



12th Annual
Facilities/Operations
Director Conference

Budget



October 5, 2010
Crystal Mountain Resort

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Business Office Certification

- Budgeting for Maintenance & Operations
- Teach Class for Business Officials
- Basic Understanding

Budgeting for Facilities?

- Why Do We Have a Budget?
- Who Do We Include in the Process?
- What Do We Include in the Budget?
- How Do We Do It?

Why Do We Have a Budget?

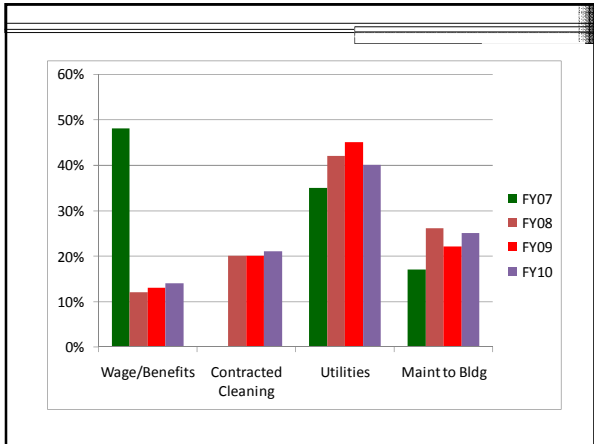
- Management Decision Process
- Legal Requirements
- Board Policies
- Business Office Practices

Management Decision Process

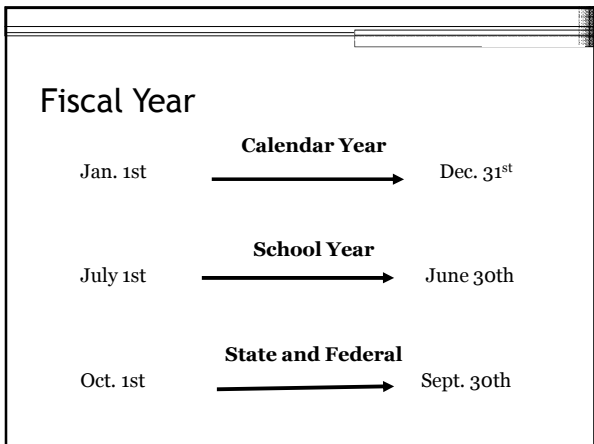
- How Much Money Do You Have?
- Where/How Are We Spending It?
- Who Decides What We Spend It On?
- Long Term Planning
- Bond Issues

How Much \$\$ Do You Have?

- 2007-08 School Year - \$3,111,364
- 2008-09 School Year - \$3,242,968
- 2009-10 School Year - \$2,689,449
- 2010-11 School Year - \$2,623,614



- ### Legal Requirements
- Budget Hearing / Updates
 - Fiscal Year
 - Budget Hearing
 - Update the Budget
 - Reporting
 - Monthly Reports to Board
 - FID to MDE (Form B)
 - Annual Audit to Board



Board Policies and Business Office Practices

- When Are Your Bills Paid?

- How Much Can You Purchase with-**OUT** Board Approval?

- How is Your Budget Approved by the Board?

- State Guideline for 2010-11
 - \$21,308 – Construction, Renovations, Repairs
 - \$21,308 – Supplies, Materials, Equipment

Who Do You Include in the Process?

- Central Office

- Principals/Directors

- Custodial-Maintenance Staff

- Vendors

Who Should Pay for This?

- Athletic Field Marking Paint

- Old Scoreboard is not Working

- Repairs to Kitchen Equipment

- Sanitizer in the Classroom

How Do We Do It?

- **Account Number – Bulletin 1022**
 - 11-X-222-3333-4444-5555-66666-7777
 - Mandatory State Guideline
 - Uniform Classification and Recording of Transactions
 - Used by Local and Intermediate Districts
- **Finance System Reports**

Accounting

- **Type of Funds**
 - **General** – Related to the operations of the school district
 - **Debt Retirement** – Payment of Interest, principal and other expenses on long-term bonded debt of the school district
 - **Capital Projects** – Receipt and disbursement of monies used for the acquisition of capital assets, including equipment (Bond and Sinking Funds)

Accounting

- **Type of Funds**
 - **School Service** – To account for activities such as food service, athletics and bookstore
 - **Trust and Agency** – For assets under the administrative control of the district in a trustee or custodial capacity

Account Number-Coding

▪ **260 – Operation and Maintenance of Plant**

Consists of those activities concerned with keeping the physical plant open, comfortable and safe for use, and keeping the grounds, buildings and equipment in an effective working condition and state of repair

Account Number-Coding

▪ **Third Dimension**–(Four Positions)

▪ **Object/Activity– First Position**

- 1 – Salaries
- 2 – Employees Benefits
- 3 & 4 – Purchased Services
- 5 – Supplies and Materials
- 6 – Capital Outlay
- 7 – Other Expenses
- 8 – Other Transactions

Account Number-Coding

▪ **1640 - Custodian**

An assignment to a staff member to perform school plant housekeeping, servicing and security services consisting of such activities as cleaning, operating, heating, ventilation and air conditioning systems; guarding and caring for school property; and servicing building equipment

Account Number-Coding

- **Payroll Related Costs**
 - Retirement Rate – 16.94%
 - October 1 – September 30
 - Social Security/Medicare Rate – 7.65%
 - Workers Compensation
 - Unemployment

Account Number-Coding

- **Fringe Benefits**
 - 2110 Life Insurance
 - 2120 Long Term Disability
 - 2130 Health
 - 2140 Dental
 - 2150 Vision

Account Number-Coding

- **Other Benefits**
 - 2310 Tuition
 - 2920 Cash in Lieu of Health Insurance
 - 2990 Uniform Allowance

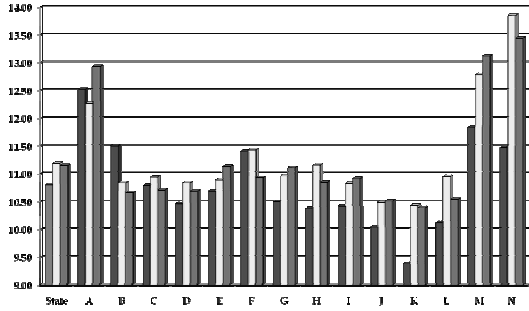
2007-2008
BULLETIN 1011
 Analysis of Michigan Public School
 Districts
 Revenues and Expenditures

Bulletin 1011

- Go to: www.michigan.gov/mde
- Left Side Tabs: Programs & Offices
- Left Side Tabs: State Aid & School Finance
- Middle Part of Page: Publications

Membership Group Code	Classification of School District	Number of Districts	Pupil Membership	General Fund Per	Per Pupil Total
				Pupil Revenues and Incoming Transfers	Expenditures and Outgoing Transfers
A	50,000 and over	1	117,568	\$10,865	\$11,984
B	20,000 to 49,999	3	51,326	\$8,647	\$8,930
C	10,000 to 19,999	20	282,070	\$9,365	\$9,874
D	5,000 to 9,999	53	361,477	\$8,805	\$9,306
E	4,500 to 4,999	8	38,079	\$8,042	\$8,573
F	4,000 to 4,499	14	59,327	\$8,411	\$8,933
G	3,500 to 3,499	18	67,616	\$8,293	\$8,586
H	3,000 to 3,499	35	134,136	\$8,053	\$8,422
I	2,500 to 2,999	37	101,684	\$8,180	\$8,438
J	2,000 to 2,499	40	90,374	\$8,247	\$8,486
K	1,500 to 1,499	66	116,995	\$8,038	\$8,211
L	1,000 to 1,499	107	133,382	\$8,280	\$8,480
M	500 to 999	143	103,681	\$8,695	\$8,734
N	Below 500	226	55,722	\$9,313	\$9,053
State Totals		773	1,693,436	\$8,783	\$9,177

**FY05-FY06-FY07
Operation & Maintenance**



Using Benchmarks

- Areas to Benchmark
 - Staffing Decisions
 - Outsourcing Decisions
 - Product or Utility Usage
- Areas for Improvement
- Comparing Apples to Apples

Benchmarking - Getting Started

- Data Collection
 - Work Order Systems
 - Track – Completed vs Backlog
 - Reports
 - Preventive/Corrective/Status
- Computerized Maintenance Management Software
- Utility Tracker Software

FLOOR CARE TASKS - CARPET	NUMBER OF SQ.FT. / 000	TIME IN MIN.	TOTAL MINUTES	TOTAL HOURS
Vacuum 14" machine		11.00	0.00	0.00
Vacuum 18" machine		9.00	0.00	0.00
Vacuum 28" machine		3.00	0.00	0.00
Bonnet clean 17" machine		36.00	0.00	0.00
Bonnet clean 20" machine		30.00	0.00	0.00
Dry foam 18" machine		50.00	0.00	0.00
Extraction w drag tool		150.00	0.00	0.00
Extraction w brush tool		100.00	0.00	0.00
Extraction self contained unit		60.00	0.00	0.00
Extraction 20" automatic		16.00	0.00	0.00

PRIVATIZE CLEANING SERVICES			
Estimated Savings			
One Building - 3 staff	\$	85,000	
EVERY OTHER DAY CLEANING			
Clean ALL Restrooms - DAILY			
Remove ALL Trash - DAILY			
Clean ALL Hallways/Public Areas - DAILY			
Classrooms - EVERY OTHER DAY			
Reduce Staff by Approximately 20-30%			
20%	\$	310,430	6 Staff
25%	\$	388,037	7 Staff
30%	\$	465,645	8 Staff

July			
August		1	
September	1	2	1
October	2	3	2
November	3	4	3
December	4	5	4
January	5	6	5
February	6	7	6
March	7	8	7
April	8	9	8
May	9	10	9
June	10		10

12 Month Positions	
# of Custodians	26
Annual Hours per Person	2,080
Total Annual Hours	54,080
10 Month Positions	
# of Custodians	26
Annual Hours per Person	1,920
Total Annual Hours	49,920
	4,160
	\$ 18.00
	\$ 74,880.00

Building Name:	Davisburg Elementary	Acct #:	11.1261.1640...877
	Hourly Rate	Hrs /Day	Days / Year
Todd Dome	\$ 17.62	8.00	260
Kim Rhode	\$ 16.79	8.00	260
Brenda Hughes	\$ 16.79	8.00	260
Building Total			\$ 106,496.00
Building Name:	Holly Elementary	Acct #:	11.1261.1640...1699
	Hourly Rate	Hrs /Day	Days / Year
Earl Austin	\$ 17.62	8.00	260
Mike Eckles	\$ 16.79	8.00	260
Jim Morgan	\$ 16.79	8.00	260
Building Total			\$ 106,496.00
Building Name:	Patterson Elementary	Acct #:	11.1261.1640...2976
	Hourly Rate	Hrs /Day	Days / Year
George Love	\$ 17.62	8.00	260
Lisa Wick	\$ 16.79	8.00	260
Jerry Brooks	\$ 16.79	8.00	260
Building Total			\$ 106,496.00

Account Number	Account Name	Account Total
1171	Salary - Director	\$ 65,000
1172	Salary - Custodial Supervision	\$ 38,000
1550	Salary - General Maintenance	\$ 110,858
1620	Salary - Secretary	\$ 13,500
1640	Salary - Custodian	\$ 946,520
1641	Salary - Summer Temp	\$ 9,000
1770	Benefits - TSA in Lieu	\$ 3,000
1860	Salary - Temp Custodian	\$ 10,000
1960	Salary - Overtime Custodian	\$ 25,000
2110	Benefits - Life Insurance	\$ 1,512
2120	Benefits - LTD	\$ 3,387
2130	Benefits - Health Insurance	\$ 407,454
2140	Benefits - Dental	\$ 27,300
2820	Benefits - Retirement	\$ 130,041
2830	Benefits - FICA	\$ 82,040
2840	Benefits - Workers Comp	\$ 42,887
2850	Benefit - Unemployment/MESC	\$ 8,500
3200	Travel & Expense	\$ 2,145
3410	Utility - Telephone	\$ 84,000
3830	Utility - Water - Sewer	\$ 49,500
3840	Utility - Waste Disposal	\$ 49,000
4100	Repair & Maintenance Services	\$ 36,333
4110	Maintenance to Building	\$ 126,500
4111	Building Maintenance - Principals	\$ 10,500
4120	Maintenance to Equipment	\$ 7,500
4190	Maintenance - Other	\$ 3,200
5510	Utilities - Heating Fuel	\$ 190,000
5520	Utilities - Electricity	\$ 292,000
5710	Gas & Oil	\$ 750
5990	Miscellaneous Supplies	\$ 4,000
5991	Custodial Supplies	\$ 100,500
6410	Capital Outlay - New	\$ 2,500
6450	Capital Outlay - Replacement	\$ 14,850
7400	Dues & Fees	\$ 240
Total Maintenance & Operations		\$ 2,897,927

Account Name: Travel & Expense			
Account Number: 3200		School: 0	
Program: Maint. & Operations		Program: Maint. & Operations	
Building/Department Budget Request			
Quantity	Item(s)	Cost	Amount
12	Monthly Travel	\$ 100.00	\$ 1,200.00
1	MSBO Conference Registration	\$ 205.00	\$ 205.00
1	MSBO Lodging	\$ 325.00	\$ 325.00
2	MIEM Workshops	\$ 95.00	\$ 190.00
1	Asbestos Certification	\$ 50.00	\$ 50.00
1	Oakland County MSBO	\$ 25.00	\$ 25.00
3	Miscellaneous Meeting	\$ 50.00	\$ 150.00
		\$ -	\$ -
		\$ -	\$ -
ACCOUNT TOTAL			\$ 2,145.00
