
CALIFORNIA COMMUNITY COLLEGES

CHANCELLOR'S OFFICE

1102 Q STREET

SACRAMENTO, CA 95811-6549

(916) 445-8752

<http://www.cccco.edu>

BACKGROUND MEMO/INFORMATION

2010-11 First Principal Apportionment - February 18, 2011

SYNOPSIS: The 2010-11 First Principal Apportionment for community college districts has been certified and the detailed information is available on the Chancellor's Office Fiscal Services Unit web site:

<http://www.cccco.edu/SystemOffice/Divisions/FinanceFacilities/FiscalServices/AllocationsSection/AppportionmentReports/tabid/329/Default.aspx>

The following exhibits are available for viewing.

Exhibit "A":	District Apportionments and Payments by Program
Exhibit "B-1":	Summary of General and Grand Total Apportionments
Exhibit "B-2A":	Categorical Apportionments - Part 1
Exhibit "B-2B":	Categorical Apportionments - Part 2
Exhibit "B-2C":	Categorical Apportionments - Part 3
Exhibit "B-3":	Categorical and One-time Apportionments
Exhibit "B-4":	Monthly Payment Schedule
Exhibit "C"	First Principal Apportionment

Attached is additional background information for both the general apportionment and the categorical programs, along with program contact information.

General Apportionment

First Principal Apportionment Allocations

Total and monthly certified program apportionment allocations are included within Exhibit A. State general apportionment and other general supplemental funds are summarized by county on Exhibit B-1. State categorical allowances are displayed on Exhibits B-2A through B-3. Exhibit B-4 provides the County Payment Schedule for February 2011 through May 2011.

The 2010-11 First Principal Apportionment (P1) allocations for February through May 2011 are based on each district's certified January 15th P1 Full Time Equivalent Student (FTES) along with each county's November 15th estimate of current year district property tax and each district's January 15th estimate of annual enrollment fee revenue for the current year.

NOTE: The February P1 Apportionment allocation is based on the 2010-11 Budget Act (Chapter 712, Statutes of 2010), which was enacted on October 10, 2010.

General Issues:

The total ACTUAL statewide FTES for the first period of 2010-11 declined by 27,993 FTES when compared with the 2009-10 Final FTES numbers, going from 1,258,719 in 2009-10 to 1,230,726 FTES, for a year-to-year decrease of 2.2 percent. FUNDED statewide FTES at the P1 equals 1,191,526, while 39,200 FTES remained unfunded.

Districts restoring prior year declines represented roughly 2,900 FTES or \$12.0 million in restoration funding. As of this P1, potential restoration eligibility for 2011-12 equals \$8.7 million derived totally for current year stability.

Growth

Total growth funded through state apportionment totaled \$126 million at the P1. The Chancellor's Office allocated the \$126 million in growth dollars to restore the 2009-10 general apportionment cuts of roughly \$190 million. Growth for the three "basic aid" (locally funded) districts totaled \$10,258,323. This additional amount is shown on the statewide Exhibit C. Please note that the actual funded growth to some districts exceeded the calculated growth entitlement based on the previous workload reduction. This outcome occurred because sixteen districts did not utilize the entire amount of their allocated growth funds as of the P1 and four districts (with potential growth of \$6.6 million) were in stability and thus used none of their allocated growth funding. Therefore, additional growth funding was available to those districts with unfunded growth. **Please keep in mind that additional growth funding above the calculated growth allocation as of the P1 may not ultimately be available depending on the performance of those districts that have not used all their allocated growth funds.** Further adjustments will be made at the P2.

Revenues: There is a \$45 million general deficit at the P1. This is the result of student fee revenues coming in \$44 million below budget estimates and a \$15 million base deficit that carried over the prior year as result of increases in district basic allocations for new colleges, centers and FTES growth. Property tax revenue was up \$14 million above the Budget Act estimate.

Payment Deferrals

The July 2010 district payment included an intra-fiscal year deferral of \$200 million with the funds scheduled for repayment to districts as part of the October 2010 apportionment allocation. In addition, AB 37, enacted in late September 2009, required an additional intra-fiscal year deferral of \$100 million from March 2011 with repayment occurring in May 2011.

The 2010-11 Budget agreement also contains inter-fiscal year deferrals for community colleges totaling \$832 million that will begin deferring monthly payments to districts on the following schedule with the repayment of the deferred amounts occurring in July, 2011:

January	\$136.5 million
February	\$136.5 million
March	\$76.5 million
April	\$158 million
May	\$103 million
<u>June</u>	<u>\$221.5 million</u>
Total Deferral =	\$832 million

Categorical Apportionment

Eleven categorical programs fall under flexibility provisions embodied in the Education Trailer Bill, Chapter 724 Statutes of 2010 (AB 1610), which provides districts with the authority to move funds from these 11 categorical programs to any other categorical program. In addition, the funding for these 11 categorical programs (Academic Senate, Childcare Tax Bailout, Equal Employment Opportunity, Economic Development, Apprenticeship, Part-Time Faculty Office Hours, Part-Time Faculty Health Benefits, Part-Time Faculty Compensation, Transfer Education and Articulation, Matriculation, and Physical Plant and Instructional Support) is locked-in at the 2008-09 district allocation level, less the level of the 2009-10 cut. In addition, AB 1610 provides authority to the Chancellor's Office to redirect funds from Academic Senate, the Economic Development Program and the Transfer and Articulation programs if the funds support either statewide or regional functions. Below are narrative descriptions for some of the categorical programs funded through the P1 Apportionment.

Apprenticeship: The P-1 2010-11 registered apprenticeship "Related and Supplemental Instruction" (RSI) funding apportionment allocated the entire \$7,174,000 at the hourly rate of \$5.06. At R1 2009-10, for some districts there was an adjustment to the proportion figures. For P1 2010-11, the proportion figures for each district will be the same as the R1 2009-10 figures. The P1 figures will be the same for P2, and P3. The only exception would be in the event that some error is detected. If you have any questions, contact Barry Noonan at bnoonan@cccco.edu and/or see his website <http://www.cccco.edu> > Divisions > Econ. Dev. & Work. Prep. > CTE > [Apprenticeship Program](#)

Disabled Student Programs and Services (DSPS): The First Principal Apportionment reflects the final allocations of \$69.2 million for college DSPS programs based on the established allocation formula. This includes \$7.7 million for hearing impaired expenses, which require a 1:4 (district: state) dollar match. This also includes an additional \$1.0 million for state developmental center programs at two colleges. Finally, an additional \$3.5 million for DSPS grant /contract programs at four districts. The full allocation for DSPS is posted on the state Chancellor's Office website, Student Services Division, DSPS at this URL: <http://www.cccco.edu/SystemOffice/Divisions/StudentServices/DSPS/tabid/616/Default.aspx>

Equal Employment Opportunity (EEO) Faculty Diversity: The 2010-11 P1 allocates \$575,250 of the \$767,000 included in the final Budget Act. The 2010-11 P1 apportionment amount reflects the same relative proportion or across the board reduction of 56.09% from the 2008-09 allocation as specified by the Budget Act. The balance of \$191,750 is authorized to be withheld by the Board of Governors pursuant to Education Code section 87108(b) for technical assistance, service, monitoring, and compliance functions.

Extended Opportunity Programs and Services (EOPS): The First Principal Apportionment allocates \$64.273 million as appropriated in the final State Budget Act. The P1 apportionment reflects the actual current year allocations for the 113 EOPS programs statewide, including the newly-accredited Moreno Valley and Norco Colleges in the Riverside Community College District.

Cooperative Agencies Resources for Education (CARE): The First Principal Apportionment (P1) report allocates funding to operate 113 college CARE programs, including the newly-accredited Moreno Valley and Norco colleges in the Riverside Community College District. In accordance with Assembly Bill 318, Statutes of 2006 (Dymally), El Camino College Compton Center is awarded categorical funds to operate a full-service CARE program, independent and separate from El Camino College, each fiscal year. The CARE P1 report also reflects a minor one-time adjustment (less \$1,692) in the current year funding for Monterey Peninsula College. The FY 2010-2011 CARE P1 report for all colleges are posted on the California Community Colleges Student Services Division/CARE webpage at <http://www.cccco.edu/ChancellorsOffice/Divisions/StudentServices/CARE/CAREReportForms/tabid/632/Default.aspx>

Part-Time Faculty Compensation: Funding for this program falls under the "flexibility" provisions embodied in Chapter 724 Statutes of 2010. The P1 allocations remain unchanged from the allocations made at the 2010-11 Advance Apportionment. Therefore, we are providing districts that received allocations under these programs in 2008-09, with the same allocation amounts, less the amount of the 2009-10 cuts to these two programs, which equaled 51 percent. These P1 allocations will not change at the P2 or the final Recalculation, unless a mid-year correction is made to these programs through the budget process.

Part-Time Faculty Office Hours and Health Benefits: Funding for these two programs falls under the "flexibility" provisions embodied in Chapter 724 Statutes of 2010. Therefore, we are providing districts that received allocations under these programs in 2008-09, with the same allocation amounts, less the amount of the 2009-10 cuts to these two programs, which equaled 51 percent. These P1 allocations will

not change at the P2 or the final Recalculation, unless a mid-year correction is made to these programs through the budget process.

All questions regarding the general apportionment for the Advance may be addressed to Ed Monroe at (916) 327-6226, email at emonroe@cccco.edu and all questions regarding the categorical apportionments for P1 may be addressed to Randy Fong at (916) 327-6238, email at rfong@cccco.edu.

Any additional questions regarding categorical apportionments should be referred to the following individuals:

Apprenticeship – Barry Noonan (916) 445-8026

Basic Skills – Mark Wade Lieu (916) 327-2987

California Work Opportunities and Responsibility to Kids (CalWORKs) and Temporary Assistance for Needy Families (TANF) - Patricia Servin (916) 327-5890

Career Technical Education - Ron Selge (916) 322-1677

Disabled Students Program and Services (DSPS) and State Hospital Developmental Centers - Scott Berenson (916) 322-3234 or Scott Valverde (916) 445-5809

Economic Development - Anita Rios (916) 324-3791

Equal Employment Opportunity (EEO) - Tosh Shikasho (916) 323-4990

Extended Opportunity Programs and Services - Cheryl Fong (916) 323-5954

Cooperative Agencies Resources for Education (CARE) - Cheryl Fong (916) 323-5954

Instructional Equipment & Library Materials - Lan Yuan (916) 323-5957

Scheduled Maintenance and Repair - Lan Yuan (916) 323-5957

Credit / Non Credit Matriculation – Sonia Ortiz-Mercado (916) 322-6817

Student Financial Aid Administration - Patty Falero (916) 323-6877

Telecommunications Allocations - Catherine McKenzie (916) 322-0833

Vocational & Applied Technology & Education Act (VATEA) - Robin Harrington (916) 322-6810