

# Washington Community and Technical Colleges 2018 Supplemental Operating Budget Request

## Operating Budget Request (\$16 million)

Our supplemental operating budget priorities remain focused on producing the diverse talent pool needed to fill thousands of jobs and grow Washington's economy.



### Compensation funding (\$9 million, maintenance level)

Colleges are losing financial ground as the state continues to rely on student tuition revenues to pay for a greater share of employee compensation costs. Our colleges face a \$9 million shortfall in compensation funding in the 2017-19 budget, despite the tuition increases also included in the budget. Without a financial correction, colleges may have to reduce programs, student support services and/or staff.

### Teaching and learning (\$3.7 million, policy level)

This funding would support districts in addressing critical faculty staffing issues that affect student outcomes. Depending on local needs, funds would be used to provide faculty increments or to convert more faculty positions from part-time to full-time (120 conversions systemwide for an average of four per college).

### Student success/Guided Pathways (\$2.2 million, policy level)

The Guided Pathways approach is a research-based strategy that simplifies choices for students. Courses are grouped in clear paths through college and into careers, whether students enter those careers directly after graduation or transfer to a university for more education in their chosen fields. This saves students, families and the state time and money. This request would provide \$100,000 in planning funds to the 22 colleges that have not yet received start-up funding from the Legislature or other sources.

### Student financial aid updates (\$745,000, maintenance level)

The 2017-19 state budget increased tuition by 2.2 percent in FY 2018 and approximately 2 percent in FY 2019. The budget also increased funding for the State Need Grant program to cover those changes. If funded, this request would ensure other vital financial aid programs — the Opportunity Grant program and Worker Retraining financial aid — keep pace with tuition increases without reducing the number of students they serve, which is roughly 9,000 combined.

### Move Maintenance and Operations funding back to the operating budget (cost-neutral, maintenance level)

The lack of a 2017-19 capital budget is costing community and technical colleges \$11.4 million per year in state funding for routine facility maintenance and utility costs, including maintenance staff salaries. Colleges have collected funds for these needs from the building fee portion of student tuition and deposited them with the Treasurer's Office, but they lack authority to use those funds without a 2017-19 capital budget. This cost-neutral request would permanently shift capital maintenance and operations (M&O) appropriations back to the operating budget, where they were until 2003.

- Washington state will have 740,000 job openings in the next five years. More than half of those openings will be filled by people who have postsecondary education or training.<sup>1</sup>
- Employers are having the most difficulty filling mid-level jobs. These jobs require more than a high school education but less than a four-year degree — the level of education provided by community and technical colleges.<sup>2</sup>
- Washington state’s goal for postsecondary education is for 70 percent of all adults to have a postsecondary credential by 2023. To meet our share, Washington community and technical colleges will need to produce 228,000 more graduates who have earned a certificate or degree for the first time.<sup>3</sup>
- STEM jobs are in every industry and every community in the state — comprising from 8 percent to 20 percent of the workforce in every region. Examples include food production in Central Washington, hospitals in Spokane and engineering in the Tri-Cities. While communities and industries are increasingly dependent on workers with high-tech skills, the state faces a significant gap between employer demand and local supply of those with desired degrees and training.<sup>4</sup>



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|-----------------------------------|--|--|
| 1 - Bates Technical College       | 13 - Green River College                     | 25 - Skagit Valley College               |
| 2 - Bellevue College              | 14 - Highline College                        | 26 - South Puget Sound Community College |
| 3 - Bellingham Technical College  | 15 - Lake Washington Institute of Technology | 27 - South Seattle College               |
| 4 - Big Bend Community College    | 16 - Lower Columbia College                  | 28 - Spokane Community College           |
| 5 - Cascadia College              | 17 - North Seattle College                   | 29 - Spokane Falls Community College     |
| 6 - Centralia College             | 18 - Olympic College                         | 30 - Tacoma Community College            |
| 7 - Clark College                 | 19 - Peninsula College                       | 31 - Walla Walla Community College       |
| 8 - Clover Park Technical College | 20 - Pierce College Fort Steilacoom          | 32 - Wenatchee Valley College            |
| 9 - Columbia Basin College        | 21 - Pierce College Puyallup                 | 33 - Whatcom Community College           |
| 10 - Edmonds Community College    | 22 - Renton Technical College                | 34 - Yakima Valley College               |
| 11 - Everett Community College    | 23 - Seattle Central College                 |  |
| 12 - Grays Harbor College         | 24 - Shoreline Community College             |  |

Sources: 1. Washington Roundtable and The Boston Consulting Group report, “Washington Kids for Washington Jobs,” Oct. 5, 2016; 2. A Skilled and Educated Workforce, 2015 Update by the State Board for Community and Technical Colleges, Washington Student Achievement Council, and Workforce Training and Education Coordinating Board. Data projected for 2018-2023; 3. SBCTC Research Report, “CTC Role in WSAC Roadmap Goals,” April 2015; 4. Report by Technology Alliance and Community Attributes, Inc: “Tech’s Impact on Washington,” October 2017.