



BUDGET

FISCAL YEAR 2025-2026

Proposed to the Board of Trustees

June 16, 2025

Submitted by:
Dr. Chad E. Hickox, President

BOARD OF TRUSTEES

Tim Burt, Chair of the Board
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WWCC 2025-2026 Strategic Priorities and Goals

As we present the budget and prepare the College for the upcoming year, we reaffirm WWCC's vision, mission, and commitment to student success. The current strategic plan, developed collaboratively during the 2022-2023 academic year, provided us with strategic priorities and guidance throughout the budgeting process. The plan carries forward the priorities identified by the Board of Trustees to establish institutional stability in the short-term while preparing us for long-term sustainability.

Mission Statement

Walla Walla Community College removes barriers to access, provides high quality educational experiences, and facilitates equitable learning and success to cultivate thriving rural communities.

Vision Statement

Walla Walla Community College is the best community college in the nation at producing a well-educated and highly skilled workforce and promoting thriving communities.

Strategic Priorities 2023-2028

The strategic priorities listed below are identified in the institutional strategic plan that was adopted in Fall 2023.

1. Students Learn & Achieve their Goals
2. WWCC is an Employer of Choice
3. Institutional Stability & Sustainability
4. Thriving Communities

The budget presented here builds on success in meeting these priorities and carries them forward into 2025-2026, with special emphasis on enrollment (recruitment and retention), which includes a focus on connection and belonging, financial sustainability, and the professional development of college employees. Resources are being deployed and capacity is being built across the college and its operations, to include support of student success, increased marketing and outreach, enhanced fundraising capacity, improved cybersecurity, and compliance with regulatory requirements.

Budget Overview

The State Board of Community and Technical Colleges (SBCTC) has provided the College with a projected allocation for 2025-2026 which is still in draft status and subject to further adjustments before being finalized. While it is possible that there may be changes in the initial state allocation between now and when it is released, no major adjustments are expected at this time.

The proposed fiscal year 2026 operating budget relies on \$300,000 use of reserve funds – down \$500,000 from the fiscal year 2025 operating budget. We expect this trend to continue as management controls and strategic adjustments bring us closer to a sustainable budget within one to two years.

Enrollment

Strategic Enrollment Leadership Council (SELC) set a conservative enrollment forecast of 1839 AAFTE for the 2024-2025 fiscal year. SELC uses several inputs to determine enrollment targets. The first is the enrollment projection. The Office of Institutional Research and Effectiveness (IRE) conducts projections using different methods as appropriate based on enrollment trends, including trendline and cohort attrition models. The second input used to develop the enrollment target accounts for the known impacts and assumptions deemed most likely to occur in the upcoming year. Impacts considered for the upcoming year include instructional program changes, student support strategies, and external factors like changes in the FAFSA, the local economy, and labor markets.

Based on the SELC analysis and subsequent discussion among the executive leadership and leadership in Instruction, Student Services, Budgeting, IRE, and College Council, it was recommended that the College continue to set fairly conservative enrollment figures for budgeting purposes. Looking further into the future, the size of high school graduating classes is expected to decrease over the next decade. This suggests continued efforts at optimizing the college budget for this expected leveling-off of enrollment beginning in 2025-2026. As a result, the enrollment forecast for budgeting purposes for state-funded FTE was set to a modest 2% increase over the gains made in 2024-2025 resulting in a budgeting AAFTE of 1957.

Budget Assumptions

The operating plan includes the following information and assumptions, which are represented in the College's fiscal year 2025-2026 operating budget.

State Allocation

The total draft State Allocation for fiscal year 2026 is \$26,812,620. This reflects a 0.5% general fund reduction and a \$600,000 decrease due to the correction of a budgeting error made by the Office of Financial Management (OFM). These reductions were offset by changes in legislated proviso funding, resulting in a smaller reduction to state funding than expected: \$279,210 or 1% over prior year.

District Enrollment Allocation Base (DEAB), Student Achievement Initiative (SAI), Weighted/Priority Enrollment, and Minimum Operating Allocation (MOA) increased over the previous year's allocation by \$924,496 or 5.8%.

Provisos and earmarks that provide funding for designated purposes are distributed by SBCTC through the allocation model - including support for DEI initiatives, Worker Retraining, and Opportunity Grant - along with compensation-related items that are mandated (i.e., COLA and benefit rates). The College had an overall net decrease in provisos and earmarks of \$1,203,706 or 10.7%.

In the 2025-2027 enacted budget, the Legislature has discontinued or reduced a handful of provisos including the workforce development grant for CDL training, funding for financial aid outreach partnerships with

community-based organizations, and specific Opportunity Grant funding for healthcare education. Additionally, to provide colleges with increased flexibility, the Legislature has removed several provisos while maintaining the corresponding funding to the college system. Among these were funding for Guided Pathways, High Demand Faculty Stipends, and Nurse Educator stipends. These were set aside for the next four years by SBCTC. Funding for other provisos freed up by the Legislature - for college affordability, foundational support, institutional priorities, and opioid prevention – was distributed to the college system through the allocation model.

Compensation

The fiscal year 2025 COLA increases will be 3.0% for faculty and 3.0% for exempt staff. These increases are approximately 79% funded by the State. Due to a timeline issue during the 2025-2027 WPEA bargaining process, COLA for our classified staff members was not included in the enacted State budget.

Compensation provisos/earmarks related to wages, health benefits, and state pension rates decreased overall by approximately \$142,032. This is the result of fiscal year 2026 COLAs, a \$163 per employee per month increase in health benefit costs, 26% and 19% decreases in PERS and TRS rates, and compensation related provisos that were undesignated by the Legislature in the 2025-2027 enacted budget.

Additional compensation-related funding includes a four-year continuation of funding for high demand faculty stipends (\$465,441) and for nurse educator salaries (\$1,233,190). This funding has been placed in safe harbor by SBCTC for the 2025-2027 biennium and have been included in revenue projections. The amounts are a pass-through in the College's operating budget, having an equal amount of related salary and benefit expense.

Operating Fee (Tuition)

Tuition rates at community and technical colleges are budgeted to increase by 3.3% as outlined in legislation. Enrollment is projected to increase by approximately 2.0%. A forecast of \$7,244,841 is assumed based on an analysis of actual tuition collected coupled with the rate increase and projected enrollment increase.

Local Funding Sources

Focused growth areas continue to be critical as we rely more heavily on local funding sources to support the College's operating budget. Locally generated revenue of \$8,900,824 will be leveraged for fiscal year 2025-2026.

Running Start is expected to generate \$2,754,000 based on fiscal year 2025 results along with 2% increases to the non-vocational and vocational rates, respectively.

Other Local Revenue includes amounts the College receives for fees charged to students along with revenue associated with the lease of college facilities, interest on investments, and other miscellaneous revenue. For the fiscal year 2026 budget planning cycle, this line is forecast at \$1,000,000.

Indirect revenue for grants and contracts is the amount the College can charge to manage these programs. An assumption of \$1,065,000 in indirect revenue related to Corrections Education, other contracts, and federal funding is included in operating revenue and used to offset baseline costs.

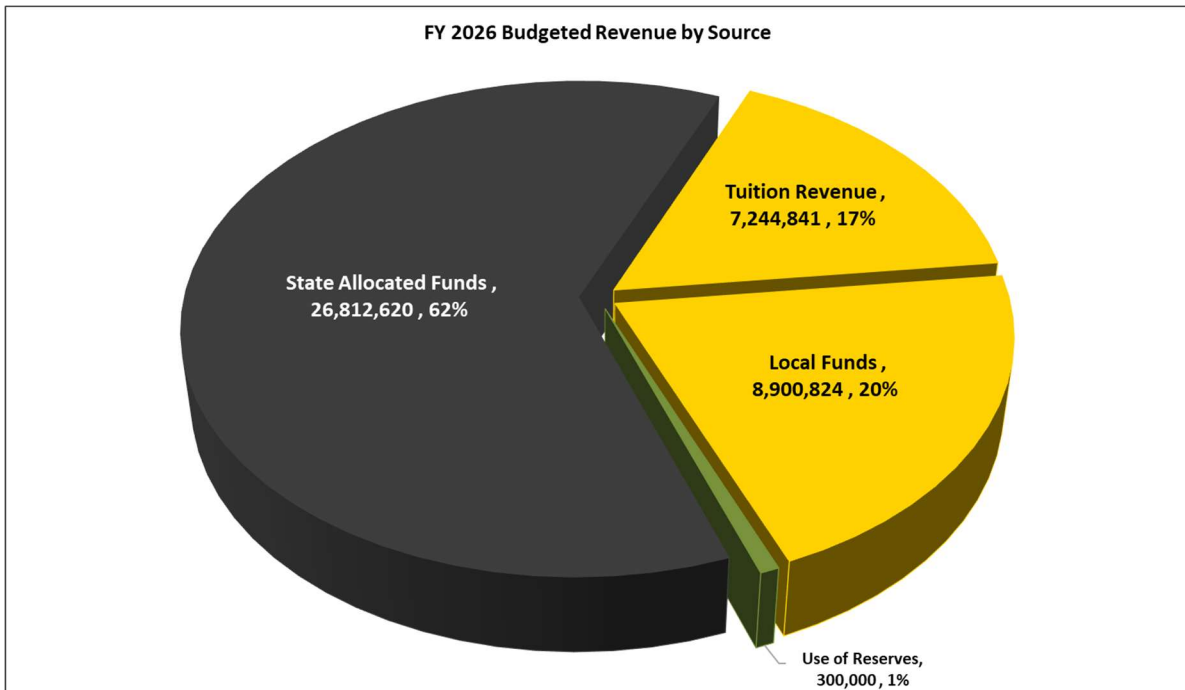
Program/Course fees are amounts collected from students for program-specific uses such as course materials, lab consumables, and program equipment replacement. These fees must be used for the intended purpose. The revenue line related to designated program/course fees has been increased by \$1,320,099 over the fiscal year 2025 budget. This represents planned use of accumulated fund balances for larger equipment replacements, as well as ongoing improvements in budgeting and forecasting these revenues.

Multiple measures were employed to balance the fiscal year 2026 operating budget, including, but not limited to: reducing the travel budget, discontinuing in-person Arts & Sciences instruction on the Clarkston campus, offering buy-out incentives to faculty, and declining to fill behind many vacant positions. In addition to these measures, use of reserve funds, which include Federal COVID-19 relief funding (HEERF, CRSSAA, ARPA) drawn to replace revenue lost during the pandemic, will facilitate a balanced budget with a revenue assumption of \$300,000.

**Walla Walla Community College
2025-2026 Operating Budget
Revenues**

Revenue Sources	FY 2025 Proposed Budget	FY 2026 Proposed Budget	Variance Incr/(Decr)	% Δ	Notes
State Allocation (FORECAST)					
District Enrollment Allocation Base (DEAB)	10,208,713	11,004,393	795,680	8%	1
Student Achievement Initiative	1,693,758	1,747,077	53,319	3%	2
High Demand (Weighted) FTEs	1,069,242	1,144,739	75,497	7%	3
Minimum Operating Allowance (MOA)	2,850,000	2,850,000	-	0%	4
Provisos and Earmarks	11,270,117	10,066,411	(1,203,706)	-11%	5
State Allocated Funds	27,091,830	26,812,620	(279,210)	-1%	
Tuition Revenue	6,650,000	7,244,841	594,841	9%	
Local Funds					
Running Start Support	1,980,000	2,754,000	774,000	39%	
Program/Course Fees	1,697,708	3,017,808	1,320,099	78%	
Indirect - Grants & Contracts	1,100,000	1,065,000	(35,000)	-3%	
Other Local Revenue	1,000,000	1,000,000	-	0%	
Self-Support and Resale Programs	450,000	450,000	-	0%	
Student Wrap Around Support (Foundation)	250,000	250,000	-	0%	
MacKenzie Scott Funds	154,035	164,016	9,982	6%	
Open Doors (Alternative Education Program)	200,000	200,000	-	0%	
Local Funds	6,831,743	8,900,824	2,069,081	30%	
Use of Reserves	800,000	300,000	(500,000)	-63%	
Total	41,373,573	43,258,285	1,884,712	5%	

Notes: Please see accompanying notes for definitions of terminology used

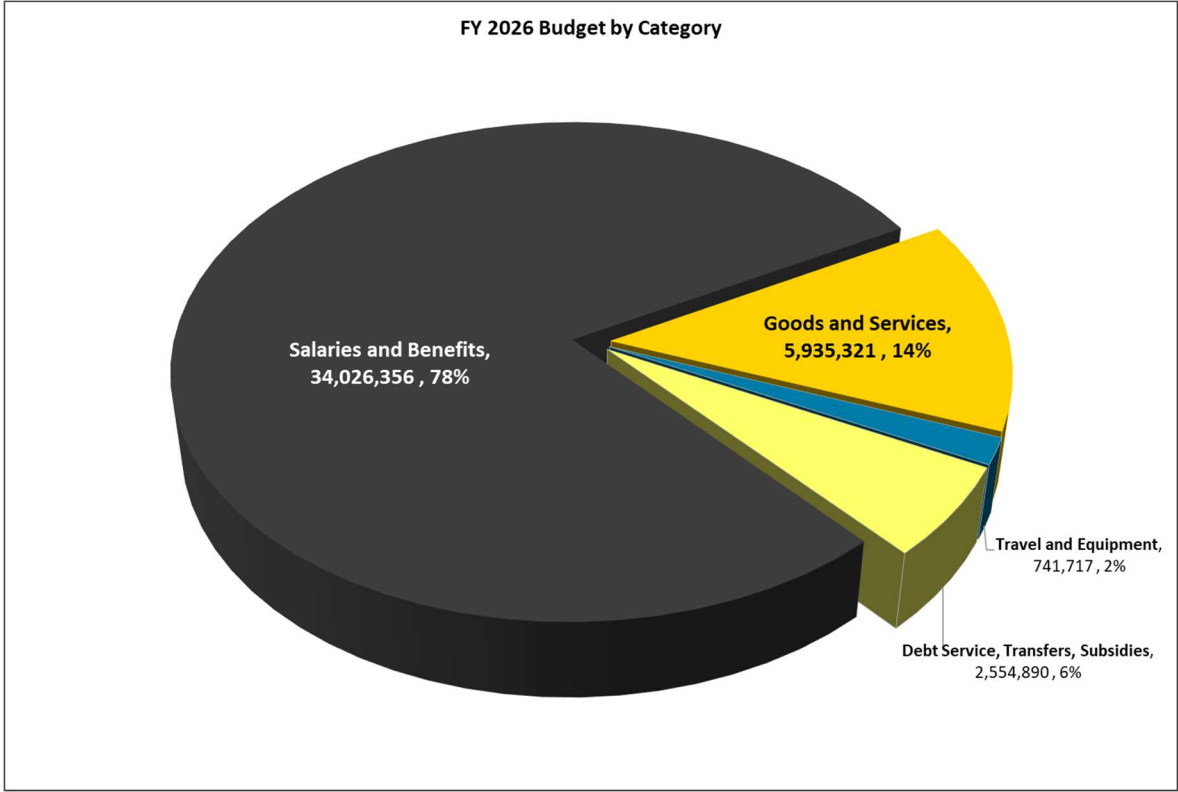
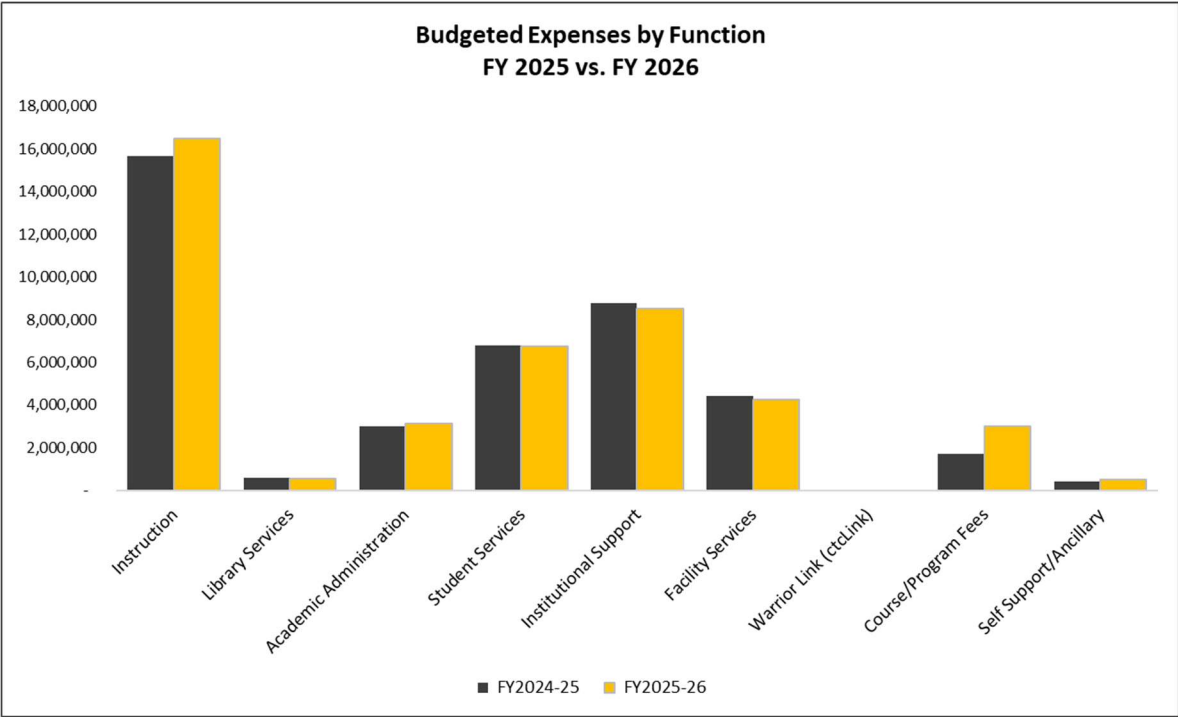


**Walla Walla Community College
2025-2026 Operating Budget
Expenditures by Function and Category**

By Function	FY2024-25	FY2025-26	Variance	
			Incr/(Decr)	% Notes
Instruction	15,661,790	16,493,905	832,115	5% 6
Library Services	585,449	548,685	(36,764)	-6%
Academic Administration	3,013,771	3,156,599	142,828	5% 7
Student Services	6,793,477	6,750,089	(43,388)	-1% 8
Institutional Support	8,773,926	8,528,477	(245,449)	-3% 9
Facility Services	4,420,407	4,250,209	(170,198)	-4%
Warrior Link (ctcLink)	-	-	-	0%
Course/Program Fees	1,697,708	3,017,808	1,320,099	78%
Self Support/Ancillary	427,044	512,513	85,469	20%
	41,373,573	43,258,285	1,884,712	5%

By Category	FY2024-25	FY2025-26	Variance	
			Incr/(Decr)	% Notes
Salaries and Benefits	33,142,167	34,026,356	884,189	3%
Contracted Services	454,597	505,986	51,389	11%
Goods and Services	4,648,665	5,429,335	780,670	17%
Travel	424,454	150,000	(274,454)	-65%
Equipment	522,716	591,717	69,001	13%
Subsidies	1,584,917	1,402,797	(182,120)	-11% 10
Debt Service	222,500	808,410	585,910	263%
Transfers	373,556	343,683	(29,873)	-8%
	41,373,573	43,258,285	1,884,712	5%

Notes: Please see accompanying notes for definitions of terminology used



2025-2026 GRANTS, CONTRACTS AND FISCAL AGENT AGREEMENTS

The 2025-2026 Grants, Contract and Fiscal Agent Agreements list presents FY 2026 anticipated award information. The information is provided by SBCTC planning numbers, documents, federal award grant documents and proposals, and by program managers. Estimated Total Grants, Contracts and Fiscal Agent Agreements for FY 2026 of \$15,652,376 are (\$1,246,952) or 7.16% less than prior year. While this is a notable decrease in total, the bulk of that decrease relates to TRiO funding which is still an unknown at this point. Multiple other grants and allocations have decreased individually which will impact the operating budget. Items of note this year are:

- A slight increase in the Corrections Ed grant. The FY 25 beginning grant budget was \$8,510,211 and the FY 26 estimated beginning budget is \$8,846,839, an increase of \$336,628.
- The Worker Retraining Program / SBCTC decreased another \$73,117. Most of the Worker Retraining award funds pay for Workforce Ed programs faculty salary and benefits. Any significant decrease in the Worker Retraining Program award amount results in a potential increase to the baseline budget for faculty salary and benefits.
- Student Needs Proviso (Meal Card pilot program) is anticipated to continue for FY 26, with a small increase of \$34,457, or a total allocation amount of \$305,031.
- Student Emergency Assistance Proviso /SBCTC; Anticipated award amount \$155,000, an increase of \$36,775. WWCC has received this award for the past 6 years and expects to see it in the allocation for FY 26.
- WWCC received two new grants through SBCTC. The first is for WorkForce Development in the amount of \$49,726 for the purpose of resuming coursework and curriculum in renewable energy, leading to a Renewable Energy Certificate. The second grant is a Job Skills grant to teach Lean manufacturing, interpersonal skills and bilingual training to employees with our partner agency Walla Walla Foundry.
- SBCTC allocation for Truck/School Bus driving education that was received mid-2023 was designed to decrease year-over-year as the program becomes self-sustaining. Funding for the allocation will not be renewed in FY26. WWCC retains the CMVOST grant through Sept 2027 which provides just over \$100,000 in student aid, focused on active and former military and their family as well as underserved communities.
- Supporting College Students Experiencing Homelessness Earmark / SBCTC; Anticipated award amount \$108,000, a decrease of \$10,875. WWCC has received this award for the past 6 years and expects to see it in the allocation for FY 26.
- The Student Support Services TRiO grant ends on Aug. 31, 2025. At this time, funding for the next grant term of 2025-2030 is considered terminated by the Federal government. While this is still being fought, we cannot consider these funds as a revenue source. This is a decrease of \$450,000 in grant funds and services annually.
- There were decreases in the Perkins Corrections / SBCTC of \$103,911, and BEdA Master Grant/SBCTC of \$11,161.

The following chart represents a comprehensive list of all grants and contracts along with fiscal agent agreements.

2025-2026 GRANTS, CONTRACTS AND FISCAL AGENT AGREEMENTS

	Grants and Contracts	Project Manager/ Supervisor	Term	FY 23-24 Grant Award	FY 24-25 Grant Award	FY 25-26 Grant Award
1	Corrections Ed_WSP-CRCC / SBCTC	Kammers	07/01/25-06/30/26	7,718,306	8,510,211	8,846,839
2	Worker Retraining Program / SBCTC	Erikson/Leon	07/01/25-06/30/26	1,715,073	1,703,115	1,629,998
3	Perkins (Plan) III - Federal Vocational / SBCTC	Doyle	07/01/25-06/30/26	562,883	531,858	546,111
4	Basic Food, Employment and Training / SBCTC	Erikson	10/01/25-09/30/26	436,774	511,201	533,537
5	Opportunity Grant / SBCTC	Erikson	07/01/25-06/30/26	461,412	461,412	488,548
6	Water & Environmental Center	Trogstad-Isaacson	07/01/25-06/30/26	363,750	363,750	363,750
7	WorkFirst Integrated Block Grant / SBCTC	Erikson	07/01/25-06/30/26	308,189	281,807	308,033
8	Student Needs SHB 1559	Erikson	07/01/25-06/30/26	269,574	269,574	305,031
9	BTC-CAD Title III	Velluzi	10/01/25-09/30/26	222,940	223,633	222,573
10	Nurse Education Enrollment Increases	Adamski	07/01/25-06/30/26	180,000	180,000	180,000
11	Seattle Foundation	Kammers	07/01/25-06/30/26	113,193	111,495	170,630
12	Postsecondary Enrollment HB1835 - Fin Aid Outreach	Kimball	07/01/25-06/30/26	160,000	160,000	160,000
13	Student Emergency Assistance Grant / SBCTC	Erikson	07/01/25-06/30/26	100,000	118,225	155,000
14	Job Skills Program - WW Foundry	Baker	07/01/25-06/30/26	-	-	149,400
15	Early Achievers Opportunity Grant / SBCTC	Reiff	07/01/25-06/30/26	131,386	116,200	149,400
16	Dept of Corrections - Incarcerated Individuals SB5953	Kammers	07/01/25-06/30/26	-	136,500	136,500
17	Commercial Motor Vehicle Operator Safety Training (CMVOST)	Lederer	08/26/24-9/30/26	-	128,521	-
18	CCAMPIS - Child Care Access Means Parents In School	Erikson	07/01/25-06/30/26	128,000	128,000	128,000
19	Supporting College Student Experiencing Homelessness Grant / SBCTC	Erikson	07/01/25-06/30/26	102,919	118,875	108,000
20	Agriculture & Natural Resource Center of Excellence / SBCTC	Williams, L	07/01/25-06/30/26	212,323	256,811	102,079
21	BEdA Master / SBCTC	Doyle	07/01/25-06/30/26	124,015	111,614	100,453
22	Federal Work Study	Kimball	07/01/25-06/30/26	88,876	94,229	100,000
23	State Work Study	Kimball	07/01/25-06/30/26	54,201	60,000	60,000
24	WorkForce Development	Dean WF	07/01/25-06/30/26	-	-	49,726
25	Cyber Security - WA Military Dept	Vance	12/1/22-12/31/25	107,540	-	44,000
26	Open Doors Program / CRCC	Kammers	09/01/25-08/31/26	20,000	20,000	35,000
27	Perkins Leadership Block Grant / SBCTC	Doyle	07/01/25-06/30/26	30,000	29,058	30,000
28	Parent Co-ops	Reiff	07/01/25-06/30/26	15,000	15,000	17,820
29	Perkins Corrections Grant / SBCTC	Kammers	07/01/25-06/30/26	65,663	120,928	17,017
30	Title IV - Student Support Services (TRIO)	Conrad Goff	09/01/25-08/31/26	436,920	511,062	-
31	Truck/School Bus Driver Training	Leon	07/01/25-06/30/26	280,124	195,081	-
32	Career Connect WA - ESD	Williams, L	07/01/25-06/30/26	99,568	190,617	-
33	Career Launch - EST Grant - Employment Security Dept	Miltenberger	07/01/25-12/31/26	-	155,557	-
34	Opportunity Grant Health Workforce/ SBCTC	Erikson	07/01/25-06/30/26	106,845	106,845	-
35	High Demand Enrollments	Leon	07/01/25-06/30/26	131,299	85,669	-
36	IELCE / SBCTC	Doyle	07/01/25-06/30/26	27,542	24,788	-
37	BEdA Leadership Block Grant / SBCTC	Doyle	07/01/25-06/30/26	7,363	7,300	-
38	EMS Trauma Training	Graham/Can	07/01/25-06/30/26	5,000	5,000	-
39	Title III - Bringing Student Success to Scale (Year 5)	Slepín	10/01/25-09/30/26	450,000	-	-
40	BEdA Special Projects	Kammers	07/01/25-06/30/26	5,500	-	-
41	Sunshine Lady Foundation	Kammers	07/01/25-06/30/26	45,051	(19,798)	(19,798)
TOTAL GRANTS AND CONTRACTS				\$15,287,229	\$16,024,138	\$15,117,647

	Fiscal Agent Agreements	Project Manager/ Supervisor	Term	FY 23-24 Grant Award		
1	Snake River Salmon Recovery Board	Martin	10/01/25-09/30/26	307,000	640,588	298,000
2	Snake River Salmon Recovery Board - BPA	Martin	04/01/25-03/31/26	192,859	194,986	236,729
TOTAL FISCAL AGENT AGREEMENTS				\$499,859	\$835,574	\$534,729
TOTAL GRANTS, CONTRACTS AND FISCAL AGENT AGREEMENTS				\$15,787,088	\$16,859,712	\$15,652,376
<i>LESS GRANTS REPORTED ELSEWHERE & FISCAL AGENT AGREEMENTS :</i>						
Fiscal Agent Agreements				499,859	835,574	534,729
Worker Retraining				1,715,073	1,703,115	1,629,998
Opportunity Grant				461,412	461,412	488,548
Agriculture & Natural Resource Center of Excellence / SBCTC				212,323	256,811	102,079
Truck/School Bus Driver Training				280,124	195,081	0
Student Needs SHB 1559				269,574	269,574	305,031
Nurse Education Enrollment Increases				180,000	180,000	180,000
Postsecondary Enrollment HB1835 - Fin Aid Outreach				160,000	160,000	160,000
High Demand Enrollment				131,299	85,669	0
Supporting College Student Experiencing Homelessness Grant / SBCTC				102,919	118,875	108,000
Student Emergency Assistance Grant / SBCTC				100,000	118,225	155,000
Opportunity Grant Health Workforce/ SBCTC				106,845	106,845	0
Subtotal				\$4,219,428	\$4,491,181	\$3,663,385
TOTAL ADJUSTED GRANTS AND CONTRACTS				\$11,567,660	\$12,368,531	\$11,988,991

Notes to the Operating Budget Statements of Revenue and Expenditures

1. District Enrollment Allocation Base (DEAB): Provides base funding in accordance with each district's annual enrollment target. The State Board has a college system-wide enrollment target of 130,981.

District targets are a share of the college system target based on a rolling three-year average of their enrollments. However, in recent years colleges have struggled to meet their targets due to declining enrollment levels. In fiscal year 2026, each FTE has a value of \$3,920 which represents an increase of \$283 per FTE over the previous year.

2. Performance Funding - Student Achievement Initiative (SAI): 5% of the total \$1.22 billion state appropriation is committed to performance funding in the allocation model. This allocation is based upon points and performance outcomes in the academic year 2023-2024.
3. Weighted/Priority Enrollment FTE: Under the allocation model, four enrollment categories receive an additional weight of 0.3 (a value of \$1,176) per student FTE. As indicated below, the skills gap and adult basic education categories make up the bulk of these enrollments.
 - a. Skills Gap – 41%
 - b. Adult Basic Education – 40%
 - c. STEM – 16%
 - d. Upper-level Applied Baccalaureate – 7%
4. Minimum Operating Allocation (MOA): The model assumes every college requires a minimum amount for campus operations. Each college receives \$2.85 million annually. These funds are intended to support facility operations and maintenance. A small portion of this funding comes from the capital budget due to a 2003 fund swap where the Legislature replaced state operating funds for maintenance and operating with capital projects account funding. The remaining funding comes from the operating budget.
5. Provisos and Earmarks:
 - a. Provisos are language in budget bills where the Legislature places conditions and limitations on the use of appropriations;
 - b. Earmarks are funds identified by the State Board for specific purposes. They fall into two general categories:
 - i. Amounts related to compensation, maintenance and operations and leases; amounts are held in safe harbor for four years after which they are rolled out of safe harbor and distributed through the base allocation;
 - ii. Other Earmarks: Programs or population-specific funds identified by the State Board such as Opportunity Grant, Centers of Excellence, Workforce Development Projects, funds for Disability Accommodations and Students of Color.
6. Instruction: Includes academic transfer, workforce, preparatory (courses under college level), and adult education.
7. Academic Administration: Administrative support and management for instructional programs which includes deans and support staff, faculty professional development, and curriculum development.

8. Student Services: Activities that provide assistance and support for the needs and interests of students. This includes social and cultural development, counseling and advising, financial aid, admissions, and student records.
9. Institutional Support: Includes the activities of management (president, trustees, vice-presidents and support staff), fiscal operations, human resources, public relations, and administrative information technology services that are not related to instructional activities.
10. Subsidies: Financial support provided to students either directly or indirectly.