



Community/Technical College System
2023-25 Regular Budget Session
Policy Level - PA - Competitive Compensation

Agency Recommendation Summary

Average faculty and exempt staff salaries across Washington's community and technical colleges are consistently lower than peer states averages and in the K-12 system. The failure to remain competitive is resulting in difficulty recruiting and retaining faculty and staff. The State Board requests additional funding to increase faculty and administrative staff compensation by 6.5 percent each year. The salary increase will help recruitment to fill vacant positions, reduce turnover and improve retention. This in turn will positively impact colleges' staffing quality levels, student success and response to student needs.

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 001 - 1	\$51,325	\$105,986	\$157,311	\$105,986	\$105,986	\$211,972
Total Expenditures	\$51,325	\$105,986	\$157,311	\$105,986	\$105,986	\$211,972

Decision Package Description

Faculty and staff are the heart of our institutions and the foundation of student success. Resources are needed to improve colleges' competitiveness in the employment marketplace and assure students learn and receive support from outstanding faculty and staff.

This is especially important at community and technical colleges, which serve high numbers of first-generation and other underrepresented college students from Washington who not only need educational opportunities, but also individualized support to overcome life barriers that hold people back. Without a network of family and friends who have attended college before them, first-generation college students rely heavily on the high-touch connections faculty and staff create with students. Community and technical college graduates are key to meeting state and workforce needs and driving economic prosperity.

In recruiting and retaining faculty and staff, community and technical colleges vie with other colleges and universities, K-12 schools, and the private sector. When colleges try to fill positions, they are competing in an extremely tight labor market for talent needed to manage our institutions and move more students to completion. Approximately 89 percent of the state funding for our colleges supports salaries and benefits, demonstrating that human capital is one of our system's greatest assets.

Over the past 20 years, the Washington State Board for Community and Technical Colleges (SBCTC) has conducted multiple studies that indicate faculty and exempt staff compensation lags behind that of peer states. Updates to these studies show the disparity in compensation continues. Research conducted in 2008 showed that faculty salaries, adjusted for regional differences, were 12.7 percent lower than peer state averages. In 2014, salaries were 13.7 percent behind. In the most recent, 2018 study, faculty salaries were determined to be 12.4 percent less than peer states.

Since 2018, college faculty in nursing and other high demand programs have experienced salary increases, but the majority of college faculty have been left behind. This creates divisions and morale problems across all 34 colleges. The latest nationwide data available for 2020-21, reflect that our faculty are still lagging –14 percent behind the average salary of West Coast peers (Oregon, California, Arizona and Nevada).

In addition to trailing in compensation levels for faculty in other states, our average faculty salary is approximately 12 percent less than secondary teachers in Washington's public schools. In 2020-21, the base salary for a secondary teacher was \$80,958, while the average 2-year college faculty salary was \$72,508. There are similar gaps for exempt employees.

The persistent problem of lower salaries when compared to peers has caused dedicated faculty and staff to pursue new opportunities they might otherwise have ignored. When colleges lose such employees, they face a much higher compensation market in order to replace those individuals with others of equal talent. Loss of faculty can impact students by affecting the consistency in delivery of courses, mentoring, and advising. Failure to retain current employees results in additional costs, including the costs for advertising vacancies, interviewing candidates, inefficiencies that result from being understaffed, and losing institutional knowledge and expertise.

A competitive, living wage provides faculty and staff with something fundamental – the ability to work one job and get paid fairly for it. These salary increases would improve colleges' competitiveness in the employment marketplace and improve recruitment and retention. In order to catch up to peer states, this funding should be in addition to any general cost-of-living increase appropriated by the legislature.

We also request that any and all compensation increases be funded in full with Near-General Fund-State dollars. Colleges do not have sufficient tuition revenue to fill a compensation funding gap. Thus, a compensation increase without 100 percent funding would cause colleges to cut instructional programs and services to make up the difference. Without full funding, students would benefit from the retention of outstanding faculty and staff at the college, only to experience the downside of fewer programs and services.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request does not expand current programs or services, but helps colleges recruit to fill vacant positions, reduce turnover, and improve retention. This in turn will positively impact colleges' staffing quality levels, student success, and response to student needs.

Detailed Assumptions and Calculations:

FY 2022 is the "base year" on which to calculate the proposed FY 2024 and FY 2025 faculty and exempt staff salary increases. The salary increases below reflect a 6.5 percent increase each year. Salary-related benefits are calculated at 16 percent.

Please see the attached spreadsheet for detailed calculations supporting this request.

TOTAL SALARY & BENEFITS BY YEAR

Faculty	FY 2024	FY 2025
Salary	29,848,767	61,637,703
Benefits	4,771,214	9,852,557
Total	34,619,981	71,490,260
Exempt	FY 2024	FY 2025
Salary	14,404,636	29,745,573
Benefits	2,300,651	4,750,844
Total	16,705,287	34,496,417
Combined	FY 2024	FY 2025
Salaries	44,253,402	91,383,276
Benefits	7,071,865	14,603,401
Grand Total	51,325,268	105,986,677

Workforce Assumptions:

This request would increase salaries and associated benefits for full and part-time faculty and full and part-time exempt staff in the community and technical college system. Total salary and benefit amounts for faculty and exempt staff are listed in the detailed assumptions and calculations sections.

Strategic and Performance Outcomes

Strategic Framework:

Competitive compensation positively impacts a colleges' ability to retain excellent faculty and staff. For students, maintaining consistency in delivery of courses, mentoring, and advising, will help them stay in college, graduate, and enter the workforce and universities. This contributes to the Governor's Results Washington first goal: World-class education: Providing every Washingtonian a world-class education that prepared him or her for a healthy and productive life, including success in job or career, in the community and as a lifelong learner.

The 2020-30 Strategic Plan for the Washington State Board for Community and Technical Colleges begins with a vision: *"Leading with racial equity, our colleges maximize student potential and transform lives within a culture of belonging that advances racial, social, and economic justice in service to our diverse communities."*

Competitive compensation supports all three of the system's strategic goals:

1. Achieve educational equity for students who are historically underrepresented in higher education.
2. Improve completion rates for all enrolled students across all types of programs and credentials — workforce degrees, transfer degrees, certificates and apprenticeships.
3. Increase access and retention among populations who can benefit the most from college access. This includes young adults, working adults, low-income people, people of color, immigrants and single parents.

Performance Outcomes:

The requested compensation increase will support all community and technical college performance measures by attracting and retaining high-quality faculty and staff who will help ensure more students obtain a credential in a timely manner.

Equity Impacts

Community outreach and engagement:

N/A

Disproportional Impact Considerations:

N/A

Target Populations or Communities:

The gaps in educational attainment by race and economic status are well documented in Washington State. Community and technical colleges are the higher education sector serving the largest percentage of low-income, historically underrepresented students of color and first-generation students. Adequate compensation positively impacts a colleges' ability to maintain consistent staffing quality levels. This helps respond to student needs such as maintaining consistency in delivery of courses, mentoring and advising. This in turn helps students stay in school and on track.

Other Collateral Connections

Puget Sound Recovery:

This request is not related to Puget Sound recovery efforts.

State Workforce Impacts:

In order to catch up to peer states, this funding should be in addition to any general cost-of-living increase appropriated by the legislature.

Intergovernmental:

Other governmental entities, such as tribal, regional, county or city governments, are not impacted in request.

Stakeholder Response:

N/A

State Facilities Impacts:

This request does not directly impact state facilities or workplace needs.

Changes from Current Law:

This request does not require changes to existing statutes.

Legal or Administrative Mandates:

This request is not in response to any legal or administrative mandates.

Reference Documents

[Wage calculation file attachment.xlsx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$44,253	\$91,383	\$135,636	\$91,383	\$91,383	\$182,766
Obj. B	\$7,072	\$14,603	\$21,675	\$14,603	\$14,603	\$29,206

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