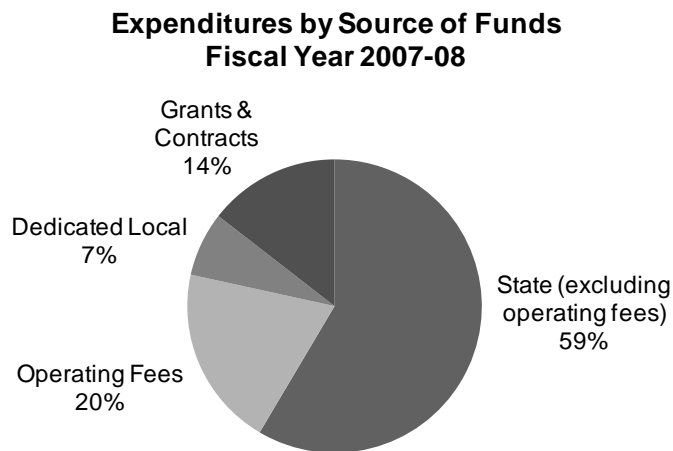


EXPENDITURES

INTRODUCTION TO EXPENDITURES

The community and technical college system spent more than \$1.18 billion in 2007-08 as accounted for in the common financial management system. In addition, some \$52 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 \$1.18 billion, but is described starting on page 106.

About 59 percent of community and technical college operating expenditures for 2007-08 was from the state general fund appropriation to SBCTC. Student operating fees (tuition) contributed 20 percent. The remainder was derived from grants and contracts (14 percent) and local dedicated funds (7 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 starting on 98 describe expenditures of the funds derived from these sources.



APPROPRIATION PROCESS: Every other year college staff, State Board for Community and Technical College (SBCTC) staff, local trustees and SBCTC board members participate in the process of developing a single biennial operating budget request based on current-level spending, plus specific enhancements above the current level. The SBCTC submits its request to the Governor in the year prior to the start of a new biennium. The Governor recommends a system budget for legislative consideration. The Legislature makes a biennial appropriation to the SBCTC for the college system.

The Legislature includes language in its appropriations bill and published budget notes to indicate the funding levels for items of specific interest and to provide policy directions to the community and technical colleges by the Legislature.

The SBCTC then allocates the biennial appropriation to individual college districts. Each district has specified annual FTE targets and an allocated amount consistent with 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. College expenditures of the federal Carl D. Perkins Act, the federal Adult Education and Family Literacy Act, and WorkFirst funds are reimbursed by the State Board office from federal funds and therefore net to zero in these expenditure reports.

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

State General Fund & Special Revenue (001, 08A, 253 and 489): Legislative appropriation of the following funds: 001 - General Fund; 08A - Education Legacy Trust Account; 253 - Education Construction Account; 489 Pension Funding Stabilization Account. (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 (FY08\$) DOLLAR CALCULATIONS

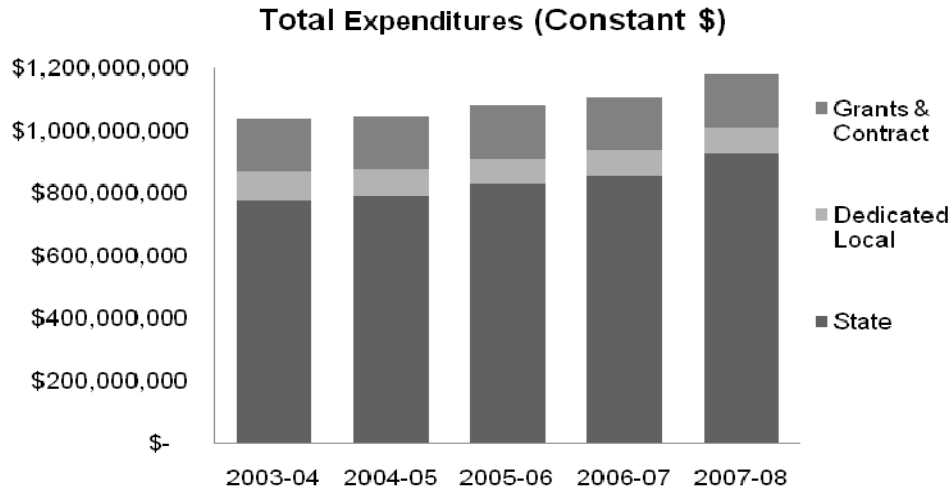
Historical fiscal data is presented both in current and constant (FY08\$) dollars. Current dollars provide a measure of increases or decreases in funding without inflation adjustments. Constant (FY08\$) dollars were calculated using the "implicit price deflator" adjusted to fiscal years. The following index numbers were used:

Fiscal Year	Index
2003-04	0.892
2004-05	0.917
2005-06	0.946
2006-07	0.969
2007-08	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 \$1.18 billion on college operations in fiscal year 2008 with \$926 million spent from state and operating fees. Adjusted for inflation, state and operating fee expenditures increased by 8.4 percent from fiscal year 2007 to fiscal year 2008 driven primarily by funding for enrollment growth and increased state investments in high demand programs and financial aid. State general funds include allocations for Worker Retraining.



Fiscal Years 2003-04 to 2007-08

Type of Funds	2003-04	2004-05	2005-06	2006-07	2007-08
State Funds (*)					
Current \$	508,636,570	525,725,849	576,933,327	610,472,558	690,460,373
Constant \$	570,028,656	573,248,118	609,608,334	630,132,698	690,460,373
% Total	54.8%	54.8%	56.3%	57.1%	58.5%
Operating Fees (149)					
Current \$	183,918,252	198,630,691	207,020,555	216,714,981	235,375,629
Constant \$	206,117,059	216,585,641	218,745,303	223,694,241	235,375,629
% Total	19.8%	20.7%	20.2%	20.3%	19.9%
Total State					
Current \$	692,554,822	724,356,540	783,953,882	827,187,539	925,836,002
Constant \$	776,145,716	789,833,759	828,353,637	853,826,940	925,836,002
% Total	74.7%	75.6%	76.4%	77.3%	78.4%
Dedicated Local (148)					
Current \$	83,119,776	80,772,501	78,696,378	80,535,106	83,466,779
Constant \$	93,152,276	88,073,821	83,153,400	83,128,722	83,466,779
% Total	9.0%	8.4%	7.7%	7.5%	7.1%
Grants & Contracts (145)					
Current \$	151,977,449	153,468,907	162,980,030	162,217,542	170,897,290
Constant \$	170,321,023	167,341,519	172,210,514	167,441,724	170,897,290
% Total	16.4%	16.0%	15.9%	15.2%	14.5%
TOTAL					
Current \$	927,652,047	958,597,948	1,025,630,290	1,069,940,187	1,180,200,071
% Change	3.1%	3.3%	7.0%	4.3%	10.3%
CONSTANT \$	1,039,619,015	1,045,249,098	1,083,717,551	1,104,397,385	1,180,200,071
% Change	1.0%	0.5%	3.7%	1.9%	6.9%

Source: SBCTC Financial Management System (FMS)

* State Includes the following state appropriated funds: 001 - General Fund; 08A - Education Legacy Trust Account; 253 - Education Construction Account; 489 - Pension Funding Stabilization Account.

**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 2007-08

	-----General Funds-----			-----Dedicated Funds-----		Grand Total
	State Funds *	Operating Fees 149	Total	Local 148	Grants & Contracts 145	
Bates	23,197,840	4,286,958	27,484,798	3,355,534	6,145,901	36,986,233
Bellevue	34,005,957	17,192,228	51,198,185	9,505,248	10,882,653	71,586,086
Bellingham	11,584,195	2,511,845	14,096,040	1,784,165	1,282,313	17,162,517
Big Bend	11,082,978	2,704,552	13,787,530	1,304,540	2,482,844	17,574,914
Cascadia *	10,189,946	2,566,715	12,756,661	755,007	2,177,676	15,689,344
Centralia	12,741,208	3,447,656	16,188,864	605,790	2,171,016	18,965,671
Clark	31,771,532	13,021,022	44,792,554	3,190,328	6,075,344	54,058,225
Clover Park	20,965,401	4,375,914	25,341,315	3,131,479	1,290,167	29,762,961
Columbia Basin	23,283,676	9,391,445	32,675,120	1,856,228	7,395,390	41,926,738
Edmonds	26,691,160	9,221,696	35,912,856	5,316,062	17,785,930	59,014,848
Everett	25,119,513	9,982,627	35,102,140	1,905,472	5,984,842	42,992,453
Grays Harbor	11,277,474	2,585,271	13,862,746	673,390	788,655	15,324,791
Green River	27,207,191	8,562,527	35,769,718	4,051,415	12,070,943	51,892,076
Highline	26,974,274	9,216,989	36,191,263	3,724,280	6,523,720	46,439,262
Lake Washington	15,176,670	4,421,550	19,598,220	2,170,373	2,633,712	24,402,304
Lower Columbia	14,206,511	3,992,374	18,198,885	886,907	4,911,629	23,997,422
Olympic	22,477,650	9,385,793	31,863,442	1,630,462	3,003,039	36,496,944
Peninsula	11,533,749	2,720,438	14,254,187	491,715	1,969,845	16,715,747
Pierce District	27,147,015	9,761,240	36,908,255	2,733,428	10,665,620	50,307,303
Renton	18,755,184	3,938,085	22,693,269	2,036,062	1,762,818	26,492,150
Seattle District	73,380,010	24,132,871	97,512,881	10,488,998	21,674,449	129,676,327
Shoreline	24,130,617	11,644,449	35,775,066	2,157,802	2,770,004	40,702,873
Skagit Valley	19,304,814	7,992,939	27,297,753	2,729,243	8,106,524	38,133,519
South Puget Sound	17,282,345	7,292,936	24,575,281	2,627,956	4,866,301	32,069,537
Spokane District	62,061,532	22,066,992	84,128,524	5,265,851	12,100,189	101,494,564
Tacoma	22,443,526	8,638,091	31,081,617	2,864,772	4,223,955	38,170,344
Walla Walla	18,103,009	5,563,975	23,666,984	2,156,326	2,310,919	28,134,229
Wenatchee Valley	14,028,290	5,866,960	19,895,250	1,124,883	1,742,848	22,762,981
Whatcom	13,538,114	4,502,655	18,040,769	1,562,552	2,212,118	21,815,439
Yakima Valley	20,798,993	4,386,839	25,185,832	1,380,512	2,885,926	29,452,270
SYSTEM TOTAL	690,460,373	235,375,629	925,836,002	83,466,779	170,897,290	1,180,200,071

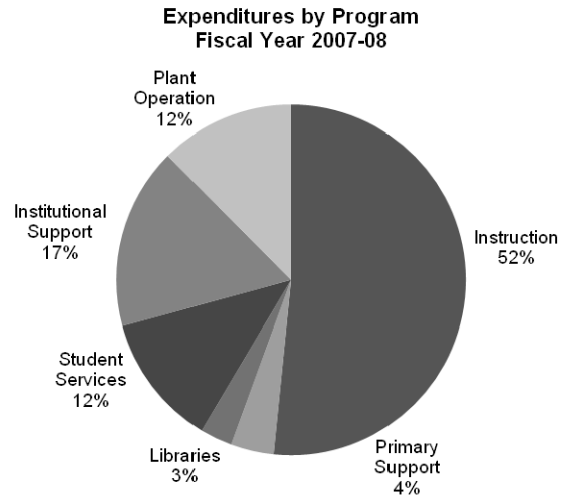
Source: Community and Technical College Financial Management System.

*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**

Total constant (FY08\$) dollar expenditures increased by 8.4 percent from fiscal year 2006-07. While all areas grew over the prior year, the largest growth was in expenditures for students services, which grew by 12.6 percent and the least growth was in library expenditures which increased by 1.3 percent.



	2003-04	2004-05	2005-06	2006-07	2007-08
<u>010 INSTRUCTION</u>					
Current \$	362,216,317	379,644,772	404,872,138	425,544,124	477,503,695
Constant \$	405,935,579	413,962,242	427,802,344	439,248,683	477,503,695
% Total	52.3%	52.4%	52.4%	51.4%	51.6%
<u>040 PRIMARY SUPPORT SERVICES</u>					
Current \$	23,770,535	24,886,814	30,029,771	33,078,377	36,755,940
Constant \$	26,639,622	27,136,424	31,730,527	34,143,659	36,755,940
% Total	3.4%	3.4%	3.4%	4.0%	4.0%
<u>050 LIBRARIES</u>					
Current \$	22,592,719	23,571,447	24,768,973	26,281,138	27,474,559
Constant \$	25,319,645	25,702,156	26,171,780	27,127,517	27,474,559
% Total	3.3%	3.3%	3.3%	3.2%	3.0%
<u>060 STUDENT SERVICES</u>					
Current \$	81,509,613	83,751,399	88,847,253	97,395,996	112,860,169
Constant \$	91,347,767	91,321,992	93,879,177	100,532,614	112,860,169
% Total	11.8%	11.6%	11.6%	11.8%	12.2%
<u>080 INSTITUTIONAL SUPPORT</u>					
Current \$	122,355,792	127,108,690	136,430,060	140,946,849	154,632,969
Constant \$	137,124,052	138,598,506	144,156,868	145,486,013	154,632,969
% Total	17.7%	17.5%	17.5%	17.0%	16.7%
<u>090 PLANT OPERATION & MAINTENANCE</u>					
Current \$	80,109,847	85,393,418	99,005,688	103,941,055	116,608,670
Constant \$	89,779,050	93,112,439	104,612,942	107,288,455	116,608,670
% Total	11.6%	11.8%	11.8%	12.6%	12.6%
TOTAL CURRENT \$	692,554,822	724,356,540	783,953,883	827,187,539	925,836,002
TOTAL CONSTANT \$	776,145,715	789,833,759	828,353,638	853,826,940	925,836,002
CONSTANT \$ CHANGE	0.3%	1.8%	4.9%	3.1%	8.4%

Source: Community and Technical College Financial Management System.

*State Includes the following state appropriated funds: 001 - General Fund; 08A - Education Legacy Trust Account; 253 - Education Construction Account; 489 - Pension Funding Stabilization Account.

**EXPENDITURES BY PROGRAM BY DISTRICT
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149
FISCAL YEAR 2007-08
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	12,521,992	45.6%	2,082,822	7.6%	428,068	1.6%
Bellevue	27,249,016	53.2%	407,536	0.8%	1,380,009	2.7%
Bellingham	6,752,590	47.9%	981,920	7.0%	361,276	2.6%
Big Bend	6,387,109	46.3%	351,116	2.5%	485,943	3.5%
Cascadia	5,778,767	45.3%	497,510	3.9%	956,750	7.5%
Centralia	8,554,435	52.8%	362,954	2.2%	425,637	2.6%
Clark	23,659,435	52.8%	2,898,365	6.5%	1,120,058	2.5%
Clover Park	12,200,789	48.1%	1,716,094	6.8%	324,560	1.3%
Columbia Basin	18,455,290	56.5%	-	0.0%	821,138	2.5%
Edmonds	19,156,280	53.3%	761,827	2.1%	989,953	2.8%
Everett	20,397,225	58.1%	653,711	1.9%	1,071,046	3.1%
Grays Harbor	6,695,261	48.3%	665,869	4.8%	407,839	2.9%
Green River	17,120,280	47.9%	2,389,471	6.7%	801,089	2.2%
Highline	19,265,286	53.2%	1,944,977	5.4%	1,652,300	4.6%
Lake Washington	9,188,867	46.9%	1,216,660	6.2%	337,723	1.7%
Lower Columbia	9,158,840	50.3%	769,007	4.2%	348,648	1.9%
Olympic	16,875,616	53.0%	1,260,321	4.0%	1,272,954	4.0%
Peninsula	5,752,720	40.4%	855,777	6.0%	473,509	3.3%
Pierce District	18,213,971	49.3%	990,272	2.7%	1,726,732	4.7%
Renton	11,448,962	50.5%	1,374,801	6.1%	493,258	2.2%
Seattle District	55,738,418	57.2%	1,496,076	1.5%	2,877,463	3.0%
Shoreline	19,077,530	53.3%	1,284,454	3.6%	1,275,284	3.6%
Skagit Valley	14,242,246	52.2%	655,680	2.4%	808,450	3.0%
South Puget Sound	12,836,486	52.2%	665,585	2.7%	531,307	2.2%
Spokane District	43,936,925	52.2%	4,851,180	5.8%	2,911,087	3.5%
Tacoma	14,838,008	47.7%	2,101,531	6.8%	928,950	3.0%
Walla Walla	11,388,518	48.1%	742,754	3.1%	531,289	2.2%
Wenatchee Valley	8,945,722	45.0%	1,238,845	6.2%	471,507	2.4%
Whatcom	8,450,171	46.8%	716,047	4.0%	604,907	3.4%
Yakima Valley	13,216,942	52.5%	822,776	3.3%	655,826	2.6%
SYSTEM TOTAL	477,503,695	51.6%	36,755,940	4.0%	27,474,559	3.0%

Source: Community and Technical College Financial Management System.

Note: Cascadia Community College's expenditures have been manually adjusted for this report. This adjustment has not been made to any other reports in this document.

**EXPENDITURES BY PROGRAM BY DISTRICT
STATE GENERAL FUNDS AND OPERATING FEES
FUNDS 001 AND 149
FISCAL YEAR 2007-08
Page 2 of 2**

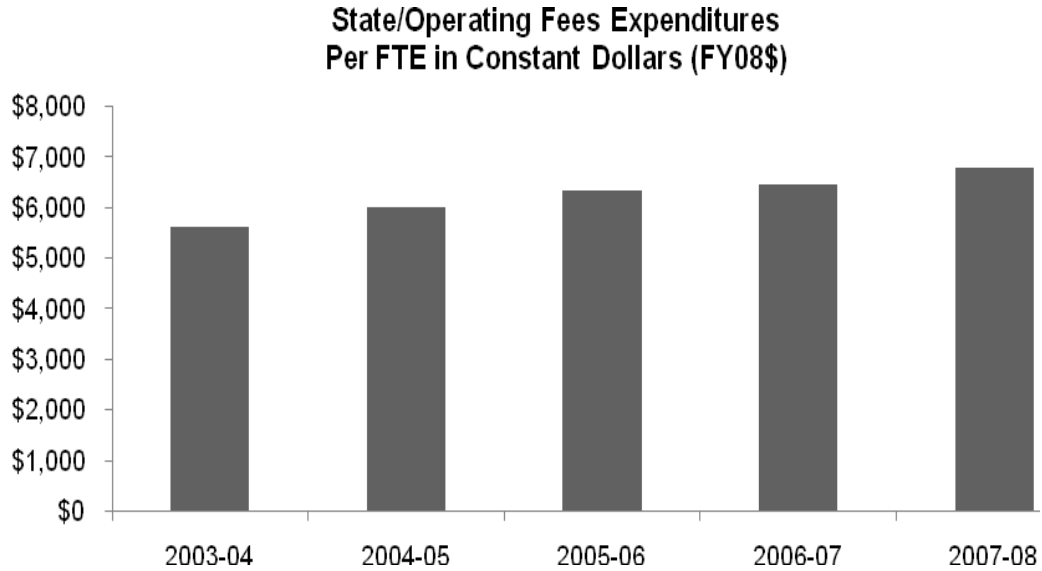
	060 Student Services		080 Institutional Support		090 Plant Operation and Maintenance		Total
	Expenditure	% of Total	Expenditure	% of Total	Expenditure	% of Total	
Bates	3,210,105	11.7%	5,532,900	20.1%	3,708,910	13.5%	27,484,798
Bellevue	5,738,708	11.2%	9,284,705	18.1%	7,138,211	13.9%	51,198,185
Bellingham	1,882,708	13.4%	2,534,332	18.0%	1,583,214	11.2%	14,096,040
Big Bend	1,751,526	12.7%	2,663,778	19.3%	2,148,058	15.6%	13,787,530
Cascadia	1,798,689	14.1%	2,411,009	18.9%	1,313,936	10.3%	12,756,661
Centralia	2,515,055	15.5%	2,773,838	17.1%	1,556,944	9.6%	16,188,864
Clark	5,512,489	12.3%	6,679,034	14.9%	4,923,172	11.0%	44,792,554
Clover Park	2,257,210	8.9%	5,506,131	21.7%	3,336,532	13.2%	25,341,315
Columbia Basin	3,565,280	10.9%	6,128,436	18.8%	3,704,977	11.3%	32,675,120
Edmonds	3,923,581	10.9%	6,580,918	18.3%	4,500,297	12.5%	35,912,856
Everett	4,217,088	12.0%	4,935,577	14.1%	3,827,493	10.9%	35,102,140
Grays Harbor	1,815,728	13.1%	2,976,658	21.5%	1,301,391	9.4%	13,862,746
Green River	4,278,527	12.0%	6,862,223	19.2%	4,318,128	12.1%	35,769,718
Highline	3,455,185	9.5%	4,362,970	12.1%	5,510,545	15.2%	36,191,263
Lake Washington	2,394,331	12.2%	4,568,812	23.3%	1,891,827	9.7%	19,598,220
Lower Columbia	2,432,049	13.4%	3,373,532	18.5%	2,116,809	11.6%	18,198,885
Olympic	4,053,773	12.7%	4,897,128	15.4%	3,503,650	11.0%	31,863,442
Peninsula	2,374,812	16.7%	3,017,085	21.2%	1,780,284	12.5%	14,254,187
Pierce District	5,754,110	15.6%	6,162,263	16.7%	4,060,906	11.0%	36,908,255
Renton	2,300,994	10.1%	4,081,286	18.0%	2,993,968	13.2%	22,693,269
Seattle District	10,654,013	10.9%	13,140,487	13.5%	13,606,424	14.0%	97,512,881
Shoreline	5,120,947	14.3%	4,943,190	13.8%	4,073,662	11.4%	35,775,066
Skagit Valley	3,737,028	13.7%	3,986,948	14.6%	3,867,400	14.2%	27,297,753
South Puget Sound	3,123,818	12.7%	4,132,266	16.8%	3,285,820	13.4%	24,575,281
Spokane District	10,125,161	12.0%	11,001,512	13.1%	11,302,660	13.4%	84,128,524
Tacoma	3,396,528	10.9%	6,240,328	20.1%	3,576,273	11.5%	31,081,617
Walla Walla	3,244,812	13.7%	4,648,317	19.6%	3,111,293	13.1%	23,666,984
Wenatchee Valley	2,492,619	12.5%	3,958,398	19.9%	2,788,159	14.0%	19,895,250
Whatcom	2,780,705	15.4%	3,278,262	18.2%	2,210,678	12.3%	18,040,769
Yakima Valley	2,952,589	11.7%	3,970,650	15.8%	3,567,049	14.2%	25,185,832
SYSTEM TOTAL	112,860,169	12.2%	154,632,969	16.7%	116,608,670	12.6%	925,836,002

Source: Community and Technical College Financial Management System.

Note: Cascadia Community College's expenditures have been manually adjusted for this report. This adjustment has not been made to any other reports in this document.

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

Community and technical colleges spent \$6,798 (in 2008 dollars) per FTE student (enrollment of 15 credits for three quarters) last year. Steady growth in expenditure levels per FTE since fiscal year 2003-04 is the result of both additional funding in high demand programs and the alignment of legislative funding of general FTES to actual FTES offered (132,022 FTES, excluding private career schools).



STATE AND OPERATING FEE EXPENDITURES PER FTE

General State/Special Revenue/Operating Fees

	2003-04	2004-05	2005-06	2006-07	2007-08	5-Year Change
Current \$	692,554,822	724,356,540	783,953,882	827,187,539	925,836,002	
Constant	776,145,716	789,833,759	828,353,637	853,826,940	925,836,002	19.3%
% Change	0.3%	1.8%	4.9%	3.1%	8.4%	
State FTES (Actual)	137,538	131,046	130,628	132,033	136,199	-1.0%
% Change	-1.2%	-4.7%	-0.3%	1.1%	3.2%	

State/Operating Fees Expenditures per FTE

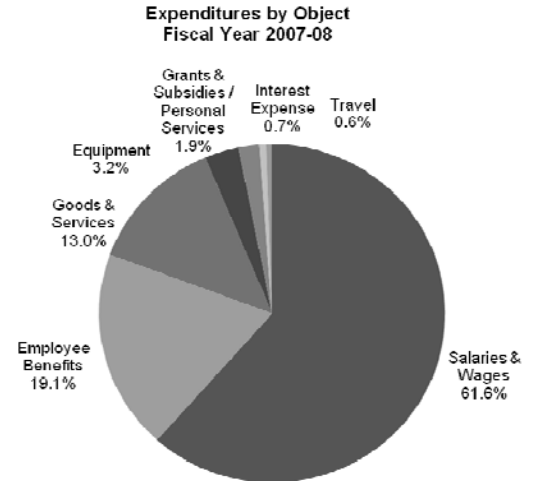
	2003-04	2004-05	2005-06	2006-07	2007-08	5-Year Change
Current \$	\$5,035	\$5,527	\$6,001	\$6,265	\$6,798	
Constant	\$5,643	\$6,027	\$6,341	\$6,467	\$6,798	20.5%
% Change	1.5%	6.8%	5.2%	2.0%	5.1%	

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 FUNDS, SPECIAL REVENUES AND OPERATING FEES
FISCAL YEAR 2007-08**

Salaries and benefits represent 81 percent of the total expenditures in the community and technical college system. Expenditures for equipment and grants, subsidies and personal services contracts grew more than expenditures in all other categories for 2007-08 compared to the prior year.



EXPENDITURES BY OBJECT

	2003-04	2004-05	2005-06	2006-07	2007-08
Salaries & Wages (Current \$)	484,358,293	501,063,774	530,433,788	547,915,331	601,884,868
Constant \$	542,820,008	546,356,748	560,475,262	565,560,829	601,884,868
% Change	-1.5%	0.7%	2.6%	0.9%	6.4%
Employee Benefits (Current \$)	130,415,685	145,060,123	161,950,999	166,323,103	186,440,209
Constant \$	146,156,769	158,172,634	171,123,203	171,679,503	186,440,209
% Change	1.9%	8.2%	8.2%	0.3%	8.6%
Goods & Services (Current \$)	97,679,274	106,063,307	115,481,365	112,434,105	127,207,006
Constant \$	109,469,096	115,650,755	122,021,730	116,055,022	127,207,006
% Change*	-11.6%	5.6%	5.5%	-4.9%	9.6%
Equipment (Current \$)	19,422,832	19,416,618	20,127,382	22,686,083	31,453,937
Constant \$	21,767,155	21,171,757	21,267,310	23,416,684	31,453,937
% Change*	258.1%	-2.7%	0.5%	10.1%	34.3%
Interest Expense	4,791,729	5,297,366	8,147,860	6,526,005	6,366,690
Constant \$	5,370,088	5,776,214	8,609,319	6,736,174	6,366,690
% Change	0.0%	7.6%	49.0%	-21.8%	-5.5%
Travel	3,977,496	4,567,841	4,522,098	4,902,809	5,457,284
Constant \$	4,457,577	4,980,745	4,778,210	5,060,703	5,457,284
% Change	11.8%	11.7%	-4.1%	5.9%	7.8%
Grants, Subsidies, Personal Services	13,298,510	11,460,798	11,189,799	13,474,711	18,550,950
Constant \$	14,903,631	12,496,781	11,823,541	13,908,661	18,550,950
% Change	-3.6%	-16.1%	-5.4%	17.6%	33.4%
Interagency Reimbursement	(5,836,731)	(19,677,170)	(20,360,094)	(6,267,110)	(9,819,627)
Transfer Charges	(55,552,266)	(48,896,117)	(47,539,314)	(40,807,498)	(41,705,314)
Total State Funds & Operating Fees	692,554,823	724,356,540	783,953,883	827,187,538	925,836,002
Constant \$	776,145,717	789,833,759	828,353,638	853,826,939	925,836,002
% Change	0.3%	1.8%	4.9%	3.1%	8.4%

Source: Community and Technical College Financial Management system.

*Percentage change in the FY 2004 goods and services and equipment was due to an OFM coding requirements that moved goods and services charges to the equipment category.

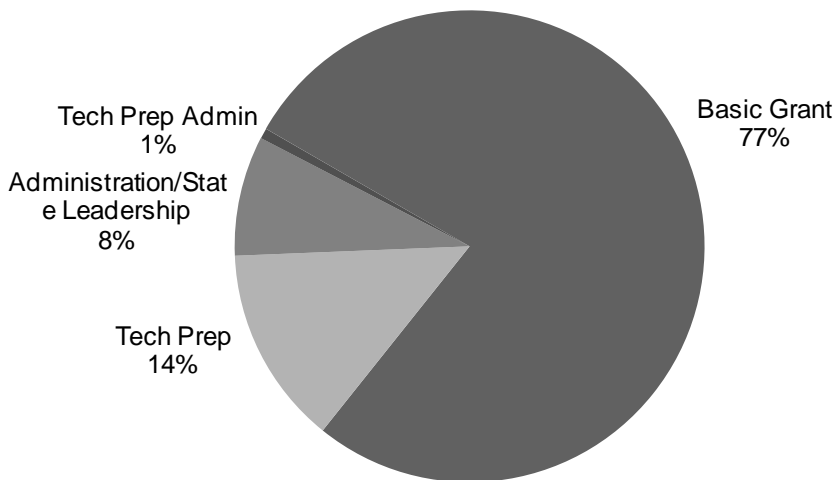
**FEDERAL WORKFORCE EDUCATION FUNDS
FISCAL YEAR 2007-08**

The Carl D. Perkins Vocational and Applied Technology Education Act of 1998 provides federal assistance to secondary and post-secondary workforce education programs. The purpose of the Act is 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. Adjusted for inflation, the funds from this source have declined over the past five year. As a result, colleges have increased the need for state funding to support the technical programs at colleges.

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 Vocational Funds by Purpose
Fiscal Year 2007-08**



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

	2003-04	2004-05	2005-06	2006-07	2007-08
Title I: Basic Grant	10,553,507	10,776,700	10,778,289	10,778,289	10,985,393
Title II: Tech Prep	1,936,455	1,936,455	1,936,455	1,936,455	1,936,455
Administration/State Leadership	1,108,585	1,141,408	1,141,641	1,141,162	1,172,415
Tech Prep Administration	101,919	101,919	101,919	101,919	101,919
Current \$	13,700,466	13,956,482	13,958,304	13,957,825	14,196,182
Constant (FY08\$)	15,354,103	15,218,059	14,748,842	14,407,334	14,196,182
% Change	3.7%	-0.9%	-3.1%	-2.3%	-1.5%

**FEDERAL WORKFORCE EDUCATION FUNDS
FISCAL YEAR 2007-08**

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 2007-08**

	Title I (Basic)	Title II (Tech Prep)	Total
Bates	347,529	0	347,529
Bellevue	214,511	112,725	327,236
Bellingham	369,996	77,620	447,616
Big Bend	199,561	84,454	284,015
Cascadia	0	0	0
Centralia	250,774	75,284	326,058
Clark	527,304	90,159	617,462
Clover Park	517,596	0	517,596
Columbia Basin	332,325	83,005	415,330
Edmonds	251,028	77,420	328,448
Everett	317,672	89,992	407,664
Grays Harbor	244,487	76,486	320,973
Green River	273,803	115,632	389,435
Highline	320,037	0	320,037
Lake Washington	224,874	0	224,874
Lower Columbia	298,799	86,907	385,706
Olympic	314,202	91,590	405,792
Peninsula	267,234	77,204	344,438
Pierce District	359,076	107,353	466,429
Renton	430,823	0	430,823
Seattle District	785,456	178,265	963,721
Shoreline	257,783	0	257,783
Skagit Valley	336,600	99,491	436,091
South Puget Sound	176,086	73,972	250,058
Spokane District	1,300,744	65,898	1,366,642
Tacoma	419,735	0	419,735
Walla Walla	466,775	75,258	542,033
Wenatchee Valley	321,061	82,244	403,305
Whatcom	113,640	0	113,640
Yakima Valley	679,565	77,593	757,158
SYSTEM TOTAL	10,919,074	1,898,553	12,817,627

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 Adult Basic Education Office at the State Board. Adjusted for inflation, the funds from this source have declined over the past five years. As a result, colleges have increased the need for state funding to support the basic skills programs at colleges.

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.

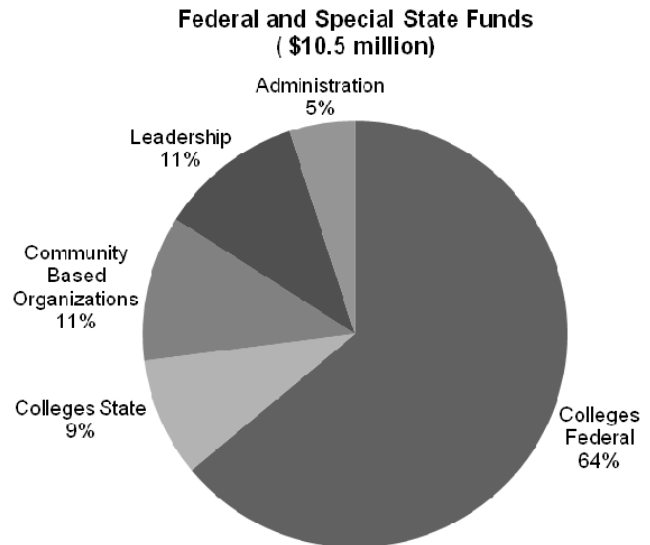
Basic grant funds support four types of instruction:

- 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. They include federal EL/Civics funds through Title II of the Workforce Investment Act and state Supplemental English. For 2007-08, 31 community and technical colleges and 7 community-based organizations spent a total of \$1,805,892.

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 2007-08, nine community and technical colleges and three community-based organizations spent \$653,855.

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 2007-08, eight community colleges and seven community-based organizations spent \$429,166.



**FEDERAL AND SPECIAL STATE BASIC SKILLS FUNDS
EXPENDITURES FOR FISCAL YEAR 2003-04 TO 2007-08**

	Federal Funds				
	2003-04	2004-05	2005-06	2006-07	2007-08
Community & Technical Colleges	6,934,750	6,948,940	7,017,908	6,775,295	6,837,299
Other Providers					
Community-Based Organizations	673,769	650,429	675,578	698,639	731,290
SBCTC					
Leadership	1,131,847	1,154,690	1,152,241	1,138,424	1,138,695
State Administration	452,739	461,876	460,896	455,369	455,477
Federal Current \$ Total	9,193,105	9,215,935	9,306,623	9,067,727	9,162,761
Federal Constant (FY08\$) Total	9,409,524	10,048,997	9,833,710	9,359,751	9,162,761
% Change	14.5%	6.8%	-2.1%	-4.8%	-2.1%
	State Funds				
Community & Technical Colleges					
EL/Civics**	350,804	351,059	355,514	427,281	292,358
Families that Work	576,720	501,757	488,443	497,102	563,855
Volunteer Literacy Program	76,394	93,822	94,723	107,073	134,238
State Subtotal, Colleges	1,003,918	946,638	938,680	1,031,456	990,451
Community-Based Organizations					
EL/Civics**	181,475	165,855	181,330	97,505	139,847
Family Literacy Grants	83,054	85,531	85,483	86,943	90,000
Volunteer Literacy Program***	157,399	143,117	144,437	133,339	102,025
State Subtotal, CBOs	421,928	394,503	411,250	317,787	331,872
SBCTC – Advisory Comm, Admin, etc.	14,586	102,129	131,573	126,685	40,520
State Current \$ Total	1,440,432	1,443,270	1,481,503	1,475,928	1,362,843
State Constant \$ Total	1,570,638	1,525,011	1,565,409	1,523,460	1,362,843
% Change	-1.4%	-2.9%	2.6%	-2.7%	-10.5%
Federal and State Funds Current \$	10,633,537	10,659,205	10,788,126	10,543,655	10,525,604
Federal and State Funds Constant \$	11,594,741	11,262,896	11,399,119	10,883,211	10,525,604
% Change	9.5%	-2.9%	1.2%	-4.5%	-3.3%

*Set aside was required through 1998-99.

**Prior to 2001-02 these were called Supplemental ESL. In addition, funding for EL Civics includes both federal and state funds. The state funds total \$537,330 and the federal funds total \$1,256,853.

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

**FEDERAL AND SPECIAL STATE BASIC SKILLS FUNDS
EXPENDITURES FOR FISCAL YEAR 2007-08**

	Adult Basic Federal ABE Funds	Family Literacy Grants	EL Civics	Volunteer Literacy Program	Total
Bates	79,491		0	0	79,491
Bellevue	89,133		23,060	21,495	133,688
Bellingham	61,337		10,330	0	71,667
Big Bend	152,411	65,000	34,620	20,000	272,031
Cascadia	46,627		51,771	0	98,398
Centralia	127,745		29,474	0	157,219
Clark	239,494		92,945	20,000	352,439
Clover Park	86,101	39,010	31,774	0	156,885
Columbia Basin	236,406		125,214	19,971	381,591
Edmonds	280,003	64,498	89,347	0	433,848
Everett	194,261		54,992	0	249,253
Grays Harbor	105,674	57,267	10,500	14,273	187,713
Green River	201,687		73,717	0	275,404
Highline	224,864		29,180	0	254,044
Lake Washington	134,482	45,750	22,686	0	202,918
Lower Columbia	88,665		16,593	0	105,258
Olympic	79,630		15,564	0	95,194
Peninsula	85,810	65,000	16,995	20,000	187,805
Pierce District	177,253		48,155	0	225,409
Renton	278,402	47,056	147,117	0	472,575
Seattle District	618,420	50,396	185,701	0	854,517
Shoreline	192,431		37,934	0	230,365
Skagit Valley	131,787		0	0	131,787
South Puget Sound	150,570		34,062	0	184,632
Spokane District	497,569	64,878	101,370	0	663,817
Tacoma	158,016	65,000	33,449	20,000	276,465
Walla Walla	168,210		54,631	0	222,841
Wenatchee Valley	185,945		42,345	0	228,290
Whatcom	88,814		28,129	0	116,943
Yakima Valley	343,564		141,733	39,965	525,261
Subtotal	5,504,803	563,855	1,583,388	175,704	7,827,749
Community-Based Organizations	497,196	90,000	222,504	253,462	1,063,162
SBCTC	1,321,640	36,870	272,533	3,650	1,634,693
SYSTEM TOTAL	7,323,639	690,725	2,078,425	432,816	10,525,604

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 is 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 is full-time training for up to a year in programs that meet specific wage and demand criteria.

Work-Based Learning/Work-Study is paid or unpaid work experience or internships, done in conjunction with training.

WorkFirst Financial Aid/ Work-based Learning Tuition Assistance provides tuition, books, and/or fee assistance to WorkFirst students.

Other Basic Skills and/or Job Skills Training includes 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 is workplace basic skills or other job skills training aimed at wage progression.

Child Care facilitate access to child care for WorkFirst training participants.

College expenditures of the \$27,649,000 in WorkFirst funds are reimbursed by the State Board office and therefore net to zero in the expenditures report on pages 112-113.

WORKFIRST EXPENDITURES, FISCAL YEARS 2004-05 to 2007-08

	2004-05	2005-06	2006-07	2007-08
WorkFirst Block Grant	20,878,816	19,969,964	22,326,573	25,512,801
SBCTC/Tech Asst Private Career Schools/CBO's	594,135	557,220	573,787	683,859
	959,881	926,681	851,685	709,955
Current \$ Total	22,432,832	21,453,866	23,752,045	26,906,615
Constant \$	24,460,617	22,668,920	24,516,975	26,906,615

**WORKFIRST BLOCK GRANT EXPENDITURES
FISCAL YEAR 2007-08**

FY08 WORKFIRST GRANT

Bates Technical College	1,773,296
Bellevue Community College	747,787
Bellingham Technical College	506,382
Big Bend Community College	718,496
Cascadia Community College	128,278
Centralia College	811,056
Clark College	864,322
Clover Park Technical College	1,353,726
Columbia Basin College	473,725
Edmonds Community College	940,439
Everett Community College	1,463,587
Grays Harbor College	499,251
Green River Community College	494,518
Highline Community College	840,895
Lake Washington Technical College	410,500
Lower Columbia College	831,117
Olympic College	683,833
Peninsula College	696,286
Pierce College District	444,488
Renton Technical College	993,881
Seattle Community Colleges	2,447,084
Shoreline Community College	609,854
Skagit Valley College	398,913
South Puget Sound Community College	571,480
Spokane District Office	2,324,468
Tacoma Community College	1,034,359
Walla Walla Community College	660,425
Wenatchee Valley College	334,756
Whatcom Community College	425,395
Yakima Valley Community College	1,030,204
	25,512,801
CBOs/Private Colleges	709,955
SBCTC/Tech Assistance	683,859
Total	26,906,615

