

WYOMING COMMUNITY COLLEGES RECALIBRATION FUNDING KEY POINTS 2016

BACKGROUND

- Enrollment growth funding, considered each biennium as one-time, exception budget funding, is the current mechanism set up in the statutes to provide operational revenue for the community colleges to cover the costs of enrollment growth over the base period of 2004-2005. It is a means of funding the colleges for achieving one of their primary purposes – increasing the number of Wyoming citizens who have a degree or certificate of value, and ensuring that Wyoming employers have the skilled employees they need. W.S. 21-18-205 allows the Wyoming Community College Commission to request this funding annually.
- Enrollment growth funding is retroactive. That is, it helps support the costs of students who are already on college campuses, taking courses, and utilizing such services as registration, advising, career counseling, financial aid, and many others. The colleges have already incurred these costs. It is not based on speculation or a forecast, but on actual enrollment figures. Unfortunately, as one-time funding, it does not support stability, and the colleges cannot plan for its receipt and usage for long-term initiatives.

FUNDING HISTORY

- In fiscal-year 2014, the colleges received a 6 percent cut, which was then biennialized in 2015-2016.
- In 2012, the exception request generated by the funding allocation formula, and submitted according to statute, sought roughly \$22 million in enrollment growth funding; the Governor recommended about \$15 million; the Legislature ultimately approved \$7.5 million.
- In 2014, the Legislature appropriated \$14.3 million to support enrollment growth at the colleges.
- In 2015, HB 118 started the conversation for building a stable source of funding for the community colleges.
- The recommendation in the Governor's 2017-2018 budget is \$2.3 million less than the current biennial appropriation for the colleges.

HB 80 – COMMUNITY COLLEGE BUDGET REQUEST RECALIBRATION

- The Wyoming Association of Community College Trustees supports HB 80.
 - HB 80 sets the new base at the Governor's recommendation for 2017-2018, and then allows us to recalibrate for 2019-2020, with subsequent recalibration every four years after that.
 - Although the new base period recognizes the dramatic growth the colleges have experienced since 2004-2005, it is not the peak period of growth since then. It recognizes that enrollments have declined slightly in the most recent year, and is therefore very close to actual current enrollment.
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- The bill recalibrates every four years – meaning that the colleges would request no additional enrollment funding for every other full budget cycle. And it will work both ways. If enrollment has grown by the time of the four-year recalibration, then the calculation for funding would reflect that in a request for increased funding; if enrollment has declined, the calculation will reflect that as well.

WHY RECALIBRATION?

- The community colleges need a stable source of funding based on realistic enrollment levels.
 - The Legislature has approved reduced amounts in the past, and in one legislative session, no enrollment funding was appropriated at all. Therefore, it is difficult for the colleges to plan and budget effectively.
 - Allowing for four years of stable funding provides the necessary time needed for developing and refining programs and educational offerings.
 - During those four years, the colleges accept the risk that enrollment could increase while their funding would remain flat; this provides predictability for legislators as well.
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