


Peralta Community College District
Office of the General Counsel
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Date: March 17, 2011
To: Wise E. Allen, Chancellor
Ron Gerhard, Vice Chancellor of Finance and Administration
From: Thuy Thi Nguyen, General Counsel 

Subject: Budget for FY 2010-11 (5/10/15% cuts) – Legal & Risk Management Depts.

Per your request, this memorandum summarizes the 5-10-15% proposed reductions for the 2011-2012 budget for the legal and risk management departments. Enclosed are:

1. A copy of the Legal and Risk Management 2009-2010 budgets
2. A copy of the Legal and Risk Management 2010-2011 budgets
3. 5-10-15% proposed reductions for the 2011-2012 budgets for Legal and Risk Management departments

FY 2009-2010 budget

Thanks to the fiscal prudence by the Legal department collectively, there was \$215,020 left unspent from 2009-10 – constituting 35.9% of the Legal budget.

The Risk Management department also had a funding balance of \$137,831.83.

FY 2010-2011 budget

For this fiscal year, the Legal department's budget was reduced by \$61,181 – constituting a 10.2% reduction from the previous year. Nevertheless, the Legal department anticipates being under the budget again, with \$282,150.32 remaining as of today – constituting 52.4% of the legal budget.

For this fiscal year, the Risk Management's budget was reduced by \$92,759 – constituting a 26.6% reduction from the previous year. Nevertheless, the Risk Management department also anticipates being under budget again, with \$108,333.29 remaining as of today.



5-10-15% proposed reductions for FY 2011-2012 budgets

Below is a summary of the proposed 5-10-15% reductions to the Legal and Risk Management budgets.

The Risk Management department is not able to reduce 10% and 15% proportionate cuts due to fixed costs related to student accident insurance and hard overhead costs such as waste disposal, ergonomics, first aid supplies, air quality testing, and job analysis. Thus, the Legal Department proposes to reduce further to cover the reduction of the Risk Management department. For instance, the Legal Department proposes an 11.9% for the 10% reduction scenario, and a 19.2% cut for the 15% reduction scenario.

	GC & RM Proposed Cuts	
5%	39,722.20	40,147.00
10%	79,444.40	80,027.00
15%	119,166.60	119,307.00

Legal and Risk Management 5-10-15% Proposed Reductions

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 Currency : USD
 Chartfields Criteria
 Budget Per Fund: Locati Cost Ctr: All values Object Code: 1101 to 7920

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Budget Per Fund	Locati	Cost Ctr	Object Code	Budget	Cuts 5%	95% Revised Budget	Cuts 10%	Cummulative Reduction	90% Revised Budget	Cuts 15%	Cummulative Reduction	85% Revised Budget
2011	1	1	114 General Coui 4303	10,000.00	-	10,000.00	0.00	0.00	10,000.00	400.00	400.00	9,600.00
2011	1	1	114 General Coui 4304	17,900.00	-	17,900.00	4,000.00	4,000.00	13,900.00	5,000.00	9,000.00	8,900.00
2011	1	1	114 General Coui 5103	425,000.00	15,000.00	410,000.00	26,000.00	41,000.00	399,000.00	14,600.00	55,600.00	369,400.00
2011	1	1	114 General Coui 5105	20,562.00	-	20,562.00	0.00	0.00	20,562.00	0.00	0.00	20,562.00
2011	1	1	114 General Coui 5109	50,000.00	11,500.00	38,500.00	7,000.00	18,500.00	43,000.00	19,000.00	37,500.00	12,500.00
2011	1	1	114 General Coui 5205	1,800.00	-	1,800.00	600.00	600.00	1,200.00	0.00	600.00	1,200.00
2011	1	1	114 General Coui 5206	0	-	-	0.00	0.00	0.00	0.00	0.00	0.00
2011	1	1	114 General Coui 5301	1,500.00	-	1,500.00	0.00	0.00	1,500.00	0.00	0.00	1,500.00
2011	1	1	114 General Coui 5604	9,200.00	-	9,200.00	0.00	0.00	9,200.00	0.00	0.00	9,200.00
2011	1	1	114 General Coui 6403	2,000.00	-	2,000.00	0.00	0.00	2,000.00	0.00	0.00	2,000.00
			Legal Subtotal	537,962.00	26,500.00	511,462.00	37,600.00	64,100.00	473,862.00	39,000.00	103,100.00	434,862.00
2011	1	1	118 Risk Manage 4304	23,000.00	4,000.00	19,000.00	0.00	4,000.00	19,000.00	0.00	4,000.00	19,000.00
2011	1	1	118 Risk Manage 5105	58,219.00	219.00	58,000.00	0.00	219.00	58,000.00	0.00	219.00	58,000.00
2011	1	1	118 Risk Manage 5108	16,500.00	1,500.00	15,000.00	0.00	1,500.00	15,000.00	0.00	1,500.00	15,000.00
2011	1	1	118 Risk Manage 5205	9,000.00	5,000.00	4,000.00	0.00	5,000.00	4,000.00	0.00	5,000.00	4,000.00
2011	1	1	118 Risk Manage 5301	200	100.00	100.00	0.00	100.00	100.00	0.00	100.00	100.00
2011	1	1	118 Risk Manage 5407	87,366.00	-	87,366.00	0.00	0.00	87,366.00	0.00	0.00	87,366.00
2011	1	1	118 Risk Manage 5505	4,000.00	2,000.00	2,000.00	2,000.00	4,000.00	0.00	0.00	4,000.00	0.00
2011	1	1	118 Risk Manage 5865	12,000.00	-	12,000.00	0.00	0.00	12,000.00	0.00	0.00	12,000.00
2011	1	1	118 Risk Manage 5877	1,680.00	-	1,680.00	280.00	280.00	1,400.00	280.00	560.00	1,120.00
2011	1	1	118 Risk Manage 5881	2,517.00	-	2,517.00	0.00	0.00	2,517.00	0.00	0.00	2,517.00
2011	1	1	118 Risk Manage 5885	13,828.00	828.00	13,000.00	0.00	828.00	13,000.00	0.00	828.00	13,000.00
2011	1	1	118 Risk Manage 5893	14,000.00	-	14,000.00	0.00	0.00	14,000.00	0.00	0.00	14,000.00
2011	1	1	118 Risk Manage 6403	14,172.00	-	14,172.00	0.00	0.00	14,172.00	0.00	0.00	14,172.00
			Risk Management Subtotal	256,482.00	13,647.00	242,835.00	2,280.00	15,927.00	240,555.00	280.00	16,207.00	240,275.00
			Legal and Risk Management Total	794,444.00	40,147.00	754,297.00	39,880.00	80,027.00	714,417.00	39,280.00	119,307.00	675,137.00
					GC & RM Cuts							
				5%	39,722.20	40,147.00						
				10%	79,444.40	80,027.00						
				15%	119,166.60	119,307.00						

Legal - Fiscal Year 2009-10

Location	Fund	Cost Ctr	Object Code	Obj Descr	Pr ogr	Activity Suffix	Activity Suffix Descr	Project	Acct Line	Budget	Expense	Encumbrance	Pre-Encumb	Available Budget	Percent
1	01	114	4303	Subs Periodicals - Other	1	666000	Legal Services	0000	00	10,000.00	9,500.54	0.00	0.00	499.46	4.99
1	01	114	4304	Supplies-office	1	660500	Plannings and Development	0000	00	8,900.00	0.00	0.00	0.00	8,900.00	100
1	01	114	4304	Supplies-office	1	666000	Legal Services	0000	00	9,000.00	1,366.69	0.00	0.00	7,633.31	84.81
1	01	114	5103	Legal	1	666000	Legal Services	0000	00	425,000.00	269,612.20	33,532.24	0.00	121,855.56	28.67
1	63	114	5103	Legal	1	710000	Physical Property and Related	0000	00	1,243.00	0.00	0.00	0.00	1,243.00	100
1	01	114	5105	Independent Contractor/Consult	1	660500	Plannings and Development	0000	00	37,000.00	0.00	0.00	0.00	37,000.00	100
1	01	114	5105	Independent Contractor/Consult	1	660500	Plannings and Development	0917	00	0.00	376.2	0.00	0.00	-376.2	0
1	01	114	5105	Independent Contractor/Consult	1	666000	Legal Services	0000	00	27,000.00	0.00	0.00	0.00	27,000.00	100
1	01	114	5105	Independent Contractor/Consult	1	666000	Legal Services	0917	00	0.00	14,116.67	0.00	0.00	-14,116.67	0
1	63	114	5105	Independent Contractor/Consult	1	710000	Physical Property and Related	0000	00	7,000.00	0.00	0.00	0.00	7,000.00	100
1	01	114	5109	Legal Settlements	1	666000	Legal Services	0000	00	50,000.00	50,000.00	0.00	0.00	0.00	0
1	01	114	5205	Conference/Seminar Reg	1	666000	Legal Services	0000	00	1,800.00	630.00	0.00	0.00	1,170.00	65
1	01	114	5206	Internal Training- Staff Dev	1	660500	Plannings and Development	0000	00	9,500.00	-52.00	0.00	0.00	9,552.00	100.55
1	01	114	5301	Dues and Membership	1	666000	Legal Services	0000	00	1,500.00	595	0.00	0.00	905	60.33
1	01	114	5604	Equipment Lease - Annual	1	666000	Legal Services	0000	00	4,000.00	0.00	0.00	0.00	4,000.00	100
1	04	114	5604	Equipment Lease - Annual	1	666000	Legal Services	0000	00	5,200.00	4,445.33	0.00	0.00	754.67	14.51
1	01	114	6403	Non-Instructional Equip & Furn	1	666000	Legal Services	0000	00	2,000.00	0.00	0.00	0.00	2,000.00	100
										599,143.00	350,012.63			215020.13	35.9 per

Legal, Fiscal Year 2010-11, as of 03-17-11

Loc atio	Fu nd	Cost Ctr	Object Code	Obj Descr	Pro gra	Activity Suffix	Activity Suffix Descr	Project	Acct Line	Budget	Expense	Encumbra nce	Pre- Encumbr	Available Budget	Percen t
1	01	114	4303	Subs Periodicals - Other	1	666000	Legal Services	0000	00	10,000.00	5,236.50	0.00	-1,176.00	5,939.50	59.4
1	01	114	4304	Supplies-office	1	660500	Plannings and Development	0000	00	8,900.00	0	0.00	0.00	8,900.00	100
1	01	114	4304	Supplies-office	1	666000	Legal Services	0000	00	9,000.00	457.4	58.94	-27.07	8,510.73	94.56
1	01	114	5103	Legal	1	666000	Legal Services	0000	00	425,000.00	219,351.64	5,575.50	-1,258.00	201,330.86	47.37
1	01	114	5105	Independent Contractor/Consult	1	660500	Plannings and Development	0000	00	0	0	0.00	0.00	0	0
1	01	114	5105	Independent Contractor/Consult	1	666000	Legal Services	0000	00	20,562.00	6,515.74	3,102.00	0.00	10,944.26	53.23
1	01	114	5109	Legal Settlements	1	666000	Legal Services	0000	00	50,000.00	13,000.00	0.00	0.00	37,000.00	74
1	01	114	5205	Conference/Seminar Reg	1	666000	Legal Services	0000	00	1,800.00	1,001.26	65.87	0.00	732.87	40.72
1	01	114	5206	Internal Training- Staff Dev	1	660500	Plannings and Development	0000	00	0	0	0.00	0.00	0	0
1	01	114	5301	Dues and Membership	1	666000	Legal Services	0000	00	1,500.00	650	0.00	0.00	850	56.67
1	01	114	5604	Equipment Lease - Annual	1	666000	Legal Services	0000	00	9,200.00	2,393.19	864.71	0.00	5,942.10	64.59
1	01	114	6403	Non-Instructional Equip & Furn	1	666000	Legal Services	0000	00	2,000.00	0	0.00	0.00	2,000.00	100
										537,962.00	248,605.73			282,150.32	52.4 percent

Risk Management, Fiscal Year 2009-10

Loc atio	Fund	Cost Ctr	Object Code	Obj Descr	Pro gra	Activity Suffix	Activity Suffix Descr	Project	Acct Line	Budget	Expense	Encumbra nce	Pre- Encum	Available Budget	Perce nt
1	01	118	4304	Supplies-office	1	677700	Safety Program	0000	00	21,000.00	3,346.51	0.00	123.74	17,529.75	83.48
1	01	118	4304	Supplies-office	1	677800	Risk Management	0000	00	2,000.00	963.29	28.12	0.00	1,008.59	50.43
1	01	118	5105	Independent Contractor/Consult	1	677700	Safety Program	0000	00	21,142.00	0.00	0.00	0.00	21,142.00	100
1	01	118	5105	Independent Contractor/Consult	1	677700	Safety Program	0917	00	0.00	3,815.57	0.00	0.00	-3,815.57	0
1	01	118	5105	Independent Contractor/Consult	1	677800	Risk Management	0000	00	56,500.00	-4,408.00	0.00	0.00	60,908.00	107.8
1	01	118	5105	Independent Contractor/Consult	1	677800	Risk Management	0917	00	0.00	59,579.28	0.00	0.00	-59,579.28	0
1	01	118	5105	Independent Contractor/Consult	1	677800	Risk Management	0000	45	7,000.00	4,408.00	0.00	0.00	2,592.00	37.03
1	01	118	5108	Liability Insurance Claims	1	677800	Risk Management	0000	00	16,500.00	696.85	0.00	0.00	15,803.15	95.78
1	01	118	5205	Conference/Seminar Reg	1	677800	Risk Management	0000	00	9,000.00	0.00	0.00	0.00	9,000.00	100
1	01	118	5301	Dues and Membership	1	677800	Risk Management	0000	00	200	150.00	0.00	0.00	50	25
1	04	118	5407	Student Accident Insurance	1	677800	Risk Management	0000	00	85,000.00	78,151.00	0.00	0.00	6,849.00	8.06
1	01	118	5505	Telephone Services	1	677800	Risk Management	0000	00	4,000.00	3,974.60	0.00	0.00	25.4	0.64
1	01	118	5865	Publishing/ Doc Publication	1	677700	Safety Program	0000	00	12,000.00	8,106.15	0.00	232.96	3,660.89	30.51
1	01	118	5877	Payment of Fines -OSHA & Misc	1	677800	Risk Management	0000	00	1,680.00	1,680.00	0.00	0.00	0.00	0
1	01	118	5881	Building Repairs & Services	1	677800	Risk Management	0000	00	4,000.00	3,781.38	0.00	0.00	218.62	5.47
1	01	118	5885	Misc. Operational Exp.	1	677700	Safety Program	0000	00	23,320.00	17,871.47	0.00	0.00	5,448.53	23.36
1	01	118	5885	Misc. Operational Exp.	1	677800	Risk Management	0000	00	1,000.00	0.00	911.01	0.00	88.99	8.9
1	01	118	5885	Misc. Operational Exp.	1	677800	Risk Management	0000	45	12,828.00	12,893.05	57.01	0.00	-122.06	-0.95
1	01	118	5893	Permits & Fees - Risk Mgmt	1	677800	Risk Management	0000	00	14,000.00	12,081.89	0.00	0.00	1,918.11	13.7
1	01	118	6403	Non-Instructional Equip & Furn	1	677800	Risk Management	0000	45	14,172.00	835.27	1,102.02	0.00	12,234.71	86.33
1	63	118	6403	Non-Instructional Equip & Furn	1	710000	Physical Property and Related	0000	01	20,081.00	0.00	0.00	0.00	20,081.00	100
1	63	118	6403	Non-Instructional Equip & Furn	1	710000	Physical Property and Related	0000	02	22,790.00	0.00	0.00	0.00	22,790.00	100
										348,213.00	207,776.31			137831.83	

Risk Management, Fiscal Year 2010-11 as of 03-17-11

Location	Fund	Cost Ctr	Object Code	Obj Descr	Program	Activity Suffix	Activity Suffix Descr	Acct Line	Budget	Expense	Encumbrance	Pre-Encumbrance	Available Budget	Percent
101	118	4304	Supplies-office		1	677700	Safety Program	00	21,000.00	4,913.88	1,591.36	0.00	14,494.76	69.02
101	118	4304	Supplies-office		1	677800	Risk Management	00	2,000.00	0.00	0.00	0.00	2,000.00	100
101	118	5105	Independent Contractor/Consult		1	677700	Safety Program	00	30,000.00	8,793.92	479.41	0.00	20,726.67	69.09
101	118	5105	Independent Contractor/Consult		1	677800	Risk Management	00	50,000.00	12,663.80	0.00	0.00	37,336.20	74.67
101	118	5105	Independent Contractor/Consult		1	677800	Risk Management	45	14,659.00	0.00	4,070.00	0.00	10,589.00	72.24
101	118	5108	Liability Insurance Claims		1	677800	Risk Management	00	3,060.00	500.00	0.00	0.00	2,560.00	83.66
101	118	5205	Conference/Seminar Reg		1	677800	Risk Management	00	2,000.00	0.00	0.00	0.00	2,000.00	100
101	118	5301	Dues and Membership		1	677800	Risk Management	00	200.00	100.00	0.00	0.00	100.00	50
101	118	5407	Student Accident Insurance		1	677800	Risk Management	00	87,366.00	87,366.00	0.00	0.00	0.00	0
101	118	5505	Telephone Services		1	677800	Risk Management	00	1,000.00	0.00	0.00	0.00	1,000.00	100
101	118	5865	Publishing/ Doc Publication		1	677700	Safety Program	00	12,000.00	7,444.35	2,464.77	0.00	2,090.88	17.42
101	118	5877	Payment of Fines -OSHA & Misc		1	677800	Risk Management	00	1,680.00	1,120.00	0.00	0.00	560.00	33.33
101	118	5881	Building Repairs & Services		1	677800	Risk Management	00	2,517.00	0.00	0.00	0.00	2,517.00	100
101	118	5885	Misc. Operational Exp.		1	677700	Safety Program	00	0.00	0.00	0.00	-67.12	67.12	0
101	118	5885	Misc. Operational Exp.		1	677800	Risk Management	00	0.00	0.00	0.00	0.00	0.00	0
101	118	5885	Misc. Operational Exp.		1	677800	Risk Management	45	0.00	0.00	0.00	0.00	0.00	0
101	118	5893	Permits & Fees - Risk Mgmt		1	677800	Risk Management	00	14,000.00	4,703.18	0.00	0.00	9,296.82	66.41
101	118	6403	Non-Instructional Equip & Furn		1	677800	Risk Management	45	14,172.00	8,224.24	2,276.52	16.4	3,654.84	25.79
									255,454.00	135,229.37			108,333.29	42.4 percent