

**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

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## BACKGROUND MEMO/INFORMATION

### 2015-16 Second Principal Apportionment

**SYNOPSIS:** The 2015-16 Second Principal Apportionment for our community college districts is certified and the detailed information is available on the Chancellor's Office Fiscal Services Unit web site:

<http://extranet.cccco.edu/Divisions/FinanceFacilities/FiscalServicesUnit/Reports/ApportionmentReports/201516.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" <sup>1</sup>	Second Principal Apportionment

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

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<sup>1</sup> It should be noted that the numbers on the Exhibit C Statewide Total page cannot be derived easily from multiplying the FTES by the funding rates, due to various adjustments and differential funding rates.

## General Apportionment

The P2 Apportionment allocation is based on the *2015-16 Budget Act (Chapter 10, Statutes of 2015 and Chapter 11, Statute of 2015.)*

### General Issues:

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 payment schedule by county for June 2016.

The 2015-16 Second Principal Apportionment (P2) allocations for June 2016 are based on each district's certified April 30<sup>th</sup> P2 Full Time Equivalent Student (FTES) report, along with each county's April 15<sup>th</sup> estimate of current year district property tax and each district's April 15<sup>th</sup> estimate of enrollment fee revenue for the current year.

### Education Protection Act/Proposition 30 funding:

On November 6, 2012, voters passed Proposition 30, the Schools and Local Public Safety Protection Act of 2012. This Act authorized the State of California to temporarily increase sales and income taxes for four and seven years, respectively, to generate funds for critical state and local services, including education, police and fire protection, and healthcare.

The Education Protection Account (EPA) was created to receive and disburse the revenues derived from the sales and income tax increases. EPA revenues are distributed to districts quarterly. Prior years' distributions are reconciled with adjustments applied to the current fiscal year. At P2, the Chancellor's Office was notified that prior year adjustments resulted in a net reduction of 2015-16 EPA revenues.

### **2015-16**

Based on the latest enrollment and local revenue activity, the revised EPA allocations result in a couple of districts deemed overpaid for the year. The maximum adjustment has been made for the June 2016 payment with any remaining adjustment to be made in the subsequent 2016 quarterly payments.

The detailed exhibit may be found at

<http://extranet.cccco.edu/Divisions/FinanceFacilities/FiscalServicesUnit/Reports/ApportionmentReports/201516.aspx> under the EPA tab.

### **2014-15**

The final 2014-15 general apportionment was calculated in April 2016, resulting in revised EPA allocations. The June 2016 payment reconciles these final adjustments.

The summary exhibit may be found at

<http://extranet.cccco.edu/Divisions/FinanceFacilities/FiscalServicesUnit/Reports/ApportionmentReports/201415.aspx> under the EPA tab.

The detailed exhibit may be found at <http://extranet.cccco.edu/Divisions/FinanceFacilities/FiscalServicesUnit/Reports/ApportionmentReports/201516.aspx> under the EPA tab.

### **Access/Growth funding:**

The 2015-16 Budget Act includes \$156M in growth funding to increase access. After setting aside \$3M for a new college and center, up to \$153M is available based upon the Growth/Access (GA) criteria identified in the budget act. If not all districts qualify for their share of the GA funds, districts with unfunded FTES would be eligible for a portion of that balance. As of P2, \$87M and \$10M are distributed per growth formula and unfunded FTES, respectively.

The provision of GA funding in 2015-16 resulted in the basic allocation thresholds being raised in proportion to the lowering that occurred during the 2011-12 workload reduction. Based on the amount of GA funding provided this year, the thresholds increased by 7.2% from 2014-15 and are now at 92.1% of the 2010-11 levels.

### **General Apportionment Deficit:**

The statewide deficit at P2 is \$0. This represents a deficit factor of 0.0% to each district, excluding those that are fully locally-funded (basic aid). This is due mainly to reported (+\$12M) property tax and (-\$9M) enrollment fee revenue being close to the Department of Finance projections. But note that local revenues and FTES levels fluctuate throughout the year, which cause the deficit to fluctuate. Additionally, if a significant number of districts are able to claim stability restoration, the system wide deficit could increase.

### **Second Principal Apportionment Allocations and FTES:**

The total ACTUAL statewide FTES as of 2015-16 P2 decreased 6,387 FTES from 1,152,024 to 1,145,636 FTES in P1, or 0.55%. FUNDED statewide FTES at P2 was 1,136,227 leaving 0 unfunded FTES in the system. Restoration of prior year declines resulted in an increase of 12,790 FTES.

**Please remember P2 is an estimate and things will undoubtedly change at Recal.**

## Categorical Apportionment

<u>Categorical Program</u>	<u>Certification at P2</u>	<u>Certification at P1</u>	<u>Change +/- %</u>
Apprenticeship Allowance	\$16,433,000	\$16,433,000	0.00%
Basic Skills	18,828,000	18,828,000	0.00%
BOG Fee Waivers Admin	16,152,455	16,152,455	0.00%
Cooperative Agencies Resources for Education	15,619,000	15,605,369	0.09%
Cooperating Agencies Foster Youth Education Support	4,068,029	4,068,029	0.00%
Extended Opportunity Programs and Services	107,554,945	107,484,071	0.07%
Student Financial Aid Admin	53,972,000	53,443,825	0.99%
Access to Print and Electronic Info	1,445,000	1,445,000	0.00%
Alternative Text Production Center	1,500,000	1,500,000	0.00%
CalWORKs	34,897,000	34,758,732	0.40%
Disabled Student Program	99,756,071	99,594,322	0.16%
Deaf and Hard of Hearing	9,752,840	9,600,000	1.59%
High Tech Center Training Unit	943,000	943,000	0.00%
State Hospital	991,089	1,000,000	-0.89%
Childcare Tax Bailout	3,384,000	3,384,000	0.00%
PT Faculty Compensation	24,907,000	24,907,000	0.00%
PT Office Hours	3,514,000	-	
Student Success (Credit)	263,573,316	266,700,365	-1.17%
Student Success (Equity)	140,376,653	137,612,174	2.01%
Student Success (Noncredit)	17,172,945	16,962,894	1.24%
Temporary Assistance Needy Families	8,000,000	7,933,906	0.83%
Equal Employment Opportunity	525,250	575,250	-8.69%
Full-Time Students Success Grant	39,000,000	36,272,500	7.52%
Nursing Education	12,756,020	12,756,020	0.00%
PT Health Ins. Benefits	490,000	-	
Physical Plant and Instructional Planning	148,000,000	148,000,000	0.00%
Telecommunication & Technology	15,338,971	15,338,971	0.00%
Categorical Prior Year	950,832	950,832	0.00%
	<u>\$1,059,901,416</u>	<u>\$1,052,249,715</u>	

Below are narrative descriptions for some of the categorical programs funded through the Second Apportionment (P2).

**Cooperative Agencies Resources for Education (CARE):** The FY 2015-16 Second Principal Apportionments report (P2) for CARE is in the amount of \$15.619 million and reflects the actual allocations to the colleges. The CARE P2 reflects one-time adjustments to increase the program allocations at 19 college CARE programs which were awarded CARE reallocated funds at mid-year. The CARE P2 also reflects the return of \$25,000 from Feather River College in the Feather River Community College District and \$10,716 from the College of San Mateo in the San Mateo Community College District. Allocations to fund all other college CARE programs remain unchanged from the P1.

**Extended Opportunity Programs and Services (EOPS):** The FY 2015-16 Second Principal Apportionments report (P2) for EOPS is in the amount of \$107.462 million and reflects the actual allocation to the colleges. The EOPS P2 also includes \$92,285 awarded to Riverside CCD for the EOPS Statewide Set-Aside Funds Contract #C15-0042, which is in effect from July 1, 2015 through October 31, 2016. The EOPS P2 also reflects one-time adjustments to increase the program allocations at 22 college EOPS programs which were awarded EOPS reallocated funds at mid-year. Allocations to fund all other college EOPS programs remain unchanged from the P1.

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## Chancellor's Office Contact Information

### General Apportionment contacts:

Randy Fong at (916) 327-6238 or via email at [rfong@cccco.edu](mailto:rfong@cccco.edu)  
Patricia Servin at (916) 445-1163 or via email at [pservin@cccco.edu](mailto:pservin@cccco.edu)

### Categorical Apportionments contacts:

Patricia Servin at (916) 445-1163 or via email at [pservin@cccco.edu](mailto:pservin@cccco.edu)  
Jubilee Smallwood at (916) 327-6225 or via email at [jsmallwood@cccco.edu](mailto:jsmallwood@cccco.edu)

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### Categorical Program contacts:

Apprenticeship Allowance  
Nick Esquivel  
(916) 445-4670

Basic Skills  
Eric Nelson  
(916) 327-2987

California Work Opportunities and Responsibility to Kids (CalWORKs) and Temporary Assistance for Needy Families (TANF)  
Sarah Tyson  
(916) 445-4755

Childcare Tax Bailout  
Jill Sevaaetasi  
(916) 445-0837

Disabled Students Program and Services (DSPS), State Hospital Developmental Centers, Access to Print and Electronic Information, Alternate Text Production Center, and High Tech Center Training Unit  
Rhonda Mohr  
(916) 323-6894

Equal Employment Opportunity (EEO)  
Peter Khang  
(916) 445-8508

Extended Opportunity Programs and Services (EOPS)  
Cooperative Agencies Resources for Education (CARE)  
Kelly Gornik  
(916) 323-4281

Full-Time Student Success  
Tim Bonnel  
(916) 445-0104

Instructional Equipment & Library Materials  
Hoang Nguyen  
(916) 327-5363

Nursing Education  
Brenda Fong  
(916) 323-2758

Part-Time Faculty Compensation, Part-Time Health  
Benefits, Part-Time Faculty Office  
Michael Yarber  
(916) 327-6818

Scheduled Maintenance and Repair  
Hoang Nguyen  
(916) 327-5363

Student Success and Support Program  
Debra Sheldon  
(916) 322-2818

Student Financial Aid Administration  
Terence Gardner  
(916) 327-5892

Telecommunications Allocations  
Gary Bird  
(916) 327-5904