performance

<b>Examples of Efficiency or Effectiveness Measures:</b>						
<i><b>Fiscal Year</b></i>	<i><b>Actual 2010</b></i>	<i><b>Actual 2011</b></i>	<i><b>Estimated 2012</b></i>	<i><b>Actual 2012</b></i>	<i><b>Estimated 2013</b></i>	<i><b>Estimated 2014</b></i>
<i>Inspections conducted per man hour</i>	#	#	#	#	#	#
<i>Jobs retained or created each year</i>	#	#	#	#	#	#
<i>Grant payments processed within three days of receipt</i>	%	%	%	%	%	%
<i>Facilities inspected for compliance at least once per year</i>	%	%	%	%	%	%

**Performance measures should NOT be workload measures.**

WORKLOAD measures indicate the amount of work performed or services received.

- These describe the necessary work done daily to deliver the program.
- They reflect more of the quantity of work performed rather than the extent of achievement of the program's objectives.
- They are not likely to be viewed by the public as a benefit.

Many examples of workload measures include simply counting things (e.g., registrations, licenses, phone calls, letters sent, complaints processed, hearings held, vehicles weighed, tests conducted, persons trained).

As an example, if a performance measure lists only how many people were trained, it's a workload measure because there's no correlation to anything meaningful (it doesn't inform the reader whether or not more people should have been trained or how successful the effort was).

However, if a division's objectives include specific training for a specific quantity of people during a specific time period, then measuring the percentage of those trained would be a measure of effectiveness rather than workload. (Such an objective should be directly related to the division's mission.) An even better measure would be if the training resulted in fewer errors being made or in the same amount of work being done in less time.

<b>Examples of Workload Measures (please try not to submit workload measures):</b>						
<i><b>Fiscal Year</b></i>	<i><b>Actual 2010</b></i>	<i><b>Actual 2011</b></i>	<i><b>Estimated 2012</b></i>	<i><b>Actual 2012</b></i>	<i><b>Estimated 2013</b></i>	<i><b>Estimated 2014</b></i>
Safety inspections conducted	#	#	#	#	#	#
Press releases issued	#	#	#	#	#	#
Training courses held	#	#	#	#	#	#
Employment interviews held	#	#	#	#	#	#
Loan applications processed	#	#	#	#	#	#

There are four steps to meaningful measures:

**Step 1:** Define the mission.

**Step 2:** Determine the goals and/or specific objectives.

**Step 3:** Identify performance results of the specific objectives. (Performance results can be classified into three types: effectiveness, efficiency, and workload.)

**Step 4:** Develop performance measures.

- Performance measures should be directly linked to an agency's objectives.
- Choose measures that can be used for planning, to quantify the performance of the agency, as well as to monitor and evaluate the degree of success in achieving results developed in Step 3.
- Performance measures should be reported in State fiscal years (there are a few exceptions).
- Performance measures should be based on current-level funding.

Most divisions should have three to five good performance measures. Large agencies or those with numerous programs may have more).

Although agencies are not obligated to use the same performance measures as the previous year, since goals and objectives (and performance measures) often change and improve, agencies should have some long-term objectives.

The focus for the FY 2014 performance measures is to show:

- The trend of your division's actual performance for the three most recent fiscal years (FY 2010 through FY 2012)
- The FY 2012 estimate of your division's performance (identical to what was in last year's final narrative for the FY 2012 estimate – if the measure is the same)
- The performance level objectives the division is trying to achieve in FY 2013 and FY 2014 (based on current-level funding).

FY 2013 Estimates are NOT required to match what was in last year's narrative. They are targets and are subject to change.

**This year, instead of a separate section for performance measures, the individual measure will immediately follow its corresponding objective. That section will be titled "Goals/Objectives/Performance Measures."**

**Examples of Performance Measures (with the corresponding Goals/Objectives):**

(Statistics are only for the purpose of demonstration.)

**Performance Measures**

*Maintain a minimum of 99% financial accuracy of claims paid (in dollars) each year.*

<i>Fiscal Year</i>	<i>Actual 2010</i>	<i>Actual 2011</i>	<i>Estimated 2012</i>	<i>Actual 2012</i>	<i>Estimated 2013</i>	<i>Estimated 2014</i>
<i>Financial accuracy (dollars) of claims paid</i>	99.0%	99.4%	99.0%	99.0%	99.0%	99.0%



SMART529® will have five percent growth in accounts per year and ten percent growth in fund value.

<i>Fiscal Year</i>	<i>Actual 2010</i>	<i>Actual 2011</i>	<i>Estimated 2012</i>	<i>Actual 2012</i>	<i>Estimated 2013</i>	<i>Estimated 2014</i>
<i>Percent of change in accounts</i>	<i>N/A</i>	<i>6%</i>	<i>N/A</i>	<i>6%</i>	<i>5%</i>	<i>5%</i>
<i>SMART529® accounts</i>	<i>100,240</i>	<i>106,170</i>	<i>N/A</i>	<i>112,996</i>	<i>118,645</i>	<i>124,578</i>
<i>Percent of change in fund value</i>	<i>N/A</i>	<i>22%</i>	<i>N/A</i>	<i>31%</i>	<i>10%</i>	<i>10%</i>
<i>Change in fund value (millions of dollars)</i>	<i>\$978</i>	<i>\$1,194</i>	<i>N/A</i>	<i>\$1,572</i>	<i>\$1,729</i>	<i>\$1,902</i>

Inspect all coal mines and mining facilities as set forth in the West Virginia Code.

<i>Calendar Year</i>	<i>Actual 2010</i>	<i>Estimated 2011</i>	<i>Actual 2011</i>	<i>Estimated 2012</i>	<i>Estimated 2013</i>	<i>Estimated 2014</i>
<i>Conducted required inspections of mines and facilities</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>

Maintain initial claims mean processing times at or below the Social Security Administration's established goals for the fiscal year.

<i>*Federal Fiscal Year</i>	<i>Actual 2010</i>	<i>Estimated 2011</i>	<i>Actual 2011</i>	<i>Estimated 2012</i>	<i>Estimated 2013</i>	<i>Estimated 2014</i>
<i>Claims processing time objectives met</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>

\*For the few agencies with (preapproved) performance measures expressed in calendar or federal fiscal years, these are the column header examples for the FY 2014 document.

**PROGRAMS** - A *Program* is a group of related activities performed by one or more organizational units to accomplish a function for which the government is responsible. (A unit can be a division, section or workgroup.)

- An agency determines the *Programs*.
- Programs and financial details match the AR10s and AR11 (see beginning of this section).
- For each program, you must include the following:
  - A. A brief description of the program (one or two sentences).
  - B. Estimated FTEs associated with the program as reported on AR10 .
  - C. Estimated program cost as reported on AR10 at current level request.
    1. Program cost should include the total dollars for delivery and administration/support of the program (unless the administration/support function is a separate program.) Do not include improvements above the current level requested.
    2. Program totals must match the totals of the current level request.
  - D. Revenue Sources as reported on AR10. Use whole percentage (no decimals) and make sure it totals to 100%. These should be listed in the following order for each program.

1. General Revenue (G)
2. Federal Revenue (F)
3. Special (S)
4. State Road (R)
5. Appropriated Lottery (L)
6. Other (O)

Do not list revenue source if the program does not use that type of funds:

**For Example:**

*Revenue Sources:*      20% - G, 50% - S, 30% - O  
*Revenue Sources:*      60% - F, 40% - R

The *Programs* must be in alphabetical order (except for an administrative/executive program), but may be grouped by sections (sections also must be in alphabetical order).

**Example:**

***Help America Vote Act***

*The Help America Vote Act unit implements the provisions of the Federal Help America Vote Act, and administers the County Voting Assistance Loan Program.*

*FTEs: 2.00      Annual Program Cost: \$1,417,451*

*Revenue Sources: 100% - F*

Any performance measures for individual programs will be on the division level.

## Glossary

This section identifies and defines certain key concepts and terms commonly used in the West Virginia Appropriation Request Process:

**ACTIVITY:** Activity refers to the individual item of appropriation as listed in the Budget Act.

**ANNUAL INCREMENT:** Every eligible employee with a total of three (3) or more years of service shall receive an annual salary increment equal to \$60 times the employee's years of service.

**APPROPRIATED FEDERAL FUNDS:** Those federal funds listed in the Budget Act as Federal Funds in accordance with Chapter 4, Article II, of the Code of West Virginia. Appropriated Federal Funds are appropriated in Title II, Section 6, of the Budget Act. These funds shall be shown under the column heading "Federal."

**APPROPRIATED SPECIAL REVENUE FUNDS:** Specific revenue sources that by legislative enactments are not required to be accounted for as General Revenue. Appropriated Special Revenue Funds are appropriated in Title II, Sections 2 and 3, of the Budget Act. These funds shall be shown under the column heading "Special."

**AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA):** Federal funding bill passed February 2009 as an economic stimulus package. The money set aside by this program will go towards projects such as improving education, building roads, public transportation, criminal justice, health care, and many other areas. The government is hoping that this package will create jobs and provide many other economic benefits.

**BASE BUDGET:** The funds provided for the current fiscal year (less one-time or surplus appropriations) to a department/division to establish a starting point for the current-level in the appropriation request process for the next fiscal year.

**BUDGET ACT/BUDGET BILL:** The legislation that appropriates the expenditures required to operate state government for each fiscal year.

**BUREAU:** The bureaus for the executive branch of State government which are established by Chapter 5F of the West Virginia Code.

**CAPITAL EXPENDITURE PROJECT:** Any major construction, acquisition, or renovation activity that adds value to a government's physical assets or significantly increases the useful life.

**COST OF FINANCING:** Includes but is not limited to bond counsel, trustee counsel, underwriter counsel, credit enhancements, taxes, accountant fees, financial advisor fees, rating agency fees, debt service reserve, and interest. Does not include payment of principal.

**CURRENT LEVEL:** The Current Level for FY 2014 is defined as the same funding level for Appropriated Special and Federal appropriated accounts and 92.5% for General and Regular Lottery as in FY 2013, less exempted funds/activities and "one-time" appropriations or surplus appropriations.

**DEBT SERVICE:** The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

**DEPARTMENT:** The departments for the executive branch of State government that are established by Chapter 5F of the West Virginia Code.

**DIVISION:** Each primary entity in the State Appropriation Request Process that is appropriated in the West Virginia Budget Act is recognized as a division. May also be referred to as an agency.

**EXCESS LOTTERY:** Those appropriations in Title II, Section 5, of the Budget Act. These funds shall be shown under the column heading “Special.”

**FEDERAL BLOCK GRANTS:** Those federal funds listed in the Budget Act for designated accounts, whose funds are appropriated from Federal Block Grants in accordance with Chapter 4, Article II, of the Code of West Virginia. Appropriated Federal Block Grants are appropriated in Title II, Section 7, of the Budget Act. These funds shall be shown under the column heading “Federal.”

**FEDERAL CATALOG NUMBER:** This refers to the “Program Number” listed in the U.S. Government’s *Catalog of Federal Domestic Assistance* for the federal program from which funding is being received.

**FEDERAL ECONOMIC STIMULUS:** See American Recovery and Reinvestment Act of 2009.

**FEDERAL FUNDS:** Federal funds consist of any financial assistance made to any State department/bureau/division by the United States government, whether a loan, grant, subsidy, augmentation, reimbursement, or any other form of such assistance. For budget purposes, only the direct recipient of federal funds will include them as “Federal.” Agencies that receive federal funds from other state agencies will report them as “Special” or “Other” funds.

**FEDERAL MATCH:** Federal funds received on a formula basis as a supplement to state funds that are being expended. For example, in a 80/20 federal match program, if the State expends \$20,000 of its own funds on a project, it will receive a \$80,000 match from the federal government to further fund the project.

**FISCAL YEAR (FY):** The State of West Virginia’s fiscal year runs from July 1 to June 30.

**FULL-TIME EQUIVALENT POSITION (FTE):** A position with a full-time equivalent equal to 1.00 would indicate that the employee works the full work schedule established by the appointing agency, usually 2,080 hours per year. Any employee who works less than full-time would have an FTE of less than 1.00 which would be based on the number of hours worked per year in relation to the total hours required for full-time. Example: A person who works for an agency 20 hours a week, 1,040 a year, would have an FTE of 0.50.

**GENERAL REVENUE FUND:** Shall mean the general operating fund of the State and includes all money received or collected by the State except as provided in Chapter 12, Article II, Section 2, of the Code of West Virginia or as otherwise provided. General Revenue Funds are appropriated in Title II, Section 1, of the Budget Act. These funds shall be shown under the column heading “General.”

**GOALS:** Goals are established by the agency. They are issue-oriented statements that declare what an agency intends to do to accomplish its mission.

**IMPROVEMENT ABOVE CURRENT LEVEL:** To request funds to enhance the level of services provided by a division above that provided by the FY 2013 Current Level. Funds for new programs shall be requested through Improvement Levels. All Improvement Levels shall be ranked according to the priorities of the division.

**LAND ACQUISITION:** Includes the cost of acquiring right-of-way and preparing the site for construction, including demolition.

**LOTTERY NET PROFITS:** Those appropriations in Title II, Section 4, of the Budget Act. These funds shall be shown under the column heading “Special.” Also commonly referred to as Regular Lottery.

**MAINTENANCE OF EFFORT:** A requirement stating that a grantee (the State) must maintain a specified level of financial effort in a specific area in order to receive federal funds, and that the federal funds may be used only to supplement, not supplant, the level of grantee funds.

**MISSION STATEMENT:** The mission statement is developed in accordance with strategic planning principles. It gives the reason for the agency’s existence. The mission statement should respond to what is unique about the product/service, who is the intended primary client or target group, and why is the product/service of benefit.

**NARRATIVES:** The portions of the *Executive Budget* that provide a brief description of all state government agencies, organizing them into three levels: constitution officer, department, or bureau; division; and program. Narratives include missions, operations, goals/objectives, and performance measures.

**NEW CONSTRUCTION:** Includes costs for construction of roads, bridges, new buildings or facilities (including landscaping), or for the expansion or extension of existing facilities.

**OBJECT CODE:** Object Codes refer to the detail level of expenditure that make up the items representing the total activity dollars (formerly called “Line Items”).

**OBJECTIVES:** Detailed, quantifiable, time-specific statements of activities related to achieving the goals. Objectives are targets for specific agency or program actions.

**ONETIME APPROPRIATION:** Funds appropriated by the Legislature for a specific purpose not to be funded on a continuing basis.

**OPERATIONS:** Details the activities and/or functions of the division. May also include the subdivision or units within a division and the respective activities.

**OTHER FEDERAL FUNDS:** Those federal funds not specifically listed in the Budget Act but appropriated by Title II, Sections 10 and 12, of the Budget Act. These funds shall be shown under the column heading “Federal.”

**OTHER POSTEMPLOYMENT BENEFITS:** Fringe benefits (other than pension benefits) that are provided to retired and former employees.

**OTHER SPECIAL REVENUE ACCOUNTS:** Those funds made available to the spending agency through collections for specific accounts through fees, assessments, etc. These other funds are not specifically listed in the Budget Act, but are appropriated by Title II, Section 10, of the Budget Act. These funds shall be shown under the column heading “Other.”

**PERFORMANCE MEASURES:** Performance measures are a tool used by all levels of management, as well as the public, to determine whether a program is accomplishing its mission efficiently and effectively.

**PROGRAM:** A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible. A unit can be a division, a section, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service.

**REAPPROPRIATED FUNDS:** Those funds remaining at the end of the fiscal year that the Legislature, through specific language in the Budget Act, has authorized to be made available for expenditure in the next fiscal year.

**RENOVATION AND REPAIR:** Restoration projects to the government’s physical assets.

**SPENDING UNIT:** The department, bureau, division, office, board, commission, agency, or institution to which an appropriation is made.

**STATE FUNDS:** Nonfederal dollars.

**SURPLUS:** Surplus general revenue, lottery net profits, and excess lottery revenue funds accrued from fiscal year ending June 30, 2012, and available for appropriation and expenditure during FY 2013.

## Acronyms

ADA	Americans with Disabilities Act of 1990
AR	Appropriation Request
ARRA	American Recovery and Reinvestment Act of 2009
BRIM	Board of Risk and Insurance Management
CD	Compact disk
DHHR	Department of Health and Human Resources
DOH	Division of Highways
EPSCoR	Experimental Program to Stimulate Competitive Research
ES	Expenditure Schedule
FARS	Financial Accounting and Reporting Section
FFY	Federal Fiscal Year
FMAP	Federal Medical Assistance Percentage
FTE	Full-time Equivalent
FY	Fiscal Year (State Fiscal Year)
GAAP	Generally Accepted Accounting Principles
GED	General Equivalency Diploma
HMVMT	Hundred Million Vehicle Miles Traveled
LATA	Local Access Transport Area
MOE	Maintenance of Effort
OCHS	Office of Community Health Systems
OEHP	Office of Epidemiology and Health Promotion
OPEB	Other Postemployment Benefits
ORG	Organization
OSHA	Occupational Safety and Health Administration (federal)
PEIA	Public Employees Insurance Agency
PERS	Public Employees Retirement System
TIAA-CREF	Teachers Insurance and Annuity Association - College Retirement Equities Fund
URL	Universal Resource Locator (Internet address)
USDA	United States Department of Agriculture
WV	West Virginia
WVFIMS	West Virginia Financial Information Management System
WVU	West Virginia University



**For Immediate Release  
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## **STATE AGENCIES BEGIN PREPARATIONS FOR THE 2014 BUDGET**

CHARLESTON, W.Va.- The State of West Virginia today began budget preparations for the 2014 fiscal year. Secretary of Revenue Charles Lorensen sent out budget documents instructing agencies for budget proposals, targeting an overall reduction in expenditures of approximately 2 percent for 2014.

"At a time when other states have faced huge deficits, are being forced to cut critical services, and making significant budget reductions, West Virginia's fiscal health remains strong. We continue to operate with a budget surplus, and we are addressing our long-term debt," said Gov. Tomblin. "However, we must vigilantly prepare for the future. My administration will continue to make fiscal responsibility a top priority. For 2014, we must simply do more with less in certain of our agencies. We will be up to that challenge."

To prepare for anticipated increases in Medicaid expenditures, declining severance revenues and lottery revenues, certain state agencies have been asked to tighten their budgets by 7.5 percent in an effort to ensure our state remains on a path of fiscal responsibility, leading to an overall reduction of approximately 2 percent in expenditures. Importantly, the governor specified that spending on the school aide formula, correctional programs, and certain health-related services are not to be subject to the proposed reduction.