

# MEMO

**DATE:** June 29, 2020

**TO:** Algonquin College Executive Team  
Algonquin College Leadership Team

**FROM:** Alanna McDonell, Acting Chair, College Budget Committee  
Teri Kinnunen, Manager, Corporate Budgeting

**SUBJECT:** Net Contribution Surplus/Deficit Calculations 2019-20

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The purpose of this memo and attachment is to share the preliminary financial results by Sector for purposes of completing the Responsibility Center Management (RCM) Net Contribution Surplus/Deficit Calculations for the 2019-20 fiscal year. This report contains data for all Sectors with the exception of Area 5, Academic Services. The Academic Services reports will be distributed directly by the Executive Director of Academic Operations and Planning.

### Next Step, by July 17, 2020:

As detailed in the RCM framework, each Sector now has the opportunity to review their respective net contribution results and to identify any uncontrollable revenue and expenditure items that may have adversely impacted your financial performance during the fiscal year. Taking into consideration summer vacation demands and conflicting priorities, this year we will only be requesting Sectors with an identified deficit to submit uncontrollable revenue and expenditures items. If you would like to have adjustments considered in the calculation of final net contribution, please send an email to your Vice President or Senior Vice President detailing the reason for the requested adjustment(s). Area 5 (Academic Services) adjustment requests must copy [Mark Leduc](#) by July 17, 2020. The attached Excel forms can be utilized for collection of the data by updating the value of the uncontrollable revenue and expenditures within the yellow highlighted sections for your department and by providing a description within the red highlighted section.

### Final Decisions, by July 31, 2020:

Each respective ACET member will make final decisions on what will be approved as an uncontrollable adjustment. The Executive member will send the final adjustments to [Emily Woods](#), Director, Financial Planning and copy [Teri Kinnunen](#), Manager, Corporate Budgeting.

### Key Dates:

**By July 17, 2020** – Algonquin College Leadership Team members with an identified deficit can submit proposals for adjustments due to uncontrollable financial impacting events to their

# MEMO

respective ACET member, copying the Director, Financial Planning, [Emily Woods](#). Area 5 must additionally copy the Executive Director, Academic Operations and Planning, [Mark Leduc](#).

**July 31, 2020** – Algonquin College Executive Team members must approve or reject proposals for additional adjustments. Approvals for adjustments must be sent to the Director, Financial Planning, [Emily Woods](#).

**August 7, 2020** – The Corporate Budgeting team will send final reports to Algonquin College Leadership Team members with details of approved RCM carryover surplus results.

### **Suspension of Spending from RCM Carryover Surplus Accounts**

Due to projected financial impacts from the COVID-19 pandemic, the Algonquin College Executive Team has temporarily suspended all spending from the RCM Carryover Surplus Accounts. Net contribution surplus from 2019-20 approved in the above-noted process will be added to the respective Algonquin College Leadership Team member's surplus account for spending in future fiscal years.

If you have any questions or concerns, please contact [Teri Kinnunen](#), Manager, Corporate Budgeting.