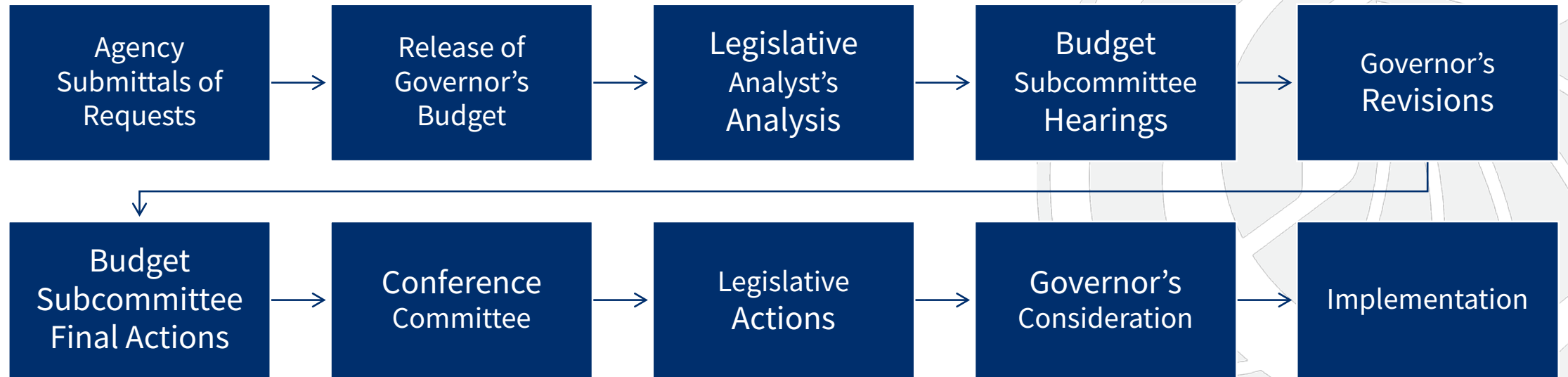


Budget Workshop

# Overview of the 2018-19 Budget



# State Budget Process



# 2018-19 State Budget—Expenditure Totals

	2016-17	2017-18	2018-19	Dollar Change	Percent Change
General Fund	\$119,291	\$127,045	\$138,688	\$11,643	9
Special Funds	44,249	57,169	58,512	1,343	2
<b>Budget Totals</b>	<b>\$163,540</b>	<b>\$184,214</b>	<b>\$197,199</b>	<b>\$12,986</b>	<b>7</b>
Bond Funds	\$2,340	\$6,309	\$4,173	-\$2,135	-51
Federal Funds	\$95,337	\$98,107	\$107,455	\$9,347	10

Source: Legislative Analyst's Office.

# Changes for California Community Colleges— Comparison to 2018-19 Budget and Legislative Request

Item	Request	Budget Action
General Operating Expenses	An additional \$200 million ongoing.	An additional \$270 million for general apportionments, with trailer bill to begin implementation of the student centered funding formula.
Online Education	Funding and related changes in statutes.	\$100 million one-time and \$20 million ongoing, with trailer bill language establishing the online college, and \$35 million one-time for Online Education Initiative.

# Changes for California Community Colleges— Comparison to 2018-19 Budget and Legislative Request

Item	Request	Budget Action
Full-Time Faculty	\$75 million ongoing.	\$50 million ongoing.
Part-Time Faculty Support	\$25 million ongoing.	\$50 million one-time.
Cal Grant Program	Additional funding and related changes in statutes.	An additional \$41 million for reconstituted program for full-time students—with the existing funds for the Full-Time Student Success Grant and the Community College Completion Grant programs also repurposed for the new program.

# Changes for California Community Colleges— Comparison to 2018-19 Budget and Legislative Request

Item	Request	Budget Action
Adult Education Data	Changes in statute.	\$5 million ongoing and related statutes.
Chancellor’s Office Capacity	An additional \$2.5 million ongoing.	An additional \$2 million ongoing.
Integration of Student Support Services	Changes in statute.	Changes to consolidate Student Success and Support, Student Equity, and Basic Skills for Student Success programs into Student Equity and Achievement Program.
Professional Development	\$25 million ongoing.	No budget action.
Basic Skills Transformation	\$25 million one-time.	No budget action.

# Changes for CCCs - Policy Adjustments (Dollars in Millions)

Ongoing Expenditures	2018-19
Student-Centered Funding Formula	269.657
K-12 Component of Strong Workforce Program	164.000
Increase in Full-Time Faculty	50.000
California College Promise Program	46.000
Student Success Completion Grant Program	40.657
California Online Community College	20.000
Adult Education Data Systems	5.000
Financial Aid Technology Systems	5.000
NextUp Program	5.000
Course Identification Numbering System (C-ID)	0.685
Academic Senate	0.232

# Changes for California Community Colleges— Policy Adjustments (Dollars in Millions)

<b>One-Time Expenditures</b>	<b>2018-19</b>
California Online Community College	\$100.000
Part-Time Faculty Office Hours	50.000
Prior-Year RSI for Apprenticeship Programs	36.455
Online Education Initiative	35.000
Physical Plant and Instructional Support	28.465
Financial Aid Technology Systems	13.500
Legal Services for Undocumented Persons	10.000
Mental Health Services and Training	10.000
Pathways in STEM Fields	10.000
Hunger Free Campuses	10.000
El Camino College Public Safety Training Center	10.000



# Changes for California Community Colleges— Policy Adjustments (Dollars in Millions)

<b>One-Time Expenditures</b>	<b>2018-19</b>
Veterans Resource Centers	\$8.490
Projects in Connection with EWD Program	8.000
Open Educational Resources	6.000
Reentry Grant Program	5.000
Career Readiness Training Program for Refugees	5.000
Norco College Early Childhood Education Center	5.000
Certified Nurse Assistant Training Programs	2.000
Backfill for Fire-Related Property Tax Declines	1.918
Reappropriation of IEPI Technical Assistance Grant	1.379
Los Angeles Valley College Family Resource Center	0.800
Reappropriation of Puenta Funds	0.738

# Changes for California Community Colleges— Online College

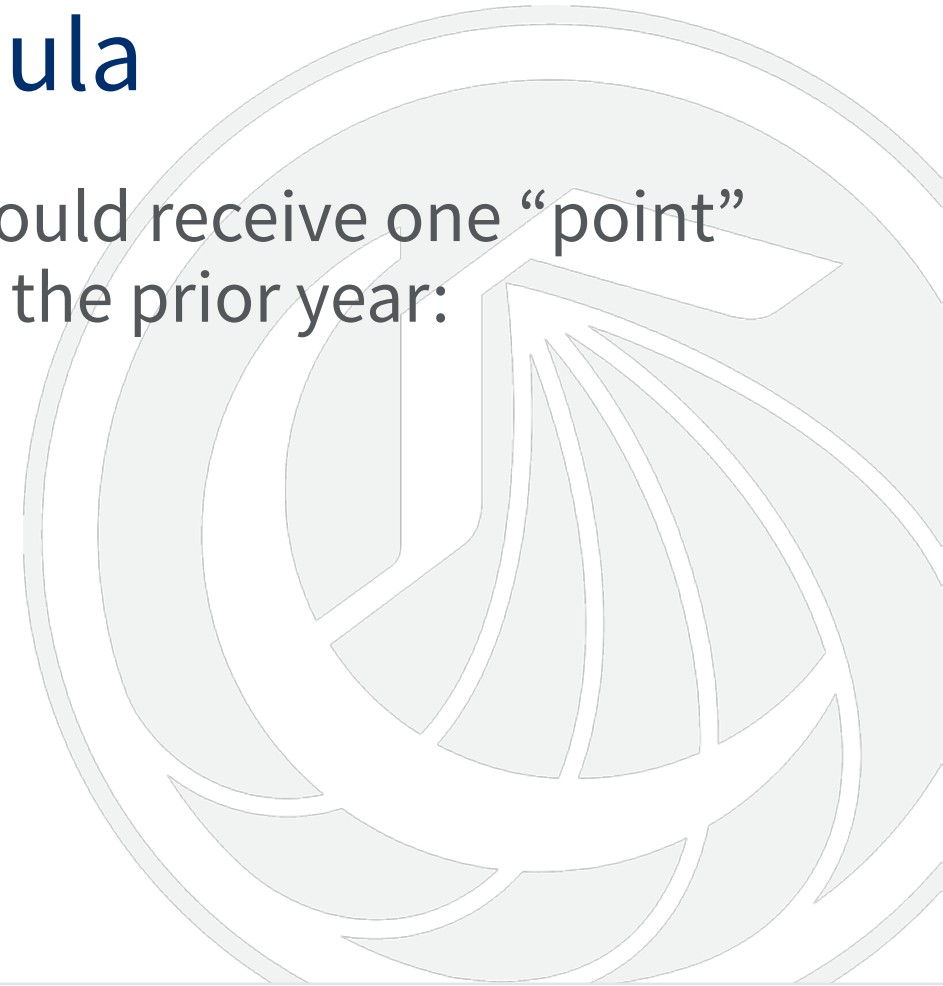
- The budget appropriates \$100 million one-time and \$20 million ongoing, as proposed by the Governor, and enacts related trailer bill to establish the new online college.
- Notably, the budget:
  - Maintains the online college under the authority of the Board of Governors.
  - Creates a process for collective bargaining, with the Board of Governors designating an existing district to establish an agreement for the college's represented employees.
  - Links any fees to the amounts specified in existing statutes.
  - Specifies expectations around program quality and accreditation.
  - Enacts provisions concerning pathways to programs at the existing colleges.

# Changes for California Community Colleges— Student Centered Funding Formula

- The new formula calculates apportionments generally using three allocations:
  - *Base Allocation*—Current factors (primarily credit FTES).
  - *Supplemental Allocation*—Counts of low-income students.
  - *Student Success Allocation*—Counts of outcomes related to the *Vision for Success*, with “premiums” for outcomes of low-income students.
- Noncredit FTES (and some other FTES) would be funded at current rates.
- The rates are calculated to provide a three-year transition.

# Changes for California Community Colleges— Student Centered Funding Formula

- For the supplemental allocation, a district would receive one “point” based on the counts of all of the following in the prior year:
  - Pell Grant recipients.
  - California College Promise Grant recipients.
  - AB 540 students.



# Changes for California Community Colleges— Student Centered Funding Formula

<b>Student Success Allocation—Measures</b>	<b>All Students</b>	<b>Promise Grant Premium</b>	<b>Pell Grant Premium</b>
Associate degrees for transfer granted	4	4	6
Associate degrees granted (excluding ADTs)	3	3	4.5
Baccalaureate degree granted	3	3	4.5
Credit certificates (16 units or more) granted	2	2	3
Completion of transfer-level mathematics and English courses within first academic year of enrollment	2	2	3
Successful transfer to four-year university	1.5	1.5	2.25
Completion of nine or more CTE units	1	1	1.5
Attainment of regional living wage	1	1	1.5

# Changes for California Community Colleges— Student Centered Funding Formula

	2018-19	2019-20 <sup>/1</sup>	2020-21 <sup>/1</sup>
Base Allocation			
Dollars per Credit FTES	\$3,727	\$3,387	\$3,046
Basic Allocation	<i>See Note</i>	<i>See Note</i>	<i>See Note</i>
Supplemental Allocation—Dollars per Point	\$919	\$919	\$919
Student Success Allocation—Dollars per Point	\$111	\$167	\$222

<sup>1/</sup> These totals will also be adjusted by the changes in the cost-of-living in those years.

Note: These amounts will be calculated based on the numbers of colleges and comprehensive centers consistent with the current formula.

# Changes for California Community Colleges— Student Centered Funding Formula

- In 2018-19, 2019-20, and 2020-21, a district would receive the greater of the formula total or the amount the district received in 2017-18, adjusted by the changes in the cost-of-living.
- The formula includes a “stability” provision that delays any decreases in revenues by one year.
- Further, the bill would require the following of districts:
  - *Goals*—Adoption, by January 1, 2019, of goals that are aligned with the Vision for Success.
  - *Comprehensive Plans*—Alignment of comprehensive plans with those goals and alignment of annual budgets with the comprehensive plans.
  - *Capacity*—If directed by the chancellor (with approval by the Board of Governors), use of funds for technical assistance or professional development.