

Executive Summary:
**Report of the
Iowa Community College
Funding Formula
Task Force**



**Iowa Department
of Education**

January 1998

3-1735b

Community Colleges Serve Iowans

- Approximately 95 percent of our credit students are Iowa residents.
- Over 84 percent of community college alumni are Iowa residents.
- Over 60 percent of the new freshmen in Iowa colleges and universities who are Iowa residents are enrolled in our community colleges.
- Approximately 6,000 Iowans serve on community college advisory committees. The great majority are involved with some type of technical education program.
- One hundred and twenty five (125) Iowans are elected to serve on community college boards of trustees.

Enrollments

- Credit students who were enrolled in Iowa's community colleges in the fall of 1997 numbered 60,620.
- Total community college enrollments in adult and continuing education exceeded 450,000 for the 1996-97 fiscal year.
- Over 7,000 Iowans were tested successfully through the General Equivalency Diploma program examination at an Iowa community college.

Funding

Iowa's community colleges strive to achieve their mission through a system of 15 colleges and 30 campuses, all committed to access, quality, and responsiveness. Adequate funding is critical to the community colleges' ability to fulfill their mission. The colleges have three major sources of revenue: state general aid, local levies, and tuition and fees. The funding directly impacts the college's ability to respond to local needs and new initiatives.

The appropriations request for fiscal year 1999 is calculated as follows:

Rolling Appropriations	
Base	\$130,582,051
Fiscal Year 1998 State Aid Appropriation	
New State General Aid	\$ 6,984,286
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Total Fiscal Year 1999	
Appropriations Request	\$137,566,337

The new state general aid appropriation is calculated by multiplying the allowable growth rate times 75 percent of the fiscal year 1997 expenditures. Based upon the recommendations related to financial reporting requirements in the Iowa Department of Education proposal, the fiscal year 1997 expenditures total \$266,068,037. The allowable growth rate is the same allowable growth rate established for school districts for 1998-99, 3.5 percent.

This proposal recommends fiscal year 1999 new state general aid to Iowa's community colleges totaling \$6,984,286; this is an approximate 5.3 percent increase over the fiscal year 1998 appropriation. Approximately \$2,611,641 will be allocated as the 2 percent inflation appropriation to each college; approximately \$4,372,645 will be allocated based on the individual community college's proportional share of enrollment.

The Iowa Department of Education recognizes the collaboration and consensus-building by the Iowa Association of Community College Presidents, the Iowa Association of Community College Trustees, and Iowa Department of Education staff which occurred to achieve these recommendations. However, the Iowa Department of Education believes it is in the best interest of the state as a whole to continue to examine the issues and to move towards a needs-driven appropriations request and distribution system.

It is anticipated that a set of strategic objectives for the state community college system will be formulated; these objectives will address funding issues cited in this study and any new issues identified through the planning process. The strategic objectives will drive the appropriations request for state general aid. It is anticipated that the strategic planning process will generate an agreed upon set of strategic objectives for the fiscal year 2002 appropriations request.

This proposal includes the process for determining the appropriations request from the legislature, including the new state general aid, and the distribution of these funds to the 15 community colleges. It also includes some significant changes in the basis for distributing state general aid to the 15 community colleges (based on the proportional share of total statewide credit hours), vocational-technical program length and requirements, adult and continuing education program reporting, and general fiscal reporting.

Strategic planning and the examination of Iowa's funding for the community colleges will be viewed as an ongoing process, built to respond to the changing environments and needs impacting our state's community colleges.

For additional information or a copy of the
Iowa Community College Funding Formula Task Force Report
please contact Dr. Janice Friedel, Administrator
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Iowa Department of Education at 515/281-8260

Mission of Iowa's 15 Community Colleges

It is the mission of Iowa community colleges to offer quality programs, courses, and services to meet the different community interests, student abilities, and personal objectives of citizens of all ages and levels of education for the purpose of improving the quality of life, the economic conditions, and the public welfare of our state.

This mission is accomplished through 15 comprehensive community colleges.

Northeast Iowa Community College
North Iowa Area Community College
Iowa Lakes Community College
Northwest Iowa Community College
Iowa Central Community College
Iowa Valley Community College District
Hawkeye Community College
Eastern Iowa Community College District
Kirkwood Community College
Des Moines Area Community College
Western Iowa Tech Community College
Iowa Western Community College
Southwestern Community College
Indian Hills Community College
Southeastern Community College

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