

OVERVIEW OF APPROPRIATION REQUEST AND ANALYSIS

Fiscal Year 2019

Presentation to the Joint Standing
Committee on Finance

November 13, 2017



Dr. Casey K. Sacks, Vice Chancellor

Mr. Matt Turner, Executive Vice Chancellor for Administration

SYSTEM PROFILE: 2016-2017

➔ 9 Community and Technical Colleges

➔ Total Credit Enrollment **26,321**

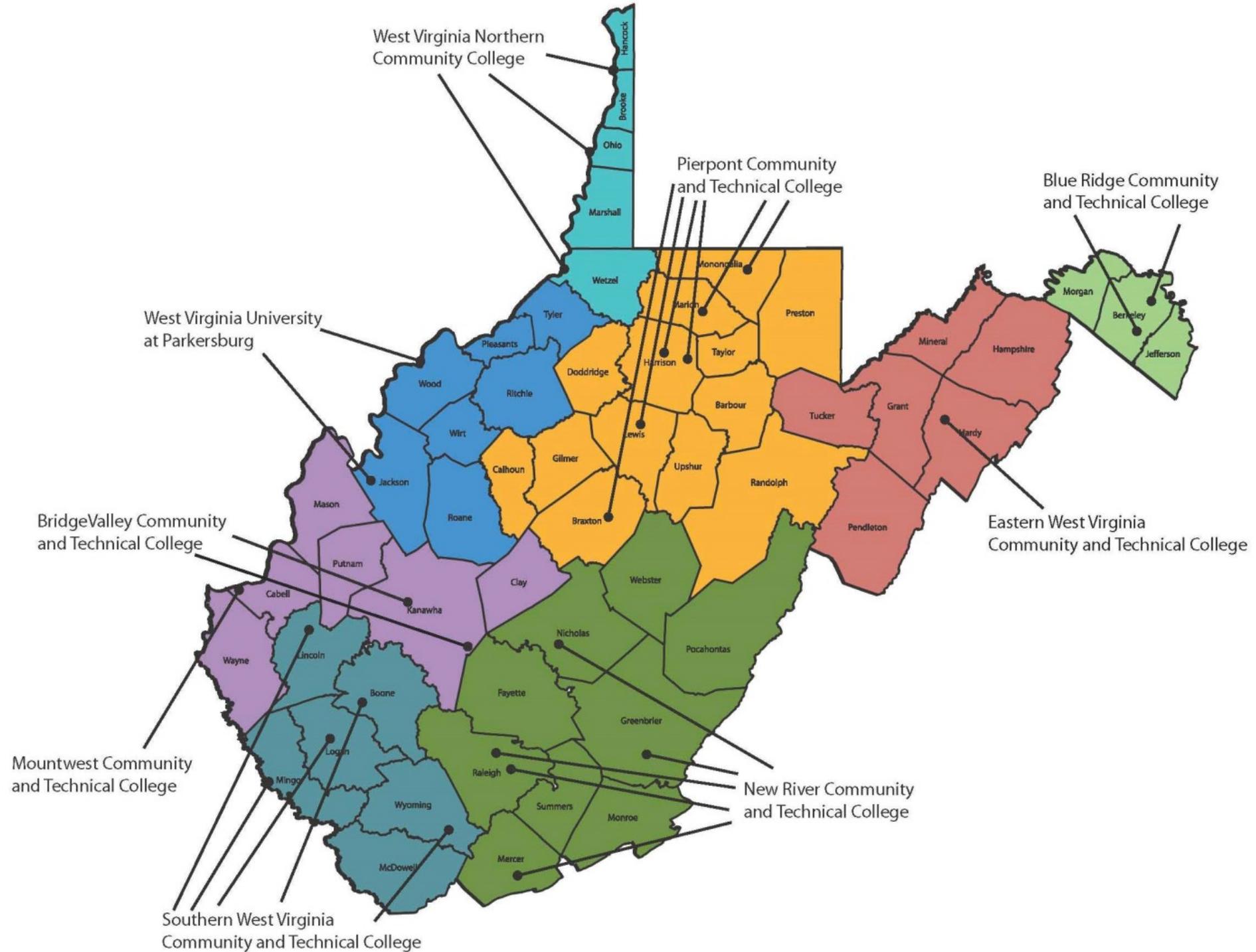
- Part-time 54%
- Female 61%
- Average Student Age 29
- West Virginia Residents 92%

➔ Financial Aid Participation (2015-16)

- Financial aid participation rate 45%
- Percentage of PROMISE Scholarship funds 2%
- Percentage of Higher Education Grant funds 20%
- Percentage of HEAPS funds 51%

➔ Graduate Work Participation Rate in West Virginia **70%**

COMMUNITY AND TECHNICAL COLLEGE SYSTEM



STUDENT SUCCESS PROFILES



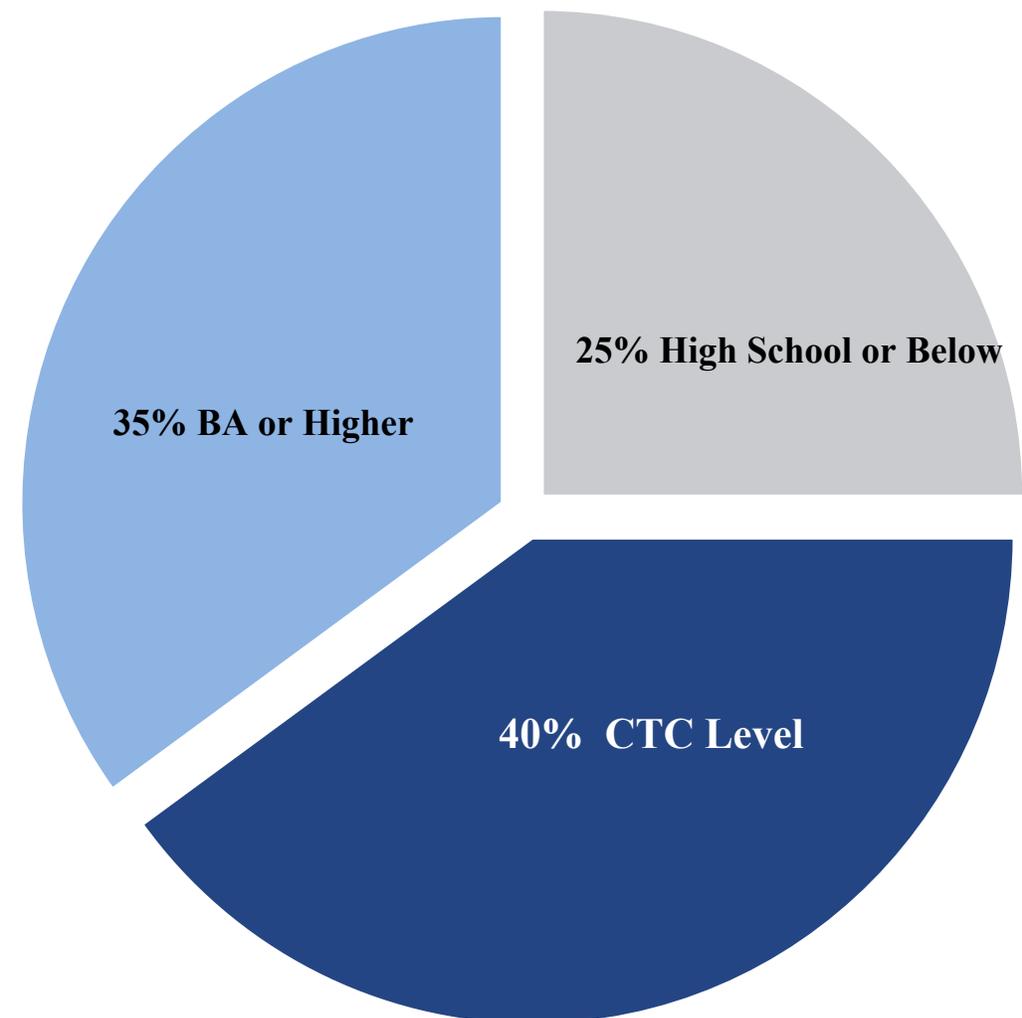
Jason

Southern WV Community and Technical College

WORKFORCE DEVELOPMENT

- 75% of National Job Openings Between Now and 2020 will Require Education and Training beyond high school.
- 40% of Job Openings through 2020 will require a postsecondary certificate or Associate's Degree.

Job Growth



EMPLOYER PARTNERSHIPS

The CTC System has partnerships with over 700 companies statewide, including:

AC&S Inc.

Access Midstream

Advanced Technological Solutions, LLC

Affiliated Construction Trades Foundation

Alpha Technologies

Antero Resources

ArcelorMittal Weirton, LLC

Ashland, Inc.

Bayer Material Science

Braskem America

CAMC

Chemical Alliance Zone

Chemours

CNX Gas Company

Coal River Energy

Consol Energy

Dominion Resources

Dominion Transmission

Dow Chemical Company (*WV Operations*)

Downard Hydraulics

DuPont

Eagle Manufacturing Co.

Eagle Research

Ecolab, Inc.

EnerVest Operating, LLC

ePlus Technology, Inc.

EQT

Essroc, Inc.

Fenwick Technologies, Inc.

First Energy Generation Corp.

Frontier Communication

Gestamp WV, LLC.

Greystar

HG Energy

Huntington Steel and Supply Co., Inc.

IPM Industrial Plating & Manufacturing

Jacobs Engineering

Kureha PGA, LLC.

Lumos Networks

M3 Midstream LLC

Markwest Energy

Matric

Mountaineer Gas

Murray Sheet Metal Company, Inc.

Nabors Drilling

Neighborgall Construction

Netranom Communications, Inc.

NGK

NOMAC

PDC Energy

Phillips Machine

Pike Electric

Pinnacle Wind LLC.

Polymer Alliance Zone

Proctor & Gamble

Savanna Energy

Steel of West Virginia, Inc.

Sun Energy

Superior Well Service

T & N Electric Motor Exchange

Thomas Health Systems

Toyota Motor Manufacturing

U.S. Silica

Union Carbide

US Well Service

W & B Fabricators, Inc.

Walker Machinery

Warren Drilling Company

Weatherford International

Weir SPM

Williams Company

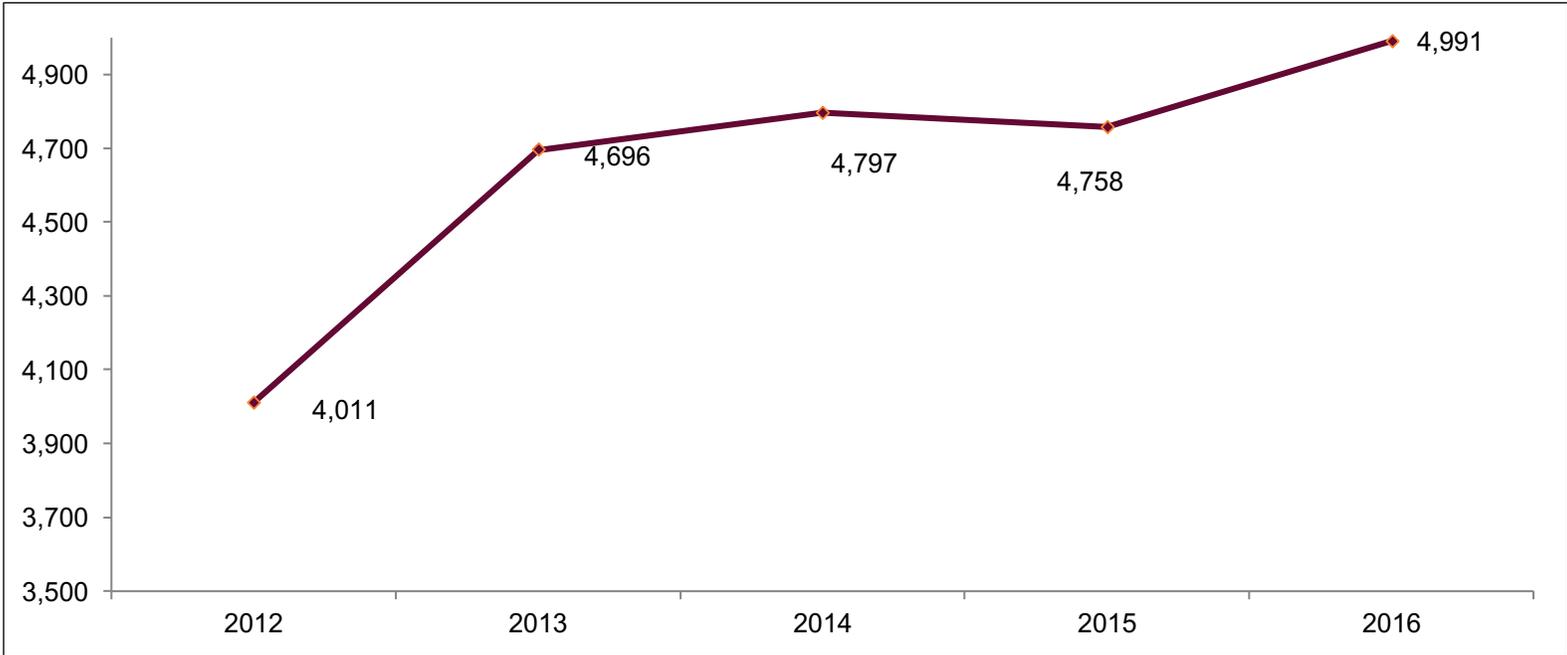
XTO Energy

STUDENT SUCCESS

Progress

DEGREE PRODUCTION	2012-13	2016-17	Percent Change
Certificate Degrees	1,084	1,919	77.0% ↑
Associate Degrees	2,674	2,841	6.2% ↑
TOTAL DEGREES	3,758	4,760	26.7% ↑

All Degrees Awarded *



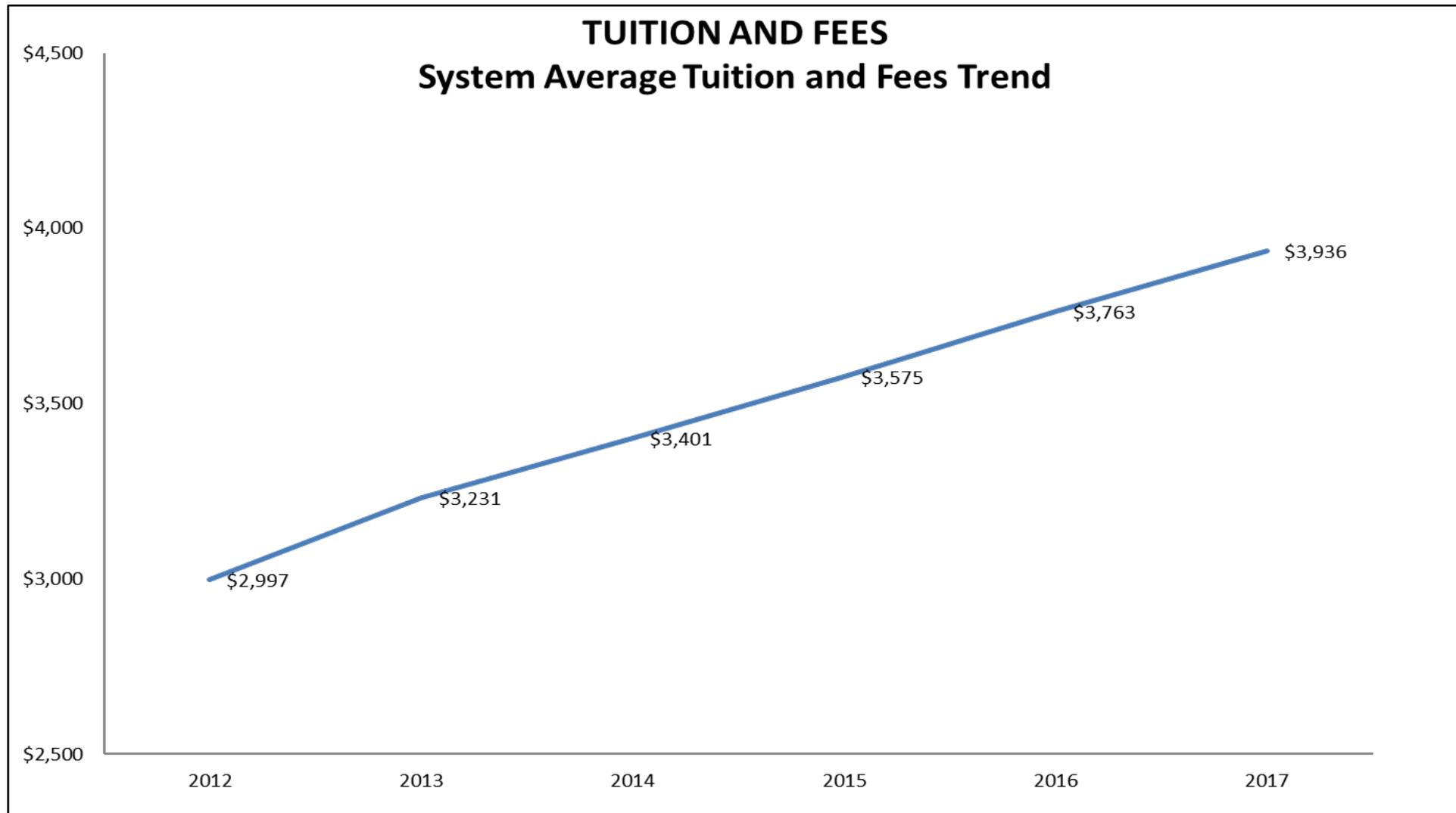
* Includes BA degrees offered at WVUP

ACCESS / AFFORDABILITY

Annualized Headcount Enrollment

Institution	2012-13	2013-14	2014-15	2015-16	2016-17
Blue Ridge CTC	5,888	6,172	6,451	6,855	6,801
Bridge Valley CTC	3,379	3,620	3,326	3,238	2,996
Eastern WV CTC	1,101	1,143	1,129	1,133	909
Mountwest CTC	4,120	3,537	3,073	2,947	2,893
New River CTC	4,315	3,885	2,879	2,223	2,369
Pierpont CTC	3,927	3,450	2,883	2,649	2,364
Southern WV CTC	2,747	2,456	2,286	2,100	2,054
WV Northern CC	3,774	3,106	2,831	2,896	2,692
WVU at Parkersburg	5,072	4,341	3,894	3,530	3,243
TOTAL	34,323	31,710	28,753	27,571	26,321

ACCESS / AFFORDABILITY



ACCESS / AFFORDABILITY

FY 2017-2018 Tuition / Fees

Institution	E & G Tuition & Fees	E & G Capital Fees	Auxiliary Fees	Tuition and Fees 2017-18	5 Year Increase
Blue Ridge CTC	\$3,552	\$480	\$0	\$4,032	\$912
BridgeValley CTC	\$3,582	\$562	\$182	\$4,326	\$842
Eastern WV CTC	\$3,332	\$100	\$0	\$3,432	\$1,008
Mountwest CTC	\$3,264	\$480	\$0	\$3,744	\$696
New River CTC	\$3,735	\$509	\$0	\$4,244	\$1,010
Pierpont CTC	\$3,630	\$588	\$700	\$4,918	\$1,058
Southern WV CTC	\$3,404	\$100	\$0	\$3,504	\$984
WV Northern CC	\$3,240	\$100	\$336	\$3,676	\$1,130
WVU at Parkersburg	\$3,452	\$100	\$0	\$3,552	\$1,056

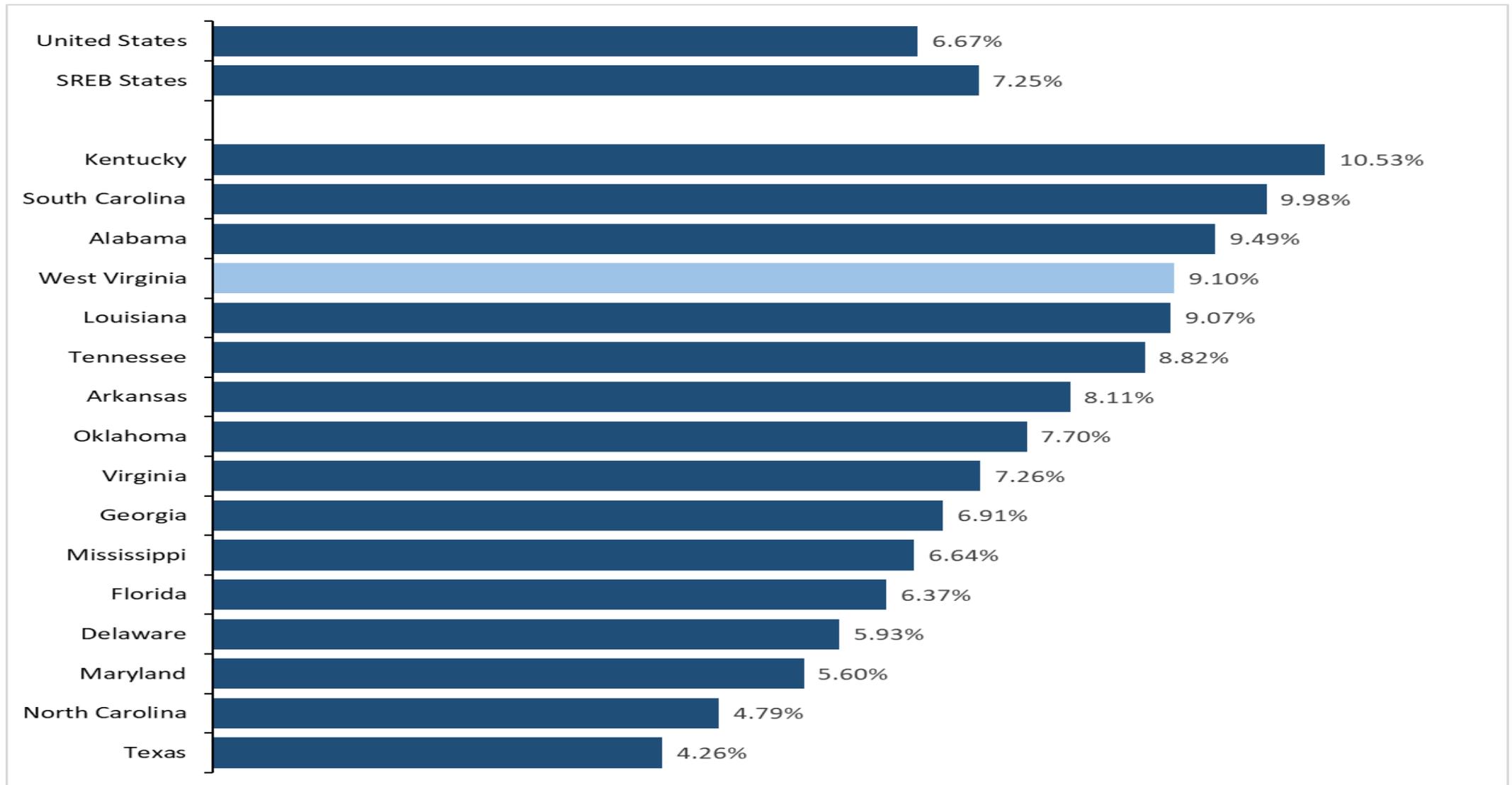
- Maintain Affordable Tuition
- Encourage Enrollment in Technical Programs
- Encourage Adult Student Enrollment

**Average WV Tuition Rate:
\$3,936**

**Average SREB Tuition Rate:
\$3,845**

ACCESS / AFFORDABILITY

Comparison of 2016-17 Average Tuition and Fees to 2016 Median Annual Household Income for SREB States



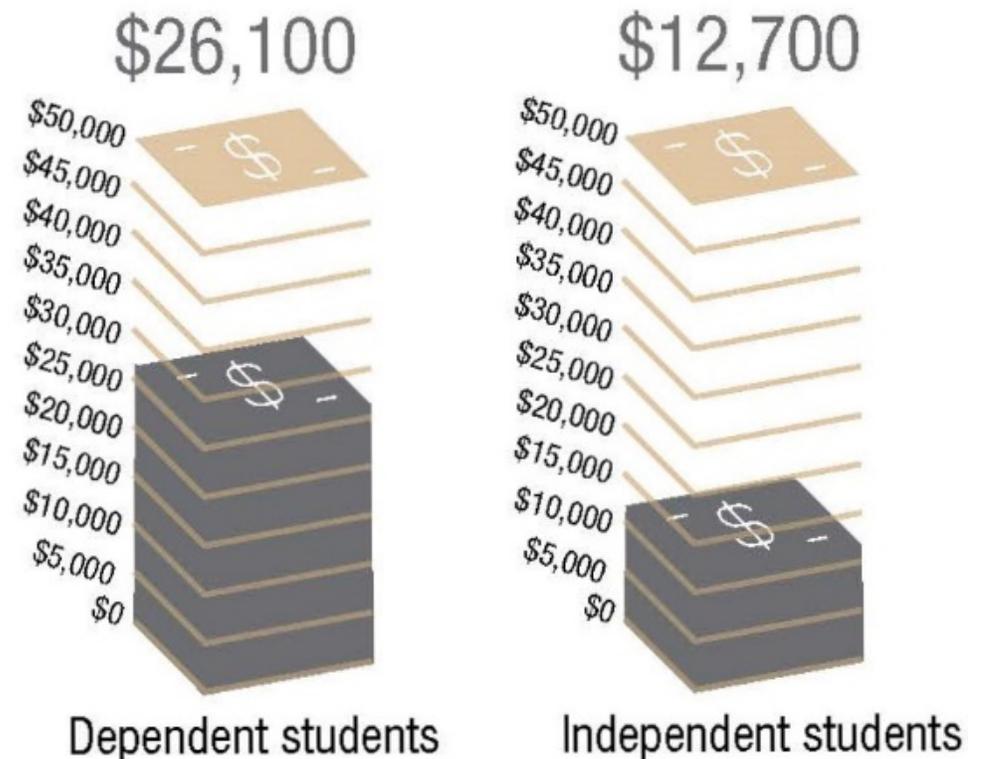
Source: Table S1901, American FactFinder, U.S. Census Bureau, Author Calculations

ACCESS / AFFORDABILITY

National Data: Gap Between Pell Grants and Need

- Only the lowest income students qualify for pell grants.
- In 2009-10, nearly 61% of Pell recipients lived below the poverty threshold, which was \$21,756 for a family of four.
- Pell grant recipients are more likely to live with children, 36% compared to 20% of non-Pell students who report living with children.

Median family incomes for Pell Grant recipients in 2011–12⁷



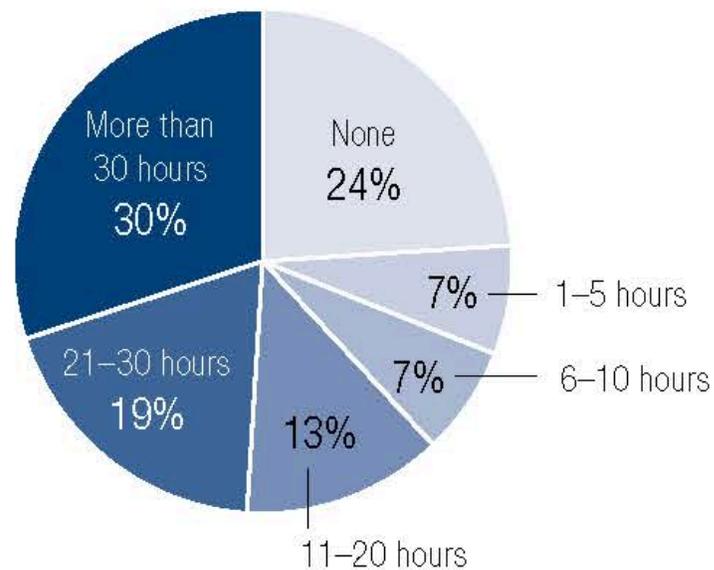
Source: National Data from Center for Community College Student Engagement
2017 Special Report: *Making Ends Meet*

ACCESS / AFFORDABILITY

National Data: Gap Between Pell Grants and Need

About Half of Students Work More Than 20 Hours Per Week

About how many hours do you spend in a typical 7-day week working for pay?
(N=97,420)



- Most recent national Community College Survey of Student Engagement reported 33% of female community college students and 17% of male students report having children living with them.
- About half of students work more than 20 hours per week, with 30% report working more than 30 hours a week.
- More than half of students report that they struggle to keep up with bills (54%)



Source: National Data from Center for Community College Student Engagement
2017 Special Report: *Making Ends Meet*

RESOURCES

State Appropriations, FY 2013-2018

Institution	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Blue Ridge CTC	\$5,138,415	\$4,706,653	\$4,640,378	\$4,423,242	\$4,880,509	\$4,880,509
BridgeValley CTC	\$8,099,261	\$7,913,830	\$7,774,924	\$7,411,115	\$7,350,906	\$7,158,055
Eastern WV CTC	\$2,100,509	\$1,924,011	\$1,895,244	\$1,806,561	\$1,797,954	\$1,751,421
Mountwest CTC	\$6,352,577	\$5,818,793	\$5,731,087	\$5,459,985	\$5,458,142	\$5,314,947
New River CTC	\$6,305,522	\$5,775,692	\$5,681,907	\$5,416,035	\$5,389,150	\$5,247,765
Pierpont CTC	\$8,443,703	\$7,734,209	\$7,584,426	\$7,229,531	\$7,177,334	\$6,989,036
Southern WV CTC	\$9,228,731	\$8,453,274	\$8,321,687	\$7,875,767	\$7,831,942	\$7,626,471
WV Northern CC	\$7,893,643	\$7,230,369	\$7,125,451	\$6,792,032	\$6,760,490	\$6,583,128
WVU at Parkersburg	\$10,916,188	\$9,998,941	\$9,858,752	\$9,397,434	\$9,331,336	\$9,086,528
Total System State Funding	\$64,478,549	\$59,555,772	\$58,613,856	\$55,811,702	\$55,977,763	\$54,637,860

RESOURCES

Total Operating Revenue, FY 2014-2018

Institution	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Blue Ridge CTC	\$10,276,477	\$11,108,282	\$11,075,448	\$12,934,644	\$11,817,266
BridgeValley CTC	\$12,845,866	\$13,256,188	\$13,201,175	\$13,180,058	\$12,206,923
Eastern WV CTC	\$3,165,943	\$3,313,532	\$3,300,122	\$3,250,984	\$3,140,910
Mountwest CTC	\$13,379,459	\$12,735,467	\$12,691,864	\$13,031,254	\$11,610,474
New River CTC	\$12,370,732	\$12,270,735	\$12,230,531	\$11,553,016	\$9,695,207
Pierpont CTC	\$14,732,457	\$14,313,750	\$14,260,085	\$14,962,530	\$12,371,932
Southern WV CTC	\$12,962,990	\$12,671,927	\$12,554,164	\$12,279,144	\$11,791,468
WV Northern CC	\$14,049,713	\$13,263,203	\$13,212,785	\$13,311,011	\$12,076,185
WVU at Parkersburg	\$18,442,838	\$17,736,388	\$17,666,630	\$17,095,587	\$15,812,928
Total System Operating Revenue	\$112,226,475	\$110,669,472	\$110,192,804	\$111,598,228	\$100,523,293

RESOURCES

Expenses by Function: For Fiscal Year Ended June 30, 2016

	Blue Ridge CTC	BridgeValley CTC	Eastern WV CTC	Mountwest CTC	New River CTC	Pierpont CTC	Southern WV CTC	WV Northern CTC	WVU Parkersburg	Total
Fixed Costs:										
General Institutional Support	\$3,713,998	\$3,780,417	\$1,644,312	\$2,390,002	\$3,854,186	\$2,784,749	\$4,490,417	\$3,443,184	\$3,267,000	\$29,368,265
Operations and Maintenance	1,269,995	1,410,394	246,015	1,037,170	2,799,495	1,451,804	1,489,729	1,385,288	2,219,000	13,308,890
Depreciation	1,004,305	2,451,019	556,941	596,200	1,045,398	1,285,828	1,377,609	1,663,715	993,000	10,974,015
Total Fixed Costs	5,988,298	7,641,830	2,447,268	4,023,372	7,699,079	5,522,381	7,357,755	6,492,187	6,479,000	53,651,170
Variable Costs:										
Instruction	6,789,723	11,266,690	843,573	8,377,285	7,123,683	8,197,690	6,534,352	4,317,732	11,448,000	64,898,728
Academic Support	570,863	1,167,404	893,728	475,516	901,894	1,277,600	1,140,735	938,160	493,000	7,858,900
Student Services	1,633,204	913,549	419,369	1,942,418	1,217,268	1,359,540	1,134,040	1,407,850	1,413,000	11,440,238
Public Service	0	1,861,961	416,525	0	0	57,418	491,178	67,755	0	2,894,837
Scholarships	3,186,308	2,298,580	726,505	2,842,917	1,660,419	2,292,454	3,091,562	1,335,349	3,584,000	21,018,094
Auxiliary Enterprises	197,243	0	2,587	265,870	0	672,088	112,150	0	109,000	1,358,938
Other	113,109	406,690	21,391	89,743	84,736	188,624	63,100	60,252	343,000	1,370,645
Total Variable Costs	12,490,450	17,914,874	3,323,678	13,993,749	10,988,000	14,045,414	12,567,117	8,127,098	17,390,000	110,840,380
Total Expenses	\$18,478,748	\$25,556,704	\$5,770,946	\$18,017,121	\$18,687,079	\$19,567,795	\$19,924,872	\$14,619,285	\$23,869,000	\$164,491,550

SYSTEM INITIATIVES

▪ Economic Impact

- In 2014, community and technical colleges in West Virginia contributed \$220.5 million to the State's economy, according to the West Virginia University Bureau of Business and Economic Research (BBER).

▪ Grant Dollars Received

- In four years, the West Virginia Community and Technical College System generated more than \$37 million in federal grants - \$25M U.S. DOL Trade Adjustment Assistance Grant (TAACCCT); \$5.25M U.S. DOL Dislocated worker Grant; \$3.6M U.S. DOL America's Promise Grant; \$4M U.S. DOL Tech Hire Grant.

▪ WorkForce West Virginia Training

- In 2016, community and technical colleges provided certificate and degree training to 464 individuals served by WorkForce WV, including dislocated workers, laid off coal miners, and low income West Virginians.

▪ Learn and Earn Program

- In the last 5 years (since 2013), community and technical colleges have established Learn and Earn opportunities with more than 50 companies.
- To date, over 3,000 students have enrolled in these cooperative workplace educational opportunities.



*Advanced Technology Center, South Central
South Charleston, West Virginia*

SYSTEM INITIATIVES



▪ Business and Industry Partnerships

- Community colleges use a sector-based approach to engage employers. The college meets quarterly with regional companies in each sector (e.g., healthcare, manufacturing) to assess their workforce needs. The colleges then meet with state agencies and other stakeholders to pull resources and satisfy employer needs.
- Notable employer partnerships include: Advanced manufacturing at Blue Ridge Community and Technical College for Procter and Gamble; chemical and polymer program with WVU at Parkersburg and DuPont; and the Toyota Manufacturing Program at BridgeValley Community and Technical College.

▪ Temporary Assistance for Needy Families (TANF) Program

- Southern WV CTC and WVDHHR launched a pilot program for individuals receiving TANF benefits in Fall 2015. This program enrolled TANF recipients into community colleges and provided recipients with support they needed in order to be successful.
- This program is now available at all nine community and technical colleges - more than 100 TANF recipients are enrolled for Fall 2017.
- Over 85% of students passed in Fall 2016. In Spring 2017, more than 70% had above a 2.0 GPA. And at Eastern WVCTC, the program average was a 3.14 GPA.

▪ Accelerated Programs

- In order to help students graduate quickly and enter the workplace, our colleges implemented accelerated programs that fast track students to a one-year certificate or associate degree. These programs include: Chemical Operator, Electromechanical Instrumentation, Engineering Design Technology, Gas Measurement Technology, Information Technology, Mechatronics, and Welding.

COST SAVING MEASURES

- **Continue to Pursue Grant Opportunities**
- **Continue to Explore System Cost Efficiencies**
 - Library consortium
 - Consolidated services across community colleges
 - Shared Staff (Financial Aid, Facilities, and Institutional Research)
 - Bond refinancing, energy efficiency prioritization (HVAC, roofs)
 - Ad Astra and scale of GPS project
- **Efficient Use of Technology for Program Delivery**
 - Share Faculty for High-cost Programs
 - Increase Distance Education Delivery of Technical Programs
- **Partnerships with other State Agencies**
 - Department of Commerce
 - WorkForce West Virginia
 - Department of Health & Human Resources
 - Career Technical Education Centers

SERVICES SCALED-BACK / ELIMINATED DUE TO BUDGET REDUCTIONS

- State funding for community colleges has been reduced 17% for most institutions over the past several years. These reductions have resulted in:
 - Vacant positions for essential employees remaining unfilled.
 - Campus closures and property sold.
 - 85 programs terminated since 2013; including those in energy and power.
 - Forced layoffs and position eliminations for approximately 150 positions statewide.

GOVERNOR'S FY 2019 Budget Proposal

	FY 2018 Budget	FY 2019 Request
WV Council for Community & Technical College Education	\$723,410	\$723,410
Transit Training Partnership	34,293	34,293
Community College Workforce Development	784,901	784,901
College Transition Program	278,222	278,222
WV Advance Workforce Development	3,116,749	3,116,749
Technical Program Development	1,800,735	1,800,735
TOTAL - Council	\$6,738,310	\$6,738,310
Blue Ridge Community and Technical College	4,880,509	4,880,509
BridgeValley Community and Technical College	7,158,055	7,158,055
Eastern WV Community and Technical College	1,751,421	1,751,421
Mountwest Community and Technical College	5,314,947	5,314,947
New River Community and Technical College	5,247,765	5,247,765
Pierpont Community and Technical College	6,989,036	6,989,036
Southern WV Community and Technical College	7,626,471	7,626,471
WV Northern Community College	6,583,128	6,583,128
WVU – Parkersburg	9,086,528	9,086,528
TOTAL - Institutions	\$54,637,860	\$54,637,860
TOTAL - SYSTEM	\$61,376,170	\$61,376,170

BUDGETARY IMPROVEMENT NEEDS

I. Workforce Development Initiative

Amount
\$2 million

This funding would be added to the current Workforce Development Initiative allocation of \$784,901. The Workforce Development Initiative funding supports the provisions of § 18 B-3D-2 and § 18 B-3D-6. The mission of the Workforce Development Initiative, which includes the Learn and Earn Program, is to strengthen the quality of the state's workforce by providing explicit incentives for partnerships between employers and community and technical colleges. The Learn and Earn Program has helped forge a number of positive relationships between business and industry, and the community and technical colleges. As the program continues to be promoted across the state, it is recommended that the Council support an increase in the Workforce Development Initiative's allocation so that the colleges can continue to provide industry with the workers they need to be successful.

II. Capital Bond Projects

\$5 million

The request for \$5 million for bond debt payment will allow the council to generate approximately \$75-\$80 million to address the construction of new capital facilities and renovations of aging facilities. Although the recent bond projects provide new facilities and needed renovations, critical facility needs remain. Colleges still suffer from the lack of adequate facilities to deliver technical programs and some campuses are in need of renovations to older buildings and laboratories.

STUDENT SUCCESS PROFILES

Michael

New River Community and Technical College





WV Council for Community and Technical College Education
1018 Kanawha Boulevard, East – Suite 700 - Charleston, WV 25301
Phone: 304-558-0265