

Chabot-Las Positas Community College District
Budget in Brief
Fiscal Year 2016 – 17

Summary of the Governor’s May Revise

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On May 13, 2016, Governor Bown released the May Revision to his proposed State budget for the year 2016-17. For California Community Colleges, the most significant change is an additional \$75 million in base apportionment for “operating expenses in areas such as employee benefits, facilities, professional development, converting faculty from part time to full time, and other general expenses”. For CLPCCD the increase is \$1.1 million.

Governor Brown’s revision to his 2016-17 State Budget proposal reflected weakened revenues in the current and out years, saying “the surging tide of revenue is beginning to turn.” The Governor highlighted last month’s lackluster personal income tax revenue and year-to-date weak sales tax receipts in his press conference, which he estimates at \$1.9 billion below January projections. Below is a summary of the Governor’s Budget Proposal as it relates to the California Community Colleges and the Chabot-Las Positas Community College District.

- **Proposition 98 Minimum Guarantee** - The minimum guarantee for Prop 98 increased slightly from \$71.9 billion compared to \$71.6 billion in January.
- **Access** – There were no changes to the \$114.7 million for increased access. This is an increase of roughly 2 percent, sufficient to expand access by close to 50,000 students (headcount).
- **Cost of Living Adjustment (COLA)** \$29.3 million reduction in apportionments to reflect a change in the cost-of-living adjustment from 0.47% down to zero—growth remains at 2%. For CLPCCD, a reduction of \$440,000
- **Full Time Faculty Hiring** - No augmentation. Received \$62.3 million in 2015-16.
- **Base Allocation Funding** - Received \$75 million in 2015-16. For CLPCCD the increase is \$1.1 million.
- **Cal Grant** - \$39 million is continued for the Full-Time Student Success Grant, which provides supplemental financial assistance to Cal Grant B recipients taking 12 units or more.
- **Proposition 39** - \$4.1 million increase for Proposition 39 energy efficiency projects. \$49.3 million is provided for energy efficiency projects and workforce development consistent with the intent of Proposition 39.
- **Apprenticeship** – There were no changes to the \$1.8 million proposed in January for the purpose of providing parity to apprenticeship rates relating to various general purpose funding augmentations received by colleges in 2015-16 (e.g., the general operating expense funds, funds for full-time faculty hiring).

- **Workforce** – There were no dollar changes to the \$200 million added to the Economic Workforce Development (EWD) item to improve and expand efforts for workforce, consistent with recommendations made by the Task Force on Workforce, Job Creation and Strong Economy.
- **CTE Pathways (SB 1070)** - \$48 million is funded for this program on an ongoing basis. The Governor’s intent is to repeal the sunset date for this program to make it permanent.
- **Basic Skills** – There were no changes to the \$30 million increase to the existing Basic Skills categorical to incentivize and support colleges that successfully implement research-based practices that transition students from basic skills to college-level programs.
- **Maintenance and Instructional Equipment** - A decrease of \$70.1 million to \$219.4 million from \$289.5 million in January. The Deferred Maintenance and Instructional Equipment is provided for Schedule Maintenance, Instructional Equipment and Specified Water Conservation Projects. Similar to the funding provided in 2015-16, districts will have the flexibility to distribute funds among maintenance, instructional equipment, and drought response activities. No local match is required.
- **Prior Year Mandated Cost Claims** - An increase of \$29.2 million, one-time, to pay for outstanding mandate debt on a per full-time equivalent student basis. For CLPCCD, it is \$477,000.
- **Technology** – \$3 million to the TTIP program in the January Proposal for the purpose of enhancing data security. The May Revise included a \$5 million increase (ongoing) and \$7 million (one-time) for TTIP to support 10 Gig circuits. In addition, a \$20 million one-time include for the Online Education Initiative to support the development of courses in the Online Course Exchange.
- **Institutional Effectiveness** –There were no changes to the \$10 million for the Institutional Effectiveness program, in part, to augment support of technical assistance to the colleges.
- **Innovation Awards** – There were no changes to the \$25 million proposed in January for grants related to innovative practices in community colleges. More details on criteria will be released with the trailer bill. This item is proposed on a one-time basis, though the funding comes from ongoing resources.
- **Zero Textbook Cost Degree** – There were no changes to the \$5 million provided to incentivize programs that have no costs to students for the use of textbooks.
- **Student Fees** - No fee increases at this time as proposed in January.

This information from the Governor’s May Revise will be utilized in developing the Chabot-Las Positas Community College District (CLPCCD) Adoption Budgets for 2065-17 fiscal year.

Sources of Information:
California Community Colleges System Office
Community College League of California
School Services of California (SSC)
Office of the Governor