

Agency 699

Community & Technical College System Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	15,981.1	1,331,040	1,709,026	3,040,066
Maintenance Other Changes:				
1. Adjust CAP Tuition Backfill	0.0	(18)	0	(18)
2. Clover Park Debt Service	0.0	0	(2,223)	(2,223)
Maintenance -- Other Total	0.0	(18)	(2,223)	(2,241)
Maintenance Comp Changes:				
3. Initiative 732 COLA	0.0	150	93	243
4. Move Pension Fund Shift to Agencies	0.0	(67,897)	67,897	0
5. Updated PEBB Rate	0.0	(5,982)	(4,870)	(10,852)
6. Wellness \$25 Gift Card	0.0	8	8	16
7. Paid Family Leave--Employer Premium	0.0	289	230	519
Maintenance -- Comp Total	0.0	(73,432)	63,358	(10,074)
Maintenance Central Services Changes:				
8. Archives/Records Management	0.0	(1)	(1)	(2)
9. Audit Services	0.0	32	16	48
10. Legal Services	0.0	(6)	(3)	(9)
11. CTS Central Services	0.0	(38)	(18)	(56)
12. DES Central Services	0.0	1	0	1
13. OFM Central Services	0.0	36	17	53
14. Workers' Compensation	0.0	316	155	471
15. DES Rate Compensation Changes	0.0	2	1	3
Maintenance -- Central Svcs Total	0.0	342	167	509
Total Maintenance Changes	0.0	(73,108)	61,302	(11,806)
2017-19 Maintenance Level	15,981.1	1,257,932	1,770,328	3,028,260
Policy Other Changes:				
16. Career-Connected Learning	0.7	156	0	156
17. WA-LERC Labor Staff	0.0	338	0	338
Policy -- Other Total	0.7	494	0	494

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
18. PERS & TRS Plan 1 Benefit Increase	0.0	158	144	302
19. Family Leave: Low Wage Employees	0.0	18	34	52
Policy -- Comp Total	0.0	176	178	354
Policy Central Services Changes:				
20. Archives/Records Management	0.0	2	0	2
21. Audit Services	0.0	1	0	1
22. Legal Services	0.0	9	4	13
23. CTS Central Services	0.0	107	52	159
24. DES Central Services	0.0	7	4	11
25. OFM Central Services	0.0	173	85	258
26. CTS Fee for Service Adjustment	0.0	48	24	72
Policy -- Central Svcs Total	0.0	347	169	516
Total Policy Changes	0.7	1,017	347	1,364
2017-19 Policy Level	15,981.8	1,258,949	1,770,675	3,029,624

POLICY CHANGES**1. Adjust CAP Tuition Backfill**

The 2015 Legislature created the College Affordability Plan (CAP) in Chapter 36, Laws of 2015. It required the 2015-17 budget to provide funding to backfill the loss of revenue from tuition operating fee reductions. The tuition backfill is adjusted for inflation as specified in statute. (General Fund-State)

2. Clover Park Debt Service

Expenditure authority is adjusted to reflect a delay in the sale of a certificate of participation (COP) for the Advanced Manufacturing Technology Center at Clover Park Technical College from fiscal year 2018 to fiscal year 2019. (Community/Technical Colleges Capital Projects Account-State)

3. Initiative 732 COLA

Funding is required to adjust Initiative 732 salaries due to an increase in the Seattle Consumer Price Index. (General Fund-State; Education Legacy Trust Account-State; Inst of Hi Ed Grants and Contracts Account-Non-Appr; other accounts)

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4. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

5. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; Education Legacy Trust Account-State; Inst of Hi Ed Grants and Contracts Account-Non-Appr; other accounts)

6. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State; Inst of Hi Ed Grants and Contracts Account-Non-Appr; Inst of Hi Ed-Dedicated Local Account-Non-Appr; other accounts)

7. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; Education Legacy Trust Account-State; Inst of Hi Ed Grants and Contracts Account-Non-Appr; other accounts)

8. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

9. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

10. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

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11. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

12. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

13. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

14. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

15. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

16. Career-Connected Learning

Funding is provided for staff at the State Board for Community and Technical Colleges, Workforce Training Board, Employment Security Department, Department of Labor and Industries and the Office of Superintendent of Public Instruction to assist the Office of the Governor in developing a strategic plan for youth apprenticeship and career-connected learning. The agencies will collaborate with each other and engage with business and education stakeholders to inventory existing state and local systems and programs, analyze barriers and propose policies that support statewide implementation of registered youth apprenticeships. (General Fund-State)

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Funding is provided for three FTE staff at the Washington State Labor Education and Research Center (WA-LERC) based at South Seattle College. WA-LERC provides workforce education, conducts trainings, produces the Washington State Workplace Rights Manual and teaches continuing education classes. WA-LERC will hire two researchers, a labor educator and program coordinator to increase WA-LERC's research capacity, increase classes and worker trainings, and develop an online associate degree in workforce and labor studies. (General Fund-State)

18. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; Education Legacy Trust Account-State; Inst of Hi Ed Grants and Contracts Account-Non-Appr; other accounts)

19. Family Leave: Low Wage Employees

A paid family and medical leave program was created by Chapter 5, 2017 Laws 3rd Special Session. The law permits employers to pay the employee, as well as the employer, portion of the premiums. This item provides funding to do so for employees earning less than the equivalent of \$34,060 annually, who are not covered by a collective bargaining agreement. The paid leave law does not applied for those in bargaining units until after this biennium. (General Fund-State; Inst of Hi Ed Grants and Contracts Account-Non-Appr; Inst of Hi Ed-Dedicated Local Account-Non-Appr; other accounts)

20. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (General Fund-State)

21. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State)

22. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

23. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

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24. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

25. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)

26. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State; Inst of Hi Ed-Operating Fees Account-Non-Appr)