

Wyoming Community College Commission

2300 Capitol Ave., 5th Floor, Suite B, Cheyenne WY 82002

Commissioners

Mr. Gregg Blikre, Gillette
Mr. Dennis Boal, Evanston
Ms. Katherine Dooley, Powell
Dr. Jackie Freeze, Rock Springs
Ms. Megan Goetz, Laramie
Ms. Julia Newman, Torrington
Mr. Micah Wyatt, Atlantic City



Ex-officio
Governor Mark Gordon
State Superintendent Jillian Balow
Executive Director
Dr. Sandra Caldwell

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www.communitycolleges.wy.edu

August 27, 2021

Honorable Mark Gordon,

In April of 2020, we asked the Attorney General for an informal opinion (attached) as to whether the Community College Commission could, through the regular budget process, create an exception request for state aid for the colleges in our budget submission to you. The short answer is no, not as part of regular budget submission, but other alternatives exist, such as you creating an exception request contained within your budget submission to the legislature.

We ask that you consider making such a request, with the following facts:

History of State Aid Appropriations:

BFY11 - \$191.9 million
BFY13 - \$188.9 million
BFY15 - \$193.3 million
BFY17 - \$176.8 million (\$14.2 million reduction penny plan and Governor's budget cut)
BFY19 - \$176.2 million (\$0.6 million reduction retiree health insurance)
BFY21 - \$156.2 million (\$27.5 million Step 2 and Step 3 reductions)
BFY23 - \$147.0 million (\$4.9 million biennialization of Step 3 and \$4.3 million recalibration)

This adds up to a flat reduction of \$45 million, and inflation coupled with a lack of ECA's leads to an additional \$53 million of erosion to the state aid budget.

When combined, the direct cuts and lost purchasing power equal a total reduction of \$98 million.

Considering the real numbers, the state aid budget is 24 percent less today than at its high in BFY15, and at the same time, student headcounts are up 18 percent over that same period of time as indicated in the chart below:

Community College Headcount per Academic Year:

Biennium	Enrollment Year 1	Enrollment Year 2	Total Biennium Headcount
2011-2012	37355	37644	74999
2013-2014	35713	34945	70658

2015-2016	24980	24150	49130
2017-2018	30014	29872	59886
2019-2020	29486	28843	57969

While the WCCC was tasked with providing sustainable funding recommendations, which we did in 2020, there has been no action to implement any variation of the recommendations. We 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.

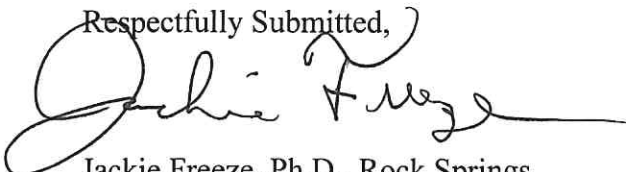
Another extenuating factor is the flat or declining local property valuations, which provides another important source of funding for the colleges via an ad valorem tax in those eight counties. For fiscal 22, there is a projected decrease of 13 percent, which equates to \$4,050,000.

We respectfully request you consider an exception request in the amount of \$40,337,852 that is comprised of two aspects of the college state aid budget.

1) An increase of \$21,182,882 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, that 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.

2) \$19,154,970 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 other 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.

Respectfully Submitted,



Jackie Freeze, Ph.D., Rock Springs
Wyoming Community College Commission Chair



Katherine Dooley, Powell
Wyoming Community College Commission Vice-Chair



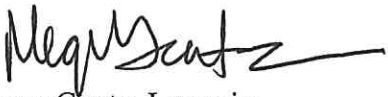
Gregg Blikre, Gillette
Wyoming Community College Commissioner



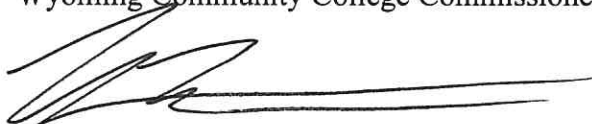
Julia Newman, Torrington
Wyoming Community College Commissioner



Dennis Boal, Evanston
Wyoming Community College Commissioner



Megan Goetz, Laramie
Wyoming Community College Commissioner



Micah Wyatt, Atlantic City
Wyoming Community College Commissioner

cc: Chief Buck McVeigh, Chief of Staff for Governor Gordon
Mr. Renny MacKay, Policy Director for Governor Gordon
Ms. Lachelle Brant, Sr. Policy Advisor for Governor Gordon
Community College Presidents
Dr. Sandy Caldwell, Executive Director, Wyoming Community College Commission
Dr. Ben Moritz, Deputy Director, Wyoming Community College Commission
Mr. Larry Buchholtz, Chief Financial Officer, Wyoming Community College
Commission

Attachment – President's Letter of Support

August 24, 2021

Dr. Jackie Freeze
Chairwoman
Wyoming Community College Commission
2300 Capitol Ave. 5th Fl, Ste B
Cheyenne, WY 82002

Dr. Freeze,

On behalf of Wyoming's Community College Presidents, we ask for the Commission's support of a budget exception request to the Wyoming State Legislature. Although there is some disagreement on the appropriateness of a formal budget request, Kevin Hibbard, Director of Wyoming Budget Department has directed we take this pathway.

While budget reductions have posed challenges to many state agencies and related institutions, those challenges are magnified for the Colleges by our increasing inability to retain and hire high-quality professionals due to the lack of regular increases in salaries, as well as the inflexibility of our fixed operational costs.

In short, we ask the Commission to support an exception request in the amount of \$40,337,852. The amount is reflective of a request of \$21,182,882 for operational budgets, and \$19,154,970. for compensation. Below, I have included a more detailed explanation behind these requests:

1. 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.
2. 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.

Thank you for not only your assistance on this request, but your long and continued support of Wyoming's Community Colleges and our exceptional students.



Dr. Darren Divine
President
Casper College



Dr. Brad Tyndall
President
Central Wyoming College



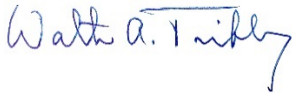
Dr. Lesley Travers
President
Eastern Wyoming College



Dr. Joe Schaffer
President
Laramie County Community College



Ms. Lisa Watson
Interim President
Northwest College



Dr. Walter Tribley
President
Northern Wyoming Community College District



Dr. Kim Dale
President
Western Wyoming Community College