

Summary of Extraordinary Meeting in the Committee for Cooperation and the Working Environment (SAMU) and the Department Council 2013-03a

Time: Tuesday October 8, 2013, kl. 12.30-14.00

Location: SL300 room 0.2.13

Agenda:

1. Approval of agenda
2. Budget 2014
3. Other business

Present: Kristian G. Olesen (KGO), Peter Dolog (PD), Helle Schroll (HeS), Mette Kaufmann Andersen (MKA), Jiri Srba (JSr) Mads Christian Olesen (MCO), Henriette Frahm (HeF), Benjamin Bjerre Krogh (BBK), Johan Sørensen (JS), Lene Even (LeE), Hans Hüttel (HH), Ulla Øland (UØ), and Hanne Frøde (HaF)

Absent: Kurt Nørmark (KN), Jesper Kjeldskov (JKj)

Absent without

apology: Lasse Rørbæk Nielsen (LRN), Christian Sand Pilgaard (CSP)

Minutes:

1. Approval of agenda
Due to a tight schedule, an extraordinary meeting is held simultaneously for both the Committee for Cooperation and the Working Environment (SAMU) and the Department Council in order to address Budget 2014. Revenue basis was received September 20 and budget 2014 is due October 11. Therefore, the only item at the agenda for this meeting is budget 2014.
2. Budget 2014
The new accounting model has yet to be realized due to many unforeseen challenges. HeS and HaF are busy working on budget 2014 and have not yet had the time to develop the new accounting model. They will look into this task after the autumn holiday.

Prerequisites: changes for budget 2014

- Reduction of research based teaching from 45 – 40 %
- Amount of permanent teachers lowered from 85 to 80 % (the institute has close to 85% today)

- Rent increase (rent will change from net to gross area (we have deal with the dean)
- ITS will have their own budget via reduction of TAP-Anuum. I16 TAP-A is reduced by 770,000 kr
- 30 million kroner is withheld until after winter exam (June) due to uncertainties in the STÅ-production. (2,3 million kroner will be released if the Faculty keep their budget)
- Settlement of accounts for teaching will be more real-time. Unfortunately, this will not be implemented for i16 in 2014.

Revenue basis	2014	2013
Vip-salary	23.703.304	
Institute and laboratories	1.575.000	
TAP/Anuum	3.726.701	
Ph.D.	3.071.781	
Rent	8.009.482	
Dean deals	3.704.000	
Total	43.790.269	
Withheld by Tek-Nat 5%	2.309.818	
For budgeting	41.480.451	139.583.067
The budget book's expected external revenue	35.043.925	

Rent is based on the number of students and employees. The transition from net to gross area makes it impossible to compare the revenue from earlier year to 2014.

HH; what is the situation with new positions vs. recruitment freeze in 2014?

KGO: The only message from the Faculty is that the recruitment freeze continues in 2014. 85-80% permanent staff can only be reached by employing staff in short, temporary positions, such as external assistant professors.

An external revenue of 35 million kroner at the institute's budget book is expected. The external revenue release 15% in the budget calculation (VIP salaries) and the external means will also activate increased OH and reassignment of time (frikøb), which will reduce fixed costs as salaries and rent.

Deals with the dean

- CWO v. CSJ co-financed deal of Ph. D-forløb, and contributions at 0,5 mio. kr/year in 5 years.
- BFI special deal compensation, 204.000 kr. - 12 BFI-point á kr. 17.000
- Rent, 3 mio. kr. – transition from net to gross area

5% of the budgeted revenue basis is withheld by the Faculty. The amount can be released in June and October if the Faculty keeps the budget. It is difficult to take action on the latter payment. We are expected make proposals for how to use the withheld amount.

Preliminary comparison of 2013 and 2014 for selected items.
Significant deviations are depicted in the outer column of the table.

Re-budget	2013	2014	Diff
Ekstern omsætning	32.599	22.677	-9.922
OH indtægt	9.796	7.229	-2.567
Forbrugsomk.	3.100	3.718	618
Personaleomk	33.525	36.233	2.708
OH Medfin.	2.253	2.962	709
Husleje Tek-Nat	10.400	13.619	3.219
10% afgift Tek-Nat	3.260	2.267	-993

Financing agreements made in 2013 will affect the institute's room for maneuvers in 2014. That could explain why salaries increase in 2014 even though we do not have significantly more employees. If the external revenue decreases, it will have direct influence on OH and costs for salaries and rent.

Deviation on consumption costs is partly due to conferences planned for 2014. These cost will be counterbalanced by income (registration fees)

Savings

Expected savings by end of 2013 kr. 16.439.000

If the unified budget of the Faculty allows it, the institute's revenue basis will be increased by 10% of our savings, meaning that we can budget with a deficit of 1.644.000.

Focus areas

The institute's external activities must be thoroughly examined to locate deviations. The same is the case for salaries and rent costs. The external revenue and, thereby, lacking OH, will cause a 15% decrease in funds from Faculty.

According to the dean, an intelligent consumption freeze has been imposed at the Faculty. All costs should be considered carefully.

HW: Based on accounting 2013, is it likely that budgets are kept in 2014?

KGO: We have confidence in budgets being kept and the possibility of keeping them in 2014 is present and will release the withheld money.

HeF: Do we have an overview of rent costs and the 2014 increase?

KGO: The costs will increase, partly because the new buildings at campus Aalborg are more expensive than the terminated old tenancies.

The rent will increase again in 2014. The 10 % increase is significantly higher than the general price movement. Principles for rent are transformed from net to gross area, which should be a neutral transformation, all things being equal. However, premises with large gross areas must now pay more, respectively. I16 is significantly hit by a increase from 10.4 million kr to 13.6 million kr (and 15.4 million for the whole building) A deal with the dean compensates for this huge increase.

Jiri: Question concerning positions: Hiring assistant professors now with external means and having the cost at i16 next year freezes possibilities for movements in years to come. That is not win-win.

Jiri: Are there agreements about new appointments?

Kristian: no there are no new appointments financed by ordinary means. The department awaits the approved budget2014. First this issue also will be discussed in the SAMU and Department Council.

The budget is not finished yet. There may be errors in the systems. The economic team will go through the budget with an expert from the Faculty. Afterwards, the budget will be worked though once more before submitting it to the Faculty. There will not be time for comments from SAMU nor the Department Council.

The message is, that the budget should be as accurate as possible with the information we have to this date – no wishful thinking in order to reach expected figured.

There will not be another meeting before Friday October 11.

SAMU and the Department council will receive a copy of the submitted budget with a few notes about the deviations. When the negotiations are finalized, SAMU and the Council will receive the final version of Budget 2014

3. Other business
Nothing.

Referat: HW og MKA