# Financial Impact of Position Management

## BUDGET PRINCIPLE

New Brunswick Community College (NBCC)'s budget framework commits the College to 'fiscal sustainability with regard to new ongoing costs'. Incremental ongoing positions must be supported by an ongoing source of funding whether new or through redeployment. The College also commits to 'fiscal sustainability with regard to new one-time costs'. Incremental one-time or term costs must be supported by matching one-time, term or ongoing funding.

## PURPOSE

To provide clarity with regard to roles, responsibilities, and principles with regard to the financial impacts of position management.

## SCOPE AND LIMITATIONS

Not applicable

## 1.0    DEFINITIONS

**Budget Manager**
- NBCC personnel specifically accountable for the ongoing management of a single or a collection of departmental budgets (as denoted by specific ORACLE coding). Budget Managers may include Task Managers (e.g. function managers), Option Managers (e.g. Academic Chairs, Directors) and ORG Managers (e.g. Deans of Schools and members of College senior management).

**Trusted Support Person**
- NBCC personnel delegated a support role by a Budget Manager.

**Salary Savings**
- Savings in continuing, term, casual or other payroll including related benefit costs where the amounts cannot be spent in the manner expected.

**Position**
- An allocation of continuing and term (excl. casual) human resources (headcount, full-time equivalent, salary rate etc.) as denoted by a unique number (i.e. "PosNo") within the College's Plan of Establishment document.

## 2.0 IMPLEMENTATION

### 2.1 Evaluation of Financial Impact

| PosNo Type | Work Hrs | Term End? | Funding Type | | |
| --- | --- | --- | --- | --- | --- |
| | | | **Ongoing Operating** | **Cost-Recovery (Operating)** | **Soft i.e. Project** |
| Continuing | Full-Time/ Part-Time | Not defined. | *Funding test is existence of adequate PosNo in Approved Budget.* | *Funding test is approval of impact on target/'bottom line' in support of PosNo.* | *Funding test is approved project funding in support of temporary PosNo.* |
| Term | Full-Time/ Part-Time | Defined >= 6 mths. | | | |
| Casual | Variable i.e. Hourly | Generally < 6 mths. | *Funding test is availability of funds, e.g. 'pool'; request for return of savings (i.e. backfill); contingency or recovery. All PosNo are temporary.* | | |

### 2.2 Role and Responsibilities

**2.2.1** Budget Managers may make written request for a new Position, or to appoint an employee to an existing, budgeted Position, in the format specified by Employee & Student Development[1] as may be updated from time-to-time.

**2.2.2** Requests should be submitted prior to incurring any related expense or expenditure.

**2.2.3** Requests must be complete and accurate. Requests must include a clear funding plan specific to the Position and Budget Manager's account(s).

**2.2.4** Requests for new Positions or to request a hiring process to appoint an employee to an existing Position must be approved by the supervising ORG Manager.

**2.2.5** Requests not meeting the criteria outlined in s.2.2.1 through 2.2.4 may not be considered.

**2.2.6** Approved Requests shall be submitted to Employee & Student Development (i.e. Resourcing) via StaffingRequest@nbcc.ca for initial review and processing.

**2.2.7** Employee & Student Development shall forward complete and accurate requests to Finance & Administration (i.e. Team Finance) via FinanceHelp@nbcc.ca for an assessment and validation of financial impact.

**2.2.8** Team Finance shall return validated requests to StaffingRequest@nbcc.ca for further review and processing.

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[1] Requests for new Positions or to request a hiring process to appoint an employee to an existing Position should be undertaken using the Staff Request Form. Requests related to an existing employee within an existing Position should be undertaken using the Staff Change Form.

**2.2.9** Finance & Administration (i.e. Director of Finance) shall be responsible for providing College senior management with an update with regard to the status (e.g. amount and extent of use) of financial impacts of position management on an annual basis.

## 2.3 Funding Plans

**2.3.1** If a proposed continuing or term position is funded from existing ongoing sources (i.e. an existing and fully funded position number, not contingency) then it may be approved by SET for immediate implementation.

**2.3.2** If a proposed continuing or term position is:

**2.3.2.1** *Funded by new or existing term sources*, then the position may be approved as a term position or casual position end-dated on the documented expiry date of the related funding plan or two calendar years, whichever is the earlier.

**2.3.2.2** *Funded by new ongoing sources*, then the position may only be approved by SET as a term or casual position having a 'position expiry date' ending no later than the current fiscal year.

Only in the next annual budget process will this position be subject to potential conversion to continuing once proposed new ongoing sources of funding are vetted and confirmed.

Note that this would require that the advertisement and appointment process for such positions be filled with term employees until such time as the continuing position is confirmed in the next budget cycle.

**2.3.3** The funding plan supporting a proposed position should include the estimated financial impact of salary and fringe benefits assumed at a rate set by Finance & Administration (i.e. Director of Finance) as may be updated from time-to-time and a clear source of funds.

**2.3.4** Sources of funds supporting a funding plan must include:

**2.3.4.1** If externally funded, copies of the executed legal document (e.g. grant, contract, agreement) supporting 100% of the cost of the proposed Position; or,

**2.3.4.2** If internally funded, a document (e.g. proposed journal or budget entry) authorizing deployment/redeployment of 100% of the cost of the proposed Position.

**2.3.5** Any initial approval of a term position (i.e. end-dated on the documented expiry date of the funding plan or two calendar years, whichever is the earlier) may be renewed based on need and funding availability.

**2.3.6** Employees appointed to new term positions, or appointed to existing term positions, may not be approved for a term exceeding the end-date of that Position.

**2.3.7** Should actual funding resulting from a proposed funding plan fall short of actual salary and fringe benefit costs related to a term or casual position, the Budget Manager shall be responsible for funding the shortfall from the requesting Budget Manager's accounts.

**2.3.8** Should actual funding resulting from a proposed funding plan fall short of actual salary and fringe benefit costs related to a continuing position, Finance & Administration (i.e. Team Budget & Reporting) shall transfer budget from central provisions to align expense/expenditure within the requesting Budget Manager's accounts.