

MEMORANDUM

To: ASC Members

From: Larry Buchholtz

Date: Feb 28, 2012

Subject: Notes from 23 February 2012 ASC Meeting

Members present in person: Matt Petry, Larry Buchholtz, Claire Smith, Cheryl Heath, Kim Mills, Carol Hogle, Herry Andrews, Jayne Myrick, Robyn Landen, Jay Nielson and Ron Granger. Members attending via teleconference: Marty Kelsey and Lynnde Colling. There was no Executive Council representation.

Agenda Item 1: 2013-2014 Budget

- Matt gave an update on the current budget (after mark-up) and proposed amendments. He talked specifically about the Administration budget losing \$30,000, elimination of the Incentive Fund, and an additional \$1,700,000 for the Family Literacy Program. Exception requests that were received favorably, and are still intact, include approximately \$4,000,000 for the Administrative Computing System, an additional \$200,000 for the Overseas Combat Veterans Tuition Assistance Program, and an additional \$77,000 for loan servicing fees charged by Align. Matt also indicated all four of the capital construction projects were still intact in the current version of the budget bill.
- Larry gave the council members an updated distribution of major maintenance funding if the proposed funding amounts within the budget bill pass the Legislature, and are signed by the Governor.
- Matt informed the Council that there is currently language within the budget bill that requires a plan for a 4 percent cut in standard appropriations for fiscal-year 2014, and 8 percent cuts for fiscal-years 2015 and 2016 (Budget Bill, Section 321). The cuts would not be cumulative. For example, the 2015 cut would not be on top of the 2014 cut; all would use the fiscal-year 2013 base funding as a starting point.

Agenda Item 2: Course Completion Component of Funding Allocation Model

- Matt described the results of the first run of the course completion ratios comparing academic-years 2010 and 2011. He then reiterated that the need to modify the funding allocation model stems from the requirement in the Statewide Strategic Plan that 10 percent of variable funding be tied to completion. Matt provided an Excel spreadsheet that included the calculations and proposed re-allocation of funds, along with an in-depth verbal explanation. A written description was also distributed in the form of proposed changes to

the Commission's Chapter 5 Rules. There was considerable discussion, including a proposal to have a 2 percent neutral zone surrounding a benchmark. Matt asked that the council members take time to digest the information, and be prepared to offer a unified proposal for changes during a teleconference on 7 March at 1:30.

Agenda Item 5: (out of turn) Common Data Structure and Consistency (discussion led by Jackie Freeze)

- Jackie gave a short presentation regarding the current progress of the Data Consistency Working Group, and the anticipated release of the MIS Manual for council review prior to release to the college presidents.

Agenda Item 3: Draft Rules Changes for Cap-Con

- Matt informed the council members that Commission staff was just about finished with the drafting of proposed changes to Chapter 5 of the Commission's Rules, and more specifically, to those sections that deal with capital construction and major maintenance. He also told the council members that the draft would be released by 29 February, or 1 March 2012, and that his intent was to get feedback during the 7 March conference call so changes could be agreed upon before issuing emergency rules that will take effect on 1 July 2012 prior to commencement of the regular rules process.

Agenda Item 4: Reporting Matrix

- Larry referred everyone to the handout, and noted a couple of reports that were past due.

Agenda Item 6: Next ASC Meeting/Teleconference:

- March 15 teleconference, 3:00 – 4:30 p.m.