



2020 Supplemental Budget Decision Package

Agency: 380 - Western Washington University
Decision Package Code-Title: OP - WWU on the Peninsulas
Budget Session: 2020 Supp
Budget Level: Policy Level
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Agency Recommendation Summary

Western Washington University (WWU) requests \$1,969,000 in the 2020 supplemental operating budget to increase access and improve the success of current and future students attending Western on the Peninsulas (WotP) — WWU's locations on the Kitsap and Olympic Peninsulas. Under this proposal, WWU would transition all WotP degree programs from tuition-funded, also known as self-supported, to state-funded to reduce the tuition rate for a student attending WotP by more than \$12,000 over two years. This request would also enable WWU to improve four-year degree pathways for the residents of the Kitsap and Olympic Peninsulas through targeted recruitment and student support strategies.

Fiscal Summary

Dollars in Thousands

Operating Expenditures	FY 2020	FY 2021	FY 2022	FY 2023
Fund 001 - 1	\$0	\$1,968	\$1,879	\$1,879
Fund 149 - 6	\$0	\$577	\$577	\$577
Total Expenditures	\$0	\$2,545	\$2,456	\$2,456
Biennial Totals		\$2,545		\$4,912
Staffing	FY 2020	FY 2021	FY 2022	FY 2023
FTEs	0.0	26.3	26.3	26.3
Average Annual		13.2		26.3
Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. A	\$0	\$1,782	\$1,782	\$1,782
Obj. B	\$0	\$564	\$564	\$564
Obj. C	\$0	\$26	\$27	\$27
Obj. E	\$0	\$116	\$40	\$40

Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. G	\$0	\$57	\$43	\$43
Revenue	FY 2020	FY 2021	FY 2022	FY 2023
149 - 0424	\$0	\$577	\$577	\$577
Total	\$0	\$577	\$577	\$577
Biennial Totals		\$577		\$1,154

Package Description

WWU offers a number of baccalaureate degree and certificate programs on the Kitsap and Olympic Peninsulas in Poulsbo, Bremerton and Port Angeles in partnership with Olympic and Peninsula Colleges. Collectively referred to as “Western on the Peninsulas,” these “2+2” degree programs require students to attend a community college for their first two years then transfer to WWU for their third and fourth years to complete their baccalaureate degree.

The 2018 supplemental budget tasked WWU with evaluating the educational and workforce needs of the residents of the Kitsap and Olympic Peninsulas and examining the feasibility of WWU offering additional degree programs to meet those needs. As part of the study, WWU found that the Kitsap and Olympic Peninsulas region is one of the most underserved regions of the state when it comes to access to baccalaureate and masters-level post-secondary degree programs. Furthermore, many school districts in the region have fairly strong high-school graduation rates but poor college-going rates, and the percentage of residents of the four-county region that encompass the Kitsap and Olympic Peninsulas with a four-year degree or higher is well below the state average. An analysis by Washington STEM found that by 2026 there will be 3,615 family-wage job openings in the region that require a four-year postsecondary degree, but in 2018 only 1,254 high school students in the region were projected to go on to earn a four-year degree or higher.

Given the clear need in the region for increased access to baccalaureate and graduate degree programs, WWU’s excellent reputation for graduating students who are ready to contribute to Washington’s workforce, and WWU’s existing partnerships with Olympic and Peninsula colleges, expansion of WOtP is a key strategic priority for WWU over the next decade and beyond. Over the next ten years, WWU’s goal is to increase WOtP enrollments from 200 to at least 1,000 students through in-person, remote video classroom technology, and on-line delivery methods.

This decision package is the initial phase in expanding and improving access to WOtP. As demand and needs emerge, subsequent decision packages over the next ten years will include proposals for additional degree programs and capital infrastructure.

This proposal includes a two-fold strategy for increasing access and improving the success of current and future students attending WOtP:

1. Transition all tuition-funded degree programs to state funding; and
2. Enhance advising, recruitment and core administrative services.

Transition tuition-funded degree programs to state funding

Western on the Peninsulas degree and certificate programs include:

- Business Administration (B.A.)
- Cybersecurity (B.A., Minor, Certificate)
- Early Childhood Education (B.A.E)
- Elementary and Special Education (B.A.E., Certificate)
- Educational Administration (M.Ed., Certificate)
- Environmental Policy (B.A.)
- Environmental Science (B.S.)
- Human Services (B.A.)
- Multidisciplinary Studies (B.A.)

Of these degree programs, only Cybersecurity and Early Childhood Education are state-funded (the B.A. in Cybersecurity was funded in the 2015-17 biennial budget, and the B.A.E. in Early Childhood Education was funded in the 2018 supplemental budget). The remaining programs are tuition-funded, also known as self-supported, meaning costs of the program are entirely covered by tuition revenue. Although tuition-funded degree programs address certain educational and workforce needs, they are significantly more expensive for students than state-funded programs, which are funded through a combination of state funding and tuition revenue. The chart below illustrates the cost difference between tuition rates for a state-funded program versus a tuition-funded program.

	State-funded baccalaureate degree	Tuition/self-funded baccalaureate degree	Cost difference
Tuition & fees/quarter 2019-20	\$2,781 (10-18 credits)	\$4,785 (15 credits)	(\$2,004)
Total tuition & fees over 2 years (6 quarters)	\$16,686	\$28,710	(\$12,024)

The cost difference between state-funded and tuition-funded degree programs creates significant inequities between students attending state-funded degree programs on WWU's Bellingham campus and the majority of students enrolled in WOtP degree programs. For low-income students, the cost difference is even more of a barrier, as income-based financial aid programs like the Washington College Grant only cover tuition costs of state-funded degree programs. This fact forces low-income students attending tuition-funded programs to take

out more student loans to cover the cost of their degree. State-funded programs also enable the university to hire more permanent faculty and staff, which in turn improves the stability and quality of the programs for current and future students.

Transitioning all programs from tuition-funded to state-funded cannot be accomplished through increased tuition revenues and reallocation of University resources. Lowering tuition costs through state support will make Western's programs more affordable for place-bound students in the Peninsulas, which will support increased enrollment in current programs. This increase will in turn enhance Western's presence and visibility on the peninsulas, leading to increased interest in Western as the university of choice for such students. However, the increased enrollment and the accompanying tuition revenue must be supplemented by state allocations, as with all state-funded programs, to allow Western to hire the necessary additional faculty and staff to make the programs viable at the level of quality Western and its students expect.

The cost to transition all six programs on the peninsulas in a sustainable and robust way is estimated at \$2,546,000 for FY21. This estimate includes salary and benefits for 7 tenure-track faculty, approximately 7.5 FTE non-tenure track faculty, and 14 FTE exempt and classified staff (most of whom are currently employed at Western and are funded on tuition-funded sources). It also includes budget for goods and services, travel, and building expenses, including one time costs for hiring new positions. Current enrollment in Western's self-sustaining programs on the peninsulas is approximately 120 students, generating approximately \$577,000 in tuition revenue. Therefore, the total amount Western recommends to request is \$1,969,000 in state funding.

Enhance advising, recruitment and core administrative services

Despite WWU's proven track record when it comes to student success, lack of funding has prevented the university from allocating sufficient resources for academic advising and financial aid counseling for students attending WOtP, as well as for the marketing and recruitment efforts needed to attract prospective students to WOtP. The lack of resources for academic advising and financial aid counseling has resulted in inadequate and fragmented support services for current and prospective WOtP students that is typically limited to the degree program in which the student is enrolled or is planning to enroll rather than helping students explore all available degree program pathways. The limited support services currently offered at WOtP are funded entirely through the tuition revenue from WOtP programs, which is one reason current tuition rates for tuition-funded programs are so much higher than state-funded programs. Current marketing and recruitment efforts for WOtP are also limited in scope due to insufficient funding and the decentralized, program-specific organizational structure that supports tuition-funded programs. Similarly, WOtP also currently lacks a cohesive, state-funded administrative structure that is integrated with WWU's academic leadership in Bellingham.

This proposal requests funding for WWU to hire 4 new FTE staff positions in order to expand academic advising, financial aid counseling, and recruitment and marketing efforts at WOtP. The staff in these positions will support all current and prospective WOtP students in all WOtP locations rather than the current structure, in which the limited staff resources are largely devoted to specific degree programs. The proposal also requests funding for 3 FTE to provide core administrative oversight for WOtP that is physically located on the Peninsulas, including an academic administrator. This newly established leader will play a key role in improving and expanding WOtP's existing partnerships with Olympic and Peninsula colleges, local school districts, tribal governments in the region, employers and industry partners, local governments, and other key stakeholders.

Alternatives/Consequences of not funding this proposal

The only viable alternative to this proposal is for WWU to maintain the status quo with regard to the tuition, support services and administrative frameworks needed to operate WOtP. The consequences of not funding this proposal and maintaining the status quo of WOtP, as well as the lack of adequate academic advising and financial aid counseling, are that tuition costs will continue to be a significant barrier to access for many students. Failure to fund the basic elements needed for a public four-year university will result in many potential future WOtP students not learning about WOtP degree program opportunities or not having access to adequate information about how to access and enroll in the programs.

Assumptions and Calculations

Expansion or alteration of a current program or service:

Programs on the Peninsulas currently staff approximately 13 FTE, comprised of approximately 2.3 tenure/tenure track (TN/TT) faculty, 6 FTE non-tenure track (NTT) faculty, and 6 staff FTE for Director of Operations, program coordination, student services, administrative operations, and media. Current faculty and staff costs are approximately \$1,000,000 annually, with another \$104,000 for goods and services, equipment, facilities, and travel.

Detailed assumptions and calculations:

The table below summarizes all expenditures included within this proposal. One time costs are associated with the hiring of ten new positions, including start-up costs for three new tenure/tenure-track faculty positions.

Expenditure Category	Employee FTE	One Time Costs	Recurring Costs	Total Costs
Faculty Salaries	13.4		\$1,020,214	\$1,020,214
Professional Salaries	8.0		\$571,015	\$571,015
Classified Salaries	4.9		\$190,763	\$190,763
Benefits			\$564,292	\$564,292
Total Salaries & Benefits	26.3	\$0	\$2,346,284	\$2,346,284
Supplies and Materials		\$49,000	\$1,330	\$47,330
Professional Service Contracts			\$26,576	\$26,576
Equipment and Personal Technology		\$20,000	\$29,699	\$43,699
Other Goods and Services		\$6,500	\$9,194	\$14,194
Total Goods and Services		\$75,500	\$66,799	\$131,799
Lodging		\$5,000	\$8,223	\$11,723
Air Travel		\$5,000	\$469	\$3,969
Ground Transportation		\$2,000	\$28,097	\$29,497
Other travel costs		\$2,000	\$6,450	\$7,850
Total Travel		\$14,000	\$43,239	\$53,039
Total Expenditures	26.3	\$89,500	\$2,456,322	\$2,545,822

The table below summarizes the estimated tuition revenue generated for FY21, based on assumptions around enrollment, credit load, and cost per credit for FY21.

Student Enrollment	Assumed Headcount	FY21 Cost Per Credit*	Gross Annual Tuition Revenue	Net Annual Tuition Revenue**
Part Time (Avg 8 Credits)	60	\$212	\$305,820	\$256,595
Full Time (10-18 Credits)	60	\$212	\$382,275	\$320,744
Total	120		\$688,094	\$577,339

*Estimated

**Less Capital Building Fee, Financial Aid & Waivers

As previously stated, if this proposal is fully-funded, WWU anticipates an increase of 100 WotP students per year. Increased tuition revenue from these enrollments will allow WotP to increase positions to meet program growth before requiring additional funding from the state. For example, it is anticipated that a Program Coordinator dedicated to each program will be needed, which is not currently included in this proposal.

Workforce Assumptions:

The table below details the positions included within this proposal:

Position	FTE	2020-21
TN/TT Faculty - Environmental Sciences	1.34	\$156,501
TN/TT Faculty - Environmental Studies	0.67	\$92,341
TN/TT Faculty - College of Business & Economics	1.00	\$152,531
TN/TT Faculty - College of Business & Economics	1.00	\$158,663
TN/TT Faculty - Education	1.00	\$103,476
TN/TT Faculty - Education	1.00	\$103,476
NTT Faculty - College of Business & Economics	0.67	\$79,243
NTT Faculty - Huxley College of the Environment	0.75	\$50,075
NTT Faculty - Woodring College of Education	3.44	\$229,676
NTT Faculty - General	2.00	\$133,533
University Intern Coordinators (Education Programs)	0.56	\$27,500
Academic Administrator	1.00	\$195,454
Director of Operations, Peninsulas Programs	1.00	\$109,623
Program Coordinator	2.68	\$190,496
Recruitment/Student Support	4.00	\$305,984
Student Success Specialist	1.00	\$73,396
Learning Technologist	1.00	\$80,872
Program Assistant - Temporary	1.00	\$31,120
Office Assistant 2	0.09	\$3,317
Office Assistant 3	1.00	\$62,882
Senior Media Technician	0.13	\$6,128

Total**26.33****\$2,346,284**

Strategic and Performance Outcomes

Strategic framework:

This proposal is closely aligned with the Governor's Results Washington goal areas and statewide priorities, as well as WWU's 2018-2025 Strategic Plan.

Funding this proposal will help make progress towards the Results Washington goals of increasing access to living wage jobs, increasing the economic security of Washingtonians, and increasing enrollment or employment after high school. The primary result of funding this proposal will be decreased tuition costs and improved student support services for students attending WOtP, which in turn will increase access to baccalaureate-level degrees and higher for Washingtonians. Individuals with a baccalaureate-level degree will have significantly more access to living wage jobs and on average earn approximately \$900,000 more in median lifetime earnings than high school graduates.

Expansion of WOtP is fully aligned with the University's 2018-2025 Strategic Plan, which commits to three core themes: advancing inclusive success, increasing Washington impact and enhancing academic excellence. WWU's Strategic Plan also highlights the need and the University's commitment to offering degree programs and credentials to place-bound and non-traditional students as a key strategy in addressing current and future educational and workforce demands in Washington and the region.

Performance outcomes:

WWU anticipates the following outcomes if this proposal is fully funded:

- Decreased tuition costs: If this proposal is fully-funded, current and prospective students enrolled or planning to enroll in one of the seven WOtP degree programs currently tuition-funded would see a decrease in tuition costs of approximately \$6,000 per year beginning in the fall of 2020.
- Increased enrollment: If this proposal is fully-funded, WWU anticipates an increase of 100 WOtP students per year. The expected enrollment increase would be the result of decreased tuition costs and increased recruitment and advising.
- Meeting workforce needs: By increasing the number of graduates of WOtP degree programs through the strategies proposed in this decision package, many regional workforce needs on the Kitsap and Olympic peninsulas will be addressed, particularly in the high-workforce demand fields of education, business and environmental science/policy.
- Increased regional presence: Funding this proposal will strengthen and solidify WWU's presence in the Kitsap and Olympic peninsula region by enabling the university to hire more permanent faculty who will be located in the region and by establishing a new administrative leadership role based in the region.

Performance metrics include:

- Enrollment and graduation rates for WOtP;
- Educational attainment rates for residents of the Kitsap and Olympic peninsulas; and
- Measures related to regional workforce skills gap and job openings.

Other Collateral Connections

Intergovernmental:

Enrollments at Olympic and Peninsula Colleges will likely increase as WOP enrollments increase.

Stakeholder response:

The 2018 WOtP Feasibility Study involved interviews and focus group sessions with various stakeholders across the Kitsap and Olympic peninsulas region. Stakeholder groups contacted included educational leaders from public K-12 and post-secondary sector, employers, industry representatives, representatives of Naval Base Kitsap and the Puget Sound Naval Shipyard, Workforce and Economic Development Councils, Regional STEM Network Representatives, Community leaders in Bremerton, Poulsbo, Port Townsend, Port Angeles, and Shelton, Representatives of local Native American tribes, and representatives from Peninsula and Olympic Colleges. The result of the stakeholder interviews and focus groups was strong interest and support for an expanded WWU presence on the Peninsulas.

Legal or administrative mandates:

None identified.

Changes from current law:

None identified.

State workforce impacts:

None identified.

State facilities impacts:

Funding this proposal will not result in immediate impacts to state facilities nor will it require capital construction in the near term. There is currently space available at all three WOtP locations. As WOtP enrollments increase, WWU may request capital funding for an additional academic building as well as maintenance and operations funding for existing facilities.

Puget Sound recovery:

No connection identified.

Reference Documents

- IT Addendum Fiscal Estimates Workbook - Peninsulas.xlsx
- ITaddendum2020supplemental - WOtP.docx
- Peninsulas Expansion Template.xlsx

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

ITaddendum2020supplemental - WOtP.docx