

November 7, 2019

The Honorable Mark Gordon
Governor of Wyoming
Idelman Mansion
2323 Carey Avenue
Cheyenne, WY 82002-0010

RE: Community College Budget Proposal

Dear Governor Gordon,

Thank you for agreeing to consider the needs of the Wyoming Community Colleges. As promised at our budget meeting on October 28, 2019, the seven Community Colleges offer this proposal requesting \$30M in four critical areas that are outside the Wyoming Community College Commission funding formula and requests.

The four areas are economic development and diversification, talent recruitment and retention, student success and access, and operational efficiency and effectiveness. In the following proposal, we provide details of the specific needs facing the community colleges and requests in each of these areas.

We sincerely thank you for your continued support of community colleges and your consideration of this proposal through a Governor's letter submitted to the Joint Appropriations Committee in this legislative session.

Sincerely,



Stefani Hicswa, PhD
President

C: Lachelle Brant, Senior Policy Advisor
Sen. Eli Bebout, JAC Co-Chair
Rep. Bob Nicholas, JAC Co-Chair
Dr. Jackie Freeze, Chair, WCCC
Dr. Sandy Caldwell, Executive Director, WCCC
Ernie Over, President, WACCT
Community College Presidents Council

**Community College
2021-2022 Biennium
Budget Proposal**

Introduction

It is an essential time for our great state as we weigh the ever-pressing impacts of the downturn in Wyoming's traditional industries with opportunities to invest in our future and diversify our economy. Now is the time to make the necessary investments in what has served and will continue to serve as the backbone of the state's workforce development and economic engine – the Community Colleges.

Operations at the colleges are very lean. At a time when everyone is asking more from them, the State has reduced overall general fund support for Community Colleges by more than eight percent since 2010. With inflation, in current dollars, that equates to a \$53.8 million cut in state-aid block grant funding to the colleges. Also, the colleges collectively have faced year-after-year double-digit reductions in locally assessed valuations. It is incredibly difficult to sustain the institutions' operations, let alone morale, in this type of environment. Indeed, it is becoming even more challenging to respond to the current and emerging needs of the colleges' communities and state.

Further complicating this is the situation with the community college health insurance pool. The colleges recognize the political dynamics of this situation and reluctantly understand that they need to accept a cut to insurance appropriations to be able to move beyond the political rhetoric (as debated in the 2019 session). Because that pool is already running a deficit, and unlike the state agencies and UW there are not vacancy savings to access, therefore they must also absorb the cost of the 12 percent premium increase for the six months remaining in this year. Where will the money come from to address these two things? Most likely by taking it from the very things the state is asking more of - their people and programming. That means less, not more, workforce training, re-engaging the adult worker, recruiting students to meet higher education attainment goals, increased transfer to the University, etc.

Community Colleges can drive social mobility and economic diversification. Yet, when they lack the appropriate resources, the colleges must utilize funds for basic services or cut the very areas that are essential to responding to local workforce needs and implementing new training and programs.

Now is *not* the time to cut access to higher education, program development, innovation, and services; now is the time to invest in Wyoming's workforce and economic engines, the Community Colleges. Wyoming's Community Colleges have the support of business and industry. Our local industries know first-hand how Community Colleges change lives and create opportunities for entire families and communities. Indeed, no one else is better suited to lift lives and incomes for Wyoming citizens than the Community Colleges. This proposal highlights four areas of concentration and requests:

Economic Development and Diversification \$10M

Talent Recruitment & Retention \$7.5M

Student Success & Access \$7M

Operational Efficiency & Effectiveness \$5.5M

Total \$30M

Economic Development & Diversification

As mentioned above, the Community Colleges are the workforce engine of Wyoming's economy. With the increased pressure from local industry, and new legislatively directed programs such as Wyoming Works, each of the colleges need program support and equipment renewal and replacement for a total amount of \$10 million to continue to meet these needs. While the colleges do their best to leverage program and equipment funding from sources such as EDA grants, Perkins funding, and industry giving, it is simply not enough.

High-Demand Program Needs

Each of the seven Community Colleges faces increased demand to meet local workforce needs and employee training needs. For example, Community Colleges train an estimated 80% of the law enforcement and first responders in our State. The shortage of health care workers, coupled with Wyoming's aging demographic, is a perfect storm threatening the quality of life for all Wyoming residents. Employers are turning to their local college more and more, looking to hire graduates with the skills their business requires to remain competitive. The Wyoming Works Program is a great start to help meet those needs, but each college has the ability and demand to develop new programs well beyond what Wyoming Works limited funding allows. Industry is demanding an educated workforce – the Community Colleges are the answer.

Talent Recruitment & Retention

Employee compensation is the most pressing issue facing the colleges, as it is for nearly all state agencies and UW. Therefore, we ask you to consider supporting an employee cost of living adjustment (COLA) for the Community Colleges of \$7.5 million. Here are the reasons to support:

- Expectations of the Community Colleges - at a time when the State is expecting more from the Community Colleges, the pressure on their resources and employees continues to be stretched.
- Inflation – Although small incremental increases have been given in the last few years, these have not been enough for compensation to remain competitive, let alone to offset inflationary pressures. The compensation increase approved by the Legislature in the last session will not even be enough for employees to pay for the increase in health insurance premiums hitting them in January.
- Budget reductions – The colleges are still feeling the impacts of the FY17/18 budget reductions coupled with significant reductions in locally assessed valuations (a financial hit other agencies do not face).

Wyoming is a beautiful place to live and work, but in the work of higher education, the colleges compete on a national level for talent. If they cannot recruit and retain their workforce, the colleges cannot develop Wyoming's workforce.

Student Success and Access

Wyoming's educational attainment goals are lofty. The colleges must increase the number of valuable post-secondary credentials (certificates or degrees) for Wyoming's working population to 67 percent by 2025 and 82 percent by 2040. In order to meet those goals, the number of entering 9th grade students must increase by 10 percent, high school to college matriculation within one year of high school completion must increase by 20 percent, graduation rates at both the Community Colleges and the university must double, and adult participation and completion of higher education must triple. The colleges propose two ideas to help the State reach those goals – a "Hathaway sized" endowment to provide a scholarship program for the adult learner and recruitment dollars to enable the colleges to launch a state-wide marketing plan.

Transforming Lives Endowment

There is no doubt, a large part of achieving these goals includes a focus on adult learners – those who need additional skills to move up in their job or go back to school to get a new

job. Wyoming should follow the lead of many states by creating an adult-focused grant/financial aid program. We must think big.

Anything less than an endowment in the range of \$250 million from the Legislative Stabilization Reserve Account will not move the mark. With Hathaway scholarships focused on traditional-age students, the addition of an adult-focused scholarship program is a natural counterpart to serve all Wyomingites' pursuit of higher education and "pulling us up by the bootstraps." Wyoming must re-engage working adults already committed to living here and encourage them to earn a post-secondary credential. The colleges hope that this is one of the recommendations of the Wyoming's Tomorrow Task Force.

Recruitment and Statewide Marketing

The Community Colleges and UW must work together to meet these expectations. The Community Colleges' success begets the success of the University. For example, 75 percent of the spring 2019 graduating class at UW were community college graduates. Both UW and the Community Colleges need to engage more students to achieve their attainment goals. However, the Community Colleges need state aid appropriations similar to those appropriated to UW to develop a state-wide marketing and recruitment effort of \$7 million. Wyoming's Community Colleges are a terrific investment for both in-state and out-of-state students. There is much to offer with the recently launched Wyoming Works Program and anticipated Bachelor of Applied Science programs at some of the colleges. When student affairs departments work independently and operate in silos, time and effort are lost. Developing a systematic and effective channel of communication is vital for the admissions and recruiting process and will allow the colleges to market these programs as the whole.

As directed in the last legislative session, the Higher Education Attainment Council is currently drafting goals for the Wyoming Statewide Educational Plan. The plan outlines several focus areas, including "Alignment of Workforce, Workplace, and Post-secondary Programs." This appropriation will allow the colleges to make progress toward the goals illustrated in this plan.

Operational efficiency and effectiveness

Finally, a significant component to the vitality and operational effectiveness for the Community Colleges is campus safety and security. Wyoming's Community Colleges have been working to keep their campuses safe for decades. However, as illustrated in the 2019 legislative session, resources for safety and security do not exist to keep up with the ever-growing needs. An investment of \$5.5 million is needed to increase law enforcement

individuals on the campuses, to move to electronic locking/entry systems, and for cameras/communications. The community college campuses are not just for students, they are for their Wyoming communities, and it is imperative that the colleges have the necessary components to fulfill that charge.

Conclusion

With budget cuts and inflationary pressures coupled with increased industry and legislative demands, the colleges are finding it difficult to respond to current needs, let alone proactively address the needs of Wyoming's future. Cuts three budget sessions in a row have eroded the public's confidence in Community Colleges when they should be investing in program development to drive the economy. Past legislative actions have reduced budgets to alarmingly low levels. The colleges urge you to take a stand against this gradual paralysis of our state's Community Colleges by making a significant investment of \$30M. Community Colleges truly lift lives and incomes and transform communities. The time is now to make this investment in Wyoming's Community Colleges.