

2013-14 California Community College Budget Summary Report

Jan 18, 2013

College Council Members:

Here is a summary of the budget proposed by Governor Brown prepared by Tom Burke.

Sonya

Budget Summary

- **\$196.7M (3.69%) in increased apportionment funding.** It is proposed that the Board of Governors will determine how those funds will be allocated (e.g., growth/restoration, COLA).
 - **Potential split based on BOG budget submittal: 38% categorical restoration; 38% COLA and 24% enrollment restoration**
- **\$179M to buy down existing deferrals.** This would lower the total year over year deferrals from \$801M to \$622M.
- **Continued assurance of backfill for current and budget year projection shortfalls. This will be tested at the time of the second principle apportionment.**
- **\$49.5M to support energy efficiency efforts** pursuant to the recently passed Proposition 39 ballot initiative. The Governor intends the CCCs to expand career technical educational training and on-the-job work experience training in partnership with the California Conservation Corps and participating community conservation corps programs.
- **\$16.9M to enhance online education efforts in the CCCs, including the creation of a centralized Virtual Campus into a single hosting system,** so students could find online courses and access 24/7 support through a common portal. The proposal would further expand and enhance credit by exam options to make it possible for students to earn credit for core SB 1440 Transfer Degree courses and also for remedial coursework. One way that students would be able to acquire the skills necessary to pass these exams would be through MOOC providers.
- **Shift of responsibility for Adult Education (\$300M) and Apprenticeship (\$15.7M) from K12 to the CCCs.** These dollars would be provided to districts in a block grant bases on students served in core instructional areas.
- **Replace long-standing provisional language concerning the funds for the Economic and Workforce Development Program** with a requirement that the Chancellor's Office submit an annual expenditure to the Department of Finance for approval (similar to SB 70).

Policy Changes:

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- **A 5-year phase-in of funding apportionments on completion rather than on census date enrollment.** Unlike previous proposals, though, this is intended to be cost neutral, as districts would have funding lost through the apportionment shifted to student support efforts such as the Student Success and Support Program (formerly known as Matriculation).
- **A 90-unit cap for students.** Under this proposal, no state support would be provided for students that have exceeded 90 units. Students taking courses above the cap would be required to pay the full cost of instruction, with some provision for case-by-case waivers.. Similar limits are proposed for UC and CSU students.
- Alter Part B BOG fee waivers to **require students to complete a FAFSA** and include the income of both parents and the student to determine eligibility.

Rebuilding after Disinvestment CCC faced difficult budgets

- 2009-10 Categorical cut (\$313M)
- Apportionment cuts: 2009-10 (\$190 M) and 2011-12 (\$385M) for a total reduction of \$575M
- Served over 252,000 FTES for whom the colleges did not receive funding; while additionally turning away another 129,000 FTES due to workload reduction
- Received no statutory COLA between 2007-08 and 2012-13 creating a cumulative loss of purchasing power totaling 18.3%, or \$994 M.
- Reduced course sections ranging between 5 to 15 percent per college. Increased class size.
- Fees increased from 2008-09 \$20/unit to 2012-13 \$46/unit – a 130% increase in five years