**Budget Accounting & Reporting Council**

**Virtual**

**Thursday, May 25, 2023**

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| **Join from the meeting link** |

<https://sbctc.webex.com/sbctc/j.php?MTID=m9750c7f4c8239bbdcc86a779be186f57>

**8:30am-9:00am Networking/Welcome etc.**

*Kristina Schreiber – District Director of Budget & Finance*

**9:00am-9:45am BAR Business**

*BAC Report- Charlene Rios, Big Bend Community College*

* Discussion at BAC regarding BAR meetings, mostly on ctcLink, hoping can shift focus as go forward.
* Have tentative meeting dates for meetings suggested by BAC – Fall 11/2-3 (West side in person), Winter 2/22 (Zoom), Spring 4/25-26 (East side in person)
* BAC has met 4 times since our last quarterly meeting, mostly dealing with budget.
* Change in College in High School funding, not favorable to colleges, State Board will be looking at and bringing recommendations, next meeting 6/28-29, which is when will approve our budget.
* Innovation fee going from 3% to 2% next year, several ctcLink item types will need to change, but want to do it globally. Won’t happen until July 1, but we already have students registered and paid for fall. Won’t change what students pay but will change college funding.
* AAG has concerns about record retention on terminated employees.
* Will be presenting a new allocation schedule for next year later in meeting today. Won’t have new allocation codes until given to State Board and they distribute.
* Capital minor works budget was reduced, $1.5+ million. The State Board did not get support for the Clean Building Act this session but will present again for supplemental budget.
* Last week they did cyberattack exercise, no longer a matter of if but likely when, several colleges already experienced.
* Charlene is willing to stay on as BAC representative if we want.

*Treasurer’s Report- Angela Hamilton, Olympic College*

* As of today, we have $9,441.35 in account.
* Kristina brought up that haven’t charged dues in quite a while; will need to charge registration for in person meetings, honorariums (possibly), equipment (Owls, where is it stored?)
* BAR account is kept as an agency account at the Treasurer’s college.

*Approval of Previous Meeting Minutes- Debra Maxwell, Wenatchee Valley College*

* None written, just recording. Approved

*Discussion & Necessary Votes- Kristina Schreiber, Pierce College District*

* Need to elect new BAR leadership for next year.
* Need to discuss future meeting schedule (in person vs hybrid vs remote). Big Bend volunteered to host next spring’s meeting.
* Kristina is going to be leaving Pierce College soon.
* Need Training Committee position. James Young will consider possibly doing, asked to revisit during Fall meeting.
* Sydni Yager will be next year’s chair (she is Chair Elect this year)
* I, Sydni, Angela, and Charlene volunteered to stay on in their positions for next year if no one else wants to do it.
* Vice Chair (Chair Elect) – Lori received an email from Lela Cross (Seattle Colleges) volunteering to take any role that didn’t have another volunteer, so she will be the Vice Chair for next year.

**10:00-10:50 SAO Hot Topics**

*Hot Topics- Fraud & Financial*

*Scott Bills, Sadie Armijo, Erika Davies and Mary Coleman*

* Accountability Audits – Will request copy of last Risk Assessment completed, SAAM 20.15.20.c lists minimum internal control requirements.
* Exit issues.
* Management letter issues since 2018 for cash receipting, payroll/personnel, procurement/bids/prevailing wage, travel/employee reimbursements, accounting/financial reporting.
* 3 findings issued to colleges since 2018 regarding payroll/personnel, purchasing/procurement cards, safeguarding of assets/property.
* Trends in Financial Statement recommendations – Financial statement preparation, capital assets (moving to depreciable asset when project substantially complete – if in use, should be capitalized), COPs, GASB implementation (Pension and OPEB, introduction to GASB 96), College Foundations (timing of their CPA audit, needs to be complete before SAO issues opinion on college [component unit]).
* Single Audit Updates – FY2022 federal deadline was 3/31/2023. State of WA missed that deadline; SAO field work is done, and report expected out in June 2023. DOE has been talking about sanctions for all 37 colleges, but SAO is communicating with DOE to not have sanctions imposed (colleges had no control over timing).
* Fraud investigation program. Language added to statute about SAO establishing policies in 2022-23 leg session. Web site updated with more resources.

**11:00-12:00 Continuing Ed Council**

*Enhancement Request- Campus CE Payment Type*

*Kristen McConaha and Sindie Howlan*

* Council put in enhancement request for Campus CE payment item type (PO). Council wants to provide additional information as there were many questions brought up at the last meeting regarding the changes.

**12:00-1:00 Lunch**

**1:00-2:00 Operating Allocation**

*Cherie Berthon & Stephanie Winner*

* Changes in allocation spreadsheet tool, how distributed, new allocations for coming year as well as highlighting some specific provisos. Current example is from FY2223 since don’t have hard numbers yet for next year.  
  College Affordability Funds – can spend on any legal college expenditure  
  Compensation & Central Services – any expenditure allowable with state or tuition dollars.  
  Compensation Fund Split – newest proviso for increase in salaries not covered by tuition  
  New money for DEI work, ends in FY26  
  Financial Aid Outreach with Community Based Organizations – do outreach to groups may not always have direct contact with  
  Guided Pathways – 2 buckets this year: Proviso (reduced from last year) and $2.5M from general fund to maintain prior level of funding.  
  Refugee and Immigrant Education funds
* Total of 78 different provisos and earmarks

**2:00-3:30 SBCTC Updates**

*Choi Halladay- TouchNet*  
History/background – is the notion of credit cards at cashier windows still a business issue that needs to be solved? Consensus is yes.  
Bad news is that vendor we did contract with included other items not intended to be part of automated credit card machines (all-in-one contract). Would need to replace online payment portal and payment kiosks (for schools that have them) with Touch net and any third-party payment plan provider (recent update maybe not). Significant discussion on lack of resources to do implementation, impact on how do business, reconciliation. Would completely replace ctcLink cashiering. Final consensus is that Choi would go back and see if we could get TouchNet to do a demo at one of our weekly BAR meetings.

*Teri Sexton* – What is happening with State Board Accounting  
Staffing changes, data analysis, training, relooking at ctcLink processes and potential changes to configuration.

Looking at auto-posting of reversing journals, VPA processes – create for you since information is in system; send suggestions to Teri.

*Lori Carambot* – FMPT, SBITA, and PPP. OFM has only identified a few that meet state materiality; is there any interest in having Financial Statement Workshop with OPEB and Pension training (lots of ‘yes’ in chat).  
Need update of who will need access to Disclosure form with so many staff changes. Will be doing training on forms. Review Federal Revenue (direct, pass-through expenditure, pass-through revenue) for correct coding  
790/840/841 Clean up – report any amount transferred as misc revenue to fund balance.

*Sue Willis* – AFRS In-Process & Rejections  
In-process reconciliation happens when treasury cash from month-end transactions in the system are reconciled to draws processed by the treasury.  
Problems – college uses wrong current doc number on A-7A or A-8A form.  
Common rejections – using account with a subsid requirement in AFRS, reporting an incorrect subsid type, impermissible COGS accounts, invalid approp indexes, use of accounts with fund limitations.

**3:30-4:00 Wrap-up**