



September 15, 2006

Ref.: 06-36-19

The Honorable Christine Gregoire
Governor, State of Washington
Legislative Building
P.O. Box 40002
Olympia, Washington 98504-0002

Dear Governor Gregoire:

I have enclosed the 2007-09 operating budget request for the State Board for Community and Technical Colleges as approved by the State Board on September 14, 2006. The request was developed through collaborative **planning** by college leaders, **trustees** and the State Board to identify investments needed to **achieve the mission and goals of the 34 community and technical colleges**. The system has developed **a principles-based directions statement** and ten year goals that form the overall framework for the **request**.

Two trends, demographic changes and increasing **competitiveness in the world economy**, will shape the future of higher education in Washington. The **community and technical college system** is uniquely positioned to respond to these trends.

Demographic changes over the next two decades mean the **largest and fastest growing age group** in the state's population is adults 25 to 35 years old. Growth **in the state's population** will also be concentrated among people of color. Over the next 15 years, **the increase** in the number of people of color will equal the increase in the white population. **These adults will** be in the workforce for the next 30 years and many are not fully contributing to a strong, vibrant economy. Currently, 1.4 million working age adults in Washington (1/3 of today's workforce) have no formal education beyond high school, and nearly one million adults lack basic literacy skills. It is essential to improve educational attainment among under-educated people to meet the knowledge and skills demanded by the state's economy.

Community and technical colleges make their contribution to effective economic development in growing a talented, skilled workforce and creating opportunities **for Washingtonians**. SBCTC "tipping point" research has shown that at least one year of college **plus a credential** is required to realize a substantial gain in earning power. Over the next 10 years, **one-half** of new jobs will require at least one year of college. Community and technical **colleges supply** 80 percent of newly prepared employees for jobs **that require** one or two years of **higher education**. And, 41 percent of bachelor's degree graduates **transfer** from community and technical **colleges**. The college system must not only maintain its current level of contribution, but **substantially** increase enrollments and student success rates to meet the increasing demands of our **local and global economies**.

To move the CTC system and Washington forward over **the next two years**, this budget request focuses on three themes: economic demand, student success **and innovation**. Each theme **comprises several investment strategies, summarized below**.



Economic demand necessitates investment in the two-year college system to give Washingtonians the knowledge and skills to keep the state competitive in the global marketplace. This request represents investment in 7,000 new enrollments, expanded customized training for businesses and improved funding for dual credit programs. Four thousand enrollments are targeted toward high demand fields and to skills training to prepare people for work and additional education. Three thousand enrollments are intended for student demand for academic transfer, vocational and basic skills studies. Funding will permit expansion of the Job Skills Program and creation of dedicated capacity to accomplish customized training for businesses. Improved funding for dual credit programs will allow earlier and more efficient access to higher education for students and their families.

Investments in **student success** will improve the lives of individuals by increasing their earning power, and their ability to contribute to the economy of the future. This request represents investment in expanded adult basic skills, ESL and GED programs, holding the line on tuition for students while maintaining essential college operations, and strategies to keep students in college until they achieve one year of college-level work and a credential. Investments in basic skills training prepares people for work and additional studies. Holding the line on tuition means students will have one fewer obstacle to attaining the education that will improve their earning power and the state's economy while college operations are maintained. Expanded and improved student financial assistance, advising and academic support services will improve student achievement and efficiency in reaching their educational goals.

State investment in **innovation** such as Centers of Excellence, on-line delivery of instruction and up-to-date instructional equipment are the means by which colleges can support individuals and the state's economic competitiveness. Centers of Excellence promote business partnerships and efficient information sharing about industry practices and instructional methods throughout the two-year colleges. Making the learning environment mirror the earning environment means up-to-date instructional equipment, and paying faculty fair and equitable salaries based on the market. Expanding distance learning and on-line resources makes higher education more readily available to technologically savvy young people and busy working adults.

These investments will help create more higher education opportunities for all residents across the state. Higher education has vital significance to society and individuals. The prosperity of a robust global economy, the livelihood of families and individuals, and the strength of communities are just a few tangible results.

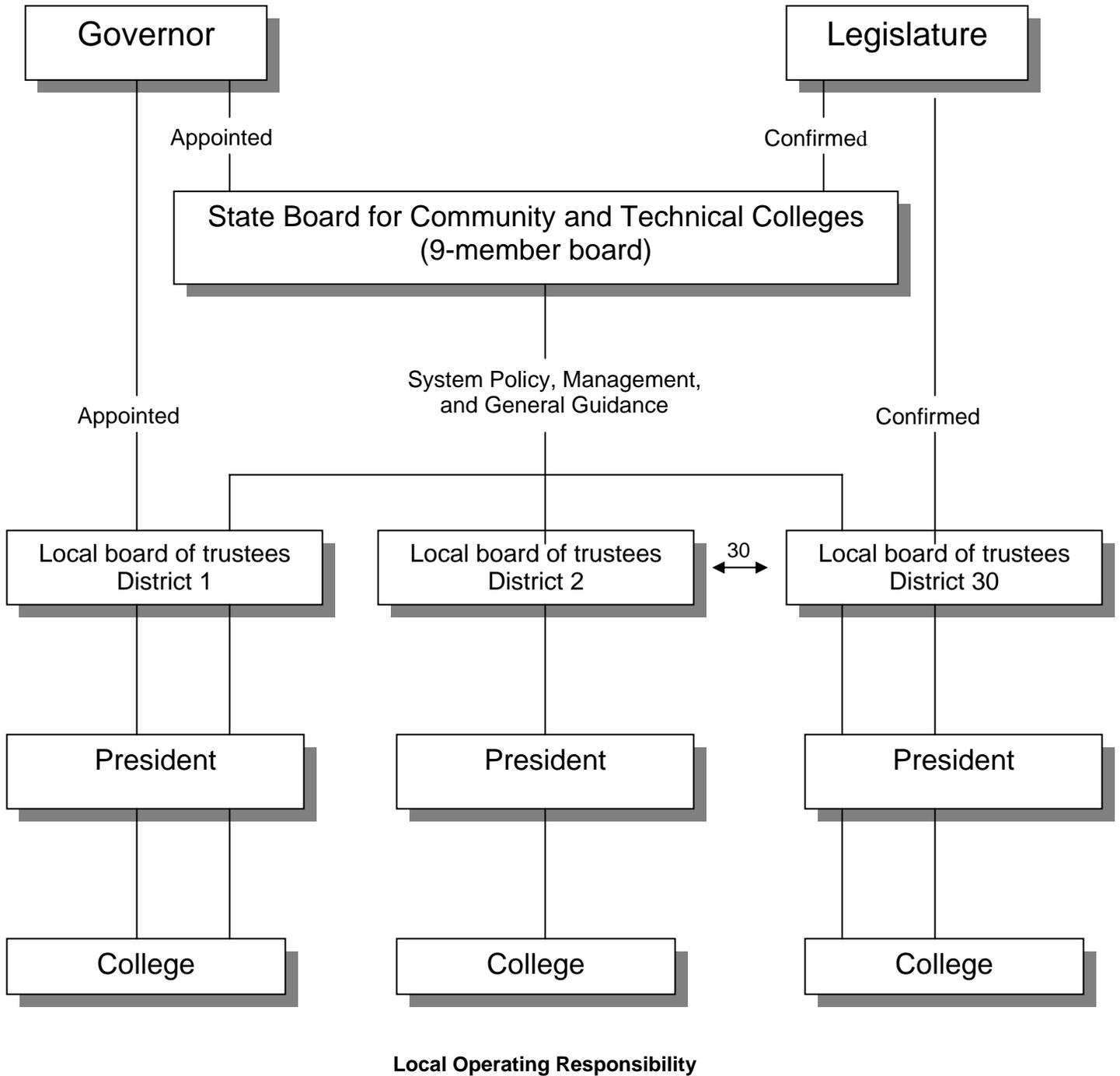
Thank you for your consideration of this budget request. Your staff can contact us at any time for additional supporting details.

Sincerely,



Charles N. Earl
Executive Director

Community & Technical College System Organization Structure



Washington State Community and Technical Colleges

