

MEMORANDUM

To: ASC Members

From: Larry Buchholtz

Date: April 23, 2014

Subject: Notes from February 19, 2014 ASC Meeting

Members present via teleconference: Marty Kelsey, Lynnde Colling and Cheryl Heath. Members present in person: Matt Petry, Larry Buchholtz, Claire Smith, Nancy Morton, Ron Granger, Ron Laher, Sheldon Flom, Carol Hoglund, Herry Andrews and Jayne Myrick. There was no Executive Council representation.

Agenda Item 1: Budget

- Matt started the meeting by going over the commission budget as it stands today. The \$14.3M request for enrollment growth was cut back to \$9M during budget mark-up with no consideration to readjust or recalibrate the base period. There was further discussion on the base funding allocation model and the agreed upon distribution of base state aid funding to include a ramp-up of the percentage of variable costs attributed to a completion metric, proposed to increase from 10% to 15% in FY15 using academic year 13 completion numbers and to 20% in FY16 using academic year 14 completion numbers. Larry gave a status update of funding proposals for capital construction, indicating the top 6 projects on the list received all or some of their request for general funds and the remaining projects, with the exception of the Jackson project, received authorization to build. Larry also indicated the major maintenance budget proposal was approved as presented. Matt then indicated the governor's request for funding of college employee pay raises was still included after mark-up.

Agenda Item 2: Other Legislative Updates

- None to report

Agenda Item 3: Tuition Rate Changes

- Matt indicated that the commission would take action to vote on an effective date for tuition increases, making all future rate changes effective with the beginning of the fall semester.

Agenda Item 4: Affordable Care Act

- Some guidance had been released by the IRS that addresses adjunct faculty and eligibility for health insurance under the ACA. Although enforcement does not begin until January 2015, 2014 must be used to create and track averages of hours worked by adjunct faculty that will assist in determining if they are eligible for health insurance. The factor issued by the IRS is 2.25 hours for every hour of instruction, if that exceeds 30 hours per week the employee must be covered under the ACA. When it comes to the WCCC system, the most important thing we have to do is keep it the same at each institution. Larry indicated the commission staff are willing to establish a system-wide policy and include it in the fiscal handbook. Matt also indicated the budget office may be interested in the number of adjunct faculty that will become eligible for health insurance should colleges not keep all adjuncts under the 30 hour per week maximum.

Agenda Item 5: College Forms and Reports Matrix

- Larry indicated everything was up to date

Agenda Item 6: Next ASC Meeting/Teleconference

- March 20 Teleconference, 3:00 to 4:30

Round Table Discussion

Larry indicated he would send out an email to all members informing them of the timelines and deadlines for information related to the annual run of the CapCon model.

Marty asked if commission staff could put together an explanation of increased retirement contributions and college reimbursements as currently proposed in pending legislation, Larry said he would get that out to everyone.