



June 2003

2003-05 Biennial Operating Budget Status Update June 3, 2003

The House and Senate budget negotiators reached an agreement on the 2003-05 operating budget on Sunday, June 1. Details are not expected to be made public until after legislative members are briefed on Wednesday, June 4. A full report will be presented at the June 12 Board meeting.

The negotiated budget reportedly includes the following provisions:

- Colleges will be allowed to boost in-state, undergraduate tuition by as much as 7 percent in each of the next two academic years. (Legislation has already passed that grants the institutions flexibility to set tuition rates for nonresident and graduate students.)
- There are no general revenue increases.
- There are no across-the-board pay increases.
- There are pay increases for beginning K-12 teachers.
- There is a 75-cents-per-hour pay increase for home health-care workers.
- There is a reduction in the state work force of between 1,300 and 1,500 jobs.
- A \$400 million windfall from the new federal tax-relief bill will be retained by the state as a hedge against a possible revenue downturn later this year.

Higher Education Operating Budgets
Legislative Final 2003-05 Biennium
State General Fund - Dollars in Millions

Part 1: Institutions (4-Year & 2-Year)		
2001-03 Biennium	\$2,470.0	
2003-05 Maintenance Level	\$2,481.0	
Legislative Final 2003-05 Biennium (6/4/03)	\$2,352.0	
Change from 2001-03	-\$118.0	-4.8%
Change from 2003-05 Maintenance Level	-\$129.0	-5.2%
Elements of Change from 2003-05 Maintenance Level:		
Operating cost reduction (partially replaced with tuition)	-\$131.0	
Building maintenance to capital budget (fund shift)	-\$52.7	
Eliminate I-732 COLA for CTC faculty	-\$16.8	
Waive less tuition (replaced with tuition)	-\$5.6	
Job skills program (fund shift)	-\$1.1	
Other administrative reductions	-\$19.0	
Subtotal reductions and fund shifts		-\$226.3
CTC high demand programs (1,000 - 1,200 FTEs)	\$12.6	
CWU enrollment stabilization (196 FTEs)	\$2.1	
Wine industry education partnership	\$1.0	
Veterinary student enrollment (32 FTEs)	\$1.5	
Engineering & science institute - inc. CC pipeline (168 FTEs)	\$2.7	
Transfer students (OFM) (400 FTEs)	\$6.3	
High demand research match (UW)	\$2.5	
4-year faculty recruitment and retention	\$10.0	
CTC part-time & full-time faculty compensation	\$5.0	
WSIPP studies	\$0.3	
Facility maintenance and operations	\$11.4	
Administrative changes	\$3.7	
Employee health benefits	\$38.2	
Subtotal program and employee enhancements		\$97.3
Total	-\$129.0	

Higher Education Operating Budgets
Legislative Final 2003-05 Biennium
 State General Fund - Dollars in Millions

Part 2: Financial Aid/HECB		
2001-03 Biennium	\$264.3	
2003-05 Maintenance Level	\$276.0	
Legislative Final 2003-05 Biennium (6/4/03)	\$312.0	
Change from 2001-03	\$47.7	18.0%
Change from 2003-05 Maintenance Level	\$36.0	13.6%
Elements of Change from 2003-05 Maintenance Level:		
HECB agency reductions	-\$0.6	
Jefferson County pilot	\$0.4	
High demand enrollments (4-years) (500 FTEs)	\$8.3	
Financial aid	\$27.9	
Total	\$36.0	

Part 3: Total Higher Education		
2001-03 Biennium	\$2,734.3	
2003-05 Maintenance Level	\$2,757.0	
Legislative Final 2003-05 Biennium (6/4/03)	\$2,664.0	
Change from 2001-03	-\$70.3	-2.6%
Change from 2003-05 Maintenance Level	-\$93.0	-3.4%

Part 4: FTE Student Changes	
	2004-05
WSU - Veterinary student enrollment	32
CWU - Enrollment stabilization	196
OFM - Transfer students	400
HECB - High demand enrollments (4-years)	500
CTC - High demand programs	1,000 - 1,200
Engineering & science institute (CC pipeline)	168
Reduction of one-time workforce training slots	-1,320
Net change from 2002-03	976 - 1,176



June 2003

2003-2005 Higher Education Capital Budget

HIGHLIGHTS

The Capital Budget adopted by the Washington State Legislature on June 5th includes \$760 million in new project appropriations for the public universities and colleges. Of this amount:

- \$581 million is authorized from state bonds subject to the debt limit
- \$53 million is provided from the Education Construction Fund
- \$126 million is appropriated from the institutions' local building accounts

Of the total \$581 million in bonds, about \$170 million is provided from the "Gardner/Evans" initiative. This proposal resulted in increasing the state's debt capacity which added about \$395 million to the total state capital budget. This \$170 million is used for a wide variety of renovation and new construction projects, including:

- Johnson Hall Renovation at UW
- Johnson Hall and Cleveland Hall Projects at WSU
- Music Building Construction at CWU
- Cheney Hall Project at EWU
- Evans Library Renovation at TESC
- Clark Community College Center at WSU Vancouver
- Highline Community College Education Center
- Pierce College Expansion

About \$152 million of the total bonds are provided for the reduction of the deferred renewal backlog in higher education facilities.

The \$53 million from the Education Construction Fund is earmarked for facility maintenance and repairs. This amount replaces reductions in the institutions' operating budgets for building maintenance.

2003 - 2005 HIGHER EDUCATION CAPITAL BUDGET SUMMARIES

	Institution Request	HECB Recommendation	Governor's Proposal	House Capital Budget Committee	House	Senate
University of Washington	\$196,065,516	\$196,065,516	\$98,352,025	\$113,996,716	\$134,096,717	\$105,303,001
Washington State University	\$168,473,000	\$158,723,000	\$94,006,000	\$95,234,001	\$103,434,001	\$119,990,001
Central Washington University	\$62,463,100	\$53,319,100	\$33,069,100	\$29,749,101	\$31,399,101	\$44,550,001
Eastern Washington University	\$56,659,635	\$54,684,635	\$53,747,122	\$39,189,326	\$40,839,326	\$44,566,648
The Evergreen State College	\$38,850,000	\$38,850,000	\$34,350,000	\$27,918,001	\$28,468,001	\$38,850,001
Western Washington University	\$42,982,389	\$42,982,389	\$20,920,000	\$29,959,001	\$32,509,001	\$26,712,001
Community and Technical Colleges	\$456,664,478	\$407,601,478	\$351,260,354	\$360,738,649	\$401,961,965	\$417,449,162
Total - All Funds	\$1,022,158,118	\$952,226,118	\$685,704,601	\$696,784,795	\$772,708,112	\$797,420,815
State Bonds Subject to Debt Limit	\$778,993,776	\$462,500,000	\$296,378,724	\$553,875,672 ¹	\$569,298,988 ²	\$607,788,889 ³
Education Construction Fund (ECF)-Bonds	\$0	\$342,270,693	\$238,907,644	\$0	\$0	\$0
Education Construction Fund (ECF)-Cash	\$94,283,917	\$0	\$0	\$15,000,000	\$67,750,000	\$0
All Other Appropriated Funds	\$148,880,425	\$147,455,425	\$150,418,233	\$127,909,123	\$135,659,124	\$120,793,026
Facility Preservation Account (ECF-Cash)	\$0	\$0	\$0	\$0	\$0	\$53,750,000
Non-Appropriated Expenditure Authority	\$0	\$0	\$0	\$0	\$0	\$15,088,900
Total State Bonds Subject to Debt Limit	NA	\$925,000,000	\$926,106,972	\$1,304,731,729 ⁴	\$1,336,086,020 ⁴	\$1,337,554,020 ⁴
Higher Education % Share	NA	50.00%	32.00%	42.45%	42.61%	45.44%

1) Includes \$240,301,173 in bonds supporting the Gardner-Evans initiative.

2) Includes \$249,128,204 in bonds supporting the Gardner-Evans initiative.

3) Includes \$168,875,056 in bonds supporting the Gardner-Evans initiative.

4) Does not include reappropriation adjustments

Comparison of 2003-2005 Capital Budget Proposals

Community and Technical Colleges

Project	HECB Recommendation	Governor's Budget	House Capital Budget Committee (SHB 1165)	House ESHB 1165	Senate (SSB 5401)	
Bates-Clover Park	Equipment Improvements	NA	NA	\$0	\$0	\$3,000,000
Bates South	LRC/Vocational	\$1,796,206	\$1,796,206	\$1,796,206	\$1,796,206	\$1,796,206
Bellevue	High Demand Technology Labs	\$500,000	\$938,100	\$500,000	\$500,000	\$938,100
Bellevue	Renovate Building D/Library & Media	\$13,418,700	\$13,418,700	\$13,418,700	\$13,418,700	\$13,418,700
Bellevue	Science and Technology Building	\$90,000	\$0	\$90,000	\$90,000	\$0
Bellingham	Welding/Auto Collision Building	\$16,838,000	\$0	\$0	\$0	\$16,838,000
Cascadia	Center for the Arts, Tech.	\$159,900	\$0	\$159,900	\$159,900	\$0
Cascadia	South Access	\$8,065,516	\$0	\$3,600,000	\$3,600,000	\$1,500,000
Centralia	Science Building	NA	NA	\$0	\$150,000	
Clark	Stout Hall/Basic Education Program	\$4,049,889	\$4,049,889	\$4,049,889	\$4,049,889	\$4,049,889
Clark	Classrooms and Vocational Labs	\$3,872,413	\$3,872,413	\$3,872,413	\$3,872,413	\$3,872,413
Clark	WSU Vancouver	\$18,009,800	\$18,009,800	\$18,009,800	\$18,009,800	\$18,009,800
Clark	East County Satellite - Phase 1	\$300,000	\$0	\$300,000	\$300,000	\$0
Columbia Basin	T Building Renovation/Med Tech Center	\$6,058,500	\$6,058,500	\$6,058,500	\$6,058,500	\$6,058,500
Edmonds	Instructional Labs	\$2,939,060	\$2,939,060	\$2,939,060	\$2,939,060	\$2,939,060
Edmonds	Montlake Terrace Hall Renovation	\$8,827,030	\$8,827,030	\$8,827,030	\$8,827,030	\$8,827,030
Everett	Monte Cristo - Physics/Chemistry	\$7,352,000	\$7,352,000	\$7,352,000	\$7,352,000	\$7,352,000
Everett	Replace Glacier/Pilchuck - Visual/Performing /	\$1,311,700	\$1,311,700	\$1,311,700	\$1,311,700	\$1,311,700
Everett	Undergraduate Educational Center	\$126,000	\$0	\$126,000	\$126,000	\$0
Grays Harbor	Replace 200/400/600 Building with New	\$1,263,300	\$1,263,300	\$1,263,300	\$1,263,300	\$1,263,300
Green River	Computer Labs	\$10,984,800	\$10,984,800	\$10,984,800	\$10,984,800	\$10,984,800
Green River	Science Building	\$2,396,409	\$2,396,409	\$2,396,409	\$2,396,409	\$2,396,409
Highline	Higher Education Center/Child Care	\$21,052,400	\$21,052,400	\$21,052,400	\$21,052,400	\$18,552,000
Lake Washington	Redmond Campus Property Purchase	\$500,000	\$0	\$500,000	\$500,000	\$0
Lake Washington	East and West Building Renovation	\$4,420,800	\$4,420,800	\$4,420,800	\$4,420,800	\$4,420,800
Lower Columbia	Replace/Fine Arts Instruction	\$18,473,314	\$0	\$0	\$18,473,314	\$18,473,314
North Seattle	Arts and Sciences Building Remodel	\$6,785,700	\$6,785,700	\$6,785,700	\$6,785,700	\$6,785,700
Olympic	Science and Technology Center	\$22,098,000	\$22,098,000	\$22,098,000	\$22,098,000	\$13,998,000
Peninsula	Community Resource Center w/ PASD	\$500,000	\$939,908	\$500,000	\$500,000	\$939,908
Peninsula	Replace Science & Tech	\$82,800	\$0	\$82,800	\$82,800	\$82,800
Pierce Ft Stlcm.	Campus Childcare Center	\$500,000	\$0	\$500,000	\$500,000	\$2,248,992

Comparison of 2003-2005 Capital Budget Proposals

Community and Technical Colleges

Project		HECB Recommendation	Governor's Budget	House Capital Budget Committee (SHB 1165)	House ESHB 1165	Senate (SSB 5401)
Pierce Ft Stlcm.	Health Sciences and Wellness Center	\$4,928,802	\$0	\$4,928,802	\$4,928,802	\$0
Pierce Ft Stlcm.	Science and Technology Center	\$190,000	\$0	\$190,000	\$190,000	\$190,000
Pierce Puyallup	Vocational/Classroom/Childcare	\$23,374,774	\$23,374,774	\$23,374,774	\$23,374,774	\$23,374,774
Pierce Puyallup	Communication Arts & Allied Health	\$150,000	\$0	\$150,000	\$150,000	\$150,000
Renton	Portable Replacement Project	\$419,300	\$419,300	\$0	\$0	\$419,300
Seattle Central	North Plaza Replacement	\$4,976,200	\$4,976,200	\$4,976,200	\$4,976,200	\$4,976,200
Seattle Central	Broadway Edison First Floor/Student Services	\$4,995,800	\$4,995,800	\$4,995,802	\$4,995,802	\$0
Skagit Valley	Multiple Building Replacement/Science	\$5,256,600	\$5,256,600	\$300,000	\$300,000	\$300,000
South Puget Sound	Humanities Complex	\$17,350,248	\$17,350,248	\$17,350,248	\$17,350,248	\$17,350,248
South Puget Sound	Science Complex	\$93,200	\$0	\$93,200	\$93,200	\$0
South Seattle	Instructional Tech	\$17,236,600	\$17,236,600	\$17,236,600	\$17,236,600	\$17,236,600
South Seattle	Portable Replacement/ESL Continuing Ed	\$4,882,200	\$4,882,200	\$4,882,200	\$4,882,200	\$0
South Seattle	Bldgs 124/124B/125 Pastry/Baking Program	\$2,613,100	\$2,613,100	\$2,613,100	\$2,613,100	\$2,613,000
Spokane	Science Building Replacement	\$15,721,600	\$0	\$15,721,600	\$15,721,600	\$15,721,600
Statewide	Minor Works Preservation (RMI)	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$0
Statewide	Roof Repair A	\$7,265,677	\$7,265,677	\$7,265,677	\$7,265,677	\$7,265,677
Statewide	Facility Repair A	\$22,428,699	\$22,428,699	\$22,428,699	\$22,428,699	\$21,600,000
Statewide	Site Repair A	\$5,305,624	\$5,305,624	\$5,305,624	\$5,305,624	\$5,305,624
Statewide	Minor Works Program	\$20,040,317	\$20,040,317	\$20,040,317	\$20,040,317	\$10,040,317
Statewide	Roof Repair B	\$0	\$9,000,000	\$0	\$0	\$1,000,000
Statewide	Facility Repair B	\$0	\$0	\$0	\$0	\$0
Statewide	Site Repair B	\$0	\$0	\$0	\$0	\$6,408,000
Statewide	Facility Preservation Backlog Reduction	NA	NA	\$0	\$0	\$64,300,000
Statewide	Infrastructure Savings Account	NA	NA	\$1	\$1	\$1
Statewide	Miscellaneous Projects	NA	NA	\$750,000	\$750,000	\$0
Statewide	Preventative Facility Maintenance Repairs	NA	NA		\$22,600,000	
Tacoma	Replace Portables/Fitness Lab	\$2,622,000	\$2,622,000	\$2,622,000	\$2,622,000	\$2,622,000
Tacoma	Informational Tech	\$14,531,900	\$14,531,900	\$14,531,900	\$14,531,900	\$14,531,900
Tacoma	Science Building	\$2,379,000	\$2,379,000	\$2,379,000	\$2,379,000	\$2,379,000
Tacoma	Renovate Building 7/ Multi-media, etc.	\$4,988,000	\$4,988,000	\$4,988,000	\$4,988,000	\$4,988,000

Comparison of 2003-2005 Capital Budget Proposals

Community and Technical Colleges

Project		HECB Recommendation	Governor's Budget	House Capital Budget Committee (SHB 1165)	House ESHB 1165	Senate (SSB 5401)
Walla Walla	Laboratory Addition	\$573,000	\$573,000	\$573,000	\$573,000	\$573,000
Walla Walla	Health Science Facility	\$7,261,400	\$7,261,400	\$7,261,400	\$7,261,400	\$7,261,400
Wenatchee	Portable Replacement	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Whatcom	Classroom/Labs	\$10,932,400	\$10,932,400	\$10,932,400	\$10,932,400	\$10,932,400
Yakima	Classroom Bldg Replacement	\$4,960,100	\$4,960,100	\$3,852,700	\$3,852,700	\$3,852,700
Yakima Valley	Sundquist Annex	\$3,852,700	\$3,852,700	\$2,500,000	\$2,500,000	\$0
Total		\$407,601,478	\$351,260,354	\$360,738,651	\$401,961,965	\$417,449,162



June 6, 2003

Higher Education Highlights of Legislative Final Budget (6/4/03)

Changes calculated against 2003-05 maintenance level

Reductions

- **Reductions to be partially offset by tuition increases:** Base funding for colleges and universities is reduced by \$131 million; about 82 percent of the cut can be recovered through tuition increases. Institutions can raise tuition for resident undergraduates up to seven percent per year. Schools have unrestricted tuition-setting authority for all other groups of students. The final budget assumes that full use of tuition authority would raise about \$107 million, some \$24 million less than the amount needed to backfill the funding reduction.
- **I-732:** Budget does not fund Initiative 732 salary increases for community and technical college (CTC) faculty, reducing general fund spending by \$16.8 million
- **Tuition waivers:** Institutions are directed to reduce tuition waivers by 2.5 percent in the second year of the biennium. State reimbursement for waivers would be reduced by \$5.6 million.
- **Across-the-board reductions:** A reduction of \$4.9 million (\$3.5 million in CTCs) in personal service contracts, travel and equipment; and a \$1.9 million reduction by eliminating legislative liaisons.

Fund shifts

- **Shift building maintenance to capital:** Use of capital funds for building maintenance will reduce general fund spending by \$52.7 million.

Increases for colleges and universities

- **Faculty recruitment:** \$10 million is provided for faculty recruitment and retention at four-year institutions.

- **CTC faculty:** \$2.5 million is provided for part-time faculty raises at the two-year colleges and \$2.5 million is provided for full-time faculty salary increments.
- **Transfer students:** A special appropriation to the Governor of \$6.3 million is provided for allocation to public baccalaureate institutions to expand transfer access by 400 FTE students. Applies to students who are qualified residents seeking to transfer with an associate degree or credits sufficient to enter degree programs with junior-class standing.
- **CWU enrollment stabilization:** Central Washington University (CWU) receives \$2.1 million to restore funding for 196 FTE enrollments that were lost when enrollment dipped a few years ago.
- **WSU vet school:** Washington State University (WSU) Pullman receives \$1.5 million to increase the entering class in veterinary medicine by 16 students each year, to partially replace enrollments and revenue associated with the loss of Oregon students.
- **Vancouver engineering and science institute:** WSU Vancouver, Clark College and Lower Columbia College share \$2.7 million to develop an engineering and science institute to prepare 168 FTE associate degree students for transfer into baccalaureate programs in applied science and engineering at the branch campus.
- **Wine industry educational partnership:** \$1.0 million is provided for expanded grape growing and winemaking programs at WSU and community colleges in Walla Walla, Yakima and Wenatchee.
- **Facility maintenance & operations:** Increased level of support for building maintenance adds \$11.4 million.

High-demand

- **CTC Pool:** The State Board for Community and Technical Colleges (SBCTC) will receive \$12.6 million to support competitive high-demand enrollment programs and expansion of worker retraining programs. High-demand fields include health services, applied science and engineering, viticulture and enology.
- **HECB Pool:** The Higher Education Coordinating Board (HECB) will receive \$8.3 million to support competitive high-demand enrollment programs for 500 FTE students. Only public baccalaureates may apply but proposals can include partnerships with private institutions. High-demand fields are programs where enrollment access is limited and employers are experiencing difficulty finding qualified graduates. Priority fields include nursing and other health services, applied science and engineering, teaching and speech pathology, computing and information technology, and viticulture and enology.
- **Research match:** Funding of \$2.5 million is provided to the University of Washington to attract or retain federal research grants in high demand and technologically advanced fields.

HECB financial aid programs and agency administration

- **SNG:** State Need Grant increase of \$26.1 million is intended to keep pace with tuition increases that state universities and colleges may adopt under limits proposed for undergraduates and with new enrollments.
- **Washington Scholars and WAVE:** Funding for Washington Scholars and Washington Award for Vocational Excellence programs increased by a total of about \$1.8 million to restore full value of tuition-based scholarships and to reflect students' increased use of these awards.
- **Agency reductions:** HECB policy and coordination budget reduced by \$232,000. Financial aid administrative budget reduced by \$145,000.

HIGHLIGHTS OF THE 2003-2005 BIENNIUM HIGHER EDUCATION OPERATING BUDGETS

State General Funds

<u>Programs/Appropriations</u>	<u>Senate Proposal</u>	<u>House Proposal</u>	<u>Final Legislative</u>
Total Higher Education Appropriations			
Dollar amount (General Fund)	\$2.59 billion	\$2.71 billion	\$2.66 billion
Percent increase over 2001-03	-5.4% for higher education, 0.6% for total state budget	-1.0% for higher education, +1.0% for total state budget	-2.6% for higher education, +1.8% for total state budget
Enrollment Increases			
Total new student FTEs	1,634 (net increase of 314 after 1,320 cut to CTCs)	338 plus undetermined number from high-demand funds provided to institutions (net decrease of 982 after 1,320 cut to CTCs)	1,296 plus undetermined number from SBCTC high-demand funds (will result in net increase after 1,320 cut to CTCs)
Total dollar amount	\$24.6 million for 1,634 new FTEs	\$23.4 million for high-demand FTEs and 338 targeted FTEs	\$3.6 million for targeted FTEs (WSU Vet-med 32, CWU 196), \$8.3 million for HECB high demand pool, \$12.6 million for SBCTC high demand pool, \$6.2 million for transfer students
High-demand pools	HECB--1,050 for competitive distribution, CTCs--250 for competitive distribution (\$20.2 million to HECB & CTCs)	No HECB pool. Total of \$20.1 million provided in GF-S for distribution for undetermined number of FTEs as follows: CTCs \$12.3 million, UW \$2.5 million, EWU \$1.2 million, CWU \$.8 million, TESC \$.5 million, WWU \$1.3 million. WSU receives \$1.5 million for 32 Vet-med FTEs.	HECB competitive pool limited to 500 FTEs at \$11,000 each for public 4-year schools. SBCTC pool for worker retraining and competitive distribution for undetermined number of FTEs.
Financial Aid			
State Need Grant	\$32.3 million to increase awards to keep pace with 9% tuition increase in each fiscal year	\$22.3 million to increase awards to keep pace with 6% tuition increase in each fiscal year	\$26.1 million intended to increase awards to keep pace with 7% tuition increase in each fiscal year
Promise Scholarships	No increase to FY 2003 funding level	No increase to FY 2003 funding level	No increase to FY 2003 funding level
State Work Study	No increased funding	No increased funding	No increased funding
Washington Scholars and Vocational Excellence Awards	\$1.9 million	\$1.7 million	\$1.8 million
Health professions loans and scholarships	No increased funding	No increased funding	No increased funding
HECB financial aid delivery systems	Not funded	Not funded	Not funded
Salaries			
General Salary Increase	No increased funding	All employees receive 2.0% in September of the second year.	No increased funding
Recruitment/Retention	\$10 million for baccalaureates	\$10 million for baccalaureates	\$10 million for baccalaureates
CTC Part-Time Faculty	\$1.5 million to continue equalization efforts	\$5 million to continue equalization efforts	\$2.5 million to continue equalization efforts
CTC faculty increments	\$3.5 million	Not funded	\$2.5 million
CTC COLAs (I-732)	I-732 not funded	I-732 not funded	I-732 not funded
Operating Cost Reductions			
General reductions	\$44.6 million non-instructional cut and \$122.7 million general cut. A 9% tuition increase would generate \$139 million in offsetting funds	\$103.8 million general cut. A 6% tuition increase would offset approximately 90% of this cut.	\$131 million general cut. A 7% tuition increase would offset about 82% of this cut
Personal service contracts, travel, equipment	\$4.2 million cut to be administered by OFM	\$4.9 million cut to be administered by OFM	\$4.8 million cut to be administered by OFM
Eliminate legislative liaisons	\$1.9 million cut to be administered by OFM	Not proposed	\$1.9 million cut to be administered by OFM

HIGHLIGHTS OF THE 2003-2005 BIENNIUM HIGHER EDUCATION OPERATING BUDGETS

State General Funds

<u>Programs/Appropriations</u>	<u>Senate Proposal</u>	<u>House Proposal</u>	<u>Final Legislative</u>
Tuition			
Limitation	Cap of 9% per year for resident undergrads, local tuition-setting authority for all other students	Cap of 6% per year for resident undergrads, local tuition-setting authority for all other students	Cap of 7% per year for resident undergrads, local tuition-setting authority for all other students
State Need Grant increases resulting from higher tuition	Linkage maintained and funded	Linkage maintained and funded	Linkage maintained and funding provided
Restrict tuition waivers	Restriction of tuition waivers resulting in a \$16.6 million GF-S reduction. CTCs reduction of \$7 million to be offset by charging a \$5 per credit hour fee for adult basic education, ESL, GED	No restriction of tuition waivers, no change to practice of no fees for adult basic education, ESL, GED	Restriction of tuition waivers in second year resulting in a \$5.6 million GF-S reduction.
Grant Programs			
IT matching grants	Not funded	Not funded	Not funded
Jefferson County pilot	\$350,000 to continue current funding	\$350,000 to continue current funding	\$350,000 to continue current funding
Other			
Engineering & Science Institute	\$2.7 million allocation to WSU-Vancouver and Clark & Lower Columbia CCs for 168 transfer student FTEs to WSU-Vancouver for programs in applied science and engineering	Not funded	\$2.7 million allocation to WSU-Vancouver and Clark & Lower Columbia CCs for 168 transfer student FTEs to WSU-Vancouver for programs in applied science and engineering
CWU Enrollment Recovery	\$2.1 million restoration of GF-S to support 134 student FTEs	\$3.3 million restoration of GF-S to support 306 student FTEs	\$2.1 million restoration of GF-S to support 196 student FTEs
Wine Industry Partnership	\$1 million to support regional partnership with CCs & WSU for expanding & supporting degrees offered for this industry	Assumed included in high-demand funding	\$1 million to support regional partnership with CCs & WSU for expanding & supporting degrees offered for this industry
WSU veterinary school	\$1 million for 32 new FTEs to offset loss of Oregon students	\$1.5 million high-demand funds for 32 new FTEs to offset loss of Oregon students	\$1.5 million high-demand funds for 32 new FTEs to offset loss of Oregon students
Facility preservation	Adds \$10.6 million, shifts \$52.7 million GF-S to capital budget	Adds \$12.3 million and shifts \$56.8 million GF-S to capital budget	Adds \$11.4 million and shifts \$52.7 million GF-S to capital budget
Science and Technology Research matching funds	Not funded	Not funded	\$2.5 million provided to UW