

SBCTC Response to OFM Budget Reduction Exercise

Community and Technical Colleges Overview

Community and technical colleges provide affordable access in communities across the state to workforce training through professional/technical and apprenticeship programs; lower-division academic coursework that transfers to baccalaureate institutions; applied baccalaureate degree programs; adult literacy, English as a Second Language, and GED preparation programs; as well as reading and math courses that prepare students for college-level work.

Last year, the colleges served 363,000 students, of which 252,000 (123,000 full-time equivalent students) were served through state-supported courses. Our students are diverse:

- 47 percent are students of color (as compared to 32 percent of the state population)
- 38 percent receive need-based financial aid
- 24 percent are parents
- 47 percent work while attending school
- 22 percent are unemployed

Context and Background

For decades, community and technical college (CTC) enrollments have been counter cyclical with employment levels. Over the last ten years, Washington's economy has produced one of the strongest employment markets in the country, resulting in a corresponding decline in CTC enrollments. Colleges rely on tuition for about one-third of their funding. The sudden recession caused by the COVID 19 pandemic comes at a time when many colleges are already struggling financially.

For many colleges, transitioning to primarily online instruction due to COVID-19 has required an increase in the number of sections taught in order to enroll the same number of students. This is because online classes are capped at lower numbers of students than is common in many face-to-face sections. As a result, faculty expenses have increased as colleges aim to provide the quality educational programs our students and communities need to recover from the economic downturn the state is faced with now.

Other costs related to the COVID-19 response have created additional budget challenges. These include unexpected expenses for technology for faculty, staff and students engaged in remote work and learning plus costs associated with enhanced cleaning and personal protective equipment (plexiglass, masks, etc.). While some of the expenses will be covered by CARES Act funds, these one-time funds are insufficient and cannot sustain students and colleges in the long term. Moreover, colleges are losing a significant portion of lost revenue (parking, conference services, bookstore) that is unlikely to be covered by any federal or state assistance.

If state budget reductions were taken, the cut would be distributed among the 30 college districts (representing 34 colleges) proportionately, with each college determining how to implement the reductions while continuing to serve their local communities. This document provides a summary of the expected impacts of a 15 percent reduction to colleges.

SBCTC Response to OFM Budget Reduction Exercise

Impacts of a 15 Percent Reduction

Community and technical colleges already maintain lean operations with approximately 85 percent of all spending going to faculty and staff salaries and benefits. A 15 percent reduction would force colleges to reduce staffing levels that, in turn, would result in reduced class offerings and student services.

Students: We must look at the impact on students first. Students would have access to fewer classes and programs, as well as the vital support services that help students graduate and enter the workforce. As stated above, the CTC system serves a diverse student body. Colleges have been working diligently to reduce the opportunity gap that persists for historically under-represented students of color and low-income students. Cuts to the system will starve those efforts. A 15 percent across-the-board reduction to the colleges in 2020-21 would result in:

- 3,725 fewer classes next year statewide – with 19 students per class, that is 71,500 students affected by fewer class sections
- Reduced student advising, counseling, employment, and equity and diversity services
- Fewer faculty teaching heavier loads, leading to less time for faculty to work with students outside of class
- Fewer career training and academic programs to choose from

Fewer resources for students, in particular at-risk students, due to reduced course offerings and support services would lead to higher attrition, longer completion times and increased student debt. Existing skill gaps would widen as fewer students with college credentials entered the workforce.

Impacts by Program Area

Instruction: Instruction is the heart of our business. Nearly all colleges would be forced to reduce part-time faculty positions and most would have to reduce full-time faculty positions also. The details of these reductions would be negotiated with faculty unions. Where possible, colleges would increase class size and cancel low-enrolled classes, but these steps are already routine and most of the available efficiencies have already been achieved.

Courses in all mission areas would be reduced. Fewer academic transfer course sections would be offered. This would mean students experiencing a longer time to degree because they could not access certain courses when they were ready to take them.

Most colleges would conduct program viability studies and consider closing lower enrolled or higher cost programs. A significant challenge to many is that the highest cost programs often have the highest demand in the workforce, such as nursing and advanced manufacturing. Cuts to these programs would reduce the opportunity for students to train for in-demand jobs and employers to find highly skilled employees.

Adult basic education programs would be reduced significantly, as colleges faced financial pressure to prioritize programs that generated tuition revenues (ABE students pay \$25/quarter). Fewer ABE classes

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would mean reduced access for our lowest income students; those with lower levels of education are most impacted by layoffs in our economy.

In addition, purchases of instructional equipment would be delayed, resulting in some workforce students training on obsolete or deficient equipment. Colleges would also consider eliminating evening, and summer classes and closing satellite centers. Elimination of evening classes would mean less access for working adults. Closing satellite centers means less access for rural communities, people with fewer higher education choices nearby.

Student Services: Services and initiatives known to increase student retention would be reduced. Examples include in-person advising and tutoring, mandatory orientation, and Guided Pathways – an evidenced-based approach shown to increase completion rates. Employment workshops would be eliminated and students would face delays in financial aid and registration processing due to staff shortages. Fewer degrees and certificates would be awarded, creating a setback in the state’s progress toward reaching higher education goals.

Libraries: Libraries would further reduce staffing, hours of operation, and learning resources, limiting students' access to instructional support.

Administration: Administration provides the infrastructure that supports the institutions, including class scheduling, budgeting and fiscal control, payroll, procurement, academic computing services, data processing, human resources, records management and risk management. Prior reductions to administration through layoffs, attrition, and restructuring, have left these units lean. Budget reductions to administrative areas would limit colleges’ ability to process student paperwork, meet state and federal accounting and reporting requirements, and attract and retain faculty and staff. Administrative reductions could also affect some colleges’ accreditation status.

Plant Maintenance and Operation: Colleges would reduce staffing through furloughs, layoffs, and attrition; enact stricter utility-conservation measures (electricity, water), and defer equipment replacement and purchases. These measures would mean colder buildings in the winter months and warmer buildings in the summer months. These cuts would weaken safety, security and emergency management functions, and affect the quality of the learning and work environment. The deferral of maintenance projects would result in higher costs later.

Conclusions

A 15 percent reduction would damage our ability to serve students, employers and local communities. It would weaken important diversity and equity work that is already underway, and slow the state’s economic recovery.

For follow up questions, please contact Cherie Berthon, SBCTC Operating Budget Director at cberthon@sbctc.edu.