
SF 30 – COMMUNITY COLLEGE INVESTMENT FUND

WACCT encourages you to support SF 30 – Community College Investment Fund – as it is a critical step toward sustainable funding for the engines of Wyoming’s economy, the community colleges.

- The primary challenge facing Wyoming’s Community Colleges is **sustainable funding**. Wyoming’s Community Colleges are constantly searching for established, consistent, non-volatile funding sources which provide a level of support to sustain and build service to students and the communities the colleges support.
- Budget erosion for the Community Colleges since 2010 amounts to \$94M:
 - Tuition increased by 96.4% over the last decade 2012 = \$75, 2022 = \$104 increase of 40%
 - 281 positions reduced since 2016 (or 16% of the entire Community college workforce) 1798 general fund positions in 2016, 1613 in 2021, a reduction of 185 or 11% of the general fund workforce and numerous programs and degree closures
- This comes at a time when the Community Colleges are part of the solution to keep the pulse of the state beating – training employees, building a competitive workforce, increasing educational attainment, and creating education opportunity for thousands of people statewide. *If this is what the Wyoming Legislature expects from the Community Colleges, a corresponding commitment to fund those expectations would be appropriate.*
- This sort of funding would allow the colleges to manage multiple increasing cost factors such as inflationary pressure and increased compliance and regulations as well as other aspects related to modern operations and technology.
- The interest earned from an endowment (which Wyoming knows how to do well) would bring a reliable amount of funding to the colleges on an annual basis.
- Recent history:
 - In 2020 both a legislative select committee and a special WCCC work group worked to provide sustainable funding recommendations for Wyoming’s Community Colleges. There has been little to no action at the executive branch or legislative level to implement any variation of the recommendations.
 - Specifically, the WCCC work group provided a plan that would have fully funded the system, including not only State Aid, but Health Insurance, Libraries, and Retirement as well, which would have only burdened the general fund to the tune of 45 percent of that total versus 60 percent today. The 60 percent is what is modeled, with 20 percent each coming from local mills and tuition. Another extenuating factor is the flat or declining local property valuations, which provides another important source of funding for the colleges via an ad valorem tax in those eight counties. For fiscal 2022, there is a projected decrease of 13 percent, which equates to approximately \$4 million.

- In a letter dated August 2021, the WCCC asked Governor Gordon to consider an exception request in the amount of \$40 million that is comprised of two aspects of the college state aid budget.
 - Fixed costs – An increase of \$21.2 million per biennium that provides parity in just the fixed costs, items like; utilities (electricity, water, sewer, sanitation), physical plant, contractual services, office supplies, travel expenses, equipment repairs, dues, and memberships, which have grown, even with efficiencies. This is a straight-line calculation using actual costs as a comparison between 2010 and 2019, an amount that is less than using a two percent CPI increase over this same period.
 - **The JAC did not make any recommendations to help the colleges out with fixed costs.**
 - Employee compensation – \$19.2 million per biennium, distributed via the funding allocation model and to be allocated by each Board of Trustees, which is the amount necessary to bring all full-time benefitted general fund employees to mid-point on the regional salary survey and provide for a 4% pay increase to all employees. This will ensure the vitality of the community college system and will allow each college to be able to be responsive to what we see as an inevitable period of growth as we emerge from this downturn in the economy and recovery from the pandemic.
 - **As it stands at the beginning of the session, the colleges have \$7M in the budget for employee compensation, but this number is only funded at 60% of what the rest of the state employees and UW will get. Due to the fact that local mills are also on the decline, the colleges do not have capacity to make up the difference.**