

2022

LEGISLATIVE PRIORITIES

Wyoming's Community Colleges are the heart of the state and at the center progress. But, to continue to be the engine that drives our economy forward, our Community Colleges need comprehensive support.

SUSTAINABLE FUNDING SOLUTIONS

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)
 - General fund positions: 2016 = 1798, 2021 = 1,613; reduction of 185 or 11% of the general fund workforce
- ✔ Numerous program 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.

Sustainable funding includes external cost adjustments in order 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.

EMPLOYEE COMPENSATION \$19.2M

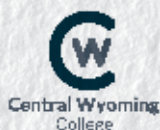
The ability to provide salary increases commensurate with experience has been hampered by the on-going budget reductions. While each college manages this challenge differently system-wide, our colleges are below the mid-point pay (MPP) by \$10,701,038; a measure that is widely seen as a minimal goal for an institution to achieve.

A 1% biennium increase for all the Colleges' payrolls equates to \$2,113,483; thus a 4% increase per biennium equates to \$8,453,932. In order to make the colleges whole in terms of budget erosion of compensation, the \$10,701,038 is added to the \$8,453,932 for a total compensation request of \$19,154,970.

It is important to note that the Governor's recommendations are based on different assumptions. Fully funded under those assumptions would equate to \$11.4M. Of that \$11.4M funded at 61.59% would be the Governor's recommendation of \$7M.

CAPITAL CONSTRUCTION

Governor proposed to use SIPA funds



\$18.7M

CWC – Jackson Outreach Center



\$25.1M

NWC – Student Center



\$10.3M

WWCC – Nursing Facility



\$9.9M

NWCCD – Center for Technology and Applied Science

FIXED COST ADJUSTMENTS \$21.2M

Governor denied this recommendation in an effort to keep budgets flat. The WCCC explained the need in their budget request. Supporting numbers are in the WCCC budget.

Actual expenditures of fixed operational costs increased by \$10,591,441 per year, or \$21,182,882 per biennia, when comparing FY2010 to FY2019. Because these costs cannot be lowered or deflected, our institutions have been forced to cut other areas of our budgets to a larger degree to meet the overall prescribed budget cut.

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This amount 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
- ✓ 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 current funding of Wyoming Community Colleges includes approximately 51% state support, 22% local revenue, 27% from tuition and fees. Historically, that split has been 60/20/20. Adjusting state aid through budget cuts has placed more of a burden on tuition to fund operational costs in order for Wyoming's colleges to maintain the current standard of service.

51%
State Support

27%
Tuition & Fees

22%
Local Revenue

PROGRAMMATIC FUNDING \$30M

Reduced to \$16M to fit into the Wyoming Innovative Partnership Phase 2 and the pillars of the WIP initiative, which is recommended at \$55M from the Governor (full request is \$100M). \$30M is the need if the full WIP is funded at \$100M. The distribution of the \$55M between the Community College and UW has not yet been decided. The original \$30M for programmatic funding for the Colleges was originally included in the Drive/Thrive request.

The \$30M will provide the initial funding necessary to start up academic programs that are locally and regionally in-demand and that will provide both the crucial re-training for transitioning workers, and the skills for first-time workers to find a career that pays a livable wage. \$30M would cover the programmatic needs across all eight colleges, including areas outside of the WIP. Often start-up funding is the key element that is out of reach.

OPPORTUNITIES THIS LEGISLATIVE SESSION:

1 \$100M Goal

Wyoming Community College Investment Bill

Joint Education Committee Bill

Creates an endowment for the Community Colleges where a steady stream of interest may be used annually to support Community college needs.

2 \$100M Goal

Wyoming's Tomorrow

Joint Education Committee Bill

Adult grant program that recognizes increasing opportunities to access higher education. Also set up as an endowment.

3 Severance Tax Distribution – Jobs and Education

Joint Transportation Committee Bill

Proposes a short-term diversion of the distribution of a percentage of severance tax from the Permanent Wyoming Mineral Trust Fund and Common School Account to the highway fund and the Wyoming Community College Commission. This equates to ~\$26M per fiscal year for however long it remains in effect.