MINUTES
POLK STATE COLLEGE
District Board of Trustees Budget Workshop
Monday, June 29, 2026 – 3:00 p.m.
Center for Public Safety – CPS 267

Ms. Ann Barnhart welcomed everyone to the June 29, 2026, District Board of Trustees Budget Workshop at 3:00 p.m.

Members Present: Ms. Ashley Bell Barnett, Mr. Kyle Davis, Mr. Steve Lester, Mr. Greg Littleton, and Mr. Ashley Troutman

Members Absent: Ms. Cindy Ross

Ms. Cindy Baker was welcomed to the table to present the Budget Workshop to the Board. Referring to the PowerPoint presentation, she began to share the details of budgeting for the 2026-2027 Fiscal Year.

As a Fund Overview, Ms. Baker summarized all the College funding sources.

Fund 1 – Unrestricted (this fund drives the College budget)

Revenue Sources
State Appropriations, Tuition & Some Fees, PIPELINE & LINE Grants, Corporate College, Testing Fees and Industry Certifications

Expenditures
College Salaries and Benefits (excluding Grant sponsored amounts), Operating Expenses (instructional supplies, repairs/maintenance, utilities, insurance, travel, etc.), Capital Outlay

- Comprised of 20+ separate funds where Fund Balance is managed.
- Includes 130+ "Orgs" (functional departments of the College, including Academic concentrations – i.e. Science, Math, Registrar, Facilities, IT)

Budgeting
- Each Fund/Org has an established budget which creates the Fund 1 budget reported to the State.

Fund 2 (Restricted Funds) – Restrictions imposed by donors or other outside organizations/government.
- Grants
- Student Activities and Athletics Fees
- High School Operations

Fund 3 (Auxiliary Funds) – Non-instructional services
- Bookstore Commission
- Food Service Operations
- Miscellaneous Revenues (cellphone tower, licensing fees, etc.)

Ms. Bell Barnett asked about auxiliary funds being able to be transferred to Fund 1 as they now can at the university system level, but Ms. Baker has not heard anything about that for state colleges.

Fund 7 (Capital Projects Funds) – Acquisition or construction of physical property

- Public Education Capital Outlay (PECO)
- Capital Improvement Fees
- Capital Outlay & Debt Service (CO&DS) determined by the State
- General Revenues

Ms. Bell Barnett asked if this presentation includes how much of the College's budget comes from dual enrolled students. Ms. Baker did not have that detail, but she will get it and report back to the Board.

As a Budget Overview, Ms. Baker began by comparing the revenue budget for FY 2027 versus FY 2026. Even though the Finance Team budgeted tuition and fees as flat, the College lost about $2 million due to losing a region in the Department of Corrections contract through Corporate College. From what Ms. Baker has heard, they are going to open up that region again for bids. The final budget was received today at $53,339,382, with no vetoed line items. The "other" category for revenue is made up of two components: one component is direct costs charged to the high schools (security, facilities, IT, and staff) and the other is interest earnings on the market account. Under the "other" category, the difference between FY 2026 and FY 2027 is because dual enrollment was pulled this year and moved into tuition and fees.

Ms. Bell Barnett asked if the College has thought of other ways to increase funding or mimicking what other state colleges are doing to increase their funding. Ms. Baker responded that they have been reviewing other ways based on the decrease in funding due to Corporate College. Ms. Bell Barnett suggested having a brainstorming meeting to discuss ways to improve revenues and review expenditures. Ms. Barnhart agreed that it's difficult to make any changes so close to the budget being finalized. She suggested there be a budget workshop in early May. The Finance Team would need to create a breakdown of each of the focus areas so the Board understands where there are opportunities on the revenue side and the expense side. Under previous leadership, Corporate College had a different position with regard to revenue and expenses for the College. Ms. Barnhart added that this may be something that can be reviewed under the new President's leadership. Mr. Troutman asked if there should also be an information session for the Board, leading up the workshop where members would be given information to assist in making decisions at the May workshop. It was decided that the idea of having a May budget workshop and information session leading up to the workshop will be brought forward as an action item in the 4 p.m. Regular DBOT meeting today.

Ms. Baker explained that the expense budget for salaries and benefits is budgeted lower from last year to this year because the College budgeted a much higher cost for health benefits than what was actually spent. This budget was moved to current expenses to work on maintenance for each of the buildings. Ms. Bell Barnett asked if there was a team already looking at the hierarchy of building maintenance to determine if some of it can be handled through the Foundation's funding. A project plan for college chillers is already being developed and will be for a three-year time period. Ms. Bell Barnett asked if the College ever does any outreach through Traviss or Ridge technical centers to offer a lower cost on some of these maintenance and repairs particularly when we have articulation agreements already in place with them where students can earn credit hours. Ms. Baker thought that was a great idea. Ms. Barnhart asked when was the last time that the College did an overall analysis of maintenance systems where a one-time upgrade could be done to get the systems working as they should. Ms. Baker said that a study was done during the COVID years and HEERF monies were used for HVAC issues and upgrades. Ms. Barnhart asked if the $25 million that the College just got funding for would include any HVAC upgrades that are needed. Ms. Baker responded that if Robbie Manikis, Project Manager, can build it into the budget, he will. Ms. Baker added that there is about six months of maintenance built in to the Northeast Ridge (Haines City-Davenport Campus) budget already. Regarding Public Education Capital Outlay (PECO) expenses, the Finance Team has delegated almost $1 million for information technology upgrades, but does not include the tech refresh. Therefore, $1.5 million will be included in carryforward for tech refresh next year. Ms. Baker added that through her Council of Business Affairs group, colleges are going to have to reserve one-half of a percent from buildings that have had repairs completed or built as new. Those dollars will have to be escrowed. This requirement has not been defined yet, but Ms. Baker will bring it back to future DBOT meetings as she receives more clarity.

Ms. Baker reviewed the key budget assumptions slides. State appropriations are funding all salaries and benefits. Student tuition and fees are responsible for all operating and capital outlay expenses. What this means for Polk State College is that state appropriations may no longer cover salaries and benefits due to a no budget increase. Tuition and fee revenue is critical to support and expand operations (increase in enrollment **must** be with non-exempt students). Dual enrolled students were discussed as one of the non-exempt classifications. The College normally bills the Polk County School Board, and they reimburse the College 60%, which they did not do for the first time this year. The DE books and supplies are also paid for by the College, but Ms. Baker said they are planning to conduct an analysis through Banner on these other expenses. Ms. Barnhart asked for clarification on whether collegiate high school students who graduate with a formal degree count in completion rates at the College. Ms. Baker said she will have to research this and respond. Mr. Troutman asked if there are any metrics that show good conversion rates for the 60% converting to full-time enrollment.

Ms. Baker explained the Carryforward Spending Plan.

- The Carryforward Spending Plan is based on unrestricted fund balance on June 30, 2026; once the year is closed and the Annual Financial Report is submitted to the Florida Department of Education (due August 15, 2026), the Carryforward Plan can be developed.
- Polk State College is required to reserve 5% before the Carryforward Plan is calculated.
- The Carryforward Plan will be developed based on needs of the College with the first being operating cash reserve. The College has 75 days' worth of operating reserve in case something happens.
- The Plan must be approved by the District Board of Trustees by September 30, 2026, and submitted to the Florida Department of Education for approval by October 3, 2026.

Ms. Barnhart thanked Ms. Baker for a very good presentation.

Adjournment:
Having no further business, the meeting adjourned at 3:45 p.m.

Ann Barnhart 8/24/2026
Ms. Ann Barnhart Date
DBOT Chair

8/24/2026
Anastasios Kamoutsas Date
President