

Transferring Salaries, Benefits and Staff Months in ctcLink

The **Business Affairs Committee** established a working group to investigate concerns raised by state legislators surrounding the lack of detail regarding 'T' transfers. In recent years, colleges have made large 'T' transfers between appropriations, but those transfers do not contain enough detail for legislators to determine the breakout of different account types and the staff months associated with the accounts.

Issue:

The practice of transferring large amounts of funds between accounts ("T-Transfers"), primarily to cover employee compensation costs, has created transparency, accountability and funding questions from oversight agencies. In addition, because salary expenditure amounts are used to allocate salary increase funding, concerns have been expressed that colleges can "game" the allocation system by charging more to state funds than they actually spend by year-end close.

The working group was charged with researching the issue and coming up with a proposed solution that would meet the needs of legislators, while not creating too much of an administrative burden on SBCTC and the community and technical colleges. The group consisted of the following members:

- Dennis Curran, Bellevue College
- Chad Stiteler, Bellingham Technical College
- Nick Lutes, Bates Technical College
- Dawn Beck, Shoreline Community College
- Sylvia James, Pierce College
- John Ginther, SBCTC

Recommended Solution:

Any solution must ensure we meet the needs of our legislators (i.e. to determine how much we spent on the different employee categories) while also minimizing the workload impact on our colleges. To that end, the workgroup proposes adding five new account codes to identify the employee type of a 'T' transfer. Each 'T' transfer will have identify to an account code to differentiate how the transferred funds are being used (classified, exempt, faculty, other (for tech colleges) and student employees). Differentiating between account codes will slightly increase workload for community and technical colleges, but not significantly, and it will meet the needs of state legislators.

Currently, when colleges execute a 'T' transfer, they include information on the appropriation, state purpose, fund code and class code. Adding a new code should

not create significant increase in workload. The codes, when added, will differentiate data when it goes to Agency Financial Reporting System (AFRS) and distinguish between classified, exempt, faculty, other (for tech colleges) and student employees. Colleges will also have to input the number of staff months as an additional data point. Colleges will be expected to consistently use the Fund, Appropriation Index, Class (Program Index) and State Purpose. Since Department (Org Index) and specific grant information is not sent to AFRS colleges may use a single Department for salary and benefit transfers if they choose to do so.

Accounting Transactions in ctclink

When transferring salary expenditures within ctclink the following fields are always required or have special requirements:

| Unit | Account | Oper Unit | Fund | Dept | Class | Approp Index | Projects | State Purpose | Amount | Stat | Stat Amt |
|----------|---------|-----------|----------|--------|--------|--------------|----------|---------------|--------|------|----------|
| Required | Note 1 | Required | Required | Note 2 | Note 3 | Required | Note 4 | Required | \$0.00 | SMO | Note 5 |

Note 1. Accounts: When transferring salary expenditures only the following 5 accounts may be used (colleges are always welcome to reverse the original account and record the correct account):

- 1) **5081012.** All employees/positions which have been defined as **exempt** by chapter 41.06 RCW, by the Washington Personnel Resources Board and by the governing board of the institution excluding faculty, graduate assistants, students, and higher education other
- 2) **5081014.** All employees/positions whose primary responsibilities are **teaching**, research, public service, or a combination of these, including librarians and counselors designated as faculty.
- 3) **5081016.** All **classified** employees/positions under the jurisdiction of the Washington Personnel Resources Board.
- 4) **5081018.** All **student employees other than** graduate assistants or those covered by Washington Personnel Resources Board, including work-study students.
- 5) **5081019.** All employees/positions not subject to other classifications.

| Account | Description | Transfer Account |
|---------|--------------------------------|------------------|
| 5000010 | Exempt Executive | 5081012 |
| 5000020 | Exempt Managerial | |
| 5000030 | Exempt Professional/Technical | |
| 5000040 | Exempt Support Staff | |
| 5000050 | Exempt Temporary | |
| 5000110 | Classified PT Hourly (Non-Rep) | |
| 5000060 | Faculty Permanent FT | 5081014 |
| 5000070 | Faculty Permanent PT | |
| 5000080 | Faculty Temporary FT | |
| 5000090 | Faculty Temporary PT | |
| 5000100 | Community College Classified | 5081016 |
| 5000120 | Technical College Classified | |

| Account | Description | Transfer Account |
|---------|--------------------------------|------------------|
| 5000130 | Higher Education Students | 5081018 |
| 5000140 | Work Study Students | |
| 5000180 | Higher Education Other | 5081019 |
| 5000190 | Tech Coll Classified PT Hourly | |

Note 2. Department: Colleges may use a single department for all transfers since Department is not included in our transmittal to AFRS.

Note 3. Class Code: Colleges may group transfers by Class Code (Program Index). i.e. 011, 012, 014, 016, 018 may be transferred by any class 01x, any 061, 062 etc may be transferred by any 06x. College data is transferred to AFRS using 010, 040, 050, etc therefore the specific Class/PI is not significant in AFRS (for colleges it is important due to IPEDS reporting).

Note 4. Projects: PC Bus Unit/Project/Activity/Analysis Type are always required for project costs.

Note 5. Staff Months: Every transfer of salary expenditures requires staff months as well. Enter SMO in the Stat field and the totally number of staff months in the Stat Amt field.