

Chabot-Las Positas Community College District
Budget in Brief
Fiscal Year 2018-19

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Summary of the Governor's January Proposal

On January 10, 2018, Governor Jerry Brown released the January proposal for the 2018-19 State Budget. Governor Brown warns of the next recession and continues to emphasize vigilance and fiscal restraint. Governor Brown's top priority is keeping spending in line with revenue. The budget proposal brings the Rainy Day Fund to 100 percent of its constitutional target of \$13.5 billion. However, in a moderate recession state revenues are expected to drop by \$20 billion annually for several years. The January proposal has not yet factored in the recently enacted federal tax bill.

Proposition 98 Minimum Guarantee is projected at \$78.3 billion for 2018-19, up from \$75.2 billion for 2017-18, a 4% increase. Meanwhile, the budget proposal provides the other two university systems a 3% increase. California Community College per student funding continues to lag the other two systems. Per student funding for 2018-19 is expected to be \$7,450 for California Community Colleges; \$8,386 for California State University; and \$12,076 for University of California.

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. The major components of the Budget Proposal include:

Transition to a Student-Centered Funding Formula – \$175 million is proposed for a new funding formula, which would allocate funds for:

- Base Grants (50% of formula) – based on FTES enrollment
- Supplemental Grant (25% of formula) – based on the number of low-income students
- Student Success Incentive Grant (25% of formula) – based on the number of degrees and certificates granted and the number of students who complete a degree or certificate within a specified time frame
- Hold Harmless Provision – hold districts harmless during the first year of implementation

COLA – \$161.2 million for a 2.51% cost-of-living adjustment (COLA).

Access – \$60 million of ongoing funds for 1% growth funding.

Mandated Costs – The mandated cost block grant (\$33 million) is still in place for 2018-19.

Educational Services –

- \$46 million to support implementation of the California College Promise (AB 19)
- \$32.9 million to support consolidation of the Full-Time Student Success Grant and the Completion Grant programs
- \$20 million one-time funds for Innovation Awards
- \$100 million (one-time) and \$20 million (ongoing) to establish a **fully online community college** aimed at adult working learners

Facilities – \$275.2 million one-time funds for **Physical Plant and Instructional Equipment** (no matching funds required).

Categorical Programs – \$7.3 million for a 2.51% COLA for Extended Opportunity Programs and Services (**EOPS**), Disabled Students Programs and Services (**DSPS**), and California Work Opportunity and Responsibility to Kids (**CalWORKs**) programs.

Workforce –

- \$30.6 million one-time funds for shortfalls in apprenticeship related and supplemental instruction (RSI) reimbursements between 2013-14 and 2017-18
- \$17.8 million for apprenticeship programs for estimated instructional hours at a new RSI rate
- \$20.5 million for a COLA to the Adult Education Block Grant (AEBG) program

California Community Colleges Chancellor's Office (CCCCO) – \$2 million for staffing and development.

This overview is designed to assist the District in developing its Tentative Budget for fiscal year 2018-19.

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