



January 2009

TO: Washington State Student Services Commission & Councils

FROM: Students Services Team
Washington State Board for Community & Technical Colleges

RE: 2009 Winter State Board Report

TECHNOLOGY UPDATE

Strategic Technology Plan: A printed version of the Strategic Technology Plan is now available. Additional information and resources for the Strategic Technology Plan is available at: <http://www.sbctc.edu/college/g-strategictechplan.aspx>

Illuminate: (system + HECB)

- 1,290 faculty & staff accounts
- 3,010 rooms online
- 671 meetings have taken place

WAOL Technology Fee: As part of implementing the system [Strategic Technology Plan](#), the State Board for Community and Technical Colleges has significantly reduced the [WashingtonOnline](#) (WAOL) technology fee.

- Old WAOL Technology Fee: \$8 / credit hour / student / course
- **New WAOL Technology Fee:** \$4 / user / quarter, active in one or more ANGEL courses, ePortfolios and/or collaboration spaces.
- Old: Three 5-credit courses in WAOL had a combined technology fee of \$120 for an enrolled student.
- **New:** Three (or more) 5-credit courses in WAOL have a combined technology fee of \$4 for an enrolled student.

This new WAOL technology fee should save colleges and students money and, we hope, will incent system colleges to use WAOL ANGEL for their learning management and ePortfolio solutions.

This new technology fee is effective Winter quarter 2009 for WAOL ANGEL and Blackboard. Blackboard will be turned off on June 30, 2009.

More information about WAOL ANGEL and Illuminate is online:

- [WAOL Blackboard to ANGEL Migration](#)
- [Faculty ANGEL Support](#)
- [College ANGEL Domains](#) (each college can have its own branded ANGEL space)
- [Illuminate Support](#)

Please contact [Cable Green](#) or [Connie Broughton](#) with questions or comments.

SBCTC-IT Updates

Degree Audit Project : <http://www.cis.ctc.edu/wctc/DegreeAudit/index.htm>. As SBCTC-IT progresses through the project, they will be updating this site with project status reports and additional information.

Go Forward Project : <http://www.collegiateproject.com/SBCTC/>. The current SBCTC administrative systems have been developed and maintained over a twenty-five year period, and are in a legacy environment hosted on over thirty-three platforms. These systems have served us well and our employees are familiar with and comfortable with these existing applications. However, the hardware platform, HP3000, has reached its limits and the core administrative applications (FMS, SMS, PPMS, and ad hoc reporting) are all based on outdated technology. The purpose of this project is to take the first step in improving our outdated hardware platform and software applications.

2009 POLICY REQUEST LEGISLATION

Each week during session the State Board is tracking bills in both the House and Senate. To see a complete summary of the latest bill status reports, Legislative News, or one-page issue summaries visit the SBCTC legislative information Web site at: http://www.sbctc.ctc.edu/college/l_index.aspx#legisnews.

THE HIGHER EDUCATION OPPORTUNITY ACT ON TEXTBOOK PRICE AND TRANSPARENCY

On August 14, 2008, President George W. Bush signed the Higher Education Opportunity Act (HEOA) legislation that reauthorizes the Higher Education Act of 1965.

A key provision in the new law ([PL 110-315](#)) requires publishers to disclose textbook prices up front to faculty members, along with the copyright dates of the three previous editions. *Institutions are required to provide price and purchasing information about required textbooks when students register for a course.* The provision also requires publishers to offer textbooks and supplemental materials separately (with some exceptions).

The provision is designed to bring transparency and provide students with some of the consumer information they need to help lower the cost of textbook purchases. While the textbook provision in HEOA does not take effect until July 1, 2010, members of Congress have said they hope colleges and universities will begin to implement these provisions and act prior to the deadline to speed the process and end what they feel are abuses in the process.

SYSTEM REPORTS UPDATE

Achieving the Dream State Policy Audit: To advance the work of six community colleges participating in the Achieving the Dream initiative, College Spark commissioned a state policy audit that identifies issues to address and recommendations for action. The audit can be view in its entirety at:
http://www.sbctc.ctc.edu/college/e_studentsuccess.aspx

Opportunity Grant: The purpose of this paper is to report on the first year (2007-08) implementation of the Opportunity Program. Throughout the report, Opportunity students are compared to two other groups of students selected from the same high demand programs. These include Pell students who did not receive Opportunity Grants and another group of largely unaided low socioeconomic status (SES) students who also did not receive Opportunity Grants. The following questions are examined.

- Who received Opportunity Grants?
- How much grant aid did Opportunity students receive and how was this aid packaged with other financial aid?

- In what high-demand programs did colleges enroll Opportunity students?
- What are the early results of the Opportunity Grant Program in terms of student progress and achievement?

The report can be view in its entirety at:

http://www.sbctc.ctc.edu/college/education/resh_rpt_08_4_opportunity_grants_004.pdf

CHECKOUTACOLLEGE.COM UPDATE

We are marketing the system more effectively now, and we do have a one stop place for all program inquiries:

- Over 14,000 visitors in nine months
- Nearly 100,000 page views
- Students are spending over 7.5 minutes per visit
- Over 28,000 have visited the career interest survey on the site

In addition, the State Board is putting the final touches on a new brochure called “Check Out A College: Professional Technical and Career Education at Washington Community and Technical Colleges.” This brochure will replace the “Careers” brochure that Puget Sound area CTCs might be familiar with. The old brochure was a joint project with Puget Sound area CTCs. The new brochure will include listings and contact information on all 34 CTC’s professional technical training programs. The first round of distribution of the new brochures will be free to colleges, courtesy of SBCTC. Additional orders can be made through the [Department of Printing](#) in Olympia. Please stay tuned for additional information. We hope to have the brochures printed later this winter.

COUNCIL WEBSITE TEMPLATE (SBCTC HOSTED PAGES)

We are using a consistent template for the Student Services Councils web pages hosted by the SBCTC (see attached). Please continue to submit your feedback on the template as well as other information we can include on the website, e.g., best/promising practices or products used on your campuses ([see CESC](#)), listserv survey results ([see CUSP](#)), to better serve you.

BUDGET UPDATE

Major elements of the Governor’s proposed 2009 supplemental, 2009-11 operating, and capital budgets are described below (released December 18).

2009 Supplemental Operating Budget Request for the CTC system:

- The Governor recommends a **reduction** of \$32.1 million to the college system’s state appropriation for the remainder of the current year, approximately 4.3%. To date we have been reporting a \$30.5 million or a 4.1% reduction; however, an additional \$1.6 million was cut in self-insurance savings. The revised 4.3% reduction level is expected to enable a financial emergency declaration. Such a declaration, however, is subject to: 1) the legislature passing the Governor’s supplemental budget recommendations without change, and 2) State Board action.
- **Tuition** remains unchanged for the current year.
- **Enrollment targets** remain unchanged for the current year.
- **Provisos** remain the same with one exception. The Governor’s proposed supplemental budget collapses all of the separate high-demand enrollment provisos into a single high-demand proviso. Therefore, the system would report a single high-demand enrollment number at the end of the current academic year.

Governor Proposed 2009-11 Operating Budget for the CTC system:

- The Governor's proposed **reduction** to the CTC system operating budget is \$100 million off of the maintenance level. This cut includes the reductions you are already taking during the current year (the newly revised \$32.1 million) as requested by the Governor and directed by the State Board. This means that the current year cut (\$32.1 million) is permanent in each of the next two years (\$64.2 million for the biennium); and, therefore, we are being asked to cut an additional \$35.8 million for the next biennium. Please see the attached spreadsheet that details this by fiscal year. **Our total system cut (not including tuition revenue increases) is approximately 6.5% of our 2009-11 biennial budget (and this includes cuts you are currently taking).**
- **Tuition** increases are limited to 5% in the first year and another 5% increase in the second year for resident undergraduate students. The Governor is proposing an extension of a current law that allows the SBCTC and university regents to set tuition on all other categories of students (non-residents, etc.). **With tuition yields added back for the system, our net cut for the 2009-11 biennium is calculated at 4.3%.**
- **Fees:** No higher education fee increases are proposed.
- **Enrollment targets** remain the same next biennium as they are this biennium (139,237).
- Only three legislative **provisos** remain next biennium: Worker Retraining, Job Skills, and a new proviso related to the system's Student Achievement Initiative. It reads: "of the amounts appropriated in this section, \$3,500,000 is provided for the student achievement initiative."
- Higher costs associated with **health benefits** are fully funded based on existing agreements. Employees will continue to pay 12% of costs on average and the employer will pay 88% of the cost on average.
- **Retirement contributions** from the employer are reduced based on actuarial estimates. We have questions about this to discuss with OFM staff.
- \$1.5 million is added to the **Health Care Career Advancement** effort that was started last session. This effort is described in a budget note from OFM staff but is not contained in a budget proviso.
- No salary increases are provided to any employee groups.
- Please see the attached fiscal year summary for more details on the 2009-11 operating budget proposal.

Governor Proposed 2009-11 Capital Budget for the CTC system:

- The CTC system total 2009-11 capital budget is proposed by the Governor at \$477.3 million. This comes from a combination of appropriated bond funds, certificates of participation, and tuition building fees.
- The CTC bond funds are proposed at \$353.4 million (they were \$438.5 million in the current biennium). The CTCs would get 50% of all bonds authorized for higher education. \$109.8 million is provided as alternative financing (COP funding) against the system's Building Fee Account – this includes all four of the major growth projects that are scheduled for construction in the 2009-11 biennium.
- In addition, \$22.8 million of M&O funding remains in the capital budget and is now funded with taxable bonds instead of cash sources (these M&O funds are separate and apart from the \$477.3 million project list).
- All of the college specific COPs that were proposed by the CTC system are provided for in the Governor's budget.
- A few projects were spread across several biennia or delayed.
- Several adjustments were made in project costs by the OFM analysts based on their review of project estimates.
- As we have seen in the past, OFM removed funding for the Repairs B category.
- The capital budget was made possible by some large-scale changes proposed by the Governor.
 1. Assuming the repeal of the statutory debt limit and moving to the constitutional debt limit (9% max);
 2. Pushing the unofficial working debt limit from 8.5% to 8.75%; and
 3. Expand general state revenues to now include several accounts that were previously dedicated accounts and therefore not considered as part of the base when calculating the debt limit. With the inclusion of these accounts, the bond availability increased from \$1.6 billion to \$2.2 billion for state capital projects.
 4. Assumptions about lower interest rates in the future.
- See the attached Governor Proposed capital project list for more details.

Additional Observations:

- University budgets are reduced by 13% on average for the 2009-11 biennium (approximately 6% after tuition revenue is factored in).
- University tuition increase for resident undergraduate is assumed to increase by 7% in the first year of the biennium and another 7% in the second year. **The 7% assumptions are used for the upper division rates for the CTC applied baccalaureate degree programs also.**
- State Need Grant is increased commensurate with tuition assumptions, but the eligibility threshold has been reduced from 70% of Median Family Income to 65% of Median Family Income. There are additional “step” reductions for families with Median Family Incomes between 50% and 64%.
- Reduction percentages in other functions of State Government (state appropriations):
 - K-12 – 5.6%
 - Public Safety – 6.3%
 - Early Learning – 6.4%
 - Health Care and Human Services – 12.2%
 - Natural Resources – 12.2%
- No statewide salary increase for any employee groups
- I-728 class size reduction funds in the K-12 system are cut back by 24% for the 2009-11 biennium.

For further detail about the Governor’s proposed budgets please use the following link:

<http://www.ofm.wa.gov/budget09/highlights/highlights.pdf> (summary document)

<http://ofm.wa.gov/budget09/> (agency details)

[Excerpt from February 21 email from Charlie Earl to the college presidents]

On Thursday, the Economic and Revenue Forecast Council issued a revenue forecast preview. Current year estimates have been reduced by another \$721 million. Estimates for 2009-11 have been reduced by an additional \$1.6 billion. **This brings our total state budget deficit to over \$8 billion.**

The House and Senate have passed and the Governor signed an early appropriation reduction bill and a “Belt Tightening” bill (additional information has been sent to the college presidents and business officers). Together these actions officially reduce current year spending by \$32 million for the community and technical college system and restrict specific activities such as hiring, traveling out of state, purchasing equipment, contracting, and more.

Another supplemental budget bill will be introduced after the official revenue forecast update on March 19. This version will include anticipated cost increases during the current year for higher “caseload” activities such as increased student enrollments in K-12 and additional Medicaid recipients. It is uncertain what the revised forecast and caseload changes may mean for additional reductions in the current year, but we are bracing for additional cuts above the \$32 million for the current year.

The Legislature is working on the biennial budget for 2009-11; however, it is not expected to be completed until after the March revenue forecast.

There is a lot of legislative interest in proposals from the community and technical college system including; high demand enrollments, workforce education and worker retraining, student financial aid programs, the student achievement initiative, and use of technology. Counting Running Start enrollments, expanding the technical college

mission, and making faculty increments permanent are being aggressively worked by presidents, trustees, and staff. Many legislators understand the critical role the community and technical colleges play in the state's economic recovery and, accordingly, are very supportive of our initiatives. Nonetheless, anything that will cost more money is pretty doubtful given the state's fiscal condition.

At the federal level, President Obama signed the American Recovery and Reinvestment Act of 2009. The compromise package of \$787 billion in investments and tax cuts is projected to create or save 3.5 million jobs over the next two years. Senator Patty Murray has estimated Washington's share at over \$6.7 billion, with an employment impact of 75,000 jobs. Specifically, this legislation would directly benefit higher education by allocating:

- \$39.5 billion (Washington's estimated share = \$820 million) in education block grants to local school districts and public colleges and universities.
- \$25 billion (Washington's estimated share = \$182 million) in flexible block grants to avert budget cuts in K-12 and higher education or in other basic state services, such as public safety, services for the elderly, or child care.
- \$17.1 billion for student Pell grants, increasing the maximum Pell grant to \$5,350 in 2009 and \$5,550 in 2010.
- The Act creates a new tax credit, the "American Opportunity Tax Credit" which will provide a tax credit up to \$2,500 of the cost of tuition and related expenses paid during the taxable year.
- \$3.95 billion (Washington's estimated share = \$50.3 million) for Workforce Investment Act (WIA) job training and employment services including state formula grants for dislocated worker, youth, and adult programs.
- \$750 million for a new program of competitive grants for worker retraining and placement in high growth and emerging industries.

We are working with the Office of Financial Management and the Governor's Office to better understand the funding pathways and decision mechanisms for these funds.

State Board staff has calculated that the 2009 budget cut level in Wednesday's appropriation reduction action meets the test of RCW 28B.50.873. This enables the State Board to declare a financial emergency which, in turn, will provide authority for the colleges to use the expedited tenure track faculty layoff process in that statute. Should the Board take this action, local boards of trustees would make independent decisions on whether to use the authority.

We anticipate the Board will hold a special meeting in about two weeks to consider relevant information, take testimony, and decide whether to make such a declaration.