

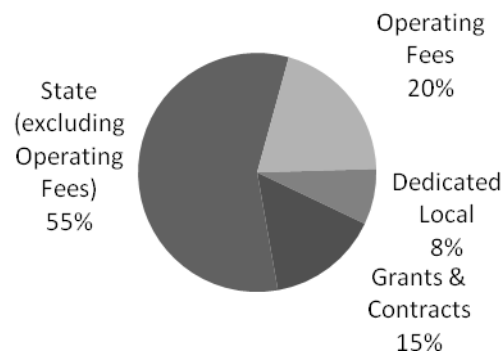
EXPENDITURES

INTRODUCTION TO EXPENDITURES

The community and technical college system spent more than \$1.069 billion in 2006-07 as accounted for in the common financial management system. In addition, some \$48 million was expended by the community and technical college system from state and federal funds for Adult Basic Education, workforce education and WorkFirst; this is not included in the \$1.069 billion but is described on pages 90-96.

About 55 percent of community and technical college operating expenditures for 2006-07 was from the state general fund appropriation to SBCTC. Student operating fees (tuition) contributed 20 percent. The remainder was derived from grants and contracts (15 percent) and local dedicated funds (8 percent). Grants and contracts include federal, state and private sources. Local funds include revenue from investments, student fees for self-support courses, miscellaneous fees and instructional enterprises. Tables on pages 83-89 describe expenditures of the funds derived from these sources.

Expenditures by Source of Funds Fiscal Year 2006-07



APPROPRIATION PROCESS: The community and technical colleges develop a single biennial operating budget request based on current-level spending, plus specific enhancements above the current level. Local college staff, SBCTC staff, local trustees and SBCTC board members participate in the process of developing the budget request. That process begins about one year prior to the request year. The request is submitted to the Governor, who recommends a system budget to the Legislature. The Legislature makes a biennial appropriation to the college system.

The language in the appropriations bill and published budget notes indicate the funding levels of each specific program and the policy directions given to the community and technical colleges by the Legislature.

The Legislature appropriates funds to the community and technical college system as a whole. The SBCTC then allocates those funds to individual college districts. The State Board allocates operating funds annually. The amount allocated to the system is the total available for each year as indicated by legislative budget notes and detail.

LIMITS ON EXPENDITURES: Local districts have the authority to determine how to spend their allocations except as limited by the State Board or legislative action.

COMMUNITY AND TECHNICAL COLLEGE EXPENDITURES

EXPENDITURE CATEGORIES

Expenditure categories are accounted for by the source of funds: legislative appropriations from the state general fund, student operating fees, grants, and local revenue sources such as fees for courses funded exclusively from student fees (student-funded courses). There is no local tax support for Washington community and technical colleges. Expenditures exclude auxiliary enterprise funds, such as those used to run the campus bookstore or cafeteria. Expenditures of the federal Carl D. Perkins Act, the federal Adult Education and Family Literacy Act and WorkFirst funds (\$50.2 million) are reimbursed by the State Board office and net to zero in these expenditure reports.

The expenditures are reported by fund and program, and object (types of things purchased such as salaries, benefits, equipment and travel). The funds included are:

State General Fund (001): Legislative appropriation. (Excluding allocation to SBCTC)

Operating Fees (149): College operating fees and interest income earned on those fees. (Not appropriated)

Local Dedicated Fund (148): Consists primarily of fees for courses not funded by the state; lab, course and other fees established for specific purposes; and income generated from instructional enterprises, such as food service and auto repair courses. (Not appropriated)

Grants and Contracts (145): Funds received from governmental or private sources dedicated for specific restricted purposes. Also included are revenues from contract courses. As noted above, the major federal grants and the WorkFirst funds that flow through the State Board net zero in the college accounting records and thus are not reported here. (Not appropriated)

CONSTANT (FY07\$) DOLLAR CALCULATIONS

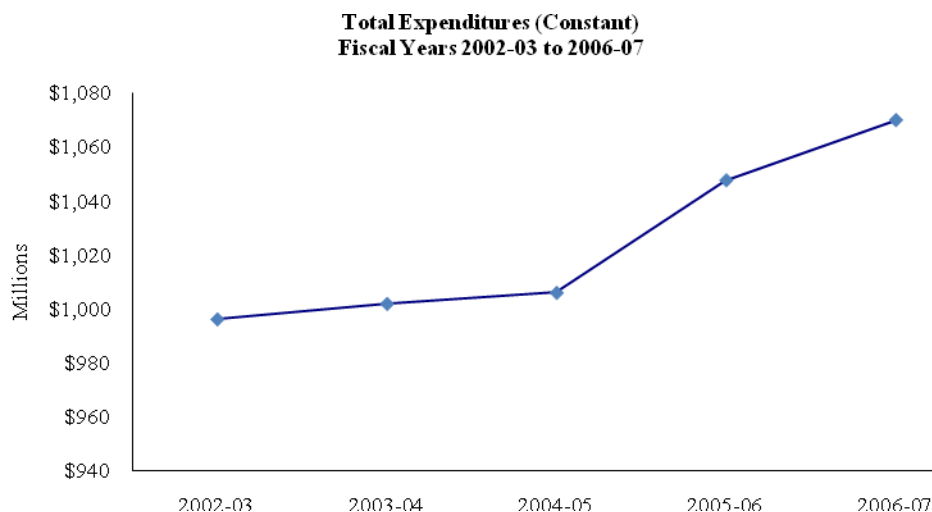
Historical fiscal data is presented both in current and constant (FY07\$) dollars. Current dollars provide a measure of increases or decreases in funding without inflation adjustments. Constant (FY07\$) dollars were calculated using the “implicit price deflator” adjusted to fiscal years. The following index numbers were used:

Fiscal Year	Index
2002-03	0.903
2003-04	0.926
2004-05	0.953
2005-06	0.979
2006-07	1.000

Source: WA Economic and Revenue Forecast available through <http://www.erfc.wa.gov/>

EXPENDITURES BY SOURCE OF FUNDS

The community and technical college system spent \$1.069 billion on college operations in fiscal year 2007. Adjusted for inflation, state and operating fee expenditures increased by 10 percent from fiscal year 2003 to fiscal year 2007. Dedicated local funds, grants and contract expenditures decreased 1.9 percent during the same period, such that those funds now account for 22.7 percent of the total expenditures. State general funds include allocations for Worker Retraining.



Fiscal Years 2002-03 to 2006-07

Type of Funds	2002-03	2003-04	2004-05	2005-06	2006-07	
State General (001)						
Current \$	517,142,358	508,636,570	525,725,849	576,933,327	610,472,558	
Constant \$	572,693,641	549,283,553	551,653,567	589,308,812	610,472,558	
% Total	57.5%	54.8%	54.8%	56.3%	57.1%	
Operating Fees (149)						
Current \$	158,957,930	183,918,252	198,630,691	207,020,555	216,714,981	
Constant \$	176,033,145	198,615,823	208,426,748	211,461,241	216,714,981	
% Total	17.7%	19.8%	20.7%	20.2%	20.3%	
Total State & Operating Fees						
Current \$	676,100,288	692,554,822	724,356,540	783,953,882	827,187,539	
Constant \$	748,726,786	747,899,376	760,080,315	800,770,053	827,187,539	
% Total	75.2%	74.7%	75.6%	76.4%	77.3%	
Dedicated Local (148)						
Current \$	78,143,652	83,119,776	80,772,501	78,696,378	80,535,106	
Constant \$	86,537,821	89,762,177	84,756,035	80,384,451	80,535,106	
% Total	8.7%	9.0%	8.4%	7.7%	7.5%	
Grants & Contracts (145)						
Current \$	145,194,056	151,977,449	153,468,907	162,980,030	162,217,542	
Constant \$	160,790,760	164,122,515	161,037,678	166,476,027	162,217,542	
% Total	16.1%	16.4%	16.0%	15.9%	15.2%	
TOTAL						
Current \$	899,437,996	927,652,047	958,597,948	1,025,630,290	1,069,940,187	
% Change		4.2%	3.1%	3.3%	7.0%	4.3%
Constant \$	996,055,367	1,001,784,068	1,005,874,027	1,047,630,531	1,069,940,187	
% Change		2.1%	0.6%	0.4%	4.2%	2.1%

Source: Community and Technical College Financial Management System.

Note: Beginning with FY2003-04, State GFS includes M&O in Program 900 Fund 253

**EXPENDITURES BY SOURCE OF FUNDS BY DISTRICT
GENERAL AND DEDICATED FUNDS**

Expenditure patterns by college vary as a result of: college size, faculty mix in terms of part-time/full-time status, program mix and the equipment and consumable costs related to instruction.

Fiscal Year 2006-07

	----- General Funds -----			----- Dedicated Funds -----		Grand Total
	State 001	Operating Fees 149	Total 001 & 149	Local 148	Grants & Contracts 145	
Bates	20,690,998	3,639,517	24,330,515	3,716,803	6,315,980	34,363,298
Bellevue	30,064,612	11,842,639	41,907,251	9,959,691	9,728,254	61,595,196
Bellingham	10,020,299	1,875,229	11,895,528	1,957,885	971,828	14,825,241
Big Bend	9,773,222	2,950,154	12,723,376	1,201,503	2,529,796	16,454,675
Cascadia *	8,786,746	3,453,043	12,239,789	728,751	214,752	13,183,292
Centralia	11,028,281	3,287,828	14,316,109	672,880	2,541,150	17,530,139
Clark	27,805,015	11,839,754	39,644,769	4,050,679	4,732,086	48,427,534
Clover Park	19,205,009	4,876,682	24,081,691	1,951,705	1,277,263	27,310,659
Columbia Basin	20,177,381	8,184,998	28,362,379	1,509,326	7,286,766	37,158,471
Edmonds	23,712,604	8,391,906	32,104,510	3,442,870	15,517,902	51,065,282
Everett	21,482,080	10,217,459	31,699,539	2,211,014	5,159,449	39,070,002
Grays Harbor	9,481,561	2,831,143	12,312,704	541,269	902,971	13,756,944
Green River	24,119,884	7,646,917	31,766,801	4,021,205	10,794,011	46,582,017
Highline	24,459,774	9,313,076	33,772,850	4,059,619	4,105,356	41,937,825
Lake Washington	13,721,977	4,423,375	18,145,352	3,535,627	1,456,281	23,137,260
Lower Columbia	11,848,402	2,520,655	14,369,057	2,596,707	5,037,756	22,003,520
Olympic	19,954,681	9,938,659	29,893,340	1,796,437	2,160,633	33,850,410
Peninsula	10,027,004	2,592,548	12,619,552	530,346	1,501,618	14,651,516
Pierce District	23,456,981	9,118,712	32,575,693	2,111,714	9,360,717	44,048,124
Renton	16,189,562	4,451,679	20,641,241	1,544,625	1,833,177	24,019,043
Seattle District	65,715,426	20,264,702	85,980,128	8,627,782	21,079,674	115,687,584
Shoreline	23,061,455	12,299,242	35,360,697	2,278,851	5,039,796	42,679,344
Skagit Valley	17,084,811	5,839,470	22,924,281	939,452	9,635,670	33,499,403
South Puget Sound	15,464,166	6,907,421	22,371,587	2,767,517	4,790,318	29,929,422
Spokane District	55,958,917	21,018,337	76,977,254	5,023,824	13,307,441	95,308,519
Tacoma	19,748,516	7,359,516	27,108,032	2,138,760	5,823,455	35,070,247
Walla Walla	16,167,632	5,444,602	21,612,234	2,525,223	2,466,859	26,604,316
Wenatchee Valley	11,500,916	5,422,263	16,923,179	1,082,446	1,503,505	19,509,130
Whatcom	11,811,060	4,331,971	16,143,031	1,488,302	1,544,853	19,176,186
Yakima Valley	17,953,586	4,431,484	22,385,070	1,522,293	3,598,225	27,505,588
SYSTEM TOTAL	610,472,558	216,714,981	827,187,539	80,535,106	162,217,542	1,069,940,187

Source: Community and Technical College Financial Management System.

* Includes Fund 253 Program 900 - Plant Maintenance

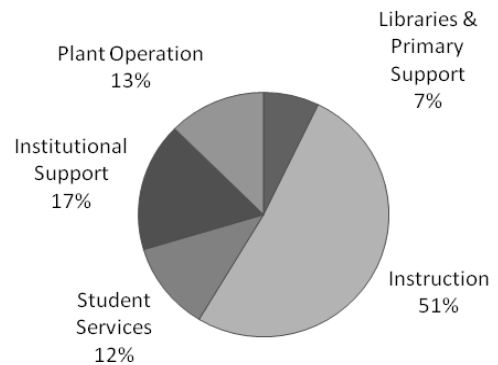
Note: Totals may not add due to rounding. Data excludes capital asset acquisitions by COP or Lease-Purchase. Funds 001, 148, and 149 include programs less than 100. Fund 145 includes programs less than 100 and programs 100 through 190.

**EXPENDITURES BY PROGRAM
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149**

Total constant (FY07\$) dollar expenditures increased by 3.3 percent from fiscal year 2005-06. Primary support services has increased nearly 28 percent since the 2002-03 fiscal year. Much of this growth can be attributed to increased expenditures on academic computing services.

Plant operation and maintenance has also seen a large increase in expenditures when compared to the 2002-03 fiscal year. The 25 percent increase over the past five years is mainly due to construction of new instructional space coupled with the increase in the maintenance and operation rate per square foot.

**Expenditures by Program
Fiscal Year 2006-07**



	2002-03	2003-04*	2004-05*	2005-06	2006-07
<u>010 INSTRUCTION</u>					
Current \$	354,600,475	362,216,317	379,644,772	404,872,138	425,544,124
Constant \$	392,691,556	391,162,329	398,368,071	413,556,831	425,544,124
% Total	52.4%	52.3%	52.4%	51.6%	51.4%
<u>040 PRIMARY SUPPORT SERVICES</u>					
Current \$	23,404,136	23,770,535	24,886,814	30,029,771	33,078,377
Constant \$	25,918,202	25,670,124	26,114,180	30,673,923	33,078,377
% Total	3.5%	3.4%	3.4%	3.8%	4.0%
<u>050 LIBRARIES</u>					
Current \$	22,496,112	22,592,719	23,571,447	24,768,973	26,281,138
Constant \$	24,912,638	24,398,185	24,733,942	25,300,279	26,281,138
% Total	3.3%	3.3%	3.3%	3.2%	3.2%
<u>060 STUDENT SERVICES</u>					
Current \$	81,188,971	81,509,613	83,751,399	88,847,253	97,395,996
Constant \$	89,910,267	88,023,340	87,881,846	90,753,067	97,395,996
% Total	12.0%	11.8%	11.6%	11.3%	11.8%
<u>080 INSTITUTIONAL SUPPORT</u>					
Current \$	119,046,485	122,355,792	127,108,690	136,430,060	140,946,849
Constant \$	131,834,424	132,133,685	133,377,429	139,356,547	140,946,849
% Total	17.6%	17.7%	17.5%	17.4%	17.0%
<u>090 PLANT OPERATION & MAINTENANCE</u>					
Current \$	75,364,106	80,109,847	85,393,418	99,005,688	103,941,055
Constant \$	83,459,697	86,511,714	89,604,846	101,129,406	103,941,055
% Total	11.1%	11.6%	11.8%	12.6%	12.6%
TOTAL CURRENT \$	676,100,285	692,554,823	724,356,540	783,953,883	827,187,539
TOTAL CONSTANT \$	748,726,783	747,899,377	760,080,315	800,770,054	827,187,539
CONSTANT \$ CHANGE	1.8%	-0.1%	1.6%	5.4%	3.3%

Source: Community and Technical College Financial Management System.

Note: Reported data excludes capital asset acquisitions by COP or Lease-Purchase.

*Includes Fund 253 Program 900 (Plant M&O).

**EXPENDITURES BY PROGRAM BY DISTRICT
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149
FISCAL YEAR 2006-07
Page 1 of 2**

	010 <u>Instruction</u>		040 <u>Primary Support Service</u>		050 <u>Libraries</u>	
	Expenditure	% of Total	Expenditure	% of Total	Expenditure	% of Total
Bates	11,429,418	47.0%	2,070,514	8.5%	263,205	1.1%
Bellevue	21,418,947	51.1%	290,053	0.7%	1,321,754	3.2%
Bellingham	5,494,538	46.2%	772,309	6.5%	305,330	2.6%
Big Bend	5,909,730	46.4%	346,062	2.7%	462,759	3.6%
Cascadia	4,807,682	39.3%	357,380	2.9%	908,297	7.4%
Centralia	7,602,477	53.1%	414,502	2.9%	402,391	2.8%
Clark	21,334,512	53.8%	2,490,457	6.3%	1,037,694	2.6%
Clover Park	10,708,109	44.5%	1,387,939	5.8%	289,028	1.2%
Columbia Basin	16,001,772	56.4%	2,466	0.0%	734,162	2.6%
Edmonds	16,593,529	51.7%	561,801	1.7%	1,039,192	3.2%
Everett	17,989,142	56.7%	557,878	1.8%	885,104	2.8%
Grays Harbor	5,634,406	45.8%	606,331	4.9%	391,637	3.2%
Green River	15,134,360	47.6%	1,931,132	6.1%	775,427	2.4%
Highline	16,731,746	49.5%	1,873,802	5.5%	1,561,818	4.6%
Lake Washington	9,168,266	50.5%	1,439,897	7.9%	321,348	1.8%
Lower Columbia	7,710,113	53.7%	617,628	4.3%	305,518	2.1%
Olympic	15,952,023	53.4%	1,213,834	4.1%	1,415,842	4.7%
Peninsula	5,593,709	44.3%	718,790	5.7%	474,623	3.8%
Pierce District	16,539,142	50.8%	1,018,733	3.1%	1,683,242	5.2%
Renton	10,257,842	49.7%	1,287,735	6.2%	456,631	2.2%
Seattle District	50,701,965	59.0%	1,293,971	1.5%	2,610,030	3.0%
Shoreline	18,996,666	53.7%	828,367	2.3%	1,270,068	3.6%
Skagit Valley	11,587,576	50.5%	569,238	2.5%	804,282	3.5%
South Puget Sound	11,923,703	53.3%	581,162	2.6%	526,321	2.4%
Spokane District	39,961,620	51.9%	4,394,375	5.7%	2,719,093	3.5%
Tacoma	12,541,591	46.3%	2,217,175	8.2%	880,310	3.2%
Walla Walla	10,458,392	48.4%	797,629	3.7%	803,711	3.7%
Wenatchee Valley	7,897,296	46.7%	1,011,495	6.0%	442,980	2.6%
Whatcom	7,726,258	47.9%	661,583	4.1%	548,236	3.4%
Yakima Valley	11,737,594	52.4%	764,139	3.4%	641,105	2.9%
SYSTEM TOTAL	425,544,124	51.4%	33,078,377	4.0%	26,281,138	3.2%

Source: Community and Technical College Financial Management System.

Note: Totals may not add due to rounding. Data excludes capital asset acquisitions by COP or Lease-Purchase. Plant expenditures include Fund 253 in FY2004-05.

**EXPENDITURES BY PROGRAM BY DISTRICT
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149
FISCAL YEAR 2006-07
Page 2 of 2**

	060		080		090		
	Student		Institutional		Plant Operation		
	Services		Support		and Maintenance		
	Expenditure	% of	Expenditure	% of	Expenditure	% of	Total
Bates	2,809,411	11.5%	4,696,538	19.3%	3,061,429	12.6%	24,330,515
Bellevue	5,096,107	12.2%	7,307,569	17.4%	6,472,821	15.4%	41,907,251
Bellingham	1,523,560	12.8%	2,409,611	20.3%	1,390,179	11.7%	11,895,527
Big Bend	1,622,104	12.7%	2,321,889	18.2%	2,060,832	16.2%	12,723,376
Cascadia	1,467,052	12.0%	3,258,639	26.6%	1,440,741	11.8%	12,239,791
Centralia	1,878,686	13.1%	2,560,826	17.9%	1,457,227	10.2%	14,316,109
Clark	4,591,805	11.6%	5,868,961	14.8%	4,321,341	10.9%	39,644,770
Clover Park	2,210,733	9.2%	6,225,624	25.9%	3,260,260	13.5%	24,081,693
Columbia Basin	2,972,274	10.5%	4,944,947	17.4%	3,706,758	13.1%	28,362,379
Edmonds	3,587,205	11.2%	6,163,592	19.2%	4,159,192	13.0%	32,104,511
Everett	3,308,274	10.4%	5,233,699	16.5%	3,725,442	11.8%	31,699,539
Grays Harbor	1,509,684	12.3%	2,727,235	22.1%	1,443,411	11.7%	12,312,704
Green River	3,632,725	11.4%	6,138,370	19.3%	4,154,787	13.1%	31,766,801
Highline	3,326,982	9.9%	5,192,738	15.4%	5,085,763	15.1%	33,772,849
Lake Washington	1,791,660	9.9%	3,893,706	21.5%	1,530,475	8.4%	18,145,352
Lower Columbia	1,811,913	12.6%	2,593,179	18.0%	1,330,706	9.3%	14,369,057
Olympic	3,712,332	12.4%	4,521,959	15.1%	3,077,350	10.3%	29,893,340
Peninsula	2,174,613	17.2%	2,200,382	17.4%	1,457,434	11.5%	12,619,551
Pierce District	4,250,703	13.0%	5,644,852	17.3%	3,439,022	10.6%	32,575,694
Renton	1,964,787	9.5%	3,961,523	19.2%	2,712,723	13.1%	20,641,241
Seattle District	8,834,258	10.3%	11,855,154	13.8%	10,684,745	12.4%	85,980,123
Shoreline	5,029,138	14.2%	5,194,334	14.7%	4,042,124	11.4%	35,360,697
Skagit Valley	3,199,905	14.0%	3,677,680	16.0%	3,085,600	13.5%	22,924,281
South Puget Sound	2,670,762	11.9%	3,481,693	15.6%	3,187,947	14.2%	22,371,588
Spokane District	9,421,535	12.2%	9,905,359	12.9%	10,575,273	13.7%	76,977,255
Tacoma	2,846,983	10.5%	5,586,301	20.6%	3,035,672	11.2%	27,108,032
Walla Walla	3,132,393	14.5%	3,788,863	17.5%	2,631,247	12.2%	21,612,235
Wenatchee Valley	1,922,722	11.4%	3,370,005	19.9%	2,278,681	13.5%	16,923,179
Whatcom	2,319,370	14.4%	2,986,318	18.5%	1,901,264	11.8%	16,143,029
Yakima Valley	2,776,320	12.4%	3,235,303	14.5%	3,230,609	14.4%	22,385,070
SYSTEM TOTAL	97,395,996	11.8%	140,946,849	17.0%	103,941,055	12.6%	827,187,539

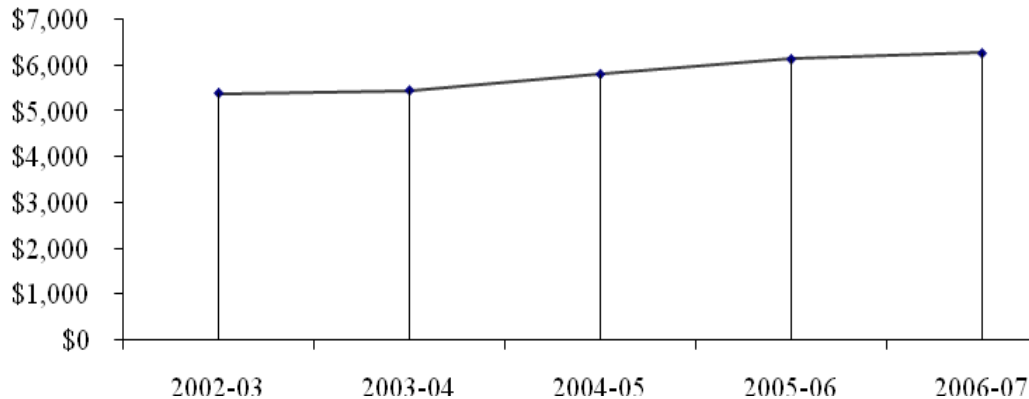
Source: Community and Technical College Financial Management System.

Note: Totals may not add due to rounding. Data excludes capital asset acquisitions by COP or Lease-Purchase. Plant expenditures include Fund 253 in FY2003-04. Data excludes encumbrances.

**COSTS PER STATE FUNDED FTES
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149**

Community and technical colleges spent \$6,265 (in 2007 dollars) per FTE student (enrollment of 15 credits for three quarters) last year. The combination of additional funding in high demand programs and salary growth has resulted in higher per FTE expenditures since fiscal year 2002-03.

**State/Operating Fees Expenditures
Per FTE in Constant Dollars (FY05\$)**



STATE (GENERAL, WORKER RETRAINING) AND OPERATING FEE EXPENDITURES

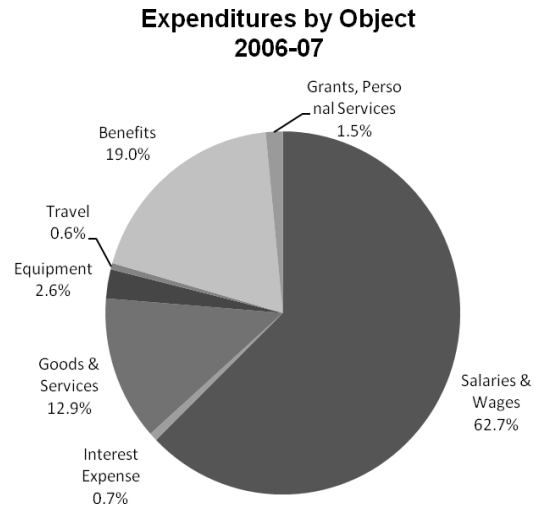
	2002-03	2003-04	2004-05	2005-06	2006-07	5-Year Change
General State/Operating Fees (001 & 149)						
Current \$	676,100,286	692,554,822	724,356,540	783,953,882	827,187,539	
Constant \$	\$748,726,784	\$747,899,376	\$760,080,315	\$800,770,053	\$827,187,539	10%
% Change	1.8%	-0.1%	1.6%	5.4%	3.3%	
State FTEs (Actual)	139,237	137,538	131,046	130,628	132,033	-5%
% Change	4.6%	-1.2%	-4.7%	-0.3%	1.1%	
State/Operating Fees Expenditures per FTE						
Current \$	\$5,035	\$5,035	\$5,527	\$6,001	\$6,265	
Constant \$	\$5,377	\$5,438	\$5,800	\$6,130	\$6,265	16.5%
% Change	-2.7%	1.1%	6.7%	5.7%	2.2%	

Source: Community and Technical Colleges Financial Management System.

Note: Reported Data excludes capital asset acquisitions by COP or Lease-Purchase. Fiscal year 2004 includes Fund 253 for Plant M&O.

**EXPENDITURES BY OBJECT
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149
FISCAL YEAR 2006-07**

Salaries and benefits were the largest expenditures in the community and technical college system (82 percent of all expenditures). Contributing to the current dollar increase in salary expenditures is faculty increments and part-time faculty equity funds.



	2002-03	2003-04	2004-05	2005-06	2006-07
Salaries & Wages (Current \$)	\$481,148,406	\$484,358,293	\$501,063,774	\$530,433,788	\$547,915,331
Constant \$	532,833,229	523,065,111	525,775,209	541,811,837	547,915,331
% Change	2.0%	-1.8%	0.5%	3.1%	1.1%
Employee Benefits (Current \$)	125,273,252	130,415,685	145,060,123	161,950,999	166,323,103
Constant \$	138,730,069	140,837,673	152,214,190	165,424,922	166,323,103
% Change	4.1%	1.5%	8.1%	8.7%	0.5%
Goods & Services (Current \$)	108,228,513	97,679,274	106,063,307	115,481,365	112,434,105
Constant \$	119,854,389	105,485,177	111,294,131	117,958,493	112,434,105
% Change	-0.2%	-12.0%	5.5%	6.0%	-4.7%
Equipment (Current \$)	5,309,867	19,422,832	19,416,618	20,127,382	22,686,083
Constant \$	5,880,251	20,974,981	20,374,206	20,559,124	22,686,083
% Change	-5.6%	256.7%	-2.9%	0.9%	10.3%
Interest Expense	4,692,601	4,791,729	5,297,366	8,147,860	6,526,005
Constant \$	5,196,679	5,174,653	5,558,621	8,322,635	6,526,005
% Change	5.2%	-0.4%	7.4%	49.7%	-21.6%
Travel	3,481,281	3,977,496	4,567,841	4,522,098	4,902,809
Constant \$	3,855,239	4,295,352	4,793,118	4,619,099	4,902,809
% Change	3.0%	11.4%	11.6%	-3.6%	6.1%
Grants and Subsidies, Personal Services*	13,500,698	13,298,510	11,460,798	11,189,799	13,474,711
Constant \$	14,950,939	14,361,242	12,026,021	11,429,825	13,474,711
% Change	227.2%	-3.9%	-16.3%	-5.0%	17.9%
Interagency Reimbursement	(17,462,108)	(5,836,731)	(19,677,170)	(20,360,094)	(6,267,110)
Transfer Charges	(48,072,224)	(55,552,266)	(48,896,117)	(47,539,314)	(40,807,498)
Total Funds 001 & 149	\$676,100,286	\$692,554,822	\$724,356,540	\$783,953,883	\$827,187,539
Constant \$	\$748,726,784	\$747,899,376	\$760,080,315	\$800,770,054	\$827,187,539
% Change	1.8%	-0.1%	1.6%	5.4%	3.3%

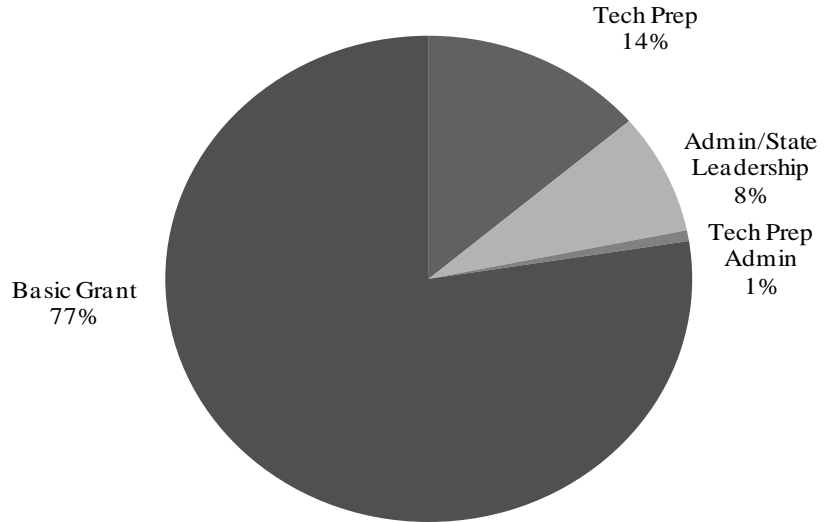
Source: Community and Technical College Financial Management system.

*Grants, subsidies and personal services coding requirements changed in FY2004.

**FEDERAL WORKFORCE EDUCATION FUNDS
FISCAL YEAR 2006-07**

The Carl D. Perkins Vocational and Applied Technology Education Act of 1998 provides federal assistance to secondary and post-secondary workforce education programs. "It is the purpose of this Act to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population." The funds from this source have decreased by 9 percent over the past five years.

Federal Vocational Funds by Purpose Fiscal Year 2006-07



**CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY ACT OF 1998
AWARD LEVELS - COMMUNITY AND TECHNICAL COLLEGES**

	2002-03	2003-04	2004-05	2005-06	2006-07
Title I: Basic Grant	\$10,863,541	\$10,553,507	\$10,776,700	\$10,778,289	11,004,904
Title II: Tech Prep Education	2,034,271	1,936,455	1,936,455	1,936,455	1,953,853
Administration/State Leadership	1,154,178	1,108,585	1,141,408	1,141,641	1,141,162
Tech Prep Administration	107,067	101,919	101,919	101,919	101,919
Current \$	14,159,057	13,700,466	13,956,482	13,958,304	14,201,838
Constant \$	15,680,019	14,795,320	14,644,787	14,257,716	14,201,838
% Change	11.1%	-5.6%	-1.0%	-2.6%	-0.4%

Title I: Basic Grant provides funds to integrate academic, vocational, and technical instruction; link secondary and college education; and increase flexibility in providing services and activities designed to develop, implement and improve vocational and technical education.

Title II: Tech Prep Education provides funds for the development and operation of "2+2" programs leading from high school to a two-year associate degree, certificate or apprenticeship program. Each grant funds a consortia comprised of business, labor, community, government and school and college leaders.

**FEDERAL WORKFORCE EDUCATION FUNDS
FISCAL YEAR 2006-07**

Federal workforce education funds were awarded to community and technical college districts based on a "Pell Plus" formula. Ninety percent of funds that were distributed to the colleges were based on enrollment data of unduplicated students with a vocational intent, who were Pell/BIA, Worker Retraining, welfare recipients and former welfare recipients enrolled with a vocational intent and welfare recipients and former welfare recipients who were attending for employment related basic skills. The remaining 10 percent of Perkins III funding was divided with nine percent for rural schools and one percent to schools with a high percentage of vocational students. College districts submitted plans to the State Board for approval before funds were awarded. Tech Prep funds were awarded to the colleges as the fiscal agents for the Tech Prep consortia.

**BASIC GRANTS EXPENDITURES
FOR FISCAL YEAR 2006-07**

	Title I (Basic)	Title II (Tech Prep)	Total
Bates	356,580	0	356,580
Bellevue	246,210	108,387	354,597
Bellingham	361,953	79,841	441,794
Big Bend	196,093	82,537	278,630
Cascadia	0	0	0
Centralia	224,760	77,058	301,818
Clark	539,262	90,858	630,120
Clover Park	482,717	0	482,717
Columbia Basin	377,252	83,886	461,138
Edmonds	326,207	75,996	402,203
Everett	372,427	91,518	463,945
Grays Harbor	253,993	80,357	334,350
Green River	233,544	107,641	341,185
Highline	302,875	0	302,875
Lake Washington	240,761	0	240,761
Lower Columbia	292,937	87,760	380,697
Olympic	322,263	80,615	402,878
Peninsula	284,035	82,337	366,372
Pierce District	358,649	116,303	474,952
Renton	423,022	0	423,022
Seattle District	793,744	176,007	969,751
Shoreline	246,432	0	246,432
Skagit Valley	354,802	101,129	455,931
South Puget Sound	211,546	112,318	323,864
Spokane District	1,090,221	79,353	1,169,574
Tacoma	443,534	0	443,534
Walla Walla	474,918	76,168	551,086
Wenatchee Valley	368,950	84,603	453,553
Whatcom	118,367	0	118,367
Yakima Valley	706,850	79,181	786,031
SYSTEM TOTAL	11,004,904	1,953,853	12,958,757

Source: SBCTC Online Budgeting & Invoicing System.

FEDERAL AND SPECIAL STATE BASIC SKILLS FUNDS

Federal Funds

The Adult Education and Family Literacy Act, Title II of the Workforce Investment Act of 1998 provides federal funds to supplement state and local resources expended for literacy and basic skills instruction. Funds are awarded to community and technical colleges as well as community-based organizations. Funds also support staff and program development provided through the basic skills staff training organization, through the Adult Basic Education Office at the State Board.

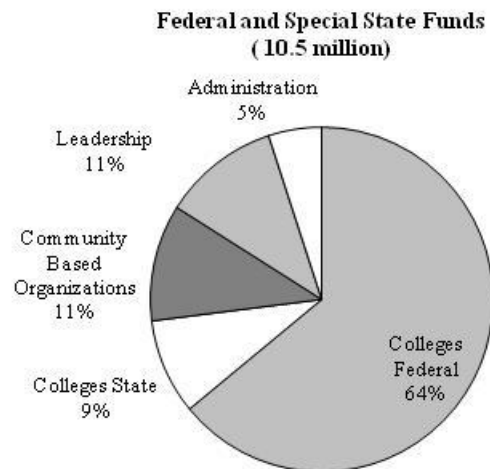
Basic Grant awards are to be used to establish education programs for young people and adults ages 16 and over whose mastery of basic skills (reading, writing, speaking in English, and computing) is insufficient to enable them to function on the job and in society, to achieve individual goals, and to develop personal knowledge and potential. Basic grant funds support four types of instruction:

- Adult basic education (ABE) and literacy for adults below the ninth grade proficiency level;
- English as a Second Language (ESL) for adults with limited English proficiency;
- Adult secondary education (ASE) for young people and adults to obtain a high school diploma, or to pass the General Educational Development (GED) tests;
- Instruction to institutionalized adults in prisons, jails and drug and alcohol rehabilitation residential centers (previously funded as a line item).

English Language and Civics Education (EL/Civics) grants support English-as-a-Second-Language (ESL) instruction integrated with civics education. It includes federal EL/Civics funds through Title II of the Workforce Investment Act and state Supplemental English. For 2006-07, 31 community and technical colleges and 7 community-based organizations spent a total of \$1,753,560.

Family Literacy Grants provide state dollars that are combined with funds under WorkFirst for low-income parents with young children. Parents work in small supportive groups for a minimum of 20 hours a week with basic skills, child development, and parenting instructors to learn how to help themselves, as well as their children, succeed in school. During 2006-07, 17 community and technical colleges and 3 community-based organizations spent \$584,045.

Volunteer Literacy Program Grant awards are used to provide partial support for the coordination of volunteer literacy tutors. This tutor coordination program seeks to increase the quality and quantity of volunteer adult literacy tutoring by using carefully selected and trained volunteer tutors and monitoring the tutoring efforts to ensure that the learning needs of students are met. These are adults who are not served, and often not willing to be served, by more formal adult basic education programs, especially adults with low reading ability or those on waiting lists to enter English-as-a-Second-Language classes. For 2006-07, 12 community colleges and 13 community-based organizations spent \$431,089.



**FEDERAL AND SPECIAL STATE BASIC SKILLS FUNDS
EXPENDITURES FOR FISCAL YEAR 2002-03 TO 2006-07**

	Federal Funds				
	2002-03	2003-04	2004-05	2005-06	2006-07
Community & Technical Colleges	\$6,223,586	\$6,934,750	\$6,948,940	\$7,017,908	6,775,295
Other Providers					
Community-Based Organizations	417,104	673,769	650,429	675,578	698,639
SBCTC					
Leadership	991,791	1,131,847	1,154,690	1,152,241	1,138,424
State Administration	396,716	452,739	461,876	460,896	455,369
Federal Current \$ Total	8,029,197	9,193,105	9,215,935	9,306,623	9,067,727
Federal Constant \$ Total	8,891,691	9,927,759	9,670,446	9,506,254	9,067,727
% Change	5%	12%	-3%	-2%	-5%
	Special State Funds				
Community & Technical Colleges					
EL/Civics ¹	\$260,963	\$350,804	\$351,059	\$355,514	427,281
Families that Work	587,169	576,720	501,757	488,443	497,102
Volunteer Literacy Program ²	29,016	76,394	93,822	94,723	107,073
State Subtotal, Colleges	877,147	1,003,918	946,638	938,680	1,031,456
Community-Based Organizations					
EL/Civics ¹	261,994	181,475	165,855	181,330	97,505
Families that Work	58,280	83,054	85,531	85,483	86,943
Volunteer Literacy Program ²	209,569	157,399	143,117	144,437	133,339
State Subtotal, CBOs	529,843	421,928	394,503	411,250	317,787
SBCTC – Advisory Comm, Admin, etc. ³	14,580	14,586	102,129	131,573	126,685
State Current \$ Total	1,421,571	1,440,432	1,443,270	1,481,503	1,475,928
State Constant \$ Total	1,574,275	1,555,542	1,514,449	1,513,282	1,475,928
% Change	-12%	-1%	-3%	0%	-2%
Federal and State Funds Current \$	9,450,768	10,633,537	10,659,205	10,788,126	10,543,655
Federal and State Funds Constant \$	10,465,966	11,483,301	11,184,895	11,019,536	10,543,655
% Change	1%	10%	-3%	-1%	-4%

¹ In addition, funding for EL Civics includes both federal and state funds. The state funds total \$536,844 and the federal funds total \$1,524,098.

² Funding for Volunteer Literacy includes both federal and state funds. The state funds total \$240,343 and the federal funds total \$193,507

³ The SBCTC increase under FY 05 Special State Funds was for one-time special projects benefiting the system.

**FEDERAL AND SPECIAL STATE BASIC SKILLS FUNDS
EXPENDITURES FOR FISCAL YEAR 2006-07**

	Adult Basic Education	Family Literacy	EL Civics	Volunteer Literacy	Total
Bates	94,759	28,308	14,361	0	137,427
Bellevue	72,872		24,295	14,183	111,350
Bellingham	56,378		7,146	0	63,524
Big Bend	155,836	28,662	33,092	14,238	231,828
Cascadia	40,452		54,443	0	94,895
Centralia	135,526	28,981	32,404	14,277	211,188
Clark	253,282		103,201	14,277	370,760
Clover Park	95,075	28,981	28,982	0	153,038
Columbia Basin	241,644		119,145	14,277	375,066
Edmonds	281,839	28,981	65,687	0	376,507
Everett	210,501		58,170	16,474	285,145
Grays Harbor	111,758	27,689	12,071	14,200	165,718
Green River	173,127		75,693	0	248,821
Highline	183,201	39,535	0	16,922	239,658
Lake Washington	122,096	28,981	24,295	0	175,372
Lower Columbia	94,100	28,981	17,876	14,277	155,234
Olympic	84,215		17,839	0	102,054
Peninsula	93,333	28,981	18,688	14,277	155,279
Pierce District	182,283	0	34,134	0	216,417
Renton	241,531	28,981	158,091	0	428,603
Seattle District	691,251	54,117	201,920	21,189	968,476
Shoreline	208,873		43,685	0	252,558
Skagit Valley	137,918		33,865	0	171,783
South Puget Sound	159,239		0	0	159,239
Spokane District	471,288	28,981	97,996	0	598,265
Tacoma	178,955	28,981	28,653	14,277	250,866
Walla Walla	171,215	28,981	52,219	0	252,415
Wenatchee Valley	190,123		42,345	0	232,468
Whatcom	90,053	28,981	19,863	0	138,897
Yakima Valley	321,542		133,161	29,199	483,902
Subtotal	5,544,264	497,102	1,553,318	212,066	7,806,752
Community-Based Organizations	481,236	86,943	229,224	219,023	1,016,426
SBCTC	1,321,642	123,035	272,151	3,650	1,720,478
SYSTEM TOTAL	7,347,143	707,080	2,054,694	434,739	10,543,656

STATE WORKFIRST EXPENDITURES

WorkFirst is Washington State's welfare reform program that helps people in low-income families find jobs, keep their jobs, find better jobs, and become self-sufficient. WorkFirst's three main goals are to: 1) reduce poverty by helping people to get and keep jobs, 2) sustain independence by helping people keep and improve jobs, and 3) protect children and other vulnerable residents by providing for childcare and stopgap funding for emergency situations. What sets WorkFirst apart from other reform initiatives is the commitment to go beyond simply mandating participants to find work. WorkFirst enables participants to gain the skills necessary for higher wages, better jobs and further advancement.

Consistent with the long-standing role of colleges in preparing welfare recipients and other low-income students for work and job advancement, the colleges and the State Board made a commitment to play a key role in the WorkFirst effort of the state. Savings from reduced caseloads have been reinvested and rolled into a block grant to the State Board, which awarded funds to community and technical colleges and WorkFirst training providers at community based organizations and private colleges to provide training services with the following goals:

- Increase the number of TANF parents entering employment with higher than average entry-level wages.
 - Increase job placement for TANF parents and others with low basic skills or limited English proficiency.
 - Increase job placements and wage progression for other low-income parents.
- **Customized Job Skills Training** – short-term employer-driven individual or group job skills training that is designed with employer input and targets higher wage jobs with current openings. ABE/ESL/GED, life skills, family management, work readiness, and other skills can be taught in conjunction with technical skills training for integrated basic skills training as appropriate;
 - **High Wage High Demand** – full-time training for up to a year in programs that meet specific wage and demand criteria;
 - **Work-Based Learning/Work-Study** – paid or unpaid work experience or internships, done in conjunction with training;
 - **WorkFirst Financial Aid/ Work-based Learning Tuition Assistance** – tuition, books, and/or fee assistance to WorkFirst students;
 - **Other Basic Skills and/or Job Skills Training** – family literacy, educational interviewing, employment skills such as those done in conjunction with job search, ABE/ESL/GED, basic computer skills, soft skills, job search competencies, and other training;
 - **Post-Employment Services** – workplace basic skills or other job skills training aimed at wage progression; and
 - **Child Care** – to facilitate access to child care for WorkFirst training participants.

Expenditures of the \$22,432,832 in WorkFirst funds by the colleges are reimbursed by the State Board office and net to zero in the expenditures report on pages 82-89.

WORKFIRST EXPENDITURES, FISCAL YEARS 2004-05 to 2006-07

	2004-05	2005-06	2006-07
WorkFirst Block Grant	20,878,816	19,969,964	22,326,573
SBCTC/Tech Asst	594,135	557,220	573,787
Private Career Schools/CBOs	959,881	926,681	851,685
Current \$ Total	22,432,832	21,453,866	23,752,045
Constant \$	23,539,173	21,914,061	23,752,045

**WORKFIRST BLOCK GRANT EXPENDITURES
FISCAL YEAR 2006-07**

Bates	1,498,557.74
Bellevue	613,957.31
Bellingham	438,853.13
Big Bend*	679,316.00
Cascadia	144,824.21
Centralia*	625,959.00
Clark*	746,241.30
Clover Park*	1,026,648.00
Columbia Basin	414,405.08
Edmonds	786,075.00
Everett	1,295,018.00
Grays Harbor	415,756.06
Green River	469,401.92
Highline*	761,173.38
Lake Washington	327,938.14
Lower Columbia	733,049.00
Olympic	575,725.75
Peninsula	626,659.00
Pierce	332,768.89
Renton	877,193.52
Seattle District	2,250,261.56
Shoreline	520,997.66
Skagit	325,962.76
South Puget	492,678.47
Spokane	2,049,983.81
Tacoma	923,604.60
Walla Walla	607,209.00
Wenatchee	343,497.65
Whatcom	373,446.84
Yakima*	1,049,409.94
Subtotal	22,326,572.72
Private Career Schools/CBOs	851,685.23
SBCTC/Tech Assistance	573,787.33
Total	23,752,045.28

* For the colleges identified, the total includes WorkFirst Child Care expenditures.