**Spring 2024 Meeting**

**Thursday April 25th- Friday April 26th**

**Big Bend Community College & Webex**

**Thursday April 25th**

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| **8:30am - 9:00am** | Casual conversation & light refreshments  NOTE: No official business or training should take place during this time to prevent others still joining missing necessary information. |
| **9:00am - 9:15am** | Welcome and Agenda |
| **9:15am – 10:00am** | BAR Business:   * Approval of previous meeting minutes – Debra Maxwell, BAR Secretary, Wenatchee Valley College * BAC Report – Charlene Rios, BAC Liaison, Big Bend Community College April 12, 2024 – Fiscal health measures reports went out; FAFSA’s behind, talk of options, college decisions on how will handle student aid (3.5%, Foundation), don’t know how long Feds going to make us wait;  Operating Budgets – tuition loaded for most; allocation 2 FY25 in the works, may not see as often, will do bigger ones with smaller ones;  Capital supplemental budget passed, clean building act not yet; 25-27 budget went to BAC, discussing prioritization, PRR Allocation model, Presidents are asking a lot of questions So many changes since COVID (staffing), so we need to change how we’re doing these things compared to the past. Operations – standardization of business processes IT - WATECH pushing ctcLink standardization New student success software, bank rec software Adjunct pay equity bill – picking apart language, supposed to be paying 85% of full-time, but what makes up the full-time/85% Sen Bill 1559 for additional student need – navigator position  HB 2112 – progression and training on opioid and substance abuse ($6K per college for training, $26K if have resident hall, bill says training needs to be in person, trying to come up with remote options) Additional corrections student funding * Treasurer’s Report – Sydni Yager, BAR Chair, Grays Harbor College Angela has left; Sydni reported balance, same as last meeting ($9,441.35) * Added discussion of when and how to have future meetings – Fall & Spring in person, Winter Zoom; Centralia will do Fall, * Discussion & Voting – Sydni Yager, BAR Chair, Grays Harbor College   + FY25 BAR Leadership – Open positions, Chair Elect, Treasurer, Secretary Secretary – Sydni Yager Chair Elect – Jennifer Fenske   + FY24 Treasurer – Angela Garza elected through FY25 |
| **10:00am – 11:00am** | Killian Outline   * Bruce Marvin, AAG   Service & Activities Fees – Defining, restrictions, permissible uses, impermissible uses, how distributed  Killian compiled information from AG guidance, has become general guidance; not a replacement for student government policies; if need assistance on interpretation, etc. contact AAG for guidance  28B.45.041 – other than tuition fees, charged to all students  Is it legally authorized and does it not violate the constitutional prohibition against of state funds (Article VIII, Sec 5) – must be yes to both  Student activities – co-curricular or extra-curricular activities S&A fee are state funds Students propose budget through student government (strong role), consideration by college administration, then adopting/approving by Board of Trustees. Conflicts between S&A Fee Committee and College budget priorities are subject to a dispute resolution process if necessary (28B.15.045(6)-(8).  Approved activities – Student government, club, student programming; health and wellness services, retreats/conferences; musical, dramatic and artistic presentations; debates and scientific presentations; child care center costs; (see slides for full list); tutorial or co-curriculum provided not critical to operation of the college; student food bank (if only serve students)  Can be used for a student loan fund for needy students (with restrictions) 28B.10.825 Other scholarships fall into “legal grey area”. Awarded to enrolled students, and based on need or consideration (athletics, extra-curricular program contributions (stagehand)  Can fund student political/religious clubs; Allocation of funds must be neutral with respect their view point; must receive same access to college facilities, resources and services as other groups  Lobbying by student governments is authorized, except lobbying by students not through the student government (42A.17A.635)  Fundraising – used as “seed money”, revenues commingled with state funds and are subject to college restrictions  Done without using state property or money is private, may be used without restriction, but must be segregated from public funds in a “trust account”.  Retain private character if state facilities are used if: Pay rent at FMV, and occurs in public area in compliance with college fair use policy  Impermissible uses – gifts (free G&S without consideration), Lobbying other than approved by 28B.15.610, political contributions, salaries of persons not providing student services related programming, complimentary tickets/admissions for promotional purposes  Voluntary Fees – separate and distinct from S&A, are authorized by 28B.15.610, only authorized means of assessing across the board student fees at CTCs, frequently used to pay for and maintain student tech |
| **11:00am – 12:00pm** | Collections, Fraud & Bankruptcy   * Aileen Miller, AAG   Debt collection – Financing, interest, late charges, CA contracts, Fair Debt Collection Practices act  28B.10.293 re financing and late charges (may impose); 43.17.240 shall accrue interest 1%/mo.  Collection Agency Contracts RCW 19.16.500 – some state requirements supplanted by federal rules. Set out maximum percentages, but federal law governs; Any fee agreement with a public agency is “presumptively reasonable” – must provide notice before referring to collections, otherwise won’t be legally supported. 34 CFR 674.47 for fee percentage limits  FDCPA – prohibits unfair practices, can only collect interest of collection costs expressly authorized in debtor agreement and permitted by law. Interest 43.17.240, collection costs  Went over court cases. Bradley v. Franklin Collection Service 739 F.3d 606 (11th Circuit 20214). Being accurate with info provided to students is paramount.  Student Financial Responsibility Agreement – Payment of fees/promise to pay, delinquent account/collections, communication/billing methods, must have their signature – have legal review (AAG for your college). Reviewed sample provisions. Adding “to the greatest extent required by law” addresses some Fed considerations.  Must have student signed agreement, College must be able to retain and authenticate by signature and date, including electronic signatures/documents.  28B.10.293 recently revised, can’t withhold transcripts for debt collections, and limit’s ability to withhold registration privileges (requires student notice)  SBCTC 5.30.35 allows withholding registration for students with unpaid debt.  Effective 7/1/24, the Fed gov’t has followed suit regarding transcripts, must release if received federal grants, loans, or work study funds. Colleges can withhold credits from a transcript if student still owes money for that quarter/semester  Bankruptcy – purpose of code is to provide a “fresh start” for honest debtors and equitable treatment of creditors. 3 types – Ch 7 (liquidation), 11 (reorg – corps), 13 (adj of debt).  Ch 7 – liquidates debtor’s nonexempt assets. Acts as a permanent injunction against collection of all dischargeable pre-petition debts.  Ch 11 – debtor retains assets while repaying creditors under court-confirmed wage earners plan. Applied to persons with regular income, discharges within 3-5 (repayment plan length).  Automatic stay - Once notified of bankruptcy proceeding, it prohibits any action to collect pre-petition debt once petition is filed. Formal notice not required (student could call and inform); penalties imposed if found in willful violation, including damages, attorney fees, and punitive damages. Tip – have a process for tracking/monitoring bankruptcy status.  Automatic stay applies to all student debt, until the court determines what is dischargeable/non-dischargeable. If the case is closed, need to determine whether debt has been discharged.  Ch 7 may proceed against a co-debtor/co-signer without violating automatic stay, but Ch 13 does prohibit.  Dischargeable vs. non-dischargeable  Bankruptcy court has lots of forms. File Proof of Claim for, esp. if have dischargeable debt to make sure can get a portion of funds. Include amount owed, interest, and fees incurred to collect and file within 180 days after first date of meeting of creditors. Could get help from your AAG.  Dischargeable – Unpaid tuition, housing, dining, mandatory student fees, childcare fees, parking fees, bookstore charges, library late fees.  Non-dischargeable – dischargeable unless repayment require poses undue hardship, applies to both chapters, student debtor must file an undue hardship proceeding.  Educational benefit overpayment or loan made, insured, or guaranteed by government or by a program funded by government or nonprofit agency.  Obligation to repay funds received as an educational benefit, scholarship, or stipend A “qualified education loan” under the IRC.  Undue hardship – debtor must file adversary proceeding, parents can claim if co-signers, parents can claim “claw back” or “preferential” tuition payments.  DOE Guidance (DCL: GEN 23-13) applies to ed institutions under FFELP and Perkins loan programs. Evaluate undue hardship claim, stipulate facts, and recommend full or partial discharge, or if no undue hardship costs would be more than costs of defending exceed costs owed.  Three-part test – clear, transparent, and consistent expectations for discharge (borrowers understand without representation), reduce borrowers’ burden in pursuing hardship proceeding by simplifying fact gathering, increase # of cases holder stipulates facts, |
| **12:00pm – 1:00pm** | Lunch |
| **1:00pm – 2:00pm** | Procurement Policy Changes   * Alex Kennison, DES   Higher Ed has its own authority to do procurement; other state agencies all must go through DES.  Sourcewell, NAPSO, MMCAP (Co-ops) used by DES for state contracts as well as direct competitive solicitation.  Why? – leverage buying power, implement/enforce procurement priorities, save time/energy.  Using fulfills competitive bidding requirements.  Can use statewide contract but are not required. Went over state DES contract web site and how to use.  DES Policy Updates – Supplier Diversity Handbook, Sole Source Policy, Anti-Discrimination clauses, Access Equity (OMBWE), PCB Policy updates  If have sole source, need to follow DES policies, sole source is not specified in higher ed 28B.10 statutes. |
| **2:00pm - 3:00pm** | Sales & Use Tax - DOR   * Joshua Basher, Tax Information Specialist * Darlene Warner, Education Manager * Adam Halliday, Tax Policy Specialist   IT Products and Taxation  Hardware – Servers, cables, towers, motherboards (physical, tangible equipment); subject to sales and use tax.  Installation, maintenance, repair, and extended warranties also subject to tax  Software – Data or programs used to operate computers. Pre-written and custom, routine installation of pre-written, updates, upgrades, patches, keys, and maintenance agreements for pre-written software  Custom computer software and customization of software not subject to tax.  Digital products – Transferred electronically: digital goods (movies/music), digital automated services (DAS)  Does not include personal/professional service involving application of human effort (internet access, computer software, remote access software, or RAS (remote access software). RAS is taxable.  DAS is a Digital Automated Services – service transferred electronically that uses one or more software applications. Does not involve human effort. |

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| **3:00pm – 4:00pm** | SBCTC Updates   * Teri Sexton * Lori Carambot   Minor changes coming to VPA process, memo coming out soon, OFM requiring. Colleges will no longer be pulling funds from the Treasurer. Will be impacted if you are overdrawn. Starts July 1, 2024. Will still do express invoicing and receipt of ACH funds.  What’s new at SBCTC? New Business Analyst for Lori – Lauren Hoell  Risk Assessments and Interna Controls – should be doing annually. SAAM Ch 20 Internal Control; SAO has a resource library on IC stuff.  Disclosures – opening on July 15, 2024 (early) so you can get an idea what’s needed August 14, 2024, is hard close date.  State Certification due 9/6/2024.  Federal Certification 2/26/2025  Amounts reported should match GL, if differ a detailed explanation is required.  Amounts reported used for SEFA (Schedule of Expenditures of Federal Awards) – Statewide Don’t enter too early or may have to correct for later closing entries.  Capital assets not adequately reconciled at YE. Governmental 504xxxx  expenditures should match additions to assets, reconcile prior to closing; move non-capitalized expenses to some other account; all COP expenditures must be capitalized.  Proprietary no 504xxx expenditures at YE. If using AM, will make entries for you – moves 504xxxx to 112xxxx based on asset type.  Allowance for Doubtful Accounts – College needs to have policy, SBCTC cannot set for us. Coming out with global AR aging report for all 101xxxx accounts in May  List of required recons with SAAM sections.  Daily meetings sooner than previously? Go over recons. Will be recording Q&A sessions this year. |
| **4:00pm – 4:30pm** | Tour of Big Bend Workforce Training Building |

**Friday April 26th**

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| **8:30am - 9:00am** | Casual conversation & light refreshments  NOTE: No official business or training should take place during this time to prevent others still joining missing necessary information. |
| **9:00am – 10:00am** | Funds & Fund Types (Sue Willis)   * SBCTC Accounting   Appropriation expenditures must have the correct fund and AI. Two types, capital and operating. Capital is approved by the state, and we also have locally approved funds.  Five fund types  Fund type 1 – Govt’s 001, 08A, 057, 060, etc. These are Treasury funds.  Fund type 2 – Gov’t, permanent and local  Fund type 3 – Gov’t special revenue and local (148,149, 846)  Fund type 4 – Proprietary Internal Service and Enterprise (443, 460, 522)  Fund type 5 – Clearing/suspense and Fiduciary, custodial and local (790 and 840). 840 balanced in AFRS in FY2223, need to keep in balance. Also need to do fiduciary statements for 840.  Class codes describe the type of use (instructions, administration, student services, etc.  Class codes for 148, 149 (operating funds), etc. need to start with “0”.  145, 146 start with a “1”. Capital begins with a “2”, debt service is a “3”, revenue/holding begins with “5.”  Student aid in funds 846 (Fin Aid), 849 (Loans), 145 (Grants). Never put in 148 or 149.  148 is dedicated local fees. Mostly revenue from mandatory student fees, tech fees, course/class fees, community education.  149 is only for tuition and interest. Interfund transfers are not permissible in this fund.  Impermissible transactions – can’t use interfund transfers in state allocated operating and capital funds. (403050/4030140, 1010170/2012040)  Revenues reported as expense reductions in AFRS.  Enterprise funds T-transfer that create expenses with credit balances.  Funds 997 and 999 cannot have cash.  Lots of questions/discussion  Year-end – OFM focusing on cash, Assets w/CR balance Liabilities with DR balance, accounts with unchanged balances (at the fund level – Lori working on new SMARTER report for this)  New account created for credit card rebates – 4030165.  State agency due to/from is very high right now. August 14 is cut-off, will be sending out email with actual due to/from cutoff date.  Teri is standardizing the closing rules this year so all colleges will be the same. |
| **10:00am – 11:00am** | 1098T Roundtable (Brandon Reed and Tamara Allen)   * SBCTC Student Finance   Will go over survey. Will sent out again after today for a brief period to give everyone opportunity to participate. |
| **11:00am – 12:00pm** | BAR Business Meeting   * Election of new officers |
| **12:00pm** | Adjourn |