



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #861

### System Office General Operations (Wisconsin Technical College System)

[LFB 2023-25 Budget Summary: Page 698, #8]

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#### CURRENT LAW

An administrative staff of 55.00 full time equivalent (FTE) positions is authorized for the Wisconsin Technical College System (WTCS) Board, including 26.25 GPR positions, 23.75 FED positions, and 5.00 PR positions. In 2022-23, \$3,015,500 GPR and \$3,851,800 FED is appropriated for general program operations for the Board.

#### DISCUSSION POINTS

1. WTCS is responsible for providing occupational education and training programs, including apprenticeships, to enable residents to obtain the knowledge and skills necessary for employment, and for providing customized training and technical assistance to businesses and industry to advance economic development and employment opportunities. WTCS staff are responsible for approving programs and courses at the 16 technical colleges, overseeing facility development, distributing state aid, administering state and federal grant programs, establishing systemwide policies, coordinating with other educational and government entities, ensuring compliance with state and federal rules and regulations, and providing other leadership and coordination services to the technical colleges.

2. In its agency budget request, WTCS requested an increase of \$500,000 GPR annually for general program operations to fund information technology infrastructure and security needs for the System Office. WTCS indicated that ongoing data maintenance and protection costs have increased. At the same time, demands for greater transparency and access to data, as well as the frequency and consequences of cybersecurity threats, have grown. WTCS indicated that the funds would be used for essential data systems, primarily Tableau, which is an interactive data visualization software used to perform analyses and inform policy and decision making, and data security upgrades.

3. WTCS also requested to delete 3.0 FED positions and \$375,000 FED in annual funding and provide 3.0 GPR positions and \$375,000 GPR in annual funding to address a shortfall in revenues for federally-funded positions. WTCS indicated that increasing costs for supplies and services, which other than rent are not included in standard budget adjustments, have contributed to this shortfall, as well as general wage adjustments for state employees without corresponding increases in federal funding.

4. The Legislature approved general wage adjustments of 2.0% for most state employees in each of the past six years. When general wage adjustments are provided, they generally apply to state-authorized positions of all fund sources. Additional GPR is provided to fund the adjustment for GPR positions, but the federal government does not provide additional funding for wage adjustments provided by the Legislature. In its request document, WTCS indicated that costs for salary and fringe benefits for federally-funded positions increased by \$633,000 since the 2013-15 biennium, primarily due to the general wage adjustments, and that over that same period, federal funding available for operations increased by \$326,300. WTCS indicated that it expected the shortfall to grow with additional employee wage adjustments effective January, 2023, and that to make up for this, the System Office reallocated funding and held 3.0 FTE positions vacant. The duties of the vacant positions include course and curriculum approval, grant management, and coordination with educational partners.

5. The System Board's GPR general program operations appropriation has not been increased, other than standard budget adjustments, in more than 20 years. The appropriation was subject to a number of across-the-board reductions in the 2000s, and the amount appropriated in 2023-24 (\$3,015,500) is less than the amount that was appropriated in 2002-03 (\$3,237,000).

6. The Board's number of authorized positions has also decreased. The table shows the number of budgeted FTE positions for WTCS by fund source in each biennium since 2009-11. WTCS positions decreased by 33.2% between 2009-11 and 2017-19, from 82.30 to 55.00, with the largest decrease occurring in federally funded positions in 2011-13. The total number of FTE positions has remained unchanged since 2017-19.

**WTCS Budgeted FTE Positions by Biennium  
2009-11 to 2021-23**

	<u>GPR</u> <u>Positions</u>	<u>FED</u> <u>Positions</u>	<u>PR</u> <u>Positions</u>	<u>Total</u> <u>Positions</u>	<u>Percent</u> <u>Change</u>
2009-11	30.25	36.85	15.20	82.30	--
2011-13	23.25	28.75	11.00	63.00	-23.5
2013-15	23.25	28.75	11.00	63.00	0.0
2015-17	23.25	26.75	11.50	61.50	-2.4
2017-19	23.25	26.75	5.00	55.00	-10.6
2019-21	23.25	26.75	5.00	55.00	0.0
2021-23	23.25	26.75	5.00	55.00	0.0

7. WTCS indicated that in the past decade, its System Office staff have taken on additional

initiatives, funded in part with \$1 million in private grant funds. These initiatives include the establishment of data visualization dashboards, creation of a student success center to increase completion rates, provision of mentoring and coaching to the technical colleges, and software maintenance and modernization. WTCS indicated that other activities System Office staff have completed in the past decade include grant evaluation processes, expanding dual enrollment options for high school students and transfer and articulation agreements with the University of Wisconsin System and other partners, increasing data security, restructuring credential and apprenticeship programs, and providing emergency grants to reduce financial barriers.

8. Assembly Bill 43/Senate Bill 70 would provide an increase of \$875,000 GPR annually. The bill would also delete \$375,000 FED annually and convert 3.0 FTE positions from FED to GPR. The additional funding would allow WTCS to hire staff in the areas of curriculum development and grant management to fill the positions that have been held open due to lack of funding and to address information technology infrastructure and security needs. [Alternative 1]

9. If the Committee wishes to provide support for WTCS general operations at a reduced cost, the Committee could consider providing an increase of \$750,000 GPR annually, deleting \$250,000 FED annually, and converting 2.0 FTE positions from FED to GPR. [Alternative 2]

**ALTERNATIVES**

1. Provide \$875,000 GPR annually, reduce federal funding by \$375,000 annually, and convert 3.0 FTE positions from FED to GPR.

ALT 1	Change to Base	
	Funding	Positions
GPR	\$1,750,000	3.00
FED	<u>-750,000</u>	<u>-3.00</u>
Total	\$1,000,000	0.00

2. Provide \$750,000 GPR annually, reduce federal funding by \$250,000 annually, and convert 2.0 FTE positions from FED to GPR.

ALT 2	Change to Base	
	Funding	Positions
GPR	\$1,500,000	2.00
FED	<u>-500,000</u>	<u>-2.00</u>
Total	\$1,000,000	0.00

3. Take no action.

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