

2009-11 BUDGET IN BRIEF
Key Provisions of the Higher Education Operating Budget – HECB 4/29/09

| <i>DRAFT</i> | ESHB 1244 As Passed Legislature | | | | | | | | | | | | | | | | | | |
|---|--|-------------------------------|--|--------------------------|-------------|-----------------------------|--------|------------------------------------|--|-------------------------------|-------------|-------------------------------|-------------|-------------------------------|-------------|-----------------------------|--------|----------------------------------|--------|
| Status: | (Delivered to Governor) | | | | | | | | | | | | | | | | | | |
| <p>Total State Budget (Near General Fund)</p> | <p>Appropriates a total of \$31.4 billion.</p> <p>This amount is about \$2.0 billion (or 5.9%) less than the initially adopted 2007-09 budget, and \$1.2 billion less than the revised 2007-09 budget.</p> <p>The proposal would be \$5.6 billion less than the “maintenance level” of the revised 2007-09 budget.</p> | | | | | | | | | | | | | | | | | | |
| <p>Higher Education Appropriations (Near General Fund)</p> | <p>Appropriates a total of \$3.3 billion.</p> <p>This represents 10.4% of the total (NGF) state budget proposal. In the initially adopted 2007-09 budget, higher education was about 11.1% of the total budget.</p> <p>The proposed higher education budget is about \$427 million (or 11.6%) less than the initially adopted 2007-09 budget, and \$319 million less than the revised 2007-09 budget for higher education.</p> <p>The proposal would be \$617 million less than the “maintenance level” of the revised higher education 2007-09 budget without tuition revenues.</p> | | | | | | | | | | | | | | | | | | |
| <p>Enrollment</p> | <p>The 2009-11 proposed biennium budget supports 7,083 fewer FTE student enrollments compared to 2008-09 budgeted FTE levels. There is no growth assumed over this FY09 for any of our colleges. Provisions in the budget bill require colleges to maintain and endeavor to increase the percentage of high-demand enrollments. The FTE student enrollment reductions are spread across the colleges as follows:</p> <table style="margin-left: 40px;"> <tr> <td colspan="2">Research Institutions: -3,344</td> </tr> <tr> <td style="padding-left: 20px;">University of Washington</td> <td style="text-align: right;">-3,344 FTEs</td> </tr> <tr> <td style="padding-left: 20px;">Washington State University</td> <td style="text-align: right;">0 FTEs</td> </tr> <tr> <td colspan="2">Comprehensive Institutions: -3,739</td> </tr> <tr> <td style="padding-left: 20px;">Central Washington University</td> <td style="text-align: right;">-1,433 FTEs</td> </tr> <tr> <td style="padding-left: 20px;">Eastern Washington University</td> <td style="text-align: right;">-1,091 FTEs</td> </tr> <tr> <td style="padding-left: 20px;">Western Washington University</td> <td style="text-align: right;">-1,215 FTEs</td> </tr> <tr> <td style="padding-left: 20px;">The Evergreen State College</td> <td style="text-align: right;">0 FTEs</td> </tr> <tr> <td style="padding-left: 20px;">Community and Technical Colleges</td> <td style="text-align: right;">0 FTEs</td> </tr> </table> | Research Institutions: -3,344 | | University of Washington | -3,344 FTEs | Washington State University | 0 FTEs | Comprehensive Institutions: -3,739 | | Central Washington University | -1,433 FTEs | Eastern Washington University | -1,091 FTEs | Western Washington University | -1,215 FTEs | The Evergreen State College | 0 FTEs | Community and Technical Colleges | 0 FTEs |
| Research Institutions: -3,344 | | | | | | | | | | | | | | | | | | | |
| University of Washington | -3,344 FTEs | | | | | | | | | | | | | | | | | | |
| Washington State University | 0 FTEs | | | | | | | | | | | | | | | | | | |
| Comprehensive Institutions: -3,739 | | | | | | | | | | | | | | | | | | | |
| Central Washington University | -1,433 FTEs | | | | | | | | | | | | | | | | | | |
| Eastern Washington University | -1,091 FTEs | | | | | | | | | | | | | | | | | | |
| Western Washington University | -1,215 FTEs | | | | | | | | | | | | | | | | | | |
| The Evergreen State College | 0 FTEs | | | | | | | | | | | | | | | | | | |
| Community and Technical Colleges | 0 FTEs | | | | | | | | | | | | | | | | | | |

2009-11 BUDGET IN BRIEF
Key Provisions of the Higher Education Operating Budget – HECB 4/29/09

| <i>DRAFT</i> | ESHB 1244 As Passed Legislature |
|--|---|
| Status: | (Delivered to Governor) |
| Enrollment (continued) | <p>Total Enrollments for 2009-11:</p> <p style="padding-left: 40px;">Research Institutions: 58,796 FTE (2009-10) 59,412 FTE (2010-11)</p> <p style="padding-left: 40px;">Comprehensive Institutions: 32,532 FTE (2009-10) 33,517 FTE (2010-11)</p> <p style="padding-left: 40px;">Community and Technical Colleges: 139,237 FTE (2009-10) 139,237 FTE (2010-11)</p> |
| Tuition | <p>Public Baccalaureate Institutions – no more than 14% annual increases for resident undergraduates.</p> <p>CTC – no more than 7% annual increases for resident undergraduates. No more than 14% annual increases for upper-division students in Applied Baccalaureate.</p> <p>Institutional discretion for all other students.</p> <p>Public baccalaureates are required to use one-seventh of tuition revenues towards financial aid (in addition to the current 3½ percent institutional financial aid program).</p> <p>After accounting for anticipated tuition increases, community and technical colleges will experience a 10.6% budget reduction while the public four-year universities will experience a 14.6% budget reduction.</p> |
| Financial Aid <i>State Need Grant</i> (SNG) | <p>State Need Grant is funded at \$443.7 million for the biennium, an increase of about \$53.7 million over the 2007-09 biennium, including a net increase in federal Pell grant funding that can be assumed available for tuition payments from SNG eligible students.</p> <p>The maximum service level is maintained at the 2008-09 level – 70% median family income (MFI).</p> |

2009-11 BUDGET IN BRIEF

Key Provisions of the Higher Education Operating Budget – HECB 4/29/09

| <i>DRAFT</i> | ESHB 1244 As Passed Legislature |
|--|---|
| Status: | (Delivered to Governor) |
| <p>State Need Grant (continued)</p> | <p>The budget assumes the Board’s calculation that about \$9.6 million of the Pell increase from the federal stimulus package is available to be applied toward the state’s SNG obligation.</p> <p>Holds lowest income students (those with incomes less than 50% MFI) harmless from the 14% per year tuition and fee increases.</p> <p>Prorates SNG awards for students with family incomes greater than 50% MFI. Proration is deeper than HECB policy, which provides awards equal to 75% of the maximum.</p> <p>The budget proposes:</p> <p style="padding-left: 40px;">51%-55% MFI = 70% of maximum 56%-60% MFI = 65% of maximum 61%-65% MFI = 60% of maximum 66%-70% MFI = 50%</p> <p>Makes SNG awards for students at the private four-year schools equal to research universities.</p> <p>\$500,000 per year continues to be appropriated for the pilot project targeting less-than-half-time students.</p> |
| <p>State Work Study (SWS)</p> | <p>The State Work Study program is funded at about \$25.1 million for the biennium, an increase of about \$2.5 million. This takes into account the anticipated offset of \$3.3 million increase in federal work study funding at Washington schools due to the stimulus package.</p> <p>Funding is provided for HECB staff to manage the high-demand incentive grant priority authorized in HB 2021 and SB 5044.</p> |
| <p>Washington Scholar</p> | <p>Washington Scholar awards are prorated at 90% of the otherwise full tuition and fee value.</p> |
| <p>College Bound Scholarship</p> | <p>College Bound Scholarship pre-payments are suspended. Budget notes indicate that the state’s commitment to the program is “guaranteed.” They go on to say that it “...will be fulfilled and is not dependent upon nor diminished by this action.”</p> |

2009-11 BUDGET IN BRIEF

Key Provisions of the Higher Education Operating Budget – HECB 4/29/09

| <i>DRAFT</i> | ESHB 1244 As Passed Legislature |
|---|--|
| Status: | (Delivered to Governor) |
| <p><i>Opportunity Internships</i></p> <p><i>Passport to College Promise Scholarship Program</i></p> <p><i>Rebranding Student Aid Programs as “Opportunity Pathways”</i></p> <p><i>Promote Rural Health Care</i></p> | <p>Specific funding for the HECB’s administration of the SNG sections of HB 1355 (Opportunity Internships) is moved to the Workforce Training and Education Coordinating Board with instructions to contract with the HECB.</p> <p>\$3,872,000 is provided for the promise scholarship program which, per budget proviso, is to be contracted out to “a college scholarship organization with expertise in managing scholarships for low-income, high-potential students and foster care children and young adults.”</p> <p>\$71,000 is provided to the Board to defray its cost and the cost to the four-year public universities to implement the rebranding requirements of HB 2021.</p> <p>\$800,000 is provided for the Board to contract with the Pacific Northwest University of Health Sciences to provide training and education of osteopathic physicians to provide services in rural and underserved areas of the state.</p> |
| <p>Other Key Provisions</p> <p><i>American Recovery and Reinvestment Act (Title XIV)</i></p> <p><i>Kitsap Higher Education Center</i></p> <p><i>HECB System Design Planning Project</i></p> <p><i>Bellevue College</i></p> | <p>The conference budget assumes \$81.4 million in Title XIV from the American Recovery and Reinvestment Act for higher education.</p> <p>Requires the SBCTC to allocate 30 two-year and four-year Partnership FTEs to Olympic College and 10 FTEs to Peninsula College.</p> <p>Mandates the plan and requires a submittal date of December 1, 2009.</p> <p>Bellevue College may implement an additional applied baccalaureate degree in interior design to be offered during the 2009-10 academic year.</p> |

2009-11 BUDGET IN BRIEF
Key Provisions of the Higher Education Operating Budget – HECB 4/29/09

| DRAFT | ESHB 1244 As Passed Legislature |
|--|--|
| Status: | (Delivered to Governor) |
| <i>STARS Program</i> | \$4.2 million is included in CTED base budget for STARS with expected transfer to HECB. |
| <i>HECB Higher Education Online Technology Transformation Taskforce</i> | \$238,000 is provided to administer 2SHB 1946 to convene a higher education work group to improve the use of technology in education. |
| <i>WICHE Dues</i> | Allows continuation of Washington’s participation in WICHE. |
| <i>Employee Health Insurance Policy Level Additions</i> | Conference Budget has approximately \$25 million in additional funding for employee health insurance in the policy level. |
| <i>Guaranteed Education Tuition Program Review</i> | The Office of the State Actuary receives \$175,000 to conduct an independent assessment of alternatives for assuring the long-term financial solvency of the Guaranteed Education Tuition (GET) program including suspension of the program. |