

Agency 699

Community and Technical College System

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2007-09 Expenditure Authority	15,885.1	1,292,967	1,217,681	2,510,648
Supplemental Changes				
Correct Year Split for Pension Cost				
Campus Safety - Community Alert		2,550		2,550
Health Care Career Advancement Program		3,000		3,000
Facilities Maintenance and Operations		1,172		1,172
OFM Enterprise Systems Fee		998		998
Pension Plan 1 COLA Funding		93	22	115
PEBB Rate Reduction		(21,065)	(5,054)	(26,119)
Technical Corrections		156		156
Initiative 732 COLA		2,756	151	2,907
Subtotal - Supplemental Changes		(10,340)	(4,881)	(15,221)
Total Proposed Budget	15,885.1	1,282,627	1,212,800	2,495,427
Difference		(10,340)	(4,881)	(15,221)
Percent Change	0.0%	(0.8)%	(0.4)%	(0.6)%

SUPPLEMENTAL CHANGES

Correct Year Split for Pension Cost

The original appropriation for the Pension Stabilization Account was placed entirely in Fiscal Year 2009. This adjustment corrects the appropriation to follow the intent that funding is to be spent in each year.

Campus Safety - Community Alert

One-time funding is provided for grants to each college to create or expand community notification systems, such as text messaging, paging, and emailing. These systems provide critical warning to students and staff of on-campus emergencies.

Health Care Career Advancement Program

Hospitals throughout the state face severe shortages of qualified nurses. This appropriation funds innovative partnerships to train incumbent health care workers to become certified registered nurses. A pilot project in Seattle involving Shoreline Community College will be expanded throughout the state. The project will train more nurses, addressing the statewide shortage, and allow workers to upgrade their skills on the job. These partnerships will involve hospital management, workers, and the community colleges.

Facilities Maintenance and Operations

A technical adjustment is made to include maintenance and operations funding for two buildings (Lower Columbia Fine Arts and Edmonds Instructional Laboratory) that were constructed with state funds but not included in maintenance and operations calculations for the 2007-09 biennial budget.

HIGHER EDUCATION

OFM Enterprise Systems Fee

Funding for the new Enterprise Systems fee was inadvertently omitted from the State Board for Community and Technical Colleges' biennial budget. This item corrects that omission.

Pension Plan 1 COLA Funding

Funding was provided in the 2007-09 budget for the additional employer contributions to retirement systems required by modifications to the eligibility criteria for the uniform COLA in the Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) in Senate Bill 5175. This item moves that funding from the State Employee Compensation Adjustments agency into individual agency budgets. (General Fund-State, other funds)

PEBB Rate Reduction

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).

Technical Corrections

The salary base used to calculate compensation funding did not include the funding provided last biennium for faculty increments. The State Board for Community and Technical Colleges' budget is adjusted to correct the salary base used for compensation items.

Initiative 732 COLA

The 2008-09 academic year cost-of-living increase mandated by Initiative 732 is based on the 2007 calendar year Seattle Consumer Price Index, which has increased from original estimates. The second year increase will be 3.6 percent, rather than 2.8 percent.