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Minutes of the Meeting on budget matters - 13th January 1988

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Excusés : H. Haseroth, P. Lefèvre

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D. Blechschmidt first exposed the state of the three items necessary to drive the vehicle of divisional finances.

- 1°) Motor and petrol: the budget allocates us 18'800 kFS for exploitation, 3'310 kFS for projects, and some additional resources are expected from TEBOCO (for the PS controls overhaul) and hopefully around half a million for the projects previously founded by DK.
- 2°) Steering and brakes: a proposal has been made (memo dated 7th January 1988) to hold a financial review:
 - for a project, as soon as expenditure has reached 70% of yearly allocation;
 - for the exploitation part of any group, as soon as payments + open commitments have exceeded one third of the yearly allocation within a three month period, deduction being made of fixed, reoccurrent expenses such as service contracts, if known in advance.
- 3°) Windscreen : the improved transparency of our budget allocations in terms of breakdown and summaries is now provided following the complete review of the codification decided on 8th December, 1987.

The past year financial crisis was briefly discussed. P.L. Riboni stated that the main responsible was the ACOL projet, even if the deficit had indirectly appeared in other projects, mainly through the facturation of costs previously not paid for. The reason for the ACOL problems were well identified, explained and justified. Therefore, the division financial difficulties should remain linked to this big project, and the others not blamed, for fear of tarnishing the image of the division.

About the 1988 budget, the main complaint came from the AR Group. A first evaluation of the necessary consolidation budget lead to an amount of 3.5 MFS, whereas only 480 kFS were allocated. F. Pedersen has reviewed the estimation and streamlined it to 1.65 MFS. He said that if this money cannot be found this year, there will be consequences on the performances of the AAC complex.

D.J. Simon also needs consolidation money for the South Hall (Project D-060).

The question of the carry-over from 1987 to 1988 was then lengthily discussed. It turns out that the vocabulary and the procedures are not fully clear to the Group Leaders. P. Noverraz reminds that, in any event, at the end of the year, one is not allowed to pay more than the budget. If, however, the bills amount for less than the budget, then provisions can be constituted on some commitments. Commitments without provisions of the preceding year constitute the carry-over.

The results of last year's balance are not yet known. D. Blechschmidt's proposal of sharing the exploitation carry-over among groups proportionally to their 1988 budget was discussed. K.H. Schindl pointed out that it penalizes good management and F. Perriollat that it is unfair to groups with heavy uncompressible spendings like maintenance contracts. E. Jones proposed to redistribute only the carry-over of the AR Group, each group keeping its own one in addition.

Reducing the carry-over to 1988 was also discussed. R. Billinge said that the DG implicitly considered that 15% is an acceptable figure.

Some time was devoted to the discussion of the exploitation budget and its breakdown. R. Billinge was surprised by the repartition of certain budgets such as the large budgets for electronics and controls outside the CO Group, for RF systems outside the RF Group, and the large budgets for instrumentation in the PA Group. But the Group Leaders as a whole seem to be satisfied with these figures.

A last point was brought in by F. Perriollat: the ADP showed its tools on an open day, just the day before the meeting. It turns out that the consultation of the FDB, Copix and Struman could be very interesting means to carefully watch our accounts. It might therefore be desirable for the people in charge of budgets to be registered as users for these systems.

Finally, the conclusions were drawn by D. Blechschmidt who stated that:

- a short glossary will be issued to explain the budgeting terminology,
- F. Pedersen will give a list of consequences if the various chapters of AC consolidation are not funded,
- other areas needing a consolidation budget should be reported before June,
- the budget as proposed is adopted (minor modifications pending for LEAR and for HI beam transformers),
- the proposal for automatic reviews of budget is adopted,
- next year's carry-over will be redistributed among all PS groups proportionally to their 1988 budgets, deduction being made for large, reoccurent, and incompressible commitments such as maintenance contracts, not service contracts,
- the reduction of carry-over aimed at for next year will be rediscussed later,
- the question of the access to the FDB data base for people in charge of budgets will be looked into.

D. Blechschmidt and Ch. Steinbach

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Personnes invit ees

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