

RAC Notes

Governor's Proposed Budget for 2020-2021

- Proposing a \$157 billion General Fund Budget which is a 2.23% increase over the current year.
- Proposal forecasts “constrained growth” for the state over the next four years.
 - Transfer of \$1.9 billion to Rainy Day Fund with an additional \$1.4 billion over time to bring the Rainy Day Fund to \$19.4 billion by 2023-24.
- Continued economic growth is expected to slow to reflect a 3%-2%-2% growth trend between now and 2022.
- Proposed budget does not provide any CalSTRS or CalPERS relief

Community College Budget for 2020-2021

- Student Success Funding Formula
 - COLA of 2.29%
 - This does not mean our revenue/budget will be increasing an automatic 2.29%. This increase is applied to all metrics of the student success funding formula and we have to earn those additional dollars by maintaining or increasing our student success metrics. This occurred during this fiscal year (FY19-20) as well and to date, we have received less than 1% of the 2.71% COLA.
 - \$31.9 million to fund student enrollment growth of 0.5%.
 - The state Chancellor’s Office (CCCCO) will be developing guidance and work with community colleges to collect data reflecting first-generation college students so that the metric can be added to the formula.
- \$83.2 million for apprenticeship programs
 - \$48.2 million (of which \$20.4 million is a one-time allocation) to support projected increases in apprenticeship instructional hours
 - \$15 million to expand the California Apprenticeship Initiative to support the creation of apprenticeship opportunities in priority and emerging industry sectors
 - \$20 million to expand access to work-based learning models, including working with faculty and employers to incorporate work-based learning into the curriculum
- \$27.6 million to support 24 new capital outlay projects
- Creation of a new CCC System Support Program, managed by the CCCCCO, by shifting \$125 million in funding from existing categorical program set-asides (this does not mean allocations for these programs will be reduced):
 - Student Equity and Achievement Program
 - Cooperating Agencies for Foster Youth Education Support
 - CCC Strong Workforce Program
 - All or a portion of the funds will be shifted to the new CCC System Support Program:
 - Institutional Effectiveness Partnership and Initiative
 - Integrated Technology
 - Transfer Education and Articulation
 - Expand Delivery of Courses through Technology
 - Statewide media campaigns (from Financial Aid Administration)

- \$17.3 million (\$8.1 million as a one-time allocation) for deferred maintenance/instructional equipment and library materials
- \$15 million in one-time funds for a pilot fellowship program for improving faculty diversity
- \$11.4 million to establish or support food pantries
- \$10 million in one-time funds for part-time faculty office hours
- \$10 million in one-time funds to develop and implement zero-textbook-cost degrees using open educational resources
- \$10 million to continue providing legal services to immigrant students, faculty, and staff
- \$9.2 million to fund 2.29% COLA for DSPS, EOPS, CalWORKs
- \$5.8 million to fund Dreamer Resource Liaisons and student support services for immigrant students, including services related to career pathways and economic mobility
- \$5 million to provide instructional materials for dual enrollment students
- \$700k in one-time non-Prop 98 funds for the CCCCO to contract with an external organization to staff a Working Group on Community College Athlete Compensation in order to address a community college athlete's use of the athlete's name, image, and likeness for compensation (SB 206).
- \$5 million in one-time non-Proposition 98 funding for the state's Student Aid Commission to form a workgroup and to provide outreach related to student debt.

Next Steps

The CCCCO will be working with the legislature to potentially reduce the one-time allocations noted above to reallocate those resources to address the need for an increase to the base funding, PERS & STRS relief, facility needs, student housing, financial need for students, and promoting diversity in the workforce. The May revise will come out around mid-May and the final budget will be signed by June 30, 2020.