STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 25-08-36

A resolution relating to modifying the allocation model used to distribute state appropriations across Washington's community and technical college districts.

WHEREAS, the State Board for Community and Technical Colleges holds statutory authority, as provided in RCW 28B.50.090, to establish guidelines for the disbursement of state appropriations to the college districts; and

WHEREAS, the current allocation model has remained largely unchanged since 2017 and continues to rely on outdated enrollment targets, resulting in stagnant enrollment-based funding across the system for more than five years, as no districts have exceeded those targets; and

WHEREAS, the Washington Association of Community and Technical Colleges (WACTC) initiated a comprehensive review of the allocation model to assess the stability of funding and alignment between funding levels and actual student enrollment; and

WHEREAS, the review process—guided by equity principles—placed a strong emphasis on racial equity, fairness, and student success, and incorporated extensive feedback from college presidents, chancellors, and other stakeholders; and

WHEREAS, the final recommendations, endorsed by a strong majority of chancellors and presidents, reflect a modernized, equity-driven, and performance-informed approach to distributing state operating funds; and

WHEREAS, the proposed model aligns with all four of the State Board's strategic goals: increasing access and retention, improving student completion and transfer rates, aligning career training with workforce needs, and ensuring financial sustainability.

THEREFORE BE IT RESOLVED, that the State Board for Community and Technical Colleges hereby authorizes the implementation of the following allocation model recommendations:

1. **Core Allocation Model Components**
   - **MOA**: Increase the fixed funding amount to $3.7 million per college.
   - **District Enrollment Allocation Base (DEAB)**: Eliminate outdated enrollment targets and utilize a 4-year rolling average based on actual FTE and headcount, excluding international, corporate, and continuing education enrollments.
   - **Performance Funding (Student Achievement Initiative-SAI)**: Maintain the current 5% allocation of state operating appropriations and preserve the academic momentum metrics.
   - **Priority Enrollments:** Dedicate 5% of state operating appropriations to Priority Enrollments,

divided between Basic Education for Adults and Skills Gap Programs. Update the Skills Gap list using the Employment Security Department's supply/demand data to identify current high-need occupations and long-term projection data to capture forecasted growth in job openings, separated by Workforce Development Areas.

2. **Earmarks and Safe Harbor Provisions**

- Maintenance and strategic integration of current earmarked funds.
  - Maintain specific purpose funding for high-priority programs that support students throughout the system including Aerospace Enrollments, Centers of Excellence, Disability Accommodations, Goldstar Families Book Stipends, Labor Education & Resource Center, Opportunity Grants, Outreach & Completion Initiative Specialists, Student Emergency Assistance Grants, Students of Color, Worker Retraining, and Workforce Development Gants.
  - Integrate into the allocation model earmarked funds that are underutilized or for institution-specific programs including Aerospace Apprenticeships, Employment Resource Center, Hospital Employee Education & Training, Maritime Industries, and University Contracts.
  - Reclassify ABE Enrollments, Federal Basic Education State Match, and DOC Compensation Correction as State Board allocation but maintain the specific purpose designation.
- Transition of King County regional pay into 4-year safe harbor.
- Preservation of safe harbor protections for compensation, M&O, and lease costs

BE IT FURTHER RESOLVED, that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action, including any necessary changes to the State Board's Policy Manual, as necessary, for actions taken by the Governor, Legislature, data corrections, externally imposed restrictions or guidelines, uniform accounting and reporting requirements, and unanticipated changes in state or federal law.

APPROVED AND ADOPTED on August 20, 2025

Attest

J. Nate Humphrey

Nate Humphrey, secretary

Martin Valadez, chair