



Funding Request for Higher Education

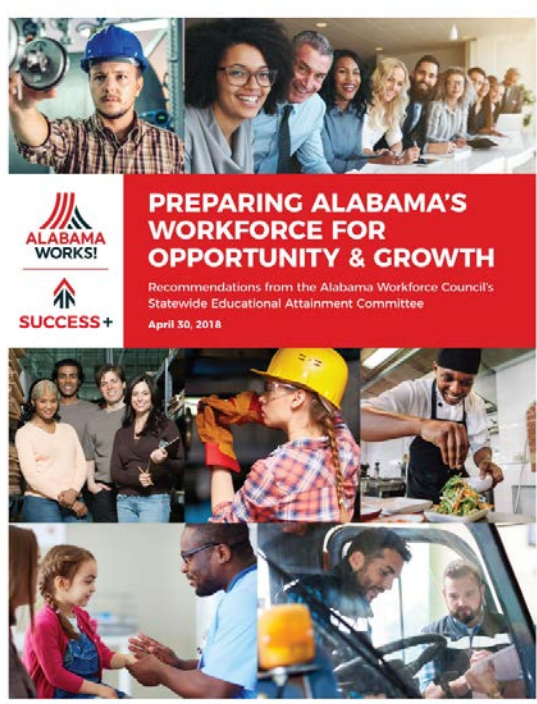
# Commission on Higher Education Responsibilities

- Aggregate information and conduct research about colleges and universities that informs state policy on Pre K-12 education, higher education and the workforce.
- Prepare budget recommendations for the public community colleges and universities
- Develop and implement the statewide strategic plan for postsecondary education
- Approve new academic programs, and make recommendations about existing programs of study at public community colleges and universities
- Approve new units of instruction and off-campus instruction sites for the public community colleges and universities
- Review the facilities master plans of the public colleges and universities and identify their new construction, deferred maintenance and renovation needs.
- Administer state-sponsored financial aid programs for students attending public and private colleges.

# *Strong Start, Strong Finish:* *An Education-to-Workforce Vision for Alabama*



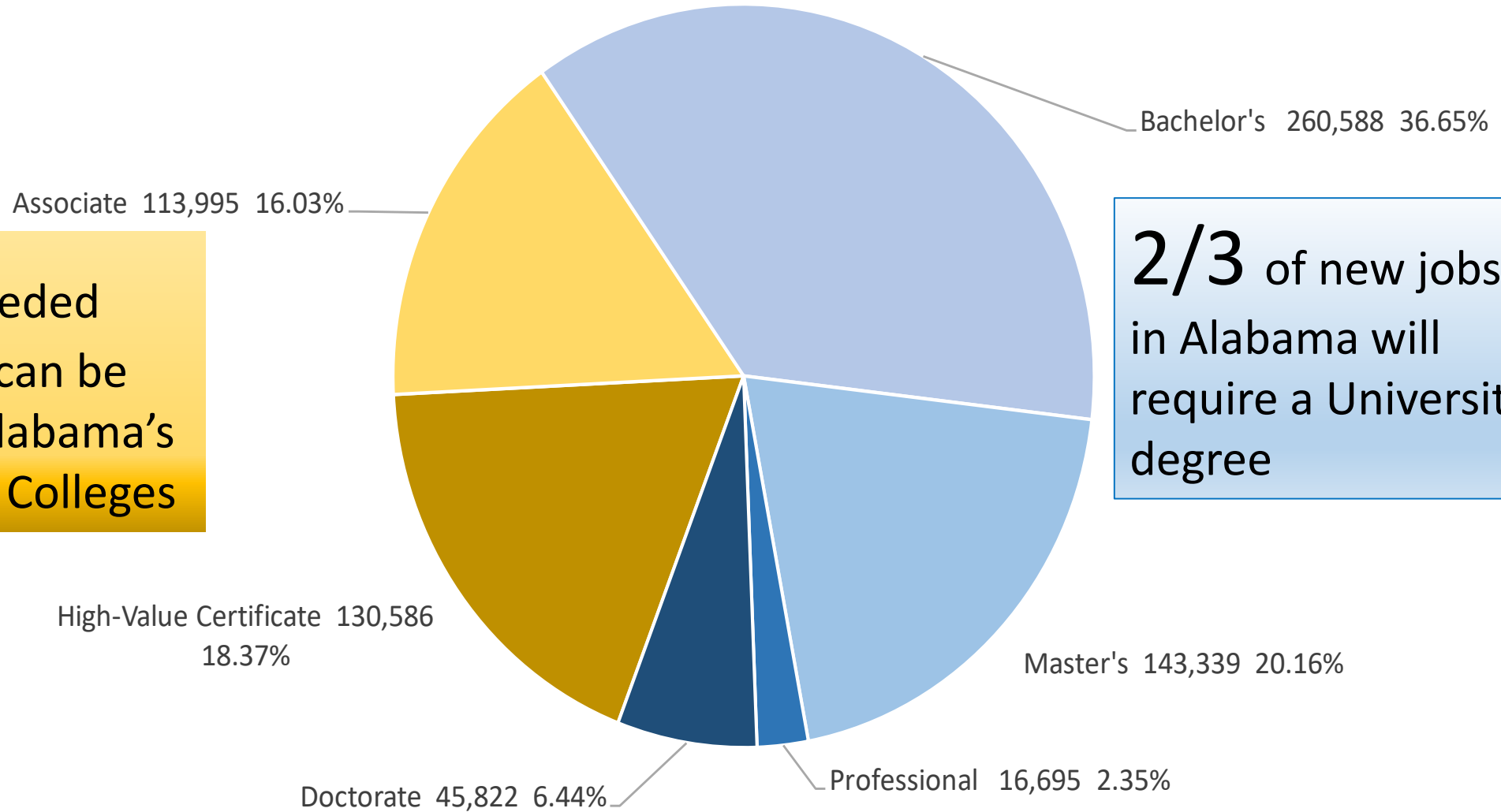
- Governor Ivey has established a strategic vision for aligning Alabama's education and workforce programs from pre-k to the workforce to provide for a seamless education-to-workforce continuum for all Alabamians.
- Governor Ivey has set a postsecondary education attainment goal of adding 500,000 credential holders to Alabama's workforce by 2025
- and a goal to increase Alabama's labor force participation rate of 57.6 percent to the national average by 2025.



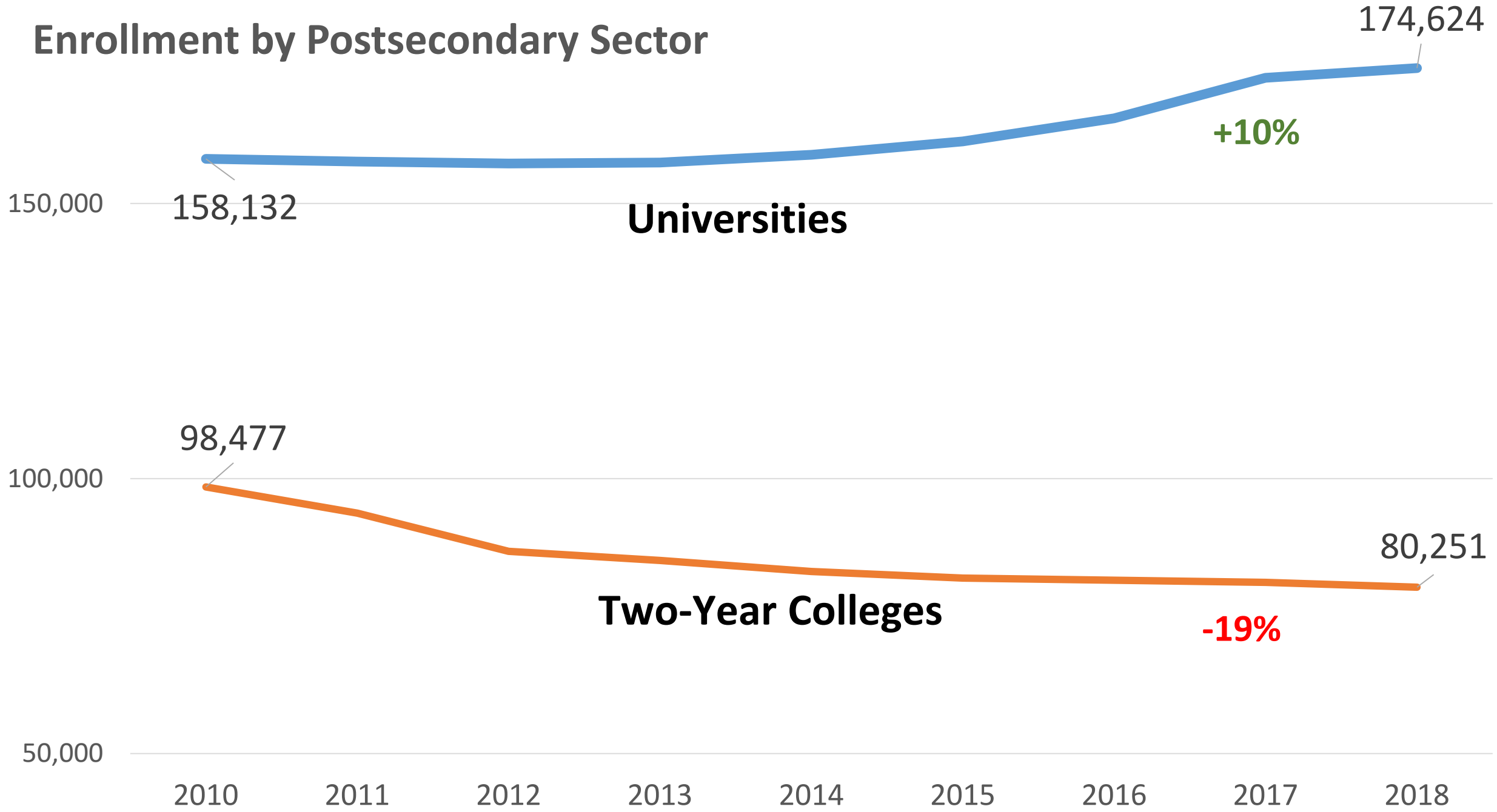
## 500,000 Credentials Needed by 2025

**1/3** of needed credentials can be earned at Alabama's Community Colleges

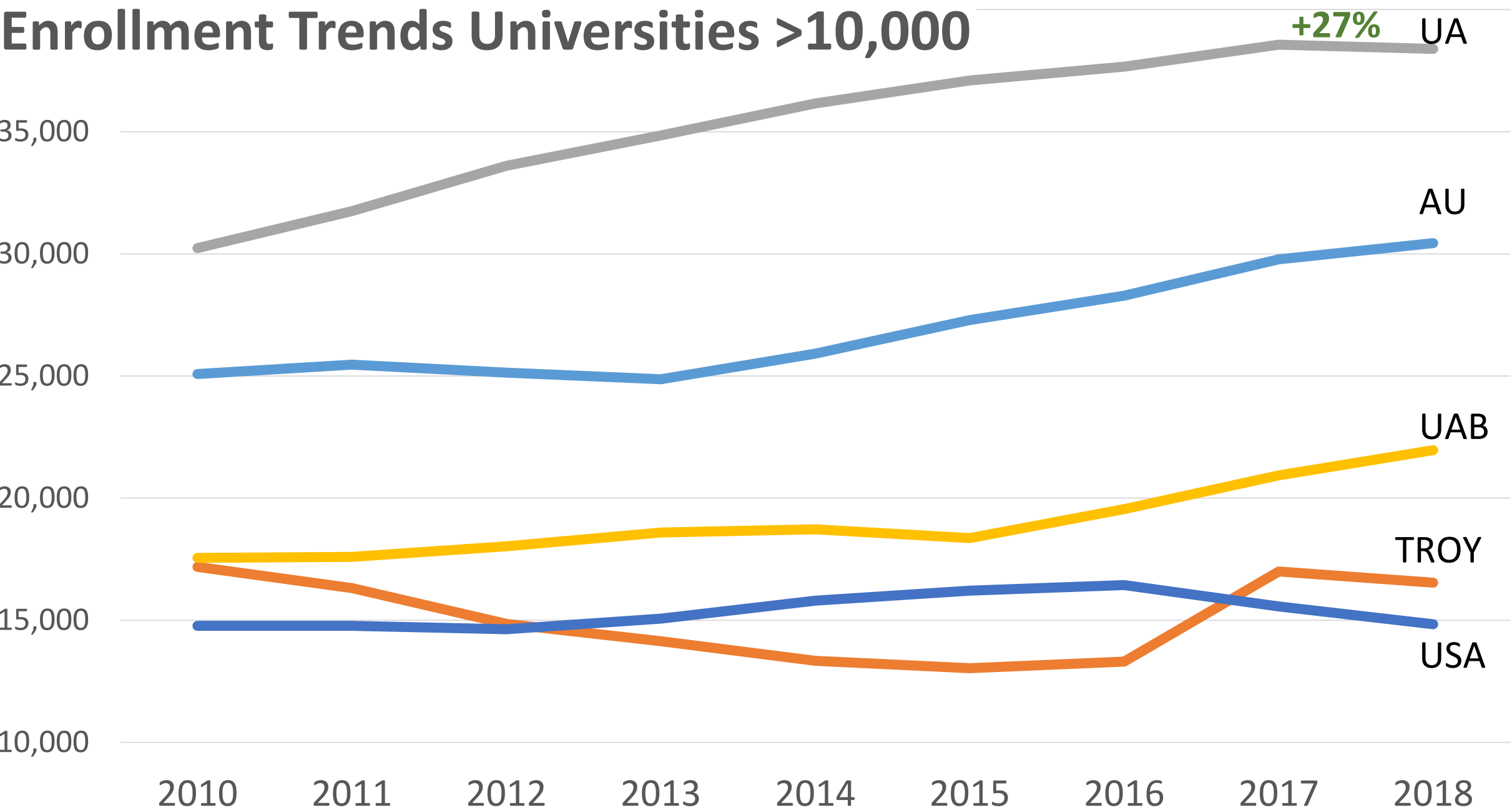
**2/3** of new jobs in Alabama will require a University degree



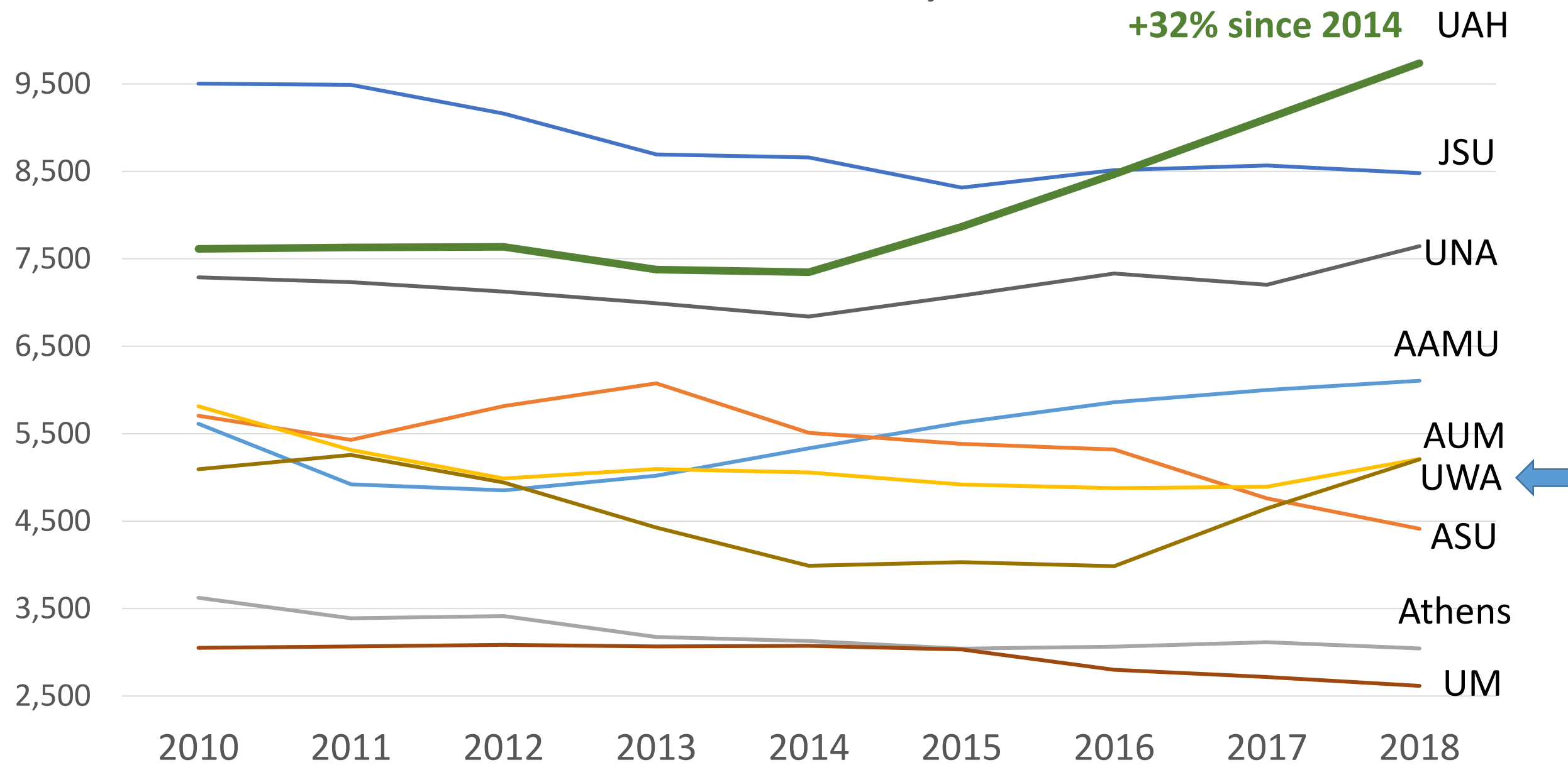
# Enrollment by Postsecondary Sector



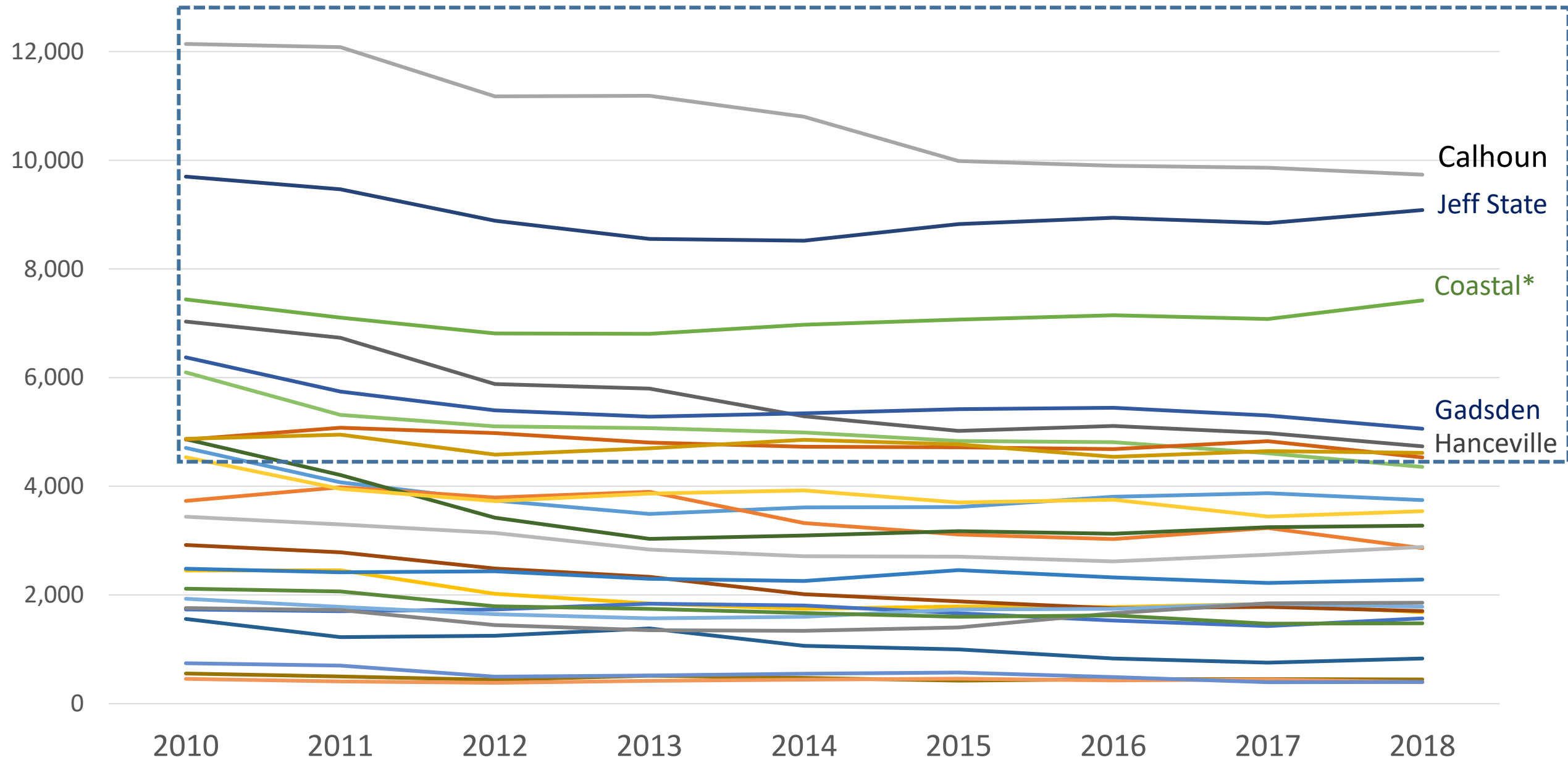
# Enrollment Trends Universities >10,000



# Enrollment Trends – Universities < 10,000

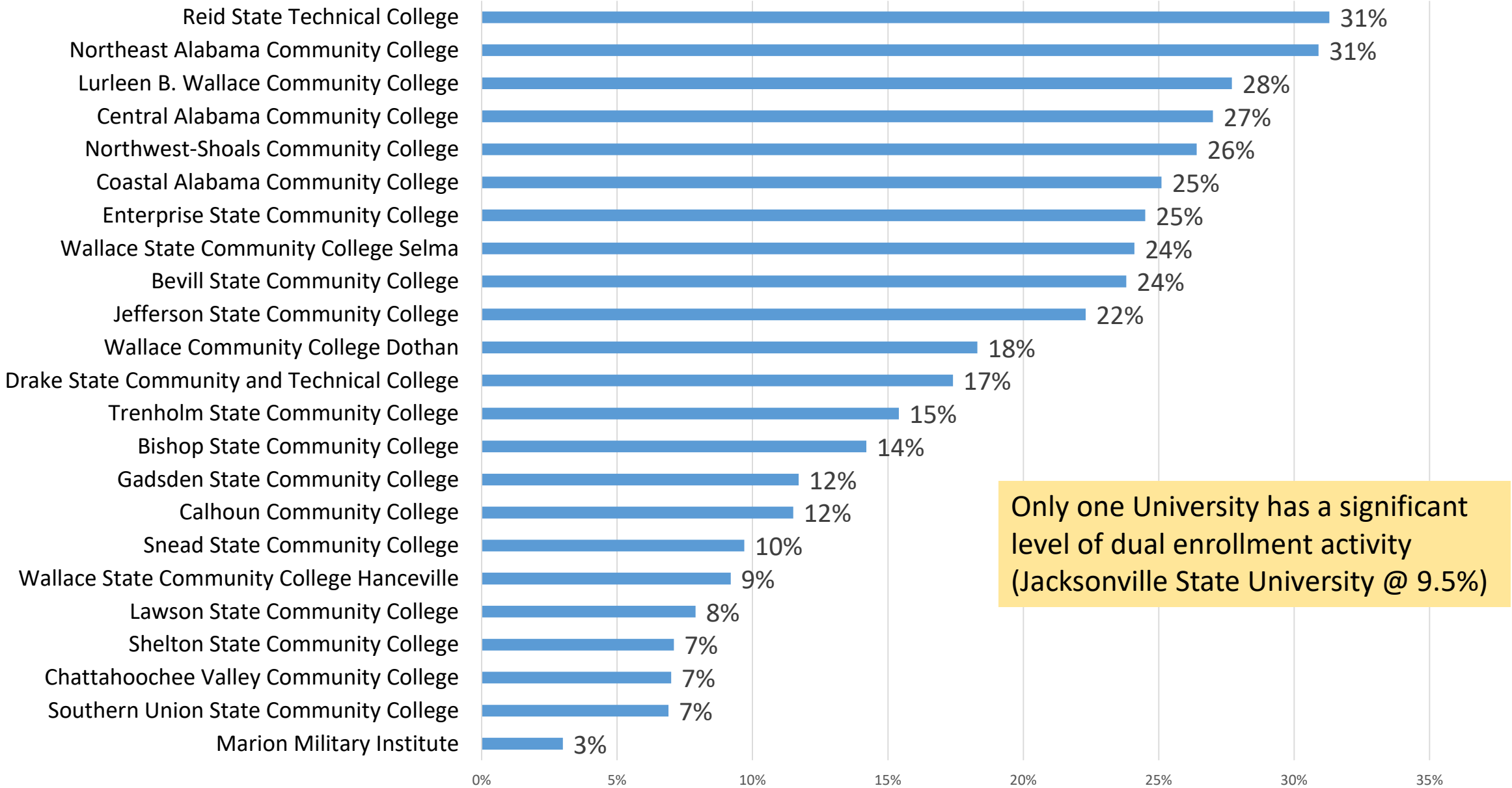


# Enrollment Trends - Community Colleges

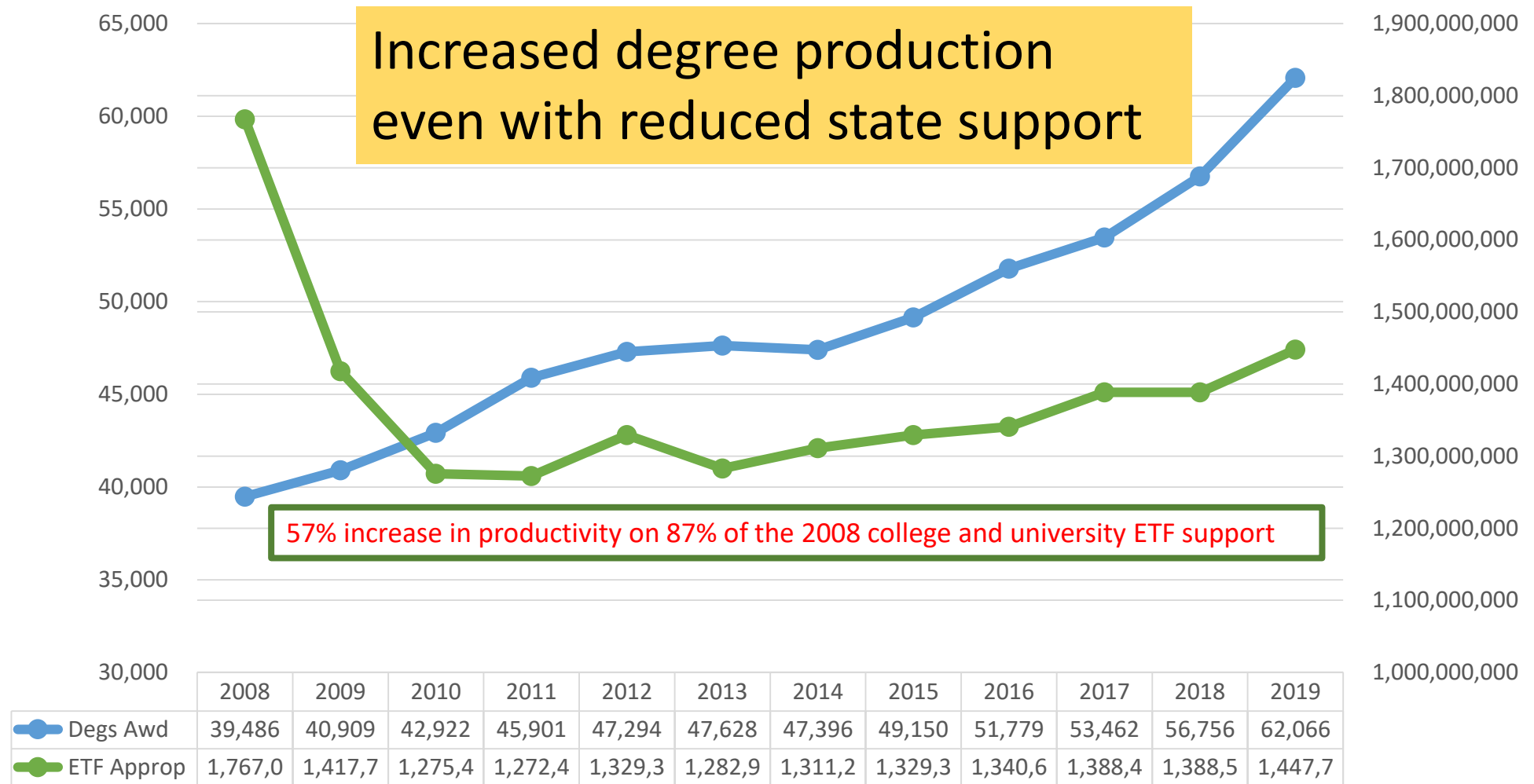




# Enrollment -Percent Dually Enrolled with High School



# Organizational *Effectiveness* and Efficiency



# State Support for Higher Education is still below pre-recession levels (2008)

Higher Ed is Funded at 95% of the 2008 budget

Institutions at 87%

## Approach to Budgeting Postsecondary Education

### Two-pronged approach:

- **Foundational Support** – supporting existing operations
- **Transformational Support** –new initiatives that target state priorities
  - Increase labor force participation rate
  - Adding 500,000 credential holders to Alabama's workforce by 2025

# Foundational Support

- **\$77,648,227** increase over the previous year. Provides a 5% increase for for all colleges and universities. (*Represents 4% of total HE budget*)
- **\$3,029,672** increase for adjustments related to employee benefits. (*Represents less than 1/4% of total HE budget*)
- **\$10,514,497** for equity adjustments for institutions funded significantly below institutions with similar role, scope and missions. (*Represents 1/2% of total HE budget*)
- **\$2,394,775** for adjustments to existing statewide lines --land grant alliance (AALGA), EPSCOR, Libraries (NAAL), financial aid. (*Represents less than 1/4% of total HE budget*)

# Transformational Support -\$27,560,000

Increase Alabama's labor force participation rate of 57.6 percent to the national average by 2025.

**1) Career Promise – (\$2,500,000)** This program would provide funds for a pilot project that would fund high school students of Temporary Assistance for Needy Families (TANF) / Supplemental Nutrition Assistance Program (SNAP) families to fully participate in dual enrollment technical programs at a community or technical college that lead to an industry and postsecondary credential in a career field that is in high demand in the region. The federal government will award matching funds (50%) for this activity based upon prior year state funding.

**2) College Promise – (\$5,000,000)** This program would provide funds for a pilot project designed to financially support individuals from TANF/SNAP families to return to college and complete a degree. The federal government will award matching funds (50%) for this activity based upon prior year state funding.

Transformational support items are found as new statewide initiatives in the ACHE budget

# Transformational Support (continued)

adding 500,000 credential holders to Alabama's workforce by 2025

**3) Higher Education Transformation Fund – (\$10,000,000)** This program would provide funds to expand academic and technical programs that directly lead to careers in high demand in the state.

Colleges and universities will respond to a competitive RFP to address specific workforce shortages as identified by the Governor's Office of Education and Workforce Transformation (GOEWT).



- Target identified workforce needs
- Expand programs that can most effectively and efficiently address that specific need
- Address regional or statewide need
- One-time allocation to support a sustainable effort
- Open to proposals from colleges or universities

Transformational support items are found as new statewide initiatives within the ACHE budget

# Transformational Support (continued)

adding 500,000 credential holders to Alabama's workforce by 2025

**4) Performance Funding – (\$10,000,000)** This program would reward colleges and universities that show improvement in performance.

- Funds would support the existing CC performance-funding effort and a university sector performance funding construct.
- HCM Strategist is working with universities to see if agreement can be made on measures, incentives, timeline, etc.
- ACHE has also proposed a university performance rubric that could be utilized:
  - In FY20-21, each university would receive a proportional amount of funds to establish on-campus efforts to improve student success.
  - In future years, receipt of funds will be based upon performance on retention, graduation, degree production and two institutional specific measures associated with their institutional missions.



Transformational support items are found as new statewide initiatives within the ACHE budget

# Transformational Support (continued)

adding 500,000 credential holders to Alabama's workforce by 2025

**5) Support of Alabama College Network – (\$60,000)** This program would provide support initiatives that help adults begin or return to college to obtain a degree.

- Helping our current working population gain the knowledge, skills and credentials necessary to compete for jobs in the modern economy.
- Project is a collaboration with Alabama Possible.



Transformational support items are found as new statewide initiatives within the ACHE budget



# New Funds Request for FY 2020-2021

Increase Recommended for the Universities - **\$72,926,726**






Increase Recommended for the Two-Year Colleges - **\$18,265,670**

Increase Recommended for the Statewide Lines - **\$29,954,775**


Total CBR Increase FY 2020-2021 - **\$121,147,171**

The proposed increase is **6.8%** over the prior year budget from \$1,781,976,325 to \$1,903,123,496

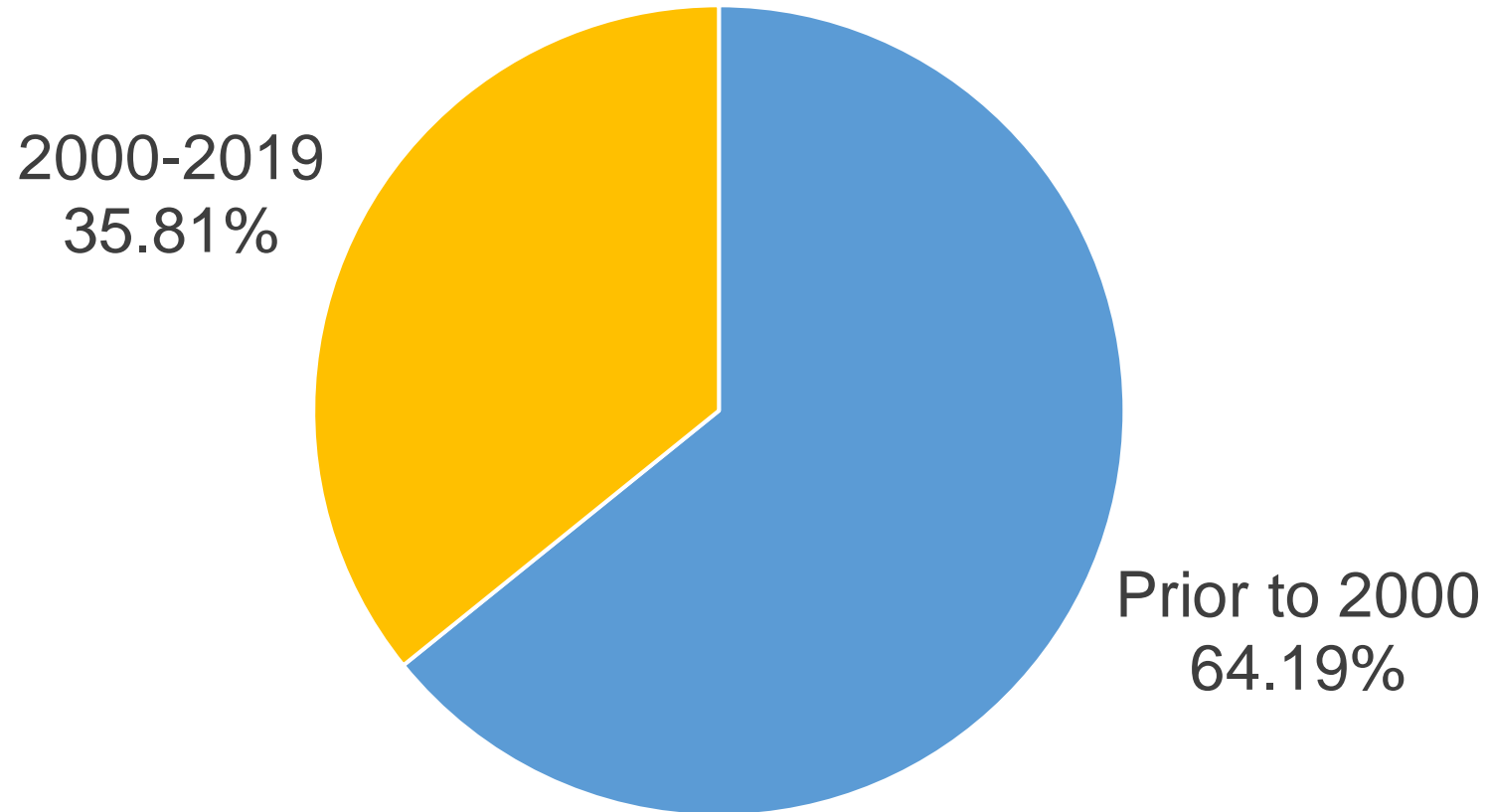


Alabama Commission on Higher Education					
FUND CODE NO.	PROGRAMS AND ACTIVITIES	FY 2019-20 Budgeted	FY 2020-21 Request	Difference Dollars Percent	
172	PLANNING AND COORDINATION SERVICES				
0144	Postsecondary Education (ACHE O&M)	\$ 3,598,466	\$ 3,778,400	\$ 179,934	5.0%
0322	Non Resident Institutions (Local Funds)	236,239	236,239		
1323	SARA-Reciprocity (Local Funds)	200,000	200,000		
	TOTAL	4,034,705	4,214,639	179,934	4.5%
153	STUDENT ASSISTANCE				
0121	Alabama Student Assistance Program	5,397,551	5,667,510	269,959	5.0%
0122	Alabama Educational Grants Program	6,506,126	6,831,481	325,355	5.0%
0124	Alabama National Guard Educational Assistance Program	4,908,550	5,154,062	245,512	5.0%
0794	Police and Firefighter's Survivors Tuition Program	302,000	317,100	15,100	5.0%
1137	Alabama Math and Science Teacher Education Program	725,000	761,250	36,250	5.0%
TBD	Career Promise 		2,500,000	2,500,000	
TBD	College Promise 		5,000,000	5,000,000	
	TOTAL	17,839,227	26,231,403	8,392,176	47.0%
152	SUPPORT OF OTHER EDUCATIONAL ACTIVITIES				
0109	Southern Regional Education Board	656,214	689,000	32,786	5.0%
0118	Network of Alabama Academic Libraries	303,428	318,595	15,167	5.0%
0107	AGSC/STARS	393,067	412,732	19,665	5.0%
0116	Established Program to Stimulate Competitive Research	1,200,216	1,260,200	59,984	5.0%
TBD	Higher Education Transformation 		10,000,000	10,000,000	
TBD	Performance Funding 		10,000,000	10,000,000	
TBD	Support of Alabama College Network 		60,000	60,000	
	TOTAL	2,552,925	22,740,527	20,187,602	790.8%

# Alabama Commission on Higher Education

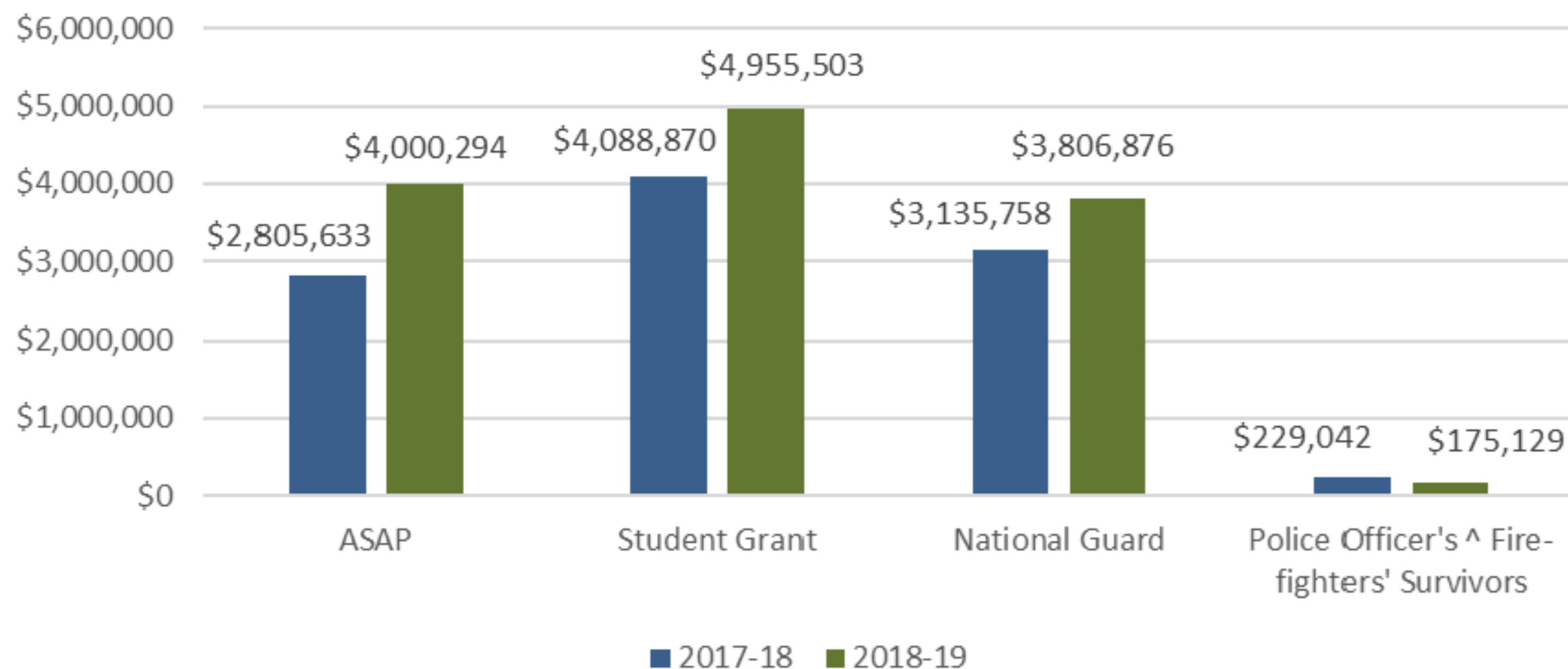
FUND CODE NO.	PROGRAMS AND ACTIVITIES	FY 2019-20 Budgeted	FY 2020-21 Request	Difference Dollars	Percent
<b>151</b>	<b>SUPPORT OF STATE UNIVERSITIES</b>				
0800	Alabama Agricultural Land Grant Alliance	5,516,283	5,792,097	275,814	5.0%
	TOTAL	5,516,283	5,792,097	275,814	5.0%
<b>189</b>	<b>SUPPORT OF STATE PROGRAMS</b>				
0306	Resource Conservation & Development Program (RC &D)	2,637,744	2,637,744		
0307	Soil and Water Conservation Committee Program	1,923,376	1,923,376		
0308	Alabama Forestry Foundation Black Belt Initiative	307,000	307,000		
0315	Alabama Black Belt Adventures	300,000	300,000		
0316	Alabama Black Belt Treasures	260,000	260,000		
1110	Humanities Foundation	180,000	180,000		
0318	Alabama Civil Air Patrol	100,000	100,000		
0319	National Computer Forensics Institute	250,000	250,000		
0320	Adaptive Sports Scholarship	60,000	60,000		
0324	Motorsports Hall of Fame	200,000	200,000		
1327	Alabama Trails Foundation	195,000	195,000		
1140	Forestry Commission Education Program	200,000	200,000		
1141	Alabama Recruit and Retain Minority Teachers Pilot	500,000	500,000		
	TOTAL	7,113,120	7,113,120		
<b>340</b>	<b>DEFERRED MAINTENANCE PROGRAM</b>				
1742	Deferred Maintenance Program 	4,000,000	4,000,000		
	GRAND TOTAL	\$ 41,056,260	\$ 70,091,786	\$29,035,526	70.7%

**Proportion of Physical Plant By Year of Construction**  
**Alabama Public Colleges and Universities**  
**Gross Square Feet**

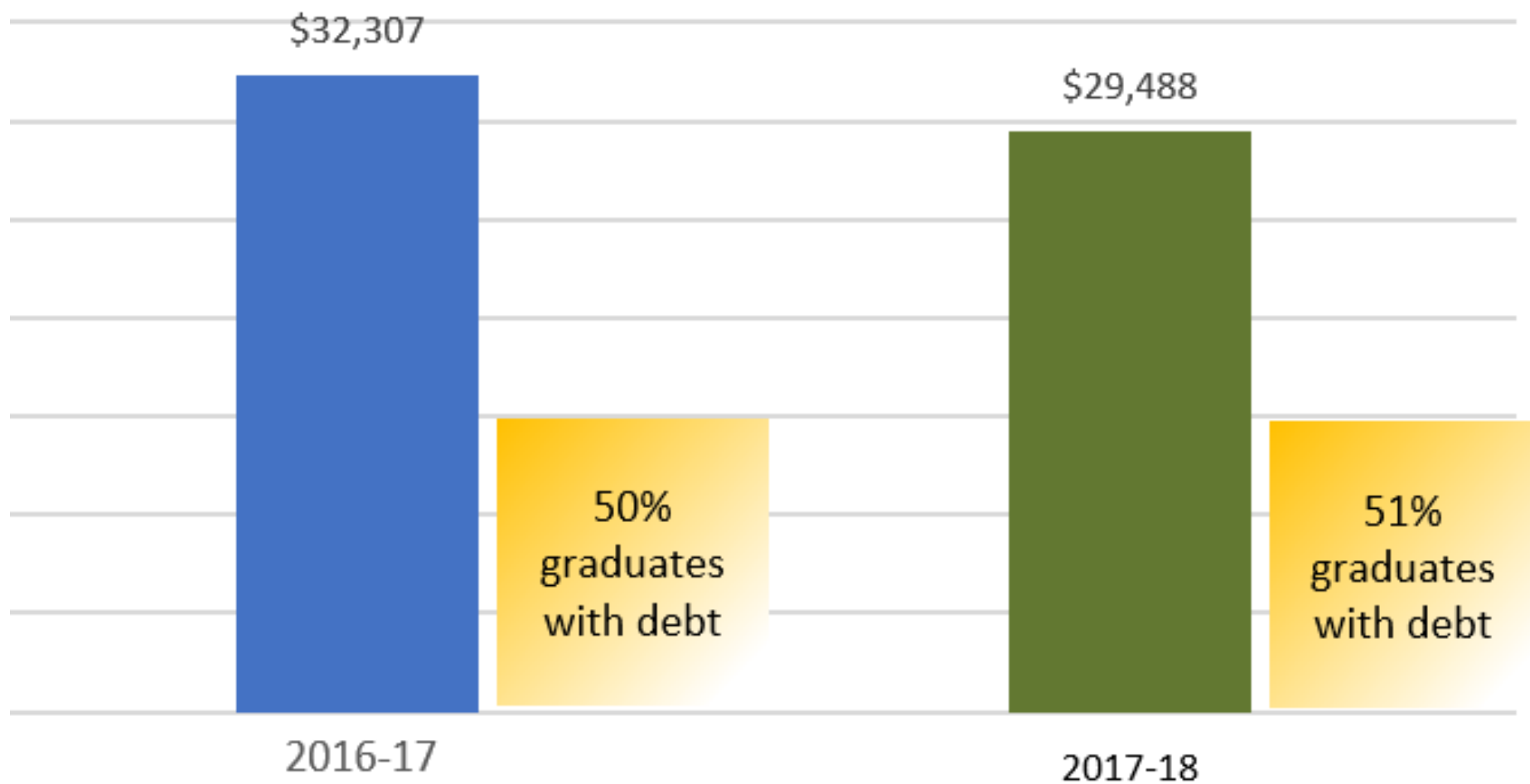


Source: Alabama Commission on Higher Education's Fall 2019 Facilities Inventory survey.

## Student Assistance Programs Administered by ACHE



## Percentage & Debt Amount for Graduates of Public Senior Institutions



Source: College InSight