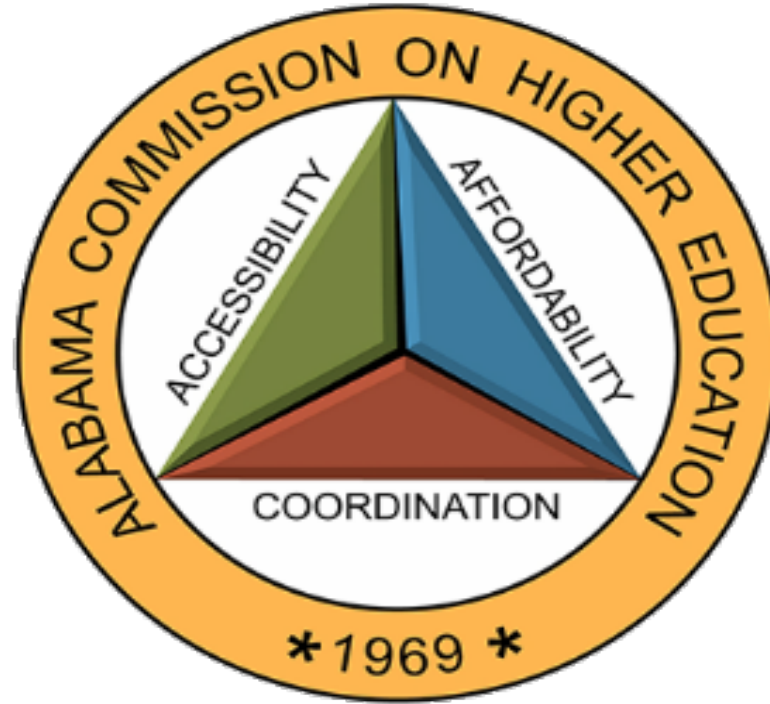




Higher Education

Budget Requests and Legislative Agenda

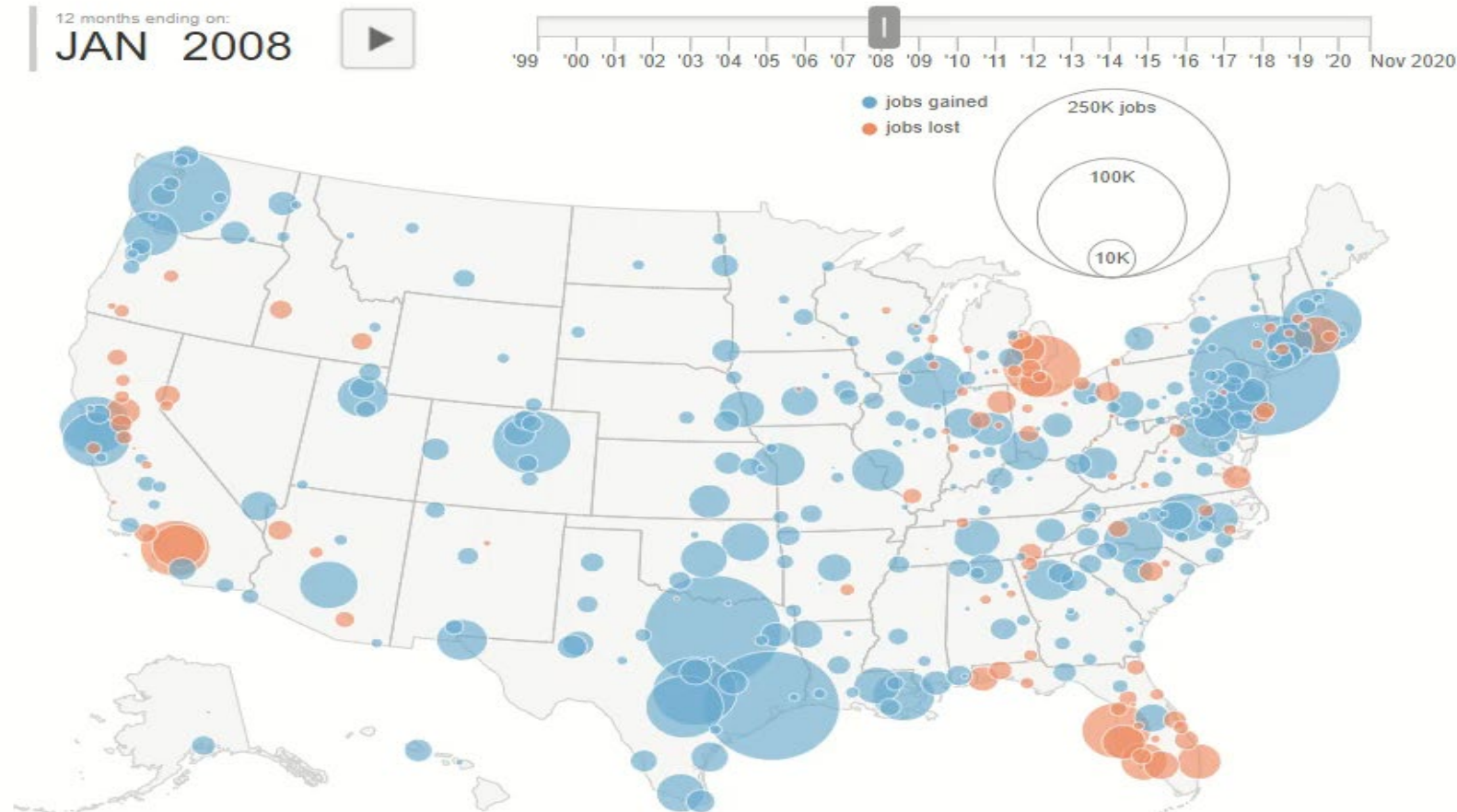
**Are We Going To Take
Advantage Of This
Small Window Of
Opportunity
For Change?**



Geography of Jobs

Net Job Gains / Losses by Metropolitan Statistical Area

The Geography of Jobs map is a dynamic visualization of job gains and losses over the last 15+ years for every metro area in the U.S. The red and blue bubbles represent a rolling 12-month net change in total employment for each metro area. Simply press **Play** and watch the animation unfold.



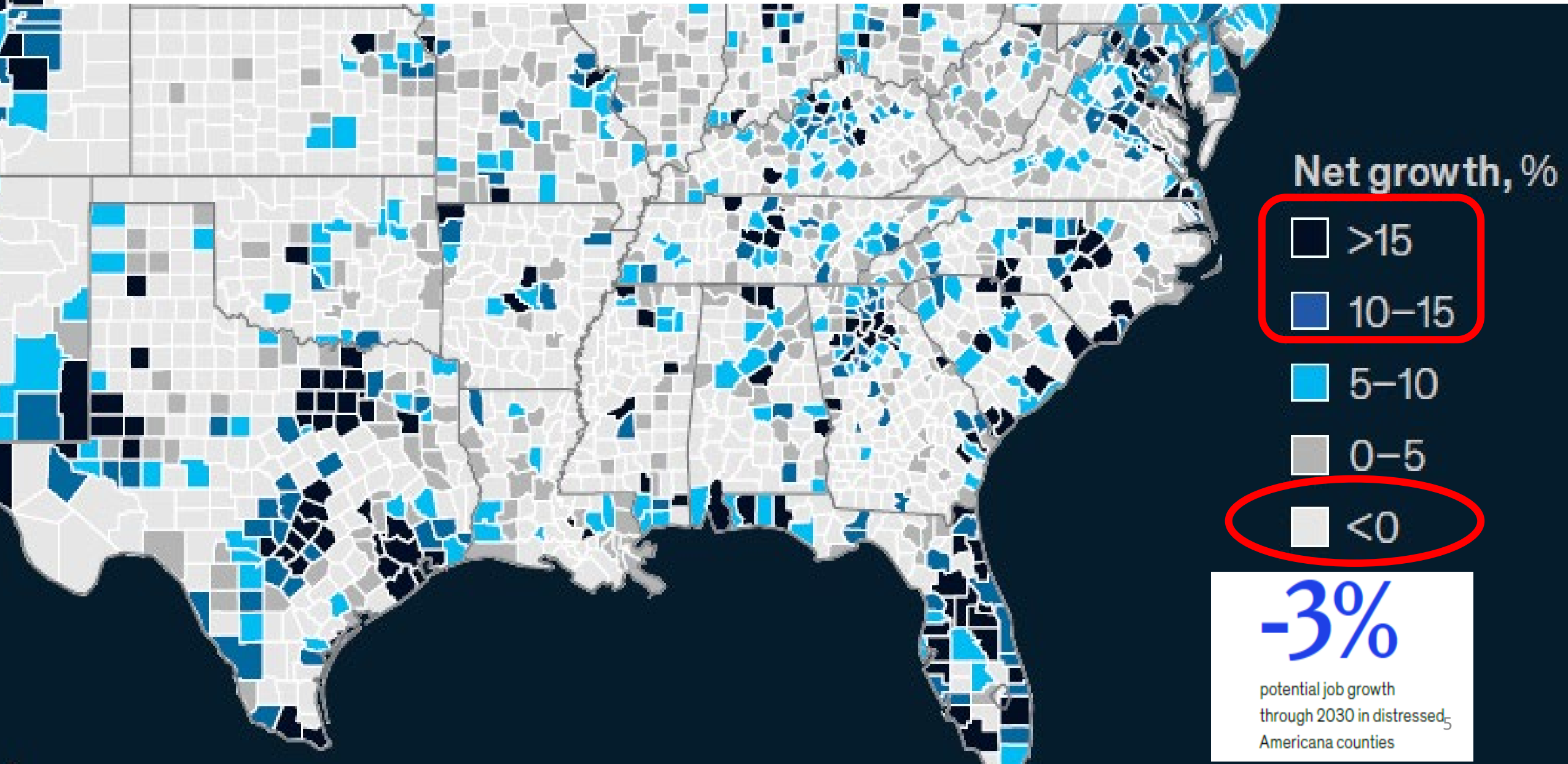
25

urban areas accounted
for >2/3 of US job
growth since 2007

Q: Does the pandemic compel businesses to rethink their hyper-focus on densely populated cities?

A: They will **if** these communities and economic regions can show they have the citizenry with the skills they need.

Growth in jobs through 2030 is dependent upon our ability to provide local economies with the skilled and credentialed workforce that employers require.



Budget Recommendations are designed to:

- Sustain the state's colleges and universities during the Pandemic.
 - Losses in Tuition and Auxiliary revenue greatly impacted colleges' and universities' operations.
 - The public institutions were prepared for business disruption, but no one could have prepared for a disruption as substantial as what COVID 19 yielded.
 - Assist our institutions in becoming more resilient and adaptable.
- Address the immediate needs of the state's business and industry.
 - Target initiatives that address workforce shortages (CCs and Universities).
 - Engage faculty in better aligning their efforts with the skills needed in the workplace.
 - Engage campuses in being economic stewards of their communities in their region and state.
- Better prepare our students for the modern workplace.
- Assist state leaders in adjusting the state's role in institutional and student support.
 - Revising financial aid policy, including identifying additional sources of scholarships funding.
 - Monitoring the costs of higher education– including monitoring tuition increases.
 - Rewarding institutional success.
 - Funding specific activities most valued by state leaders.

Consolidated Budget Recommendation for Higher Education for FY 2021-2022

Increase Recommended for the Universities - **\$42,931,362 (3% + fringe benefit increases)**

Increase Recommended for the Two-Year Colleges - **\$10,864,753 (3% + fringe benefit increases)**

Increase Recommended for the State-Wide Lines - **\$5,993,232**

Total Increase in the FY 2021-2022 Consolidated Budget
Recommendation - **\$59,789,347**



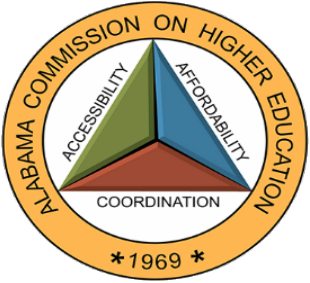
Consolidated Budget Recommendation for FY 2021-2022

The recommendation is based on the following:

- 1) TRS retirement rate increase (2 & 4-year institutions). **(\$1,893,548)**
- 2) Fund a rate increase for mandated PEEHIP retirees' health insurance for public senior institutions who do not participate in PEEHIP (all except AAMU, Athens and JSU). **(\$4,101,103)**
- 3) Funds be appropriated so that all institutions receive a **three percent** (3%) increase over the amount appropriated in FY 2020-2021. **(\$47,801,464)**
- 4) Statewide lines were recommended for varying amounts. **(\$5,993,232)**

Fiscal Year 2021-2022 Consolidated Budget Recommendation

INSTITUTION	FY 2020-2021 Appropriation	FY 2021-2022 Institutional EBO Request	% Increase Requested	FY 2021-2022 Consolidated Budget Recommendation	FY 2021-2022 Amount CBR Increase	% Change CBR
	(1)	(2)	(3)	(4)	(5)	(6)
AAMU	43,524,697	45,425,331	4.37%	44,869,943	1,345,246	3.09%
ASU	49,399,287	51,432,931	4.12%	50,916,508	1,517,221	3.07%
AU	262,486,088	280,736,555	6.95%	271,522,103	9,036,015	3.44%
UA	181,307,646	200,030,519	10.33%	187,712,661	6,405,015	3.53%
UAB	305,877,113	330,444,339	8.03%	317,108,537	11,231,424	3.67%
UAH	54,389,011	59,553,885	9.50%	56,209,354	1,820,343	3.35%
USA	121,563,708	154,230,000	26.87%	125,964,610	4,400,902	3.62%
Doctoral O&M Total	1,018,547,550	1,121,853,560	10.14%	1,054,303,716	35,756,166	3.51%
ATHENS	15,055,494	17,354,591	15.27%	15,524,648	469,154	3.12%
AUM	26,000,183	27,812,152	6.97%	26,911,716	911,533	3.51%
JSU	43,764,287	47,948,716	9.56%	45,122,085	1,357,798	3.10%
TROY	57,907,481	65,700,000	13.46%	59,832,889	1,925,408	3.32%
UM	22,863,165	27,435,798	20.00%	23,572,955	709,790	3.10%
UNA	34,391,514	43,750,000	27.21%	35,541,294	1,149,780	3.34%
UWA	19,358,785	22,857,125	18.07%	20,010,518	651,733	3.37%
Nondoctoral O&M Total	219,340,909	252,858,382	15.28%	226,516,105	7,175,196	3.27%
Total Senior	1,237,888,459	1,374,711,942	11.05%	1,280,819,821	42,931,362	3.47%
Total Two-Year	355,493,698	382,636,197	7.64%	366,358,451	10,864,753	3.06%
Total Public Institutions	1,593,382,157	1,757,348,139	10.29%	1,647,178,272	53,796,115	3.38%
Total State-Wide lines	233,574,211	263,682,837	12.89%	239,567,443	5,993,232	2.57%
Total	1,826,956,368	2,021,030,976	10.62%	1,886,745,715	59,789,347	3.27%



FY 2021-22 Executive Budget Request for the Alabama Commission on Higher Education

- Agency Operations and Maintenance request from ETF of 3.0% (\$119,373)
- ACHE is requesting a total of \$58,581,792 for FY 2021-22, of which \$58,145,553 is from state funds.
- The request includes 37 programs under 6 appropriation units.
 - This includes requests for six new programs.
- A 19.37% increase is being requested for the only state-level need-based student aid program, the Alabama Student Assistance Program. (\$1,181,064)
This will bring this program into alignment with the private institutions' Alabama Educational Grant student aid program.

Increases of 3% are being requested for the following programs to offset increased operating costs and in some instances to offset rising tuition:

- Alabama Educational Grant Program (also known as the Alabama Student Grant Program)
- Alabama National Guard Educational Assistance Program
- Police Officer and Firefighter's Survivors Educational Assistance Program
- Alabama Math and Science Teacher Education Program (AMSTEP)
- Birmingham Promise Scholarship Program
- Southern Regional Educational Board (SREB)
- Network of Alabama Academic Libraries (NAAL)
- Articulation and General Studies Committee / Statewide Transfer Articulation Reporting System (AGSC / STARS)
- Established Program to Stimulate Competitive Research (EPSCoR)

Level funding is being recommended for all other current items in ACHE's budget.

Alabama Commission on Higher Education

FY 2021-22 Budget Request

All Funds

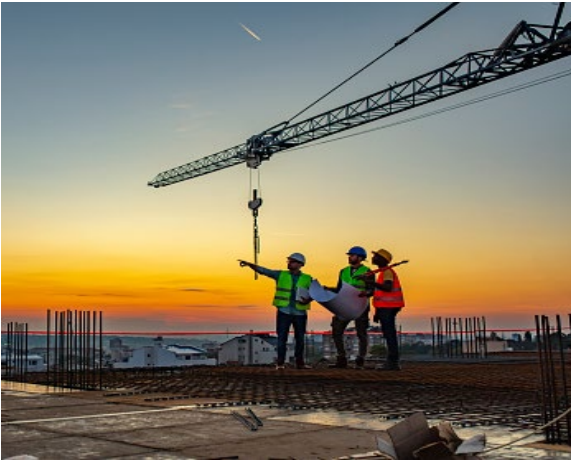
FUND CODE NO.	PROGRAMS AND ACTIVITIES	FY 2019-20 Actual	FY 2020-21 Budgeted	FY 2021-22 Request	Difference	
					Dollars	Percent
172	PLANNING AND COORDINATION SERVICES					
0144	Postsecondary Education (ACHE O&M)	\$ 3,217,287	\$ 3,979,645	\$ 4,099,218	\$ 119,573	3.00%
0322	Non-Resident Institutions Fees (Local Funds - Fees)	53,562	236,239	236,239	0	0.00%
1323	NC-SARA Fees (Local Funds - Fees)	53,958	200,000	200,000	0	0.00%
1151	Lumina Equity Leadership Acceleration Grant	50,000				
1152	Credential Engine Registry	24,909				
	TOTAL	3,399,716	4,415,884	4,535,457	119,573	2.71%
153	STUDENT ASSISTANCE					
0121	Alabama Student Assistance Program	5,198,941	6,096,161	7,277,225	1,181,064	19.37%
0122	Alabama Educational Grants Program	6,446,923	7,065,328	7,277,225	211,897	3.00%
0124	Alabama National Guard Educational Assistance Program	4,756,804	5,060,295	5,212,335	152,040	3.00%
0794	Police and Firefighter's Survivors Tuition Program	172,266	431,734	444,700	12,966	3.00%
1137	Alabama Math and Science Teacher Education Program	197,705	725,000	746,750	21,750	3.00%
1161	Birmingham Promise Scholarship Program		750,000	772,500	22,500	3.00%
1178	Student Financial Aid Study			80,000	80,000	
	TOTAL	16,772,639	20,128,518	21,810,735	1,682,217	8.36%
152	SUPPORT OF OTHER EDUCATIONAL ACTIVITIES					
0109	Southern Regional Education Board	656,214	656,214	675,900	19,686	3.00%
0118	Network of Alabama Academic Libraries	238,688	368,168	379,201	11,033	3.00%
0107	AGSC/STARS	393,065	393,069	404,875	11,806	3.00%
0116	Established Program to Stimulate Competitive Research	1,195,373	1,205,059	1,241,211	36,152	3.00%
1175	Retain Alabama			725,000	725,000	
PEFU	Performance Funding			10,000,000	10,000,000	
1176	Higher Education Micro-Credential Fund			5,000,000	5,000,000	
1177	Alabama College Network			60,000	60,000	
1174	Industry Credential Directory			100,000	100,000	
	TOTAL	2,483,340	2,622,510	18,586,187	15,963,677	608.72%

**Alabama Commission on Higher Education
FY 2021-22 Budget Request
All Funds**

Continued

FUND CODE NO.	PROGRAMS AND ACTIVITIES	FY 2019-20 Actual	FY 2020-21 Budgeted	FY 2021-22 Request	Difference	
					Dollars	Percent
151	SUPPORT OF STATE UNIVERSITIES					
0800	Alabama Agricultural Land Grant Alliance	5,516,282	5,616,284	5,616,284	0	0.00%
189	SUPPORT OF STATE PROGRAMS					
0306	Resource Conservation & Development Program (RC &D)	2,637,743	3,137,745	3,137,745	0	0.00%
0307	Soil and Water Conservation Committee Program	1,923,376	2,123,376	2,123,376	0	0.00%
0308	Alabama Forestry Foundation Black Belt Initiative	306,998	307,002	307,002	0	0.00%
0315	Alabama Black Belt Adventures	299,999	300,001	300,001	0	0.00%
0316	Alabama Black Belt Treasures	259,999	260,001	260,001	0	0.00%
1110	Humanities Foundation	180,000	100,000	100,000	0	0.00%
0318	Alabama Civil Air Patrol	100,000	100,000	100,000	0	0.00%
0319	National Computer Forensics Institute	250,000	250,000	250,000	0	0.00%
0320	Adaptive Sports Scholarship	59,999	60,001	60,001	0	0.00%
0324	Motorsports Hall of Fame	200,000	200,000	200,000	0	0.00%
1327	Alabama Trails Foundation	195,000	195,001	195,001	0	0.00%
1140	Forestry Commission Education Program	199,999	200,001	200,001	0	0.00%
1141	Alabama Recruit and Retain Minority Teachers Pilot	499,998	700,001	700,001	0	0.00%
1157	Best and Brightest STEM Program	240,000				
1162	AKEEP - Education and Teacher Recruitment Partnership		100,000	100,000	0	0.00%
	TOTAL	7,353,111	8,033,129	8,033,129	0	0.00%
340	DEFERRED MAINTNENACE					
1142	Deffered Maintenance	4,000,000				
352	CORONAVIRUS RELEIF FUND					
2033	Covid-19 State Agencies Funds	1,223				
355	CORONAVIRUS RELEIF FUND					
2033	Covid-19 State Equipment Funds	15,126				
	GRAND TOTAL	\$ 39,541,437	\$ 40,816,325	\$ 58,581,792	\$ 17,765,467	43.53%

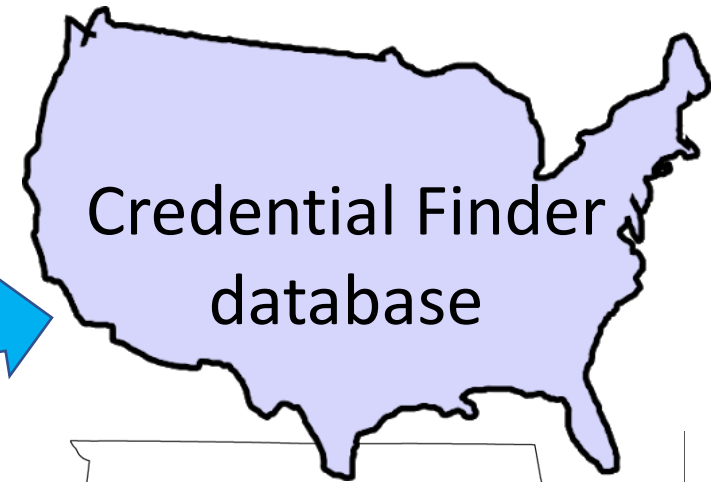
Credential Directory (\$100,000)



- Catalogs Alabama's workforce-oriented training opportunities
- Credentials will include credit and non-credit training offered by businesses, industry trade groups and Alabama's colleges and universities

Industry Credential Directory (\$100,000)

Alabama Credential Registry



Alabama
Committee on
Credentials
and Career
Pathways
(**ACCCP**)

Determine Credentials
of Value to Alabama

Credential Provider



Association

UNION

Retain Alabama (\$725,000)

Retain Alabama

An initiative to retain the talent created by Alabama's public universities in support of Alabama's communities and economy.

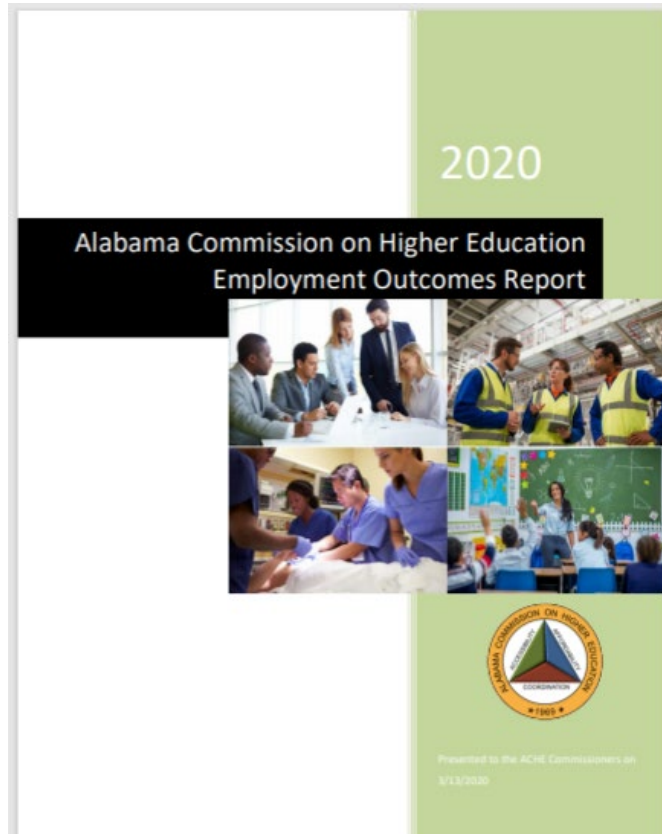
THE RETENTION PROBLEM

Forbes has ranked Alabama the **nation's third worst** at retaining its college graduates.

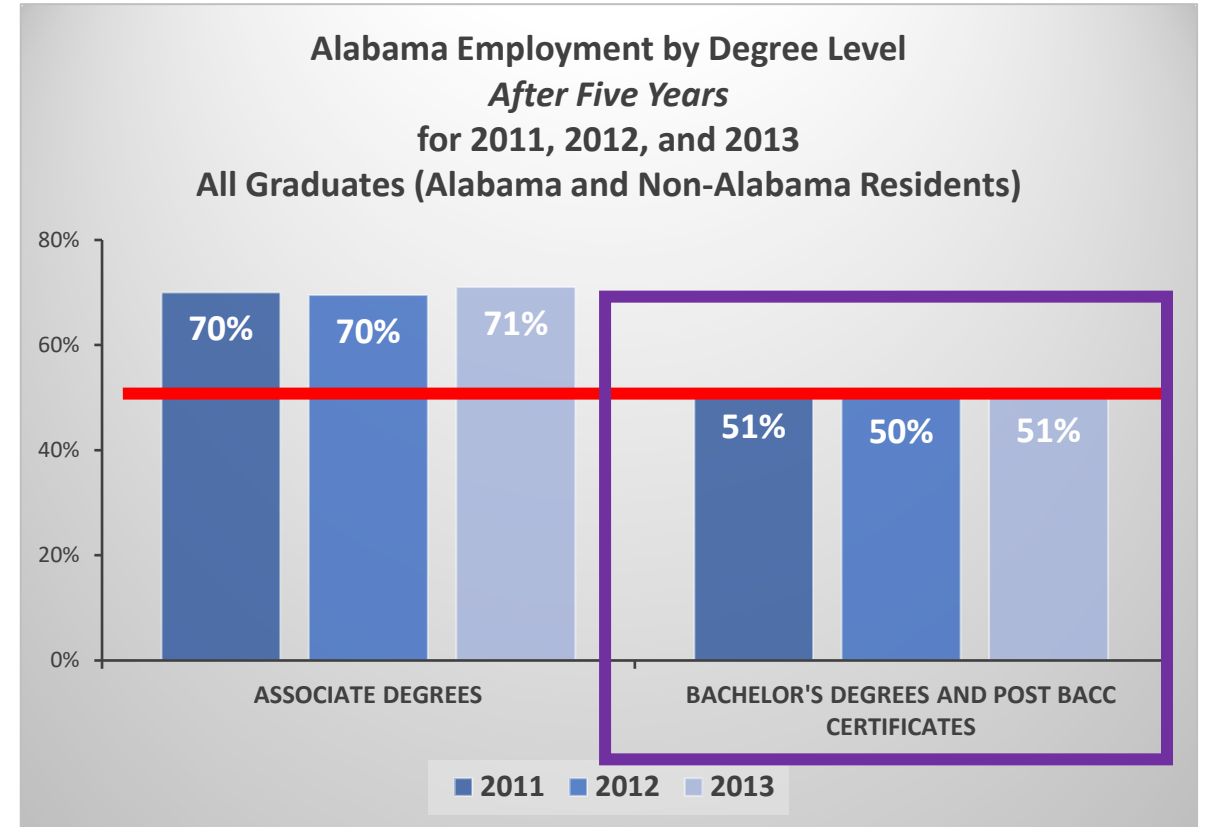
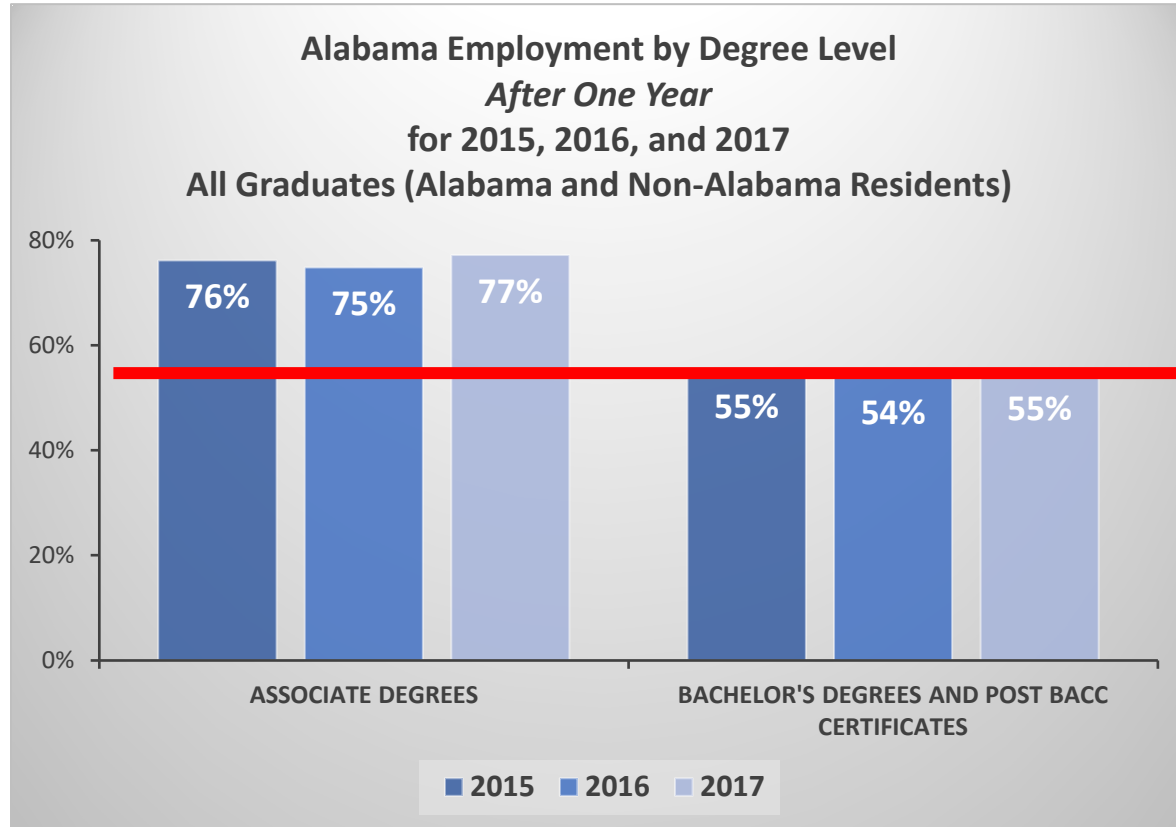
Source: The Wall Street Journal
Forbes Magazine

StrategyWise Innovation & Entrepreneurship Report for EDPA

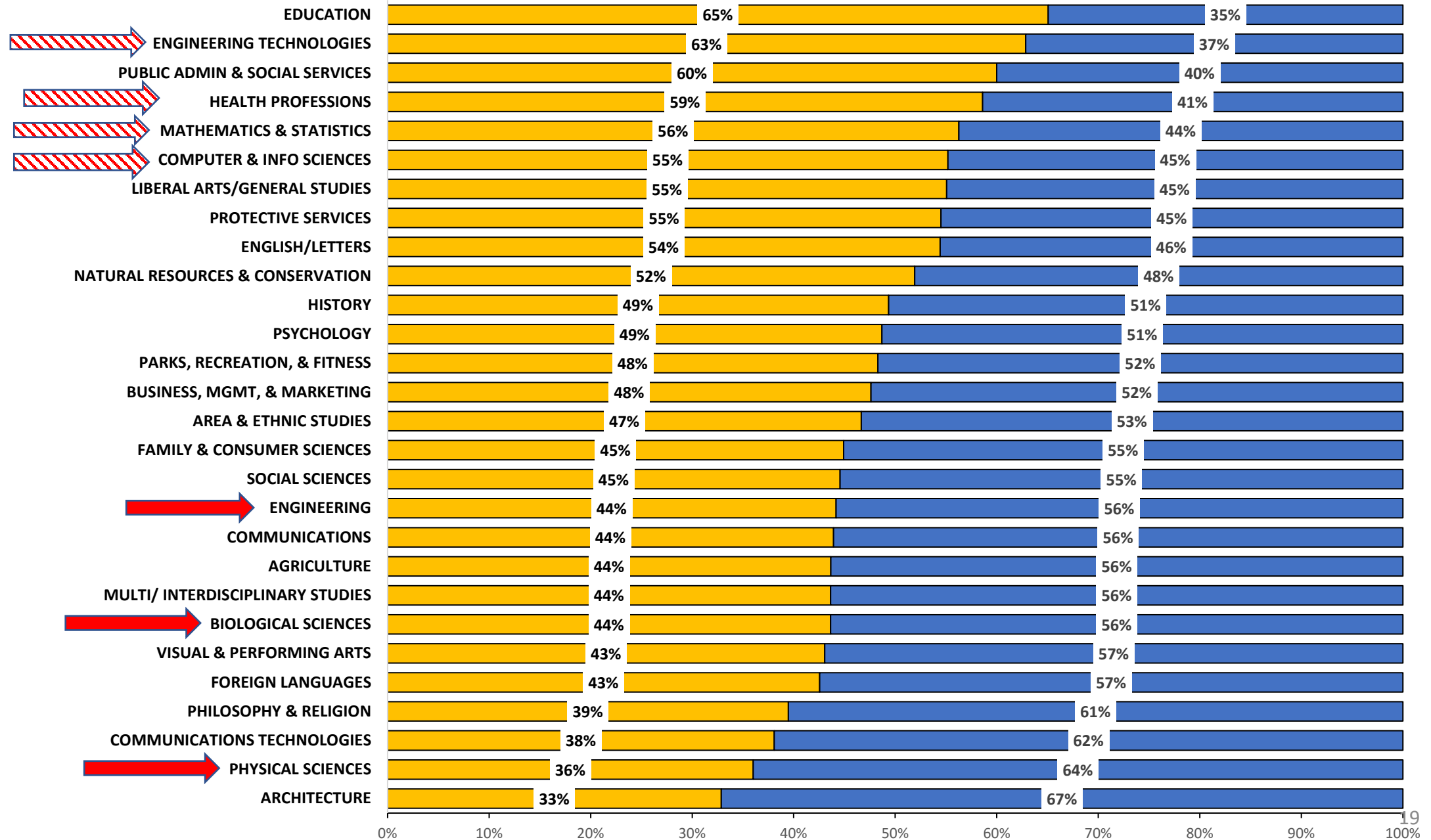
- Although 2 out of 3 in-state students are in the workforce one year after graduation, the retention of recent Alabama graduates is low compared to other states.
- **Only 1 in 5 out-of-state students are found in Alabama's workforce one year after graduation.**



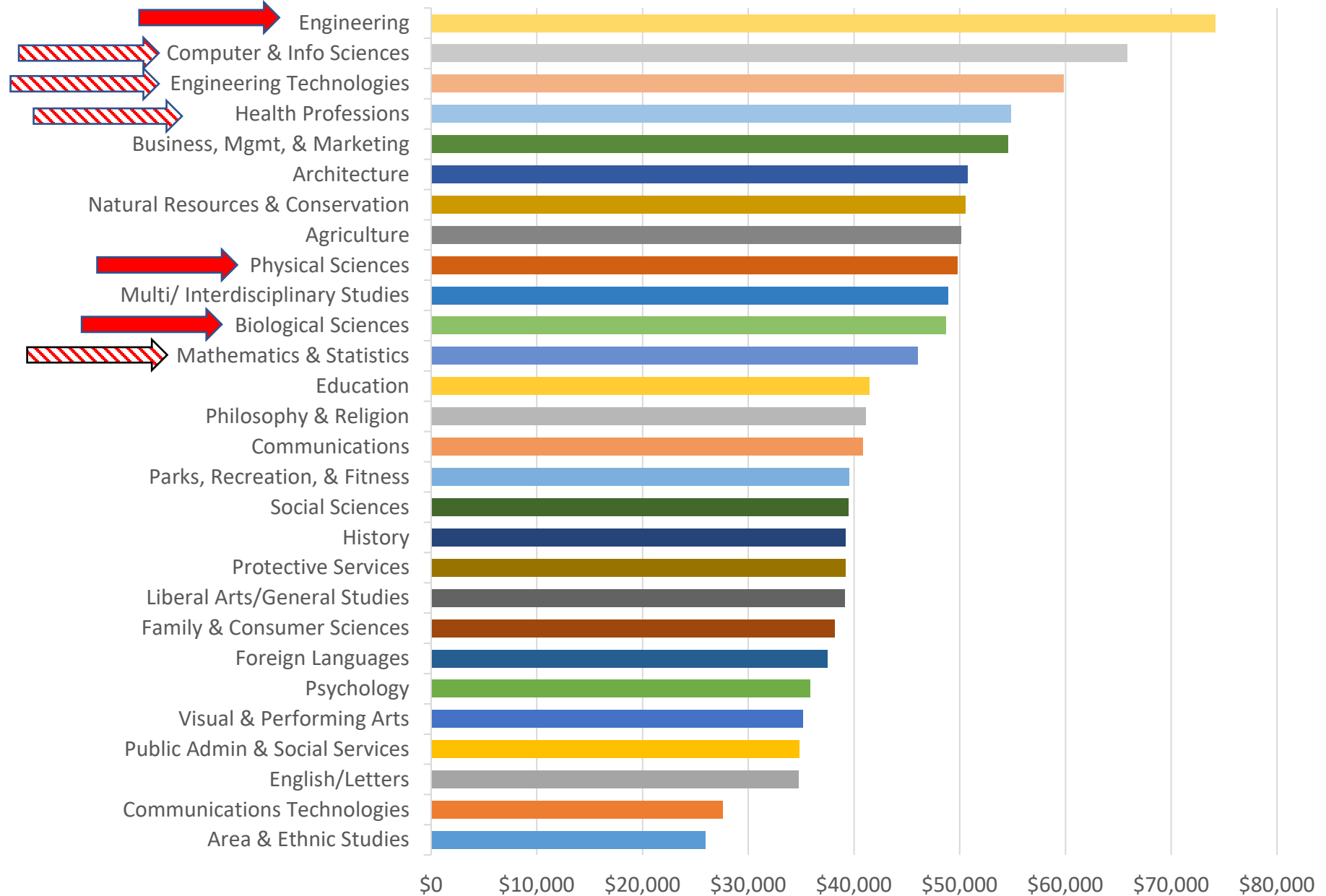
Employment Outcomes Report



**Alabama Employment by Field of Study
After Five Years
for 2013 Bachelor's Degree and Post Bacc. Certificate Recipients**



Average Salaries by Field of Study
After Five Years
2013 Bachelor Degree Recipients



Alabama's Skills Gap

Marginal Population Growth (<1%)

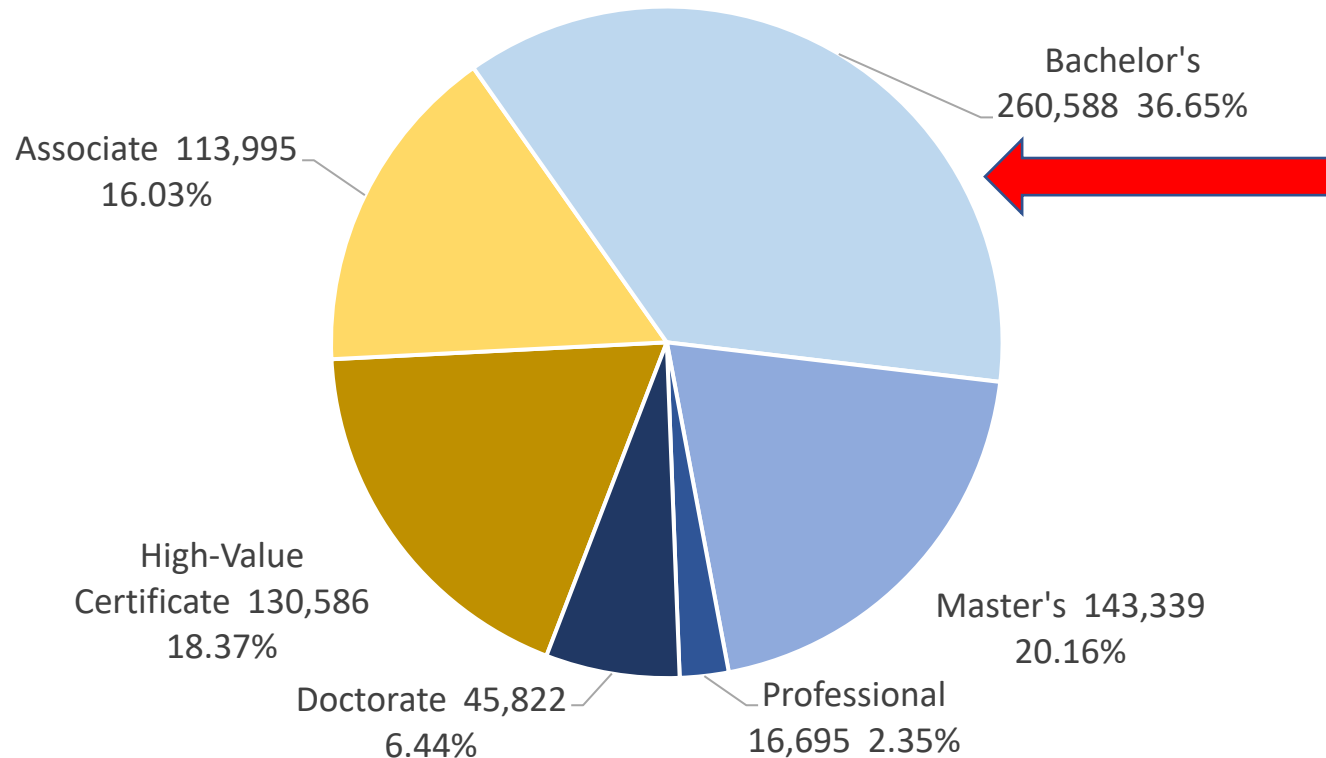
LARGE job growth by 2040 (9.4%)



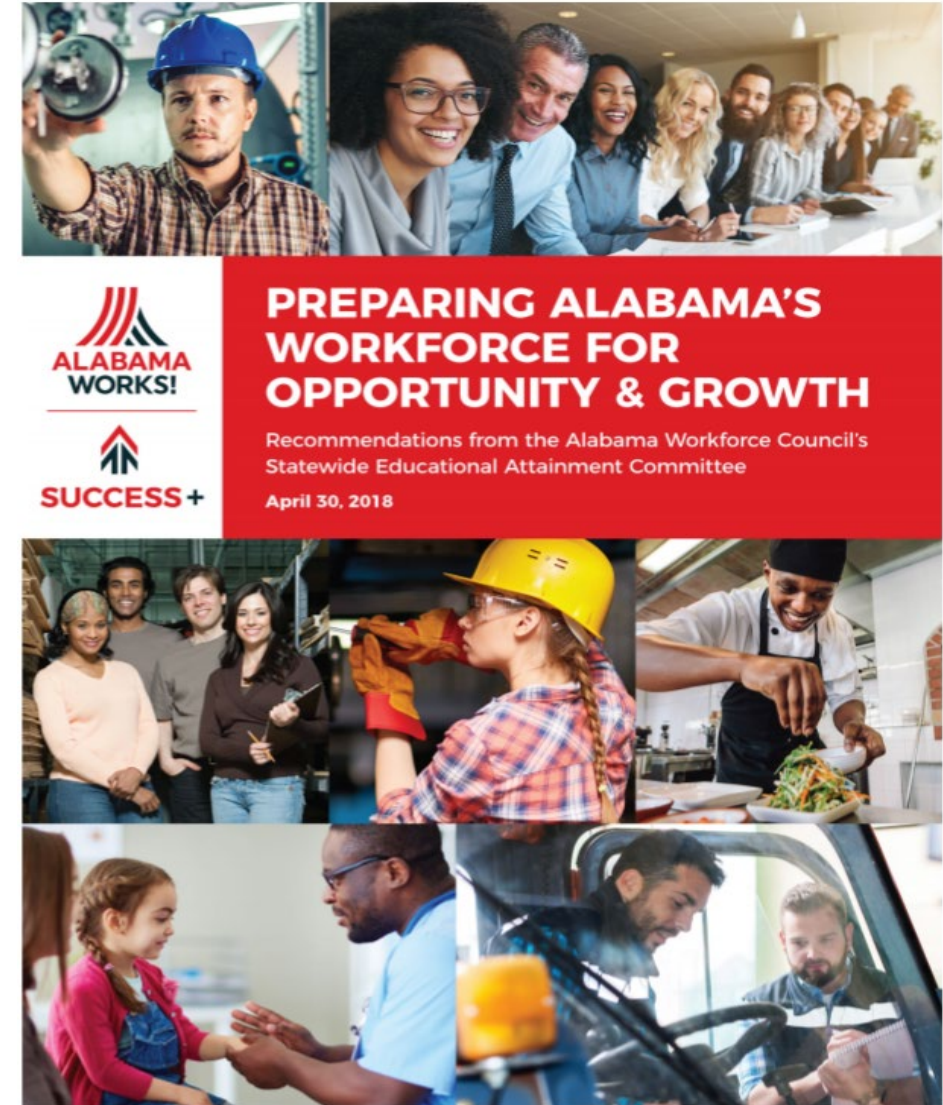
**Are We Going To Take
Advantage Of This
Small Window Of
Opportunity
For Change?**

TALENT RETENTION PRIORITIES DIRECTED BY THE DATA

500,000 Credentials Needed by 2025



2/3 of the jobs predicted to be needed in Alabama by 2025 will require a University degree

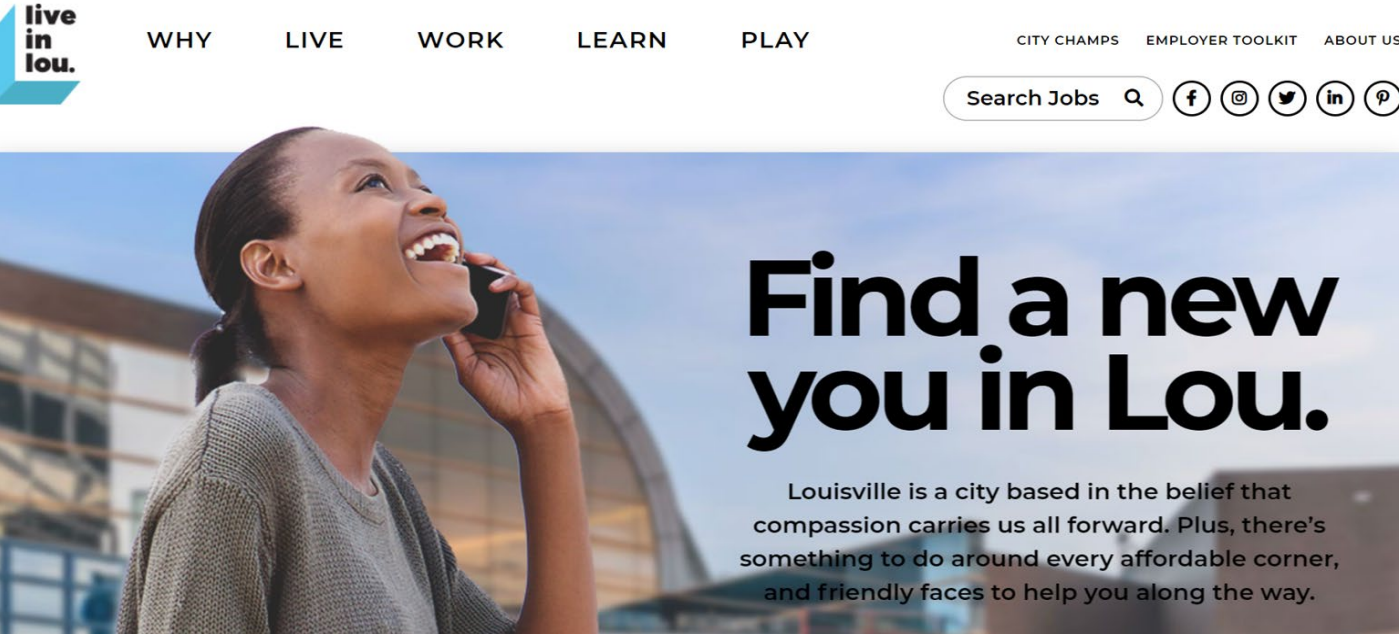


Source: [Alabama Workforce Council](https://alabamaworks.com/successplus/)
<https://alabamaworks.com/successplus/>

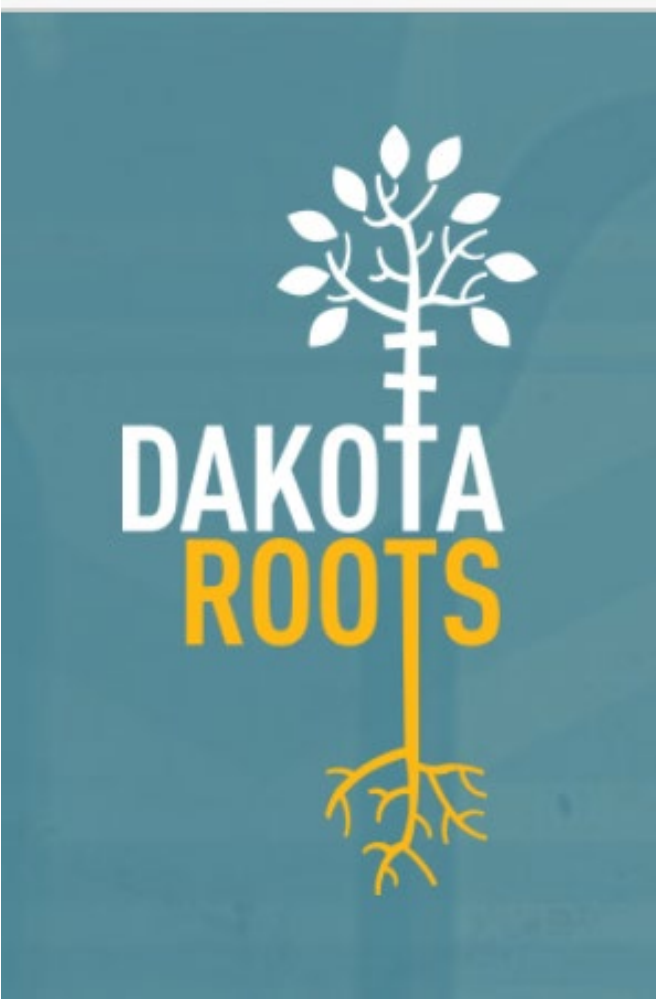
Future Retain Alabama Initiatives (*if funded*)

- Digital marketing strategy targeted to soon-to-be graduates
- Statewide job search /resource web portal targeted specifically to university graduates
- Promotional materials about Alabama and career opportunities
- Expanded internship/work opportunities for students
- Enhanced Campus Career Services Events --Job Fairs, Corporate-Speaker events and other support for Career Center efforts
- Sponsor Opportunities for students to visit communities and discover career opportunities and their future hometown

Branded Web page



stayworkplay
NEW HAMPSHIRE



Corporate-Speaker events and support for Career Center efforts



- **Expose corporate leaders** to students by asking them to speak at campus events to promote Alabama industry and perspectives on the future.
- **Offer soon-to-be graduates** career exploration and soft skill training for students in targeted fields.



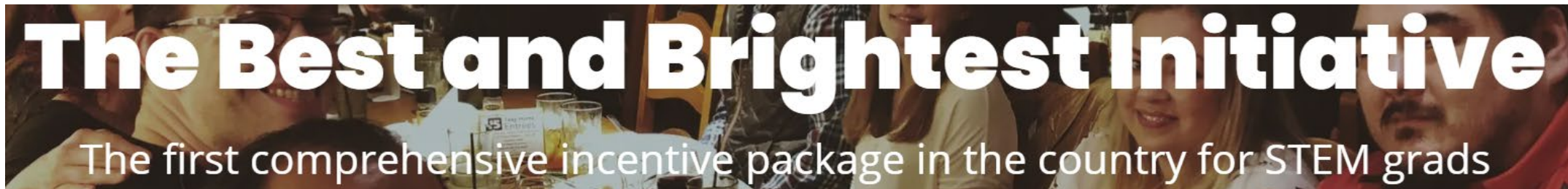
RETAIN ALABAMA OPPORTUNITY TREKS



Locally developed effort in Decatur
Similar one funded by legislature for Marengo County

Expose **graduating Seniors**
in high-demand fields to invitation-only jobs fairs and community open houses in select cities around the state.

- Target students according to job opportunities in those communities.
- Involve local communities in hosting and event planning.



TALENT INCENTIVE

In addition to \$10,000, incentive recipients will be gifted a street or mountain bicycle to help you take advantage of the 162 miles of paved trails, the 37-mile Razorback Regional Greenway and the 322 miles of world-class mountain biking trails that has made outdoor enthusiasts flock to the area. Alternatively, participants can choose an annual membership to one of our world-class arts and cultural institutions.

Higher Education Micro-Credential Fund (\$5 million)



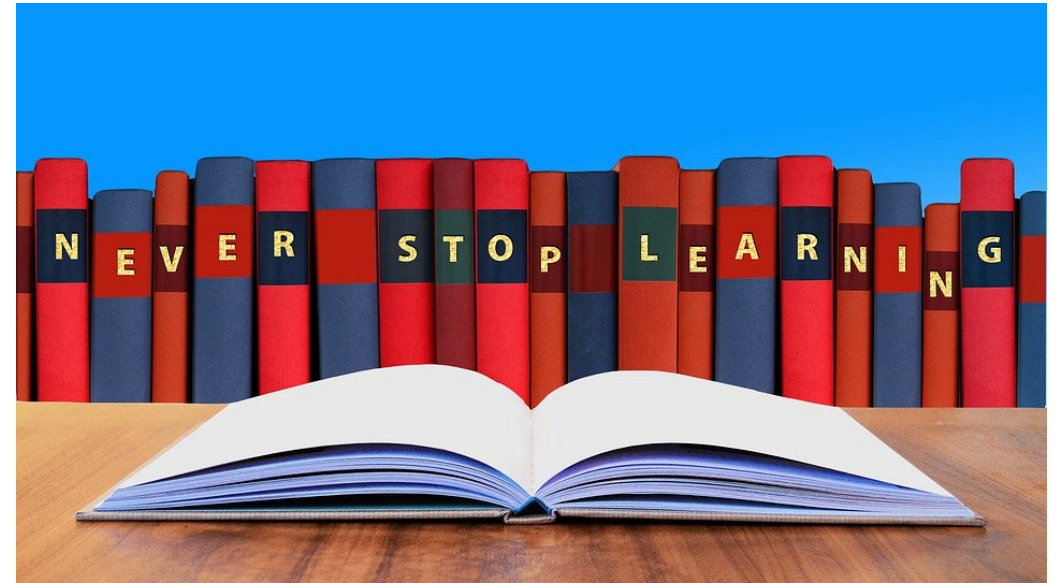
- Support the development of short-term certificates at Alabama's colleges and universities that lead to industry-recognized credentials.
- Can be incorporated into existing academic and vocational programs or serve as a stand-alone curriculum.

Performance Funding (\$10 million)



- Rewards colleges and universities that show improvement on student outcomes.
- Emphasis will be placed on degree production and other measures of student success.
- Public university performance funding metrics are being developed by a taskforce of campus leaders, HCM Strategists, legislative staff and ACHE.

Alabama College Network (\$60,000)



Knowledge is POWER

- Assist adults beginning or returning to college.

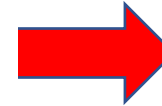
Student Financial Aid Assistance Study (\$80,000)



ALABAMA FINANCIAL AID ASSISTANCE STUDY **2020-2021 STUDENT APPLICATION**

1. Social Security Number _____ 2. Name _____
3. Birth Date _____ 4. Business Phone _____ 5. Home Phone _____
6. Mailing Address _____
7. College or University attending or planning to attend in 2020-2021 _____
8. Field of Study for 2020-2021 _____ 9. Student Number (if known) _____
10. Are you enrolled or accepted for enrollment as at least a half-time student in a program of at least 6 months duration? ☐ Yes ☐ No
11. Will you be enrolled in a course of study leading to a degree in theology, divinity, or other field of preparation for a religious vocation? ☐ Yes ☐ No
12. Are you a high school graduate, or have you obtained the recognized equivalence? ☐ Yes ☐ No
13. Are you a citizen of the U.S. or in the process of becoming a citizen of the U.S.? ☐ Yes ☐ No
14. Have you been a resident of the State of Alabama for the last 12 months? ☐ Yes ☐ No
15. Have you previously received a bachelor's degree or its equivalence? ☐ Yes ☐ No

INSTITUTIONAL DATE STAMP



- Assess the effectiveness of public financial aid in Alabama.
- Will update a study from a decade earlier showing how to best utilize limited state financial resources for optimum return on the investment.

New Program Requests for FY 2021-22

1. Industry Credential Directory (\$100,000)
2. Retain Alabama (\$725,000)
3. Higher Education Micro-Credential Fund (\$5,000,000)
4. Performance Funding (\$10,000,000)
5. Alabama College Network Support (\$60,000)
6. Student Financial Aid Study (\$80,000)

It is important to note that nearly all of these requested funds will be going to the institutions to support specific efforts to be conducted on the campuses.

More information on ACHE initiatives:

- Workforce Profiles <https://alabamaworks.com/regionalprofiles/>
- Accountability <https://ache.edu/Accountability.aspx>
 - Student enrollment, retention and graduation rates
 - Institutional financial health and stability
 - Institutional expenses and revenues
 - Academic program vitality report
 - Employment outcomes report
- High School Feedback reports https://ache.edu/ACHE_HS_Charts.aspx
Attendance, preparation, retention and college graduation by HS and districts
- Alabama Credential Registry <https://credentials.ache.edu/>
- FAFSA Completion Project (Federal Aid) <https://fafsa.ache.edu/Data/Summary>
- Building Human Capital: The Educational Path to Alabama's Economic Success
https://ache.edu/ACHE_Reports/Reports/State_Plan/State_plan.pdf
- Institutional Student Profiles
 - https://ache.edu/ACHE_Reports/Reports/SDB_Reports/Profiles/2019-Profiles.pdf
 - https://ache.edu/ACHE_Reports/Reports/SDB_Reports/Maps/2019-County-Maps.pdf

