

# Potential Revisions to the Community College Funding Formula

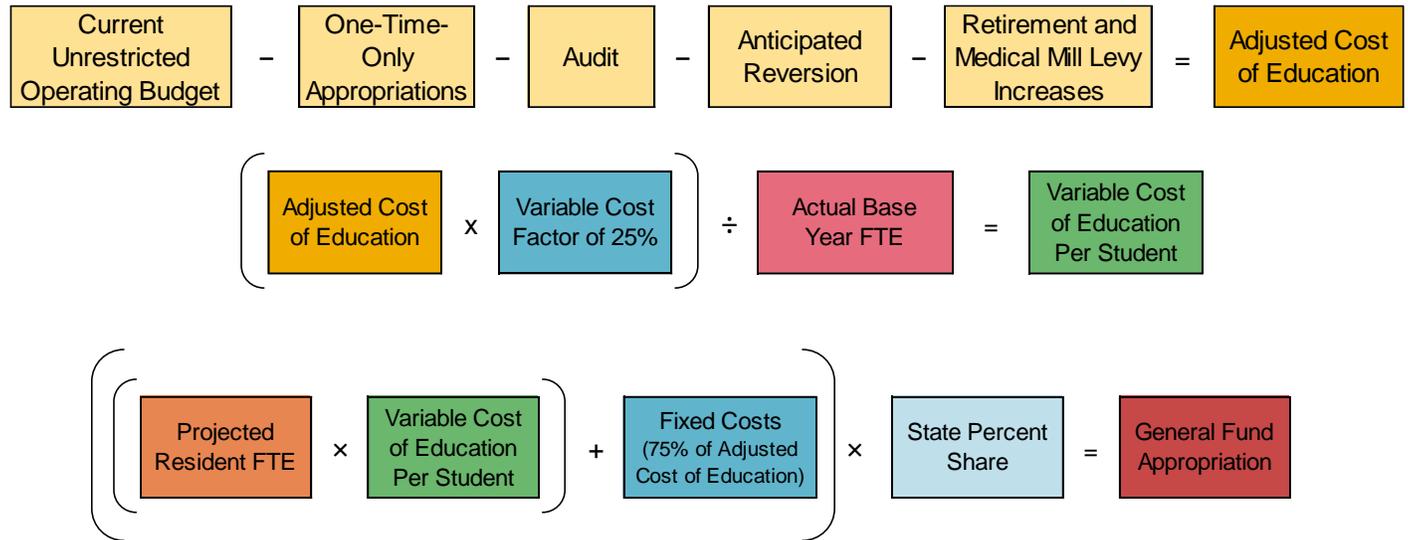
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## CURRENT COMMUNITY COLLEGE FUNDING FORMULA

The state general fund appropriation for each community college is defined in Montana statute (20-15-310, MCA). The purpose of the community college funding formula is to provide a tool for the legislature to use to establish the state general fund appropriation for the community colleges each biennium. The state appropriation is based on a multi-factor funding formula. The following graphic represents the funding formula:



The general fund appropriation calculated using the formula above, is constrained by two factors in statute, which include:

- State support per resident full-time equivalent student (FTE)
  - The state general fund appropriation for the community college system cannot be more than the weighted average of state support per resident FTE of the community colleges and the Montana University System (MUS) for the most recent year plus two standard deviations on the most recent six-year weighted average
- Enrollment
  - If enrollment is less than 200 resident FTE for two consecutive years, the state general fund appropriation may not exceed the lesser of the weighted average of state support per resident FTE for the MUS or the community college system

## POTENTIAL CHANGES TO THE FUNDING FORMULA

There are six potential changes to the community college funding formula discussed in this report. These areas include:

- Calculating the general fund appropriation separately for each of the community colleges
- Using net tuition revenue rather than gross tuition
- Changing the fixed and variable cost ratio
- Weighting FTE projections to incentivize certain areas of study
- Adjusting FTE projections when there is a projected decline in enrollment
- Using the actual 3-year average for the state percent share

Each of these areas are discussed in further detail below.

### **CALCULATE THE GENERAL FUND APPROPRIATION FOR EACH COMMUNITY COLLEGE SEPARATELY**

Currently the community college funding formula is calculated collectively as a community college group. Calculating the funding formula collectively impacts the variable cost of education per FTE factor.

One potential change to the funding formula is to calculate the formula separately for each community college. Since the community colleges have significant variations in student FTE, this potential change would make the funding formula responsive to the individual community college factors, such as enrollment.

### **USING NET TUITION REVENUE RATHER THAN GROSS TUITION**

The calculation for the current formula starts with the current unrestricted operating budget. The current unrestricted operating budget includes the state appropriation, local support, gross tuition revenue, and other revenue.

One potential change to the community college funding formula is using net tuition rather than gross tuition. The difference between net tuition and gross tuition is waivers. Community colleges have the ability to waive tuition for students. Gross tuition does not subtract the amount of tuition that the community colleges waived. Therefore, the current funding formula includes tuition revenue that the community colleges did not receive. This potential option would change the funding formula to reflect revenues that are received by the community colleges.

### **CHANGING THE FIXED AND VARIABLE COST RATIO**

Fixed and variable costs are defined in state statute and determined by the legislature. Fixed costs are the portion of the adjusted cost of education that are not influenced by increases or decreases in student enrollment. Whereas, variable costs are the portion of the costs of education that are subject to changes in student enrollment.

One potential change is adjusting the fixed and variable cost ratio from 75/25 to 50/50. Changing the fixed and variable cost percentages will make the funding formula more reactive to increases and decreases in student FTE. If the variable cost percentage is increased from 25% to 50%, the funding formula will react quicker to changes in FTE. This option would change the fixed and variable cost percentages in the formula to be more responsive to changes in student FTE.

### **WEIGHTING FTE TO INCENTIVIZE CERTAIN AREAS OF STUDY**

The current community college funding formula multiplies projected resident FTE by the variable cost of education per FTE. There is no differentiation between FTE that are taking career and technical education (CTE) courses, transfer courses, or early college and community service courses.

One potential change would be to weight defined categories of resident FTE differently than others. Applying a weighted factor to FTE that are taking different courses would allow the legislature to incentivize certain areas of study. For example, applying a factor of 1.25 to CTE courses would provide an incentive to the community colleges to increase the number of CTE courses and programs.

## **ADJUST FTE PROJECTIONS WHEN THERE IS A PROJECTED DECLINE IN ENROLLMENT**

As discussed above, in the current community college funding formula projected resident FTE is multiplied by the variable cost of education per FTE. The community colleges receive funding based, in part, on the number of projected resident FTE for the next biennium.

One potential change is applying an adjustment to projected resident FTE to moderate the budgetary impacts to a college during times of declining enrollment. If there is an increase in projected resident FTE, there is no change to the projection. If there is a decrease projected for resident FTE, there is an adjustment. The community colleges would only be required to take 1/3 of the decrease in projected FTE in the first year of the biennium and 2/3 of the decrease in the second year. This would smooth decreases in FTE and allow the community colleges to more gradually adjust to decreases in funding related to decreases in FTE.

There are two items to note with this adjustment:

- Base year resident FTE is not currently used as part of the funding formula. This would be additional information that the community colleges would need to include as part of their budget submissions
- There is a reversion calculation, defined in statute, that occurs if there is an overestimation of projected resident FTE. The statute would need to be amended to allow for an adjustment in projected resident FTE. This will be discussed in further detail later in this report

## **USE THE ACTUAL 3-YEAR AVERAGE FOR THE STATE PERCENT SHARE**

In the current community college funding formula, the legislature decides the state share percentage as a matter of public policy. For the 2019 biennium and the 2021 biennium, the state percent share was 48.2%.

One potential change is to have the state percent share as an actual 3-year average of the actual state percent share of each community college. Actual tuition and local support received can vary from the amounts anticipated in the budget process, and therefore the resulting state share as a percent of actual revenues may be different from that adopted by the legislature. Using the 3-year average of the actual state percent share would allow for the state percent share to be based in actual expenditures at the individual community colleges.

## **IMPACTS**

The following sections provide the impacts related to changes in the funding formula. Each of these scenarios applies the following assumptions to the community college funding formula for the 2021 biennium, unless stated otherwise in each section:

- Calculating the general fund appropriations separately for each of the community colleges
- Using net tuition revenue
- Using a 50/50 ratio for fixed and variable costs
- Weighting FTE
  - CTE at 1.25
  - Transfer at 1.00
  - Early college and community service courses at 0.75
- Adjusting FTE projections when there is a decline in enrollment
- Using the actual 3-year average for the state percent share

## IMPACTS OF ALL POTENTIAL CHANGES ON STATE APPROPRIATIONS

Overall, the combined impact of all potential changes would decrease the state general fund appropriation by approximately \$1.6 million or 5.8% over the 2021 biennium. The table to the right provides details on the impacts to each community college.

Impacts of Potential Changes on the General Fund Appropriation 2021 Biennium				
	Current Formula	Model	Dollar Change	Percent Change
Dawson	\$ 3,574,475	\$ 3,016,560	\$ (557,915)	-15.6%
Flathead Valley	17,828,418	17,324,596	(503,822)	-2.8%
Miles	5,400,812	4,908,888	(491,924)	-9.1%
<b>Total</b>	<b>\$ 26,803,705</b>	<b>\$ 25,250,044</b>	<b>\$ (1,553,661)</b>	<b>-5.8%</b>

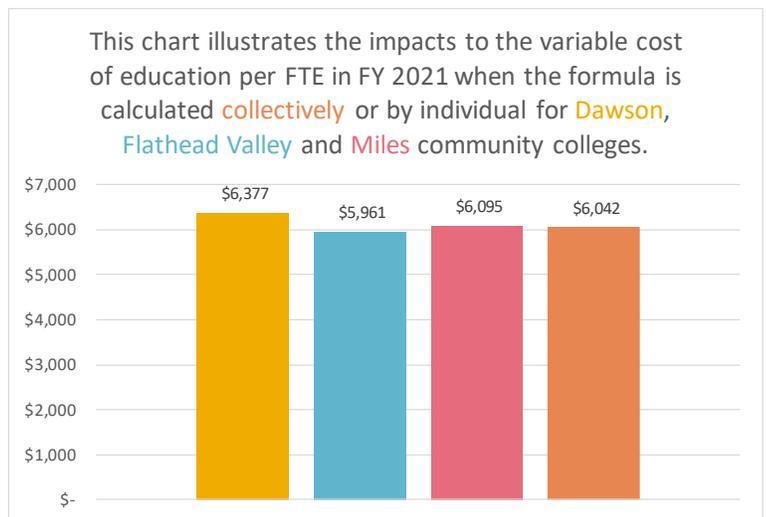
Each community college is impacted differently by the individual factors that are changed. The most significant factors, by community college, include:

- Dawson Community College
  - Excluding waivers from tuition decreases the state appropriation by \$204,000
  - The 3-year average for the state percent share decreases the state appropriation by \$308,000
- Flathead Valley Community College
  - Excluding waivers from tuition decreases the state appropriation by \$916,000
  - The 50/50 fixed and variable cost ratio increases the state appropriation by \$304,000
  - Weighting FTE increases the state appropriation by \$594,000
  - The 3-year average for the state percent share decreases the state appropriation by \$267,000
- Miles Community College
  - Weighting FTE increases the state appropriation by \$113,000
  - Excluding waivers from tuition decreases the state appropriation by \$513,000

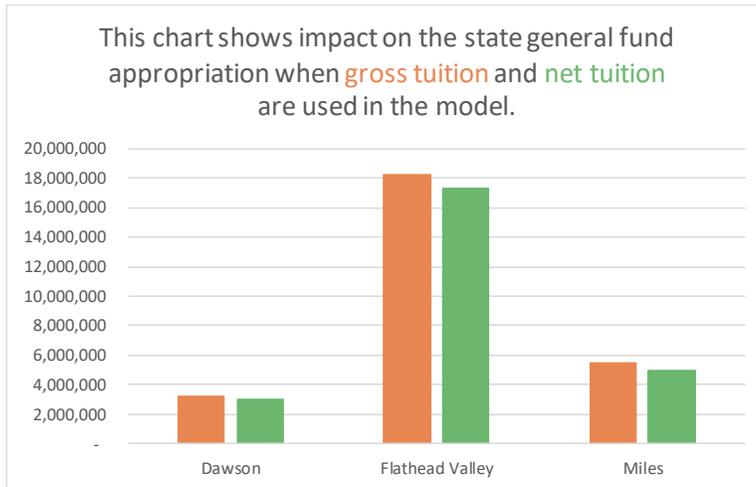
Additional details on the calculation using all potential changes can be seen in Appendix A. The remaining sections provide information on how individual factors impact the funding formula. Each of the scenarios are run under the assumption that all of the factors above have been adopted.

## IMPACTS OF CALCULATING THE GENERAL FUND APPROPRIATION FOR EACH COMMUNITY COLLEGE SEPARATELY

The chart to the right shows the variable cost of education per FTE when calculated collectively as a group and individually for each community college. The collective cost of education per FTE would have been \$6,042 in the 2021 biennium. When calculating this separately, Dawson Community College's variable cost of education per FTE would be \$335 higher than the collective calculation. Miles Community College and Flathead Valley Community College would be closer to the collective calculation. The variable cost of education per FTE would be \$53 higher for Miles Community College and \$81 lower for Flathead Community College.



## IMPACTS OF USING NET TUITION REVENUE RATHER THAN GROSS TUITION

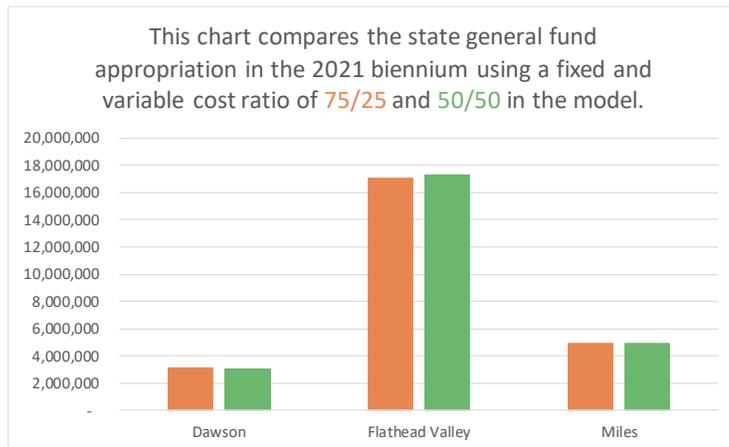


The community college funding formula starts with the actual current unrestricted operating budget for the base year. The base year for the 2021 biennium is FY 2018. As stated previously, the current unrestricted operating budget includes gross tuition. In FY 2018, the base year, gross tuition included waivers totaling \$931,055 for Flathead Valley Community College, \$546,492 for Miles Community College, and \$249,142 for Dawson Community College.

Using net tuition impacts both the fixed and variable components of the funding formula. The chart above shows that this change would

decrease the state general fund appropriation for each community college. This results in a decrease of approximately 5.0% for Flathead Valley Community College, 9.5% for Miles Community College, and 6.3% for Dawson Community College.

## IMPACTS OF CHANGING FIXED AND VARIABLE COST RATIO



The chart to the left shows the impact of changing the fixed and variable cost ratio from 75/25 to 50/50 on the 2021 biennium state general fund appropriation. Over the biennium, Flathead Valley Community College would receive an increase in the state general fund appropriation of approximate \$304,000 using a fixed and variable cost ratio of 50/50. Dawson Community College and Miles Community College would receive decreased state general fund appropriations of \$104,000 and \$36,000, respectively.

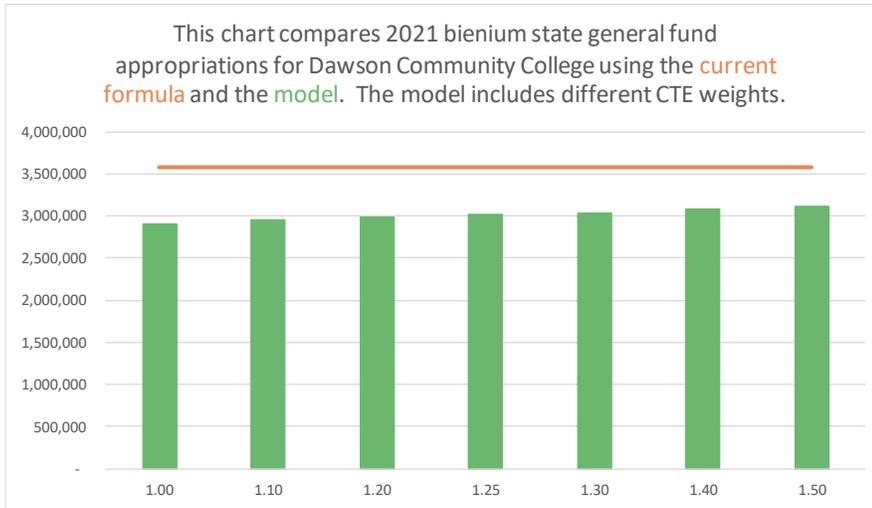
The impact of changing the fixed and variable cost ratio from 75/25 to 50/50 is that the funding formula would react more quickly to increases and decreases in resident FTE projections. State general fund appropriations will increase and decrease quicker as resident FTE projections increase or decrease.

Additional details on the calculation using the 75/25 ratio and 50/50 ratio for the fixed and variable cost ratio can be seen in Appendix B.

## IMPACTS OF WEIGHTING OF FTE TO INCENTIVIZE CTE COURSES AND PROGRAMS

As discussed previously, weighting FTE allows the legislature to incentivize the community colleges to provide certain courses and programs. The scenarios below show the impacts of changing the CTE weight for each community college. Additional details on the calculation using different CTE factors can be seen in Appendix C for each community college.

## Dawson Community College

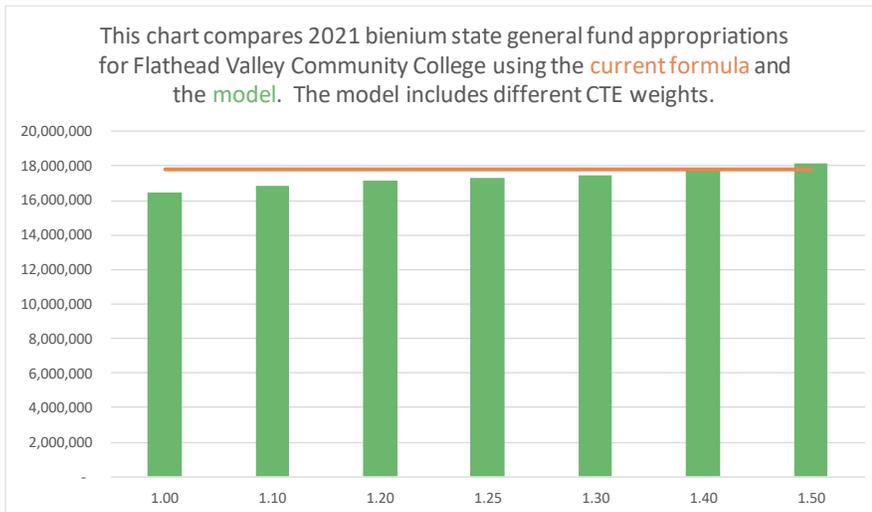


The chart to the left compares Dawson Community College’s 2021 biennium state general fund appropriation using the current formula to the model with different CTE weights. For each 0.10 increase in the CTE weight, the general fund appropriation for Dawson Community College increases approximately 1.4%.

When there is no weight placed on CTE (factor of 1.00), the general fund appropriation calculated using the model is approximately \$665,000 less

than the current formula over the biennium. When the CTE factor is 1.25, the general fund appropriation is approximately \$558,000 less than the current model.

## Flathead Valley Community College

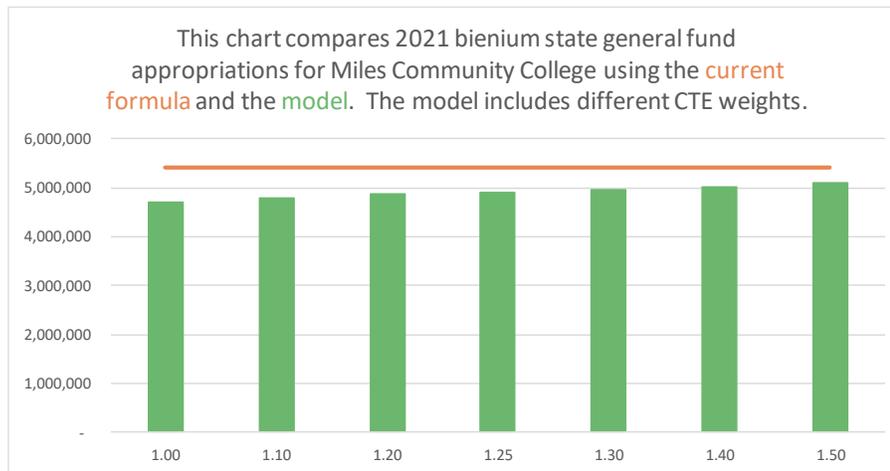


The chart to the left compares the 2021 biennium state general fund appropriation for Flathead Valley Community College using the current formula and the model with different CTE weights. For each 0.10 increase in the CTE weight, the general fund appropriation for Flathead Valley Community College increases approximately 2.0%.

When there is no weight placed on CTE, the general fund appropriation calculated using the model is

approximately \$1.3 million less than the current formula over the biennium. When the CTE factor is 1.25, the general fund appropriation is approximately \$500,000 less than the current model. The 2021 biennium general fund appropriation in the model and the current formula are approximately the same when the CTE factor in the model is 1.40.

## Miles Community College



The chart to the left compares Miles Community College's 2021 biennium state general fund appropriation using the current formula to the model with different CTE weights. For each 0.10 increase in the CTE weight, the general fund appropriation for Miles Community College increases approximately 1.6%.

When there is no weight placed on CTE, the general fund appropriation

calculated using the model is approximately \$692,000 less than the current formula over the biennium. When the CTE factor is 1.25, the general fund appropriation is approximately \$492,000 less than the current model.

## IMPACTS OF ADJUSTING PROJECTED FTE WHEN THERE IS A PROJECTED DECLINE IN ENROLLMENT

This section examines the impact of adjusting FTE if there is a decline in projected resident FTE. Unlike the previous sections, this section uses the 2017 biennium because this was the most recent period in which there was a decline in projected resident FTE.

There are two scenarios examined. Flathead Valley Community College projected a decline in resident FTE and actually had a decline. Miles Community College projected a decline in resident FTE and actually had an increase. Additionally, there will be a section that examines reversions.

### Flathead Valley Community College

The table to the right shows the calculation for the adjustment to declines in resident FTE for Flathead Valley Community College in FY 2016 and FY 2017. In both years there was a projected decline of 80 resident FTE.

One potential change is adjusting the decline in resident FTE projections, so community colleges would take one-third of the decline in the first year of the biennium and two-thirds of the decline in the second year of the biennium. In this example, Flathead Valley Community College would only be required to reduce resident FTE by 27 in FY 2016 and 53 FTE in FY 2017. Instead of using the projection of 1,477 for resident FTE in each year of the biennium, the formula would use 1,530 in FY 2016 and 1,504 in FY 2017. This smooths decreases of FTE and funding over the biennium.

Flathead Valley Community College Adjusting Declines in Projected Resident FTE		
	FY 2016	FY 2017
<b>Change in Resident FTE</b>		
Base Year Resident FTE	1,557	1,557
Projected Resident FTE	<u>1,477</u>	<u>1,477</u>
Decline in Resident FTE	(80)	(80)
<b>Adjustment</b>		
Decline in Resident FTE	(80)	(80)
Adjustment	<u>33.3%</u>	<u>66.7%</u>
FTE Adjustment	(27)	(53)
<b>Adjusted Projection</b>		
Base Year Resident FTE	1,557	1,557
FTE Adjustment	<u>(27)</u>	<u>(53)</u>
Adjusted Projected FTE	<u><u>1,530</u></u>	<u><u>1,504</u></u>

## Miles Community College

Miles Community College Adjusting Declines in Projected Resident FTE		
	FY 2016	FY 2017
Change in Resident FTE		
Base Year Resident FTE	298	298
Projected Resident FTE	<u>273</u>	<u>273</u>
Decline in Resident FTE	(25)	(25)
Adjustment		
Decline in Resident FTE	(25)	(25)
Adjustment	<u>33.3%</u>	<u>66.7%</u>
FTE Adjustment	(8)	(17)
Adjusted Projection		
Base Year Resident FTE	298	298
FTE Adjustment	<u>(8)</u>	<u>(17)</u>
Adjusted Projected FTE	<u><u>290</u></u>	<u><u>281</u></u>

In FY 2016 and FY 2017 Miles Community College projected resident FTE to be at 273 each year. This was a decline of 25 resident FTE. However, Miles Community College actually had 317 resident FTE in FY 2016 and 348 resident FTE in FY 2017. This was an actual increase of 19 resident FTE and 50 resident FTE, respectively.

Adjusting resident FTE would have limited the decline to 8 in FY 2016 and 17 in FY 2017. Miles Community College would have received funding for 17 resident FTE in FY 2016 and 8 resident FTE in FY 2017, which it would not have received without the adjustment. It is not the full funding they would have received, but it is more than they would have received without the adjustment.

## Reversions

Montana statute (17-7-142, MCA) provides a reversion calculation for years when projected resident FTE is used to calculate the general fund appropriation and the resident enrollment projections were not met. The reversion calculation, in statute, will likely need to be changed in order to accommodate an adjustment in projected FTE. If the reversion calculation is not changed, the community colleges would be required to revert any funding they received as part of the adjustment in projected FTE.

The reversion calculation would still need to exist, but the community colleges should not be penalized for any adjustment the legislature makes to the projections. Therefore, when calculating the reversion, the resident FTE projections provided by the community colleges need to be used. Any adjustment to the resident FTE enrollment projections approved by the legislature for purposes of smoothing declines in enrollment should not be included in the reversion calculation.

## IMPACTS OF USING 3-YEAR AVERAGE FOR STATE PERCENT SHARE

For the 2021 biennium the legislature, as a matter of public policy, approved a state percent share of 48.2% in the community college funding formula. The 3-year average for state percent share for each community college in the 2021 biennium would average the actual state percent share for FY 2016, FY 2017, and FY 2018. The 3-year average would result in a state percent share of 43.7% for Dawson Community College, 47.5% for Flathead Valley Community College, and 47.6% for Miles Community College.

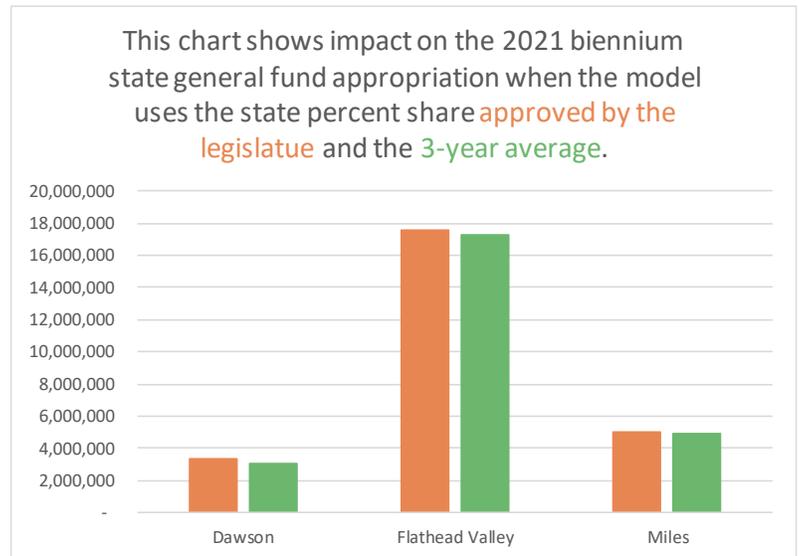
Using the 3-year average for the state percent share rather than the state percent share approved by the legislature for Flathead Valley Community College and Miles Community College results in a decrease in the state general fund appropriation of approximately 1.5% and 1.2%, respectively.

Dawson Community College would have a more significant decrease in the state general fund appropriation in the 2021 biennium when using the 3-year average for the state percent share. Using the 3-year average results in a decrease of 9.3%. There are two primary factors contributing to this decrease, which include:

- In FY 2018, the state general fund support decreased because HB 647 was approved by 2017 Legislature. Dawson Community College was impacted by the constraints included in this bill.
- In FY 2018, net tuition increased because actual FTE increased and tuition waivers decreased

## CONCLUSION

The sections above summarize the impacts of potential changes on the community college funding formula for the 2021 biennium. The scenarios above are run under the assumption that all potential changes have been adopted. Legislative Fiscal Division staff can provide additional information and can provide information on the impacts of adopting specific changes (e.g. the impact on the funding formula if three out of the six changes are adopted).



# APPENDIX A: ALL POTENTIAL CHANGES

## DAWSON COMMUNITY COLLEGE

BASE YEAR		Dawson Community College						
FY 2018								
				50%	50%	Cost of		
		Total FTE	FY 2018 Adjusted COE	Fixed Cost	Variable Cost	Education per FTE		State Support
		289	3,685,741	1,842,871	1,842,871	6,377		1,528,856
BUDGET YEAR								
FY 2020 FTE Projection 225								
		FY 2020 Projections			50%	50%		
		Weights	FTE	WFTE	State Percent Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.		1.25	73	91				
Transfer		1.00	137	137				
Early College/Community		0.75	15	11				
<b>Total</b>			<b>225</b>	<b>240</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,527,846</b>	<b>3,370,717</b>
BUDGET YEAR								
FY 2021 FTE Projection 248								
		FY 2021 Projections			50%	50%		
		Weights	FTE	WFTE	State Percent Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.		1.25	81	101				
Transfer		1.00	151	151				
Early College/Community		0.75	16	12				
<b>Total</b>			<b>248</b>	<b>264</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,684,026</b>	<b>3,526,897</b>

## FLATHEAD VALLEY COMMUNITY COLLEGE

BASE YEAR		Flathead Valley Community College						
FY 2018								
				50%	50%	Variable Cost		
		Total FTE	FY 2018 Adjusted COE	Fixed Cost	Variable Cost	of Education per FTE		State Support
		1,477	17,608,347	8,804,174	8,804,174	5,961		8,660,964
BUDGET YEAR								
FY 2020 FTE Projection 1,465								
		FY 2020 Projections			50%	50%		
		Weights	FTE	WFTE	State Percent Share	Fixed Cost	Variable Cost	Total Budget
								State Support
CTE		1.25	578	723				
Transfer		1.00	724	724				
Early College/Community		0.75	163	122				
<b>Total</b>			<b>1,465</b>	<b>1,569</b>	<b>47.5%</b>	<b>8,804,174</b>	<b>9,351,969</b>	<b>18,156,143</b>
BUDGET YEAR								
FY 2021 FTE Projection 1,494								
		FY 2021 Projections			50%	50%		
		Weights	FTE	WFTE	State Percent Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.		1.25	590	737				
Transfer		1.00	738	738				
Early College/Community		0.75	166	124				
<b>Total</b>			<b>1,494</b>	<b>1,600</b>	<b>47.5%</b>	<b>8,804,174</b>	<b>9,537,094</b>	<b>18,341,267</b>



# APPENDIX B: FIXED AND VARIABLE COSTS

## DAWSON COMMUNITY COLLEGE

### 75/25 Ratio

BASE YEAR		Dawson Community College						
FY 2018								
					75%	25%	Cost of	
		Total FTE	FY 2018 Adjusted COE		Fixed Cost	Variable Cost	Education per FTE	State Support
		289	3,685,741		2,764,306	921,435	3,188	1,528,856
BUDGET YEAR								
FY 2020 FTE Projection 225								
		FY 2020 Projections			State Percent	75%	25%	
		Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.	1.25	73	91					
Transfer	1.00	137	137					
Early College/Community	0.75	15	11					
<b>Total</b>		<b>225</b>	<b>240</b>	<b>43.7%</b>	<b>2,764,306</b>	<b>763,923</b>	<b>3,528,229</b>	<b>1,543,014</b>
BUDGET YEAR								
FY 2021 FTE Projection 248								
		FY 2021 Projections			State Percent	75%	25%	
		Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.	1.25	81	101					
Transfer	1.00	151	151					
Early College/Community	0.75	16	12					
<b>Total</b>		<b>248</b>	<b>264</b>	<b>43.7%</b>	<b>2,764,306</b>	<b>842,013</b>	<b>3,606,319</b>	<b>1,577,165</b>

### 50/50 Ratio

BASE YEAR		Dawson Community College						
FY 2018								
					50%	50%	Cost of	
		Total FTE	FY 2018 Adjusted COE		Fixed Cost	Variable Cost	Education per FTE	State Support
		289	3,685,741		1,842,871	1,842,871	6,377	1,528,856
BUDGET YEAR								
FY 2020 FTE Projection 225								
		FY 2020 Projections			State Percent	50%	50%	
		Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.	1.25	73	91					
Transfer	1.00	137	137					
Early College/Community	0.75	15	11					
<b>Total</b>		<b>225</b>	<b>240</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,527,846</b>	<b>3,370,717</b>	<b>1,474,129</b>
BUDGET YEAR								
FY 2021 FTE Projection 248								
		FY 2021 Projections			State Percent	50%	50%	
		Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget
								State Support
Career & Tech Ed.	1.25	81	101					
Transfer	1.00	151	151					
Early College/Community	0.75	16	12					
<b>Total</b>		<b>248</b>	<b>264</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,684,026</b>	<b>3,526,897</b>	<b>1,542,431</b>

# FLATHEAD VALLEY COMMUNITY COLLEGE

## 75/25 Ratio

BASE YEAR		Flathead Valley Community College				
FY 2018						
			75%	25%	Variable Cost	
	Total FTE	FY 2018 Adjusted COE	Fixed Cost	Variable Cost	of Education per FTE	State Support
	1,477	17,608,347	13,206,260	4,402,087	2,980	8,660,964

BUDGET YEAR		Flathead Valley Community College						
FY 2020 FTE Projection 1,465								
	FY 2020 Projections			State Percent	75%	25%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
CTE	1.25	578	723					
Transfer	1.00	724	724					
Early College/Community	0.75	163	122					
Total		1,465	1,569	47.5%	13,206,260	4,675,985	17,882,245	8,488,347

BUDGET YEAR		Flathead Valley Community College						
FY 2021 FTE Projection 1,494								
	FY 2021 Projections			State Percent	75%	25%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
Career & Tech Ed.	1.25	590	737					
Transfer	1.00	738	738					
Early College/Community	0.75	166	124					
Total		1,494	1,600	47.5%	13,206,260	4,768,547	17,974,807	8,532,284

## 50/50 Ratio

BASE YEAR		Flathead Valley Community College				
FY 2018						
			50%	50%	Variable Cost	
	Total FTE	FY 2018 Adjusted COE	Fixed Cost	Variable Cost	of Education per FTE	State Support
	1,477	17,608,347	8,804,174	8,804,174	5,961	8,660,964

BUDGET YEAR		Flathead Valley Community College						
FY 2020 FTE Projection 1,465								
	FY 2020 Projections			State Percent	50%	50%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
CTE	1.25	578	723					
Transfer	1.00	724	724					
Early College/Community	0.75	163	122					
Total		1,465	1,569	47.5%	8,804,174	9,351,969	18,156,143	8,618,361

BUDGET YEAR		Flathead Valley Community College						
FY 2021 FTE Projection 1,494								
	FY 2021 Projections			State Percent	50%	50%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
Career & Tech Ed.	1.25	590	737					
Transfer	1.00	738	738					
Early College/Community	0.75	166	124					
Total		1,494	1,600	47.5%	8,804,174	9,537,094	18,341,267	8,706,236

# MILES COMMUNITY COLLEGE

## 75/25 Ratio

BASE YEAR		Miles Community College					
FY 2018							
		Total FTE	FY 2018 Adjusted COE	75% Fixed Cost	25% Variable Cost	Variable Cost of Education per FTE	State Support
		429	5,229,908	3,922,431	1,307,477	3,048	2,476,823

BUDGET YEAR									
FY 2020 FTE Projection		393							
		FY 2020 Projections			State Percent	75% Fixed Cost	25% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE	Share				
Career & Tech Ed.		1.25	136	171					
Transfer		1.00	197	197					
Early College/Community		0.75	60	45					
Total			393	412	47.6%	3,922,431	1,256,390	5,178,821	2,466,595

BUDGET YEAR									
FY 2021 FTE Projection		401							
		FY 2021 Projections			State Percent	75% Fixed Cost	25% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE	Share				
Career & Tech Ed.		1.25	139	174					
Transfer		1.00	201	201					
Early College/Community		0.75	61	46					
Total			401	421	47.6%	3,922,431	1,281,966	5,204,397	2,478,776

## 50/50 Ratio

BASE YEAR		Miles Community College					
FY 2018							
		Total FTE	FY 2018 Adjusted COE	50% Fixed Cost	50% Variable Cost	Variable Cost of Education per FTE	State Support
		429	5,229,908	2,614,954	2,614,954	6,095	2,476,823

BUDGET YEAR									
FY 2020 FTE Projection		393							
		FY 2020 Projections			State Percent	50% Fixed Cost	50% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE	Share				
Career & Tech Ed.		1.25	136	171					
Transfer		1.00	197	197					
Early College/Community		0.75	60	45					
Total			393	412	47.6%	2,614,954	2,512,780	5,127,734	2,442,263

BUDGET YEAR									
FY 2021 FTE Projection		401							
		FY 2021 Projections			State Percent	50% Fixed Cost	50% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE	Share				
Career & Tech Ed.		1.25	139	174					
Transfer		1.00	201	201					
Early College/Community		0.75	61	46					
Total			401	421	47.6%	2,614,954	2,563,931	5,178,885	2,466,625

# APPENDIX C: WEIGHTING FTE (CTE)

## DAWSON COMMUNITY COLLEGE

### CTE – 1.00

BASE YEAR		Dawson Community College				
FY 2018						
	Total FTE	FY 2018 Adjusted COE	50% Fixed Cost	50% Variable Cost	Cost of Education per FTE	State Support
	289	3,685,741	1,842,871	1,842,871	6,377	1,528,856

BUDGET YEAR								
FY 2020 FTE Projection		225						
	<b>FY 2020 Projections</b>			State Percent	50% Fixed Cost	50% Variable Cost	Total	State
	Weights	FTE	WFTE	Share	Cost	Cost	Budget	Support
Career & Tech Ed.	1.00	73	73					
Transfer	1.00	137	137					
Early College/Community	0.75	15	11					
<b>Total</b>		<b>225</b>	<b>221</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,411,179</b>	<b>3,254,050</b>	<b>1,423,106</b>

BUDGET YEAR								
FY 2021 FTE Projection		248						
	<b>FY 2021 Projections</b>			State Percent	50% Fixed Cost	50% Variable Cost	Total	State
	Weights	FTE	WFTE	Share	Cost	Cost	Budget	Support
Career & Tech Ed.	1.00	81	81					
Transfer	1.00	151	151					
Early College/Community	0.75	16	12					
<b>Total</b>		<b>248</b>	<b>244</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,555,433</b>	<b>3,398,303</b>	<b>1,486,193</b>

### CTE – 1.25

BASE YEAR		Dawson Community College				
FY 2018						
	Total FTE	FY 2018 Adjusted COE	50% Fixed Cost	50% Variable Cost	Cost of Education per FTE	State Support
	289	3,685,741	1,842,871	1,842,871	6,377	1,528,856

BUDGET YEAR								
FY 2020 FTE Projection		225						
	<b>FY 2020 Projections</b>			State Percent	50% Fixed Cost	50% Variable Cost	Total	State
	Weights	FTE	WFTE	Share	Cost	Cost	Budget	Support
Career & Tech Ed.	1.25	73	91					
Transfer	1.00	137	137					
Early College/Community	0.75	15	11					
<b>Total</b>		<b>225</b>	<b>240</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,527,846</b>	<b>3,370,717</b>	<b>1,474,129</b>

BUDGET YEAR								
FY 2021 FTE Projection		248						
	<b>FY 2021 Projections</b>			State Percent	50% Fixed Cost	50% Variable Cost	Total	State
	Weights	FTE	WFTE	Share	Cost	Cost	Budget	Support
Career & Tech Ed.	1.25	81	101					
Transfer	1.00	151	151					
Early College/Community	0.75	16	12					
<b>Total</b>		<b>248</b>	<b>264</b>	<b>43.7%</b>	<b>1,842,871</b>	<b>1,684,026</b>	<b>3,526,897</b>	<b>1,542,431</b>

# FLATHEAD VALLEY COMMUNITY COLLEGE

## CTE – 1.00

BASE YEAR		Flathead Valley Community College				
FY 2018						
			50%	50%	Variable Cost	
	Total FTE	FY 2018 Adjusted COE	Fixed Cost	Variable Cost	of Education per FTE	State Support
	1,477	17,608,347	8,804,174	8,804,174	5,961	8,660,964

BUDGET YEAR		Flathead Valley Community College						
FY 2020 FTE Projection 1,465								
	FY 2020 Projections			State Percent	50%	50%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
CTE	1.00	578	578					
Transfer	1.00	724	724					
Early College/Community	0.75	163	122					
<b>Total</b>		<b>1,465</b>	<b>1,424</b>	<b>47.5%</b>	<b>8,804,174</b>	<b>8,490,234</b>	<b>17,294,408</b>	<b>8,209,312</b>

BUDGET YEAR		Flathead Valley Community College						
FY 2021 FTE Projection 1,494								
	FY 2021 Projections			State Percent	50%	50%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
Career & Tech Ed.	1.00	590	590					
Transfer	1.00	738	738					
Early College/Community	0.75	166	124					
<b>Total</b>		<b>1,494</b>	<b>1,453</b>	<b>47.5%</b>	<b>8,804,174</b>	<b>8,658,300</b>	<b>17,462,474</b>	<b>8,289,090</b>

## CTE – 1.25

BASE YEAR		Flathead Valley Community College				
FY 2018						
			50%	50%	Variable Cost	
	Total FTE	FY 2018 Adjusted COE	Fixed Cost	Variable Cost	of Education per FTE	State Support
	1,477	17,608,347	8,804,174	8,804,174	5,961	8,660,964

BUDGET YEAR		Flathead Valley Community College						
FY 2020 FTE Projection 1,465								
	FY 2020 Projections			State Percent	50%	50%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
CTE	1.25	578	723					
Transfer	1.00	724	724					
Early College/Community	0.75	163	122					
<b>Total</b>		<b>1,465</b>	<b>1,569</b>	<b>47.5%</b>	<b>8,804,174</b>	<b>9,351,969</b>	<b>18,156,143</b>	<b>8,618,361</b>

BUDGET YEAR		Flathead Valley Community College						
FY 2021 FTE Projection 1,494								
	FY 2021 Projections			State Percent	50%	50%		
	Weights	FTE	WFTE	Share	Fixed Cost	Variable Cost	Total Budget	State Support
Career & Tech Ed.	1.25	590	737					
Transfer	1.00	738	738					
Early College/Community	0.75	166	124					
<b>Total</b>		<b>1,494</b>	<b>1,600</b>	<b>47.5%</b>	<b>8,804,174</b>	<b>9,537,094</b>	<b>18,341,267</b>	<b>8,706,236</b>

# MILES COMMUNITY COLLEGE

## CTE – 1.00

BASE YEAR		Miles Community College					
FY 2018							
		Total FTE	FY 2018 Adjusted COE	50% Fixed Cost	50% Variable Cost	Variable Cost of Education per FTE	State Support
		429	5,229,908	2,614,954	2,614,954	6,095	2,476,823

BUDGET YEAR									
FY 2020 FTE Projection		393							
		FY 2020 Projections			State Percent Share	50% Fixed Cost	50% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE					
Career & Tech Ed.		1.00	136	136					
Transfer		1.00	197	197					
Early College/Community		0.75	60	45					
Total			393	378	47.6%	2,614,954	2,304,778	4,919,732	2,343,194

BUDGET YEAR									
FY 2021 FTE Projection		401							
		FY 2021 Projections			State Percent Share	50% Fixed Cost	50% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE					
Career & Tech Ed.		1.00	139	139					
Transfer		1.00	201	201					
Early College/Community		0.75	61	46					
Total			401	386	47.6%	2,614,954	2,351,695	4,966,649	2,365,540

## CTE – 1.25

BASE YEAR		Miles Community College					
FY 2018							
		Total FTE	FY 2018 Adjusted COE	50% Fixed Cost	50% Variable Cost	Variable Cost of Education per FTE	State Support
		429	5,229,908	2,614,954	2,614,954	6,095	2,476,823

BUDGET YEAR									
FY 2020 FTE Projection		393							
		FY 2020 Projections			State Percent Share	50% Fixed Cost	50% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE					
Career & Tech Ed.		1.25	136	171					
Transfer		1.00	197	197					
Early College/Community		0.75	60	45					
Total			393	412	47.6%	2,614,954	2,512,780	5,127,734	2,442,263

BUDGET YEAR									
FY 2021 FTE Projection		401							
		FY 2021 Projections			State Percent Share	50% Fixed Cost	50% Variable Cost	Total Budget	State Support
		Weights	FTE	WFTE					
Career & Tech Ed.		1.25	139	174					
Transfer		1.00	201	201					
Early College/Community		0.75	61	46					
Total			401	421	47.6%	2,614,954	2,563,931	5,178,885	2,466,625