

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Wednesday, January 22, 2020

**TIME:** 8:00 A.M.

**PLACE:** Room C310

**MEMBERS PRESENT:** Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye

Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone

**ABSENT/  
EXCUSED:** None

**CONVENED:** **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) (Committee) to order at 8:00 a.m.

**AGENCY PRESENTATION:** **OFFICE OF THE STATE BOARD OF EDUCATION, Matt Freeman, Executive Director**

The State Board of Education (SBOE) has been established as one of 20 state departments. Multiple agencies and institutions have been assigned to the SBOE.

**AGENCY PRESENTATION:** **SCHOLARSHIPS & GRANTS, Matt Freeman, Executive Director, State Board of Education; Janet Jessup, Senior Budget & Policy Analyst, LSO**

The Scholarships and Grants program, administered by the Office of the State Board of Education, manages five scholarship and grant programs available to students attending postsecondary educational institutions in Idaho. Within the Special Programs budget, Scholarships and Grants receives the largest funding portion. In the current fiscal year, the number of Opportunity Scholarship applications significantly increased. There were over 8,000 eligible applicants; of those, 138 were adult learners. A net increase of 2,300 more scholarships were awarded in FY19.

FY 2019 Actual Expenditures: The Scholarships and Grants program underwent a small reversion in the General Fund, which is primarily the Opportunity Scholarship. Other reversions were consistent with previous years.

Performance Measures: The agency does not file a Performance Measure Report.

Comparative Summary: This outline illustrates a side-by-side analysis of the agency's request and the governor's recommendation. For the FY 2021, the governor recommended an appropriation of \$27,757,900.

FY 2020: Current year statewide adjustments recommended by the governor include the sick leave rate reduction.

**Mr. Freeman** responded to questions about streamlining the release of scholarship funding for recruiting intentions and for financially disadvantaged students. Community colleges have an open-access policy, and student enrollment deadlines are different than four-year institutions. The SBOE is trying to strike a balance with application deadlines. Mr. Freeman provided a breakdown of scholarship distributions among Idaho's universities and colleges—a total of \$20.8 million. Previous reports show a statistically significant difference in rate completion with students earning scholarship awards compared to general student population. The scholarship is a need- and merit-based award with GPA guidelines. Even with the inverse relationship between the economy and enrollment, it is expected that enrollment will increase directly with the availability of scholarships. Discussion ensued about degree completion and support services once a student is in the higher-ed pipeline. The SBOE has focused on and invested in student success strategies, and graduation rates have increased.

FY 2021: The only line item is the Governor's recommendation of \$7,000,000 ongoing from the General Fund to expand the Opportunity Scholarship to serve more eligible applicants. The Governor believes this line item will support the 60 percent goal, increase responsiveness of institutions to student needs, and address access and affordability. The current Opportunity Scholarship Program Fund balance is \$5,313,700. Current year statewide adjustments recommended by the governor include benefit costs, CEC, and budget law exemptions. See [Audio](#) and [Presentation](#).

**AGENCY PRESENTATION:** **SYSTEMWIDE PROGRAMS UNDER COMMUNITY COLLEGES, Executive Director, State Board of Education, Matt Freeman; Janet Jessup, Senior Budget & Policy Analyst, LSO**

Within the budget for community colleges, \$10,000 was taken from each community college and put into a system-wide program. Funds are used for the performance and upkeep of systemwide services that serve all Idaho community colleges. The SBOE administers the Community College Systemwide Program.

FY 2019 Actual Expenditures and Performance Measures: The program was just approved last year; therefore, there are no actuals or performance report.

Comparative Summary: The outline illustrates a side-by-side analysis of the agency's request and the governor's recommendations. For FY 2021, the governor recommends an appropriation of \$39,200.

FY 2020: One line item was the inclusion and transfer of \$10,000 per community college to the Systemwide Program. Current year statewide adjustments recommended by governor include the sick leave rate reduction and 1 percent onetime General Fund reduction.

FY 2021: Current year statewide adjustments recommended by governor include benefit costs, CEC, and the 2 percent ongoing General Fund reduction. See [Audio](#) and [Presentation](#).

**AGENCY PRESENTATION:** **NORTH IDAHO COLLEGE (NIC), Rick MacLennan, Institution President; Janet Jessup, Senior Budget & Policy Analyst, LSO**

The community college budget appropriated by the Legislature includes only the state support from the General Fund and an \$800,000 statutory distribution of liquor funds divided evenly among codified institutions. The Legislature does not appropriate local property tax revenues, student tuition and fees, county tuition, or other miscellaneous revenues. **President MacLennan** shared that North Idaho College (NIC) works directly with business and industry to meet local and regional labor demands in five northern counties. The governance model is unique, allowing NIC to create focused educational credentials that are a direct match for students, employers, and communities. A new shared-used building opened in September that stands as a welcome center for North Idaho's higher education corridor with the University of Idaho and NIC.

FY 2019 Actual Expenditures: Community colleges are governed by a local Board of Trustees that makes governing decisions. Appropriated legislative funding goes to the Board of Trustees for distribution and allocation.

Comparative Summary: The outline illustrates a side-by-side analysis of the agency's request and the governor's recommendation. FY 2021 the governor recommends an appropriation of \$12,636,700, a 2 percent decrease for NIC.

FY 2020: Line items included occupancy costs to NIC and \$10,000 from each community college for systemwide costs. Current year statewide adjustments recommended by the governor include the sick leave rate reduction and 1 percent onetime General Fund reduction.

FY 2021: Line items include a PC fund shift of \$650,600 from local funds to the General Fund to be used for anticipated increases in health benefit costs and CEC, which are not recommended by the governor. Pursuant to the enrollment workload adjustment (EWA) formula, the nondiscretionary adjustment request includes a decrease of \$146,900 for North Idaho College. The governor did not recommend the second half of occupancy costs for the North Idaho Collaboration Education Facility, which is additional funding for past occupancy cost requests. The governor recommends the SBOE reexamine the process and funding of occupancy costs. Recommended current year statewide adjustments include benefit costs, CEC, and the 2 percent ongoing General Fund reduction. See [Audio](#) and [Presentation](#).

**AGENCY**

**PRESENTATION:**

**COLLEGE OF SOUTHERN IDAHO (CSI), Jeff Fox, Institution President; Janet Jessup, Senior Budget & Policy Analyst, LSO**

CSI is formed by the taxing district of Twin Falls and Jerome counties. **President Fox** shared that the Gang of Eight, Idaho's higher-education presidents, have come together in a new atmosphere of collaboration of leadership to talk about better serving the continuum of education in Idaho at the postsecondary level.

CSI is responding to the educational needs of the region. CSI generated the first ever Idaho community college baccalaureate degree, an applied technical bachelor's degree in food processing and manufacturing. This degree is in response to the needs of business and industry partners in the Magic Valley. The Idaho Power Apprenticeship Program allows CSI to work with prior learning credit for Idaho Power's internal education. Working with local school districts, CSI has increased enrollment five-fold in an alternate authorization for teacher education where CSI provides the necessary pedagogical training and apprenticeship modules. Based on a SBOE report, the region has suffered high turnover of first-year teachers who leave the profession. CSI is offering high school populations (not traditionally going on to postsecondary

education/training) an innovative program where school districts, CTE programming at CSI, and business are combining all efforts to help high school students earn college credit via working in apprenticeship models at regional businesses.

FY 2019 Actual Expenditures: Community colleges have their local Board of Trustees that makes governing decisions. Appropriated legislative funding goes to the Board for distribution and allocation.

Performance Measures: CSI uses data-informed decisions to improve processes. CSI improved its under 50 percent time of graduation (within three years), though most community college students attend part time. This is a 61 percent improvement. Math and English remediation success shows over 100 percent increases in the past five years. Workforce completions are up to nearly 10,000 completions for various ad hoc training with Magic Valley industries. In response to **Rep. Kauffman's** question about keeping up with technology infrastructure demands, **President Fox** said that CSI is struggling with current technology maintenance.

Comparative Summary: The outline illustrates a side-by-side analysis of the agency's request and the governor's recommendation. FY 2021 the governor recommends an appropriation of \$14,723,700, a 0.7 percent increase.

FY 2020: Line items included the transfer of personnel dollars from CSI to the College of Eastern Idaho (CEI) for personnel that was initially housed at CSI serving CEI students. Once CEI commenced operations, personnel moved services to Idaho Falls. Also included were occupancy costs of \$10,000 from each community college for systemwide costs. **President Fox** discussed CSI's intensive wellness program in partnership with insurer to make CSI a wellness community and bring down health insurance costs. Current year statewide adjustments recommended by the governor include the sick leave rate reduction and the 1 percent onetime General Fund reduction.

FY 2021: Line items include a PC fund shift from local funds, a \$560,600 increase for CSI that was not recommended by the governor. The governor recommends \$6,700 ongoing from the General Fund for half of the Veterinary Technology Building occupancy costs. Pursuant to the enrollment workload adjustment (EWA) formula, the nondiscretionary adjustment request includes an increase of \$258,600 for the College of Southern Idaho. Current year statewide adjustments recommended by the governor include benefit costs, CEC, and the 2 percent ongoing General Fund reduction. See [Audio](#) and [Presentation](#).

**AGENCY  
PRESENTATION:**

**COLLEGE OF WESTERN IDAHO (CWI), Bert Glandon, Institution  
President; Janet Jessup, Senior Budget & Policy Analyst, LSO;**

The taxing district includes Ada and Canyon counties. **President Glandon** shared that CWI initiated a fire training and safety program, the first of its kind in the Treasure Valley, and a new nursing program. Both programs have 100 percent graduation and placement rates. CWI is experiencing reasonable, predictable growth of around 5 percent. Amazon and several major companies have chosen to locate in Nampa, which will impact enrollment as well as create competitive employee hiring retention challenges. CWI has experienced a bond failure and a levee failure. The college is working on program delivery using different modalities without physical facilities.

FY 2019 Actual Expenditures: Community colleges have their local Board of Trustees that makes governing decisions. Appropriated legislative funding goes to the Board for distribution and allocation.

Performance Measures: **President Glandon** provided no comment.

Comparative Summary: The outline illustrates a side-by-side analysis of the agency's request and the governor's recommendation. FY 2021 the governor recommends an appropriation of \$16,166,600, a 2 percent decrease from original appropriation.

FY 2020: Current year statewide adjustments recommended by the governor include the sick leave rate reduction (\$600 less than listed in Legislative Budget Book) and a 1 percent onetime General Fund reduction. Responding to committee questions about faculty pay, **President Glandon** indicated that adjuncts earn about \$1000 per credit and full-time faculty annual pay starts at \$45,000. Most hires have a master's degree. CWI is expected to cut personnel next year and will review outsourcing responsibilities. CWI is addressing capacity issues; the biggest growth area in modality is hybrid classes, which makes classroom space more available. A dual credit program costs \$75 and a traditional credit costs \$139. Relating to cybersecurity programs, CWI is engaged in a partnership conversation with business and industry.

FY 2021: Current year statewide adjustments recommended by the governor include benefit costs, CEC, and the 2 percent ongoing General Fund reduction. Pursuant to the enrollment workload adjustment (EWA) formula, the nondiscretionary adjustment request includes an increase of \$823,600 for the College of Western Idaho. Related to the enrollment workload adjustment, which is a three-year rolling average of the weighted credit hours at the institution, the governor recommended an increase of \$823,600. See [Audio](#) and [Presentation](#).

**AGENCY  
PRESENTATION:**

**COLLEGE OF EASTERN IDAHO (CEI), Rick Aman, Institution President;  
Janet Jessup, Senior Budget & Policy Analyst, LSO**

The College of Eastern Idaho (CEI) is the newest Idaho community college and is located in Idaho Falls. **President Aman** discussed six points about the new community college: 1) College transfer degrees are critical. In combination with dual credit, it's important to enroll graduating seniors and move them through the two-year process rapidly, and ultimately create a seamless transfer to Idaho university partners. 2) Health professions are a focus of the college with enrollment increases, 100 percent pass rate, and 98 percent positive placement. 3) CEI is collaborating with other institutions on cybersecurity, information technology, and network technology. 4) CEI is working with the Idaho National Lab on energy technologies. 5) Workforce training is a primary focus. 6) Online delivery is an essential teaching modality. CEI tuition costs are the lowest in Idaho. Student enrollment in 2017/2018 was 1,300; 2019/2020 enrollment is 2,330.

FY 2019 Actual Expenditures: Community colleges have their local Board of Trustees that makes governing decisions. Appropriated legislative funding goes to the Board for distribution and allocation.

Comparative Summary: The outline illustrates a side-by-side analysis of the agency's request and the governor's recommendation. FY 2021 the governor recommends an appropriation of \$5,419,000, a 2 percent decrease from original appropriation.

FY 2020: CEI had two line items including personnel costs being transferred from CSI to CEI and a onetime appropriation from the Higher Stabilization Fund for instructional equipment. CEI recently opened the Yellowstone Building, half of which is dedicated to cybersecurity and the other half for workforce development. Current year statewide adjustments recommended by the governor include the sick leave rate reduction (\$11,100, less than listed in Legislative Budget Book) and a 1 percent onetime General Fund reduction.

**Rep. Anderson** asked about the construction of two buildings on the INL campus with the purpose of interfacing with higher education. CEI will be listening to lab directors for guidance and will build programs around INL needs in collaboration with Idaho universities. **Rep. Horman** commented on the key role of industry and education and the contribution they make to the collaborative environment that exists in higher education.

FY 2021: Current year statewide adjustments recommended by the governor include benefit costs, CEC, and the 2 percent ongoing General Fund reduction. See [Audio](#) and [Presentation](#).

**ADJOURN:** There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 10:36 a.m.

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Representative Youngblood  
Chair

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Jenny Miller  
Secretary