



C H A B O T - L A S P O S I T A S

Community College District

The 50% Law

November 4, 2022



50% Law enshrined in Education Code

- Originally enacted in 1961 when most community college districts were part of K-14.
- Designed to result in districts allocating sufficient revenue to support instruction
- Enacted before collective bargaining was implemented





50% Law enshrined in Education Code

- Included in Education Code (§84362).
 - There shall be expended during each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's **current expense of education**.
 - The cost of all health and welfare benefits provided to the instructors by the community college district shall be included within the meaning of “salaries of classroom instructors.”
 - Also includes instructional aides
 - Current expense of education does **not** include non-instructional faculty (counselors and librarians, although they are included in the FON)



Current Expense of Education

- The calculation is based solely on actual expenses within the unrestricted fund
 - Restricted funds, which can include significant costs associated with non-instructional faculty, managers, classified professionals, and other non-personnel expenses are **not** part of the calculation
- Essentially, all the expenses (less some very narrow exclusions) within the unrestricted fund become the denominator within the calculation
 - Exclusions include retiree health benefits, student transportation, lottery expenditures, equipment replacement, etc.)



Current Expense of Education - Tracking

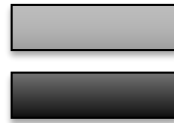
- All California Community Colleges must adhere to the system's Budget and Accounting Manual
 - Instructional salaries are identified by object code (aka account code in our system) and activity code (aka program code)
 - 1100/1300 accounts and the associated benefits account for nearly all the “salaries of classroom instructors” as defined in Ed Code
 - Instructional aides make up the rest (about 2% of the total)
- The 1100/1300 and instructional aide expenses create the numerator within the calculation



CLPCCD's Most Recent 50% Calculation

65,325,519 (instructional costs)

122,042,846 (all eligible expenditures)



53.53% (in compliance)

About \$4.3M cushion



Comparison Chart – Nearby Districts

Fiscal Year 2020-21			
District	Current Expense of Education	Eligible Instructional Salaries	Percentage
LOS RIOS	306,979,537	168,775,740	54.98%
CHABOT-LAS POSITAS	120,063,505	65,848,663	54.84%
SONOMA	113,072,704	60,225,388	53.26%
SAN FRANCISCO	159,670,058	83,933,571	52.57%
SOLANO	50,931,245	26,421,874	51.88%
OHLONE	53,878,013	27,896,124	51.78%
SAN JOAQUIN DELTA	89,082,801	45,510,517	51.09%
CONTRA COSTA	175,943,612	89,746,591	51.01%
SAN JOSE-EVERGREEN	125,237,259	62,971,794	50.28%
PERALTA	118,297,193	59,194,902	50.04%
MARIN	54,762,215	25,837,513	47.18%
NAPA	38,983,866	16,362,611	41.97%
SAN MATEO	167,594,649	69,682,558	41.58%

Marin, Napa and San Mateo are the only three in the state that did not make compliance in FY 2020-21 (all three are basic aid)



Questions?