

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: [Fiscal Resources Committee](#)

Agenda for February 19, 2025

1:30 p.m. - 3:00 p.m.

Zoom Meeting

1. State/District Budget Update

- LAO – [The 2025-26 Budget: Higher Education Overview](#)
- LAO – report link: [The 2025-26 Budget: Proposition 98 Guarantee and K-12 Spending Plan](#)
- SSC – Initial Impression from Governor Newsom’s 2025-26 State Budget Proposal
- SSC – Overview of the Governor’s Proposals for the 2025-26 State Budget
- SSC – First Quarter Lottery Apportionment for 2024-25
- SSC – 2025-26 Governor’s Budget Dartboard
- SSC – Legislature Wraps up Special Session
- SSC – Top Legislative Issues-February 7, 2025
- SELF– School Excess Liability Fund AB218 Annual 2023-24 Report
- ACCA/ACBO– Annual Workshop on 2025-26 Governor’s Proposed Budget
- State Chancellor’s Office Apportionment reports link: <https://www.cccco.edu/Apportionment-Reports>
- State Chancellor’s Office Fiscal and Policy Updates: [Webinar-January 30, 2025](#)

2. 2025/2026 RSCCD Tentative Budget Assumptions – ACTION

3. Discussion of Member Communication – Tara Kubicka-Miller

4. Standing Report from District Council – Tara Kubicka-Miller

5. Informational Handouts

- District-wide expenditure report link: <https://intranet.rsccd.edu>
- Vacant Funded Position List as of February 12, 2025
- Monthly Cash Flow Summary as of January 31, 2025
- [SAC Planning and Budget Committee Agendas and Minutes](#)
- [SCC Budget Committee Agendas and Minutes](#)

6. Approval of FRC Minutes – January 15, 2025

7. Other

Next FRC Committee Meeting: March 19, 2025, 1:30-3:00 pm

The Rancho Santiago Community College District aspires to provide equitable, exemplary educational programs and services in safe, inclusive, and supportive learning environments that empower our diverse students and communities to achieve their personal, professional, and academic goals.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Initial Impressions from Governor Newsom's 2025-26 State Budget Proposal



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posted January 10, 2025

After previewing the 2025-26 State Budget on Monday, January 6, 2025, Governor Gavin Newsom's proposed budget was released via a media briefing conducted by Department of Finance Director Joe Stephanshaw. (This untraditional approach was originally to accommodate Governor Newsom's trip to attend former President Jimmy Carter's funeral, which was cancelled in order to devote his attention to the fires in Los Angeles.)

The purpose of this article is to provide a quick overview of Governor Newsom's proposals regarding the 2025-26 State Budget. We address the community college topics highlighted in this morning's press conference, the budget press release, and the high-level State Budget summary, but reserve our commentary and in-depth details for inclusion in our comprehensive *Community College Update* article, to be released later today.

Economic Outlook

Governor Newsom's \$322.2 billion proposal is fully balanced with no budget deficits and state revenues exceeding 2024 State Budget Act projections by \$16.5 billion. The Governor said his proposal does not predict any shortfalls for the budget year and that there is a modest budget surplus but declined to give a number and said that the surplus is "within the margins."

Stephanshaw reiterated the importance of maintaining fiscal responsibility, including preserving healthy reserve balances. This is especially important with how volatile the state's revenue intake is due to the reliance on capital gain returns from the wealthiest Californians.

The Governor's Budget proposal includes a total of \$16.9 billion in reserves, including the Rainy Day Fund at \$10.9 billion and the Special Fund for Economic Uncertainties at \$4.5 billion.

Level of Proposition 98 Funding

The minimum guarantee is calculated to be \$98.5 billion in 2023-24, \$119.2 billion in 2024-25, and \$118.9 billion in 2025-26. These revised Proposition 98 levels represent an increase of approximately \$7.5 billion over the three-year period relative to the 2024 Budget Act.

Due to the inherent risk in revenue projections, the Governor's Budget proposes to fund the minimum guarantee at \$117.6 billion, instead of the currently calculated level of \$119.2 billion in 2024-25. The rationale to fund lower than the minimum guarantee in the fiscal year is to mitigate the risk of potentially appropriating more resources to Proposition 98

than are available in the final calculation for 2024–25. Potential adjustments will be evaluated at the May Revision and will not be final until the certification of the 2024–25 minimum guarantee level.

The Governor’s Budget proposal puts the minimum guarantee in a Test 2 for 2023–24 (although suspended at \$98.5 billion) and continues to be in a Test 1 for 2024–25 and 2025–26. This means that the funding level of the guarantee for 2024–25 and 2025–26 is equal to roughly 40% of General Fund revenues, plus local property tax revenues.

PSSSA

The 2024 Budget Act projected a total balance of \$1.1 billion in the Public School System Stabilization Account (PSSSA), or Proposition 98 Rainy Day Fund, reflecting a discretionary payment of the same amount into the fund in 2024–25. The Governor’s Budget proposal reflects a revised 2024–25 payment of roughly \$1.2 billion, which is a mandatory payment that replaces the discretionary payment, and an additional mandatory payment of \$376 million in 2025–26 into the account for a revised balance of \$1.5 billion at the end of 2025–26.

SCFF and COLA

Governor Newsom proposes \$230.4 million ongoing to provide a 2.43% cost-of-living adjustment (COLA) for the Student Centered Funding Formula (SCFF) apportionments and \$30.4 million ongoing for 0.50% enrollment growth for the California Community Colleges (CCC).

Categorical Programs

The Governor proposes \$16 million ongoing to provide a 2.43% COLA for select categorical programs and the Adult Education Program.

Additionally, the Governor’s Budget proposal includes the following investments outside of the SCFF:

- \$168 million one-time for the completion of the Statewide Technology Transformation project
- \$162.5 million (\$29 million of which is ongoing) for scaling of a common cloud data platform across the CCC system
- \$51.5 million one-time Proposition 2 (2024) bond funds allocated for critical infrastructure, facility modernization, and enrollment growth projects for 28 community college facilities
- \$30 million ongoing to expand the Rising Scholars Network, which provides college educational opportunities to students who have been impacted by the criminal justice system

Master Plan for Career Education

In August 2023, the Governor called for a new Master Plan for Career Education (Master Plan) through the Freedom to Succeed Executive Order. Last month, the Administration released the executive summary of the Master Plan and is expected to release the full Master Plan this month.

The following new investments are proposed to implement key provisions of the Master Plan, with additional phases of implementation to be considered in future fiscal years:

- \$100 million one-time for the CCC to expand Credit for Prior Learning and begin building the infrastructure for the state's first "Career Passport"
- \$5 million ongoing (non-Proposition 98) for the Government Operations Agency to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies
- \$4 million one-time (non-Proposition 98) to support regional coordination for career education and training

Summary

This very broad extract of the 2025-26 Governor's Budget proposal is provided to keep you informed. Over the next few hours and days, we will be working to distill the information and make it actionable for community colleges. Stay tuned.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Overview of the Governor's Proposals for the 2025-26 State Budget



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posted January 10, 2025

Overview of the Governor's Budget Proposals

With California in a better financial position in 2025-26 compared to 2024-25, Governor Gavin Newsom's State Budget proposals emphasize fiscal stability and strategic investments to enhance the state's future. At this time last year, the state was facing a budget gap between \$38 billion and \$68 billion, depending on who you asked, and this year's proposal reflects an expectation that current-year revenues will beat projections by \$16.5 billion.

However, concerns are being raised about how the Governor proposes to fund Proposition 98 in the current year, providing proposals in January to spend less than he anticipates the current year's guarantee will ultimately be. This approach is unprecedented; debates this year may echo some of the arguments made against the Governor's initial proposal to solve last year's significant budget gap.

The good news for the California Community Colleges (CCC): a respectable cost-of-living adjustment (COLA), though marginally lower than estimated last summer; facilities funds via Proposition 2 (2024); funding for career education initiatives; funding to expand the Rising Scholars Network; and a potential upside in proposed revenues at the May Revision.

The Economy and Revenues

Governor Gavin Newsom assumes a stable economy for 2025-26 and budget documents note robust growth, cooling inflation, and slowing job growth. Uncertainty about federal policy is noted as the most immediate risk to the economic forecast. Additional risks to the economy include, but aren't limited to, revenue volatility, geopolitical tensions, climate change impacts, the high cost of living in California, and potential delayed tax deadlines due to disasters. The Governor's Budget assumes gross domestic product growth to slow to 2.1% in 2025 and to further decrease to 1.8% in 2026. California unemployment is projected at 5.2% for 2025, 5.1% for 2026, and is expected to gradually decline to 4.7% by 2028. National inflation is projected to drop to 2.3% in 2025 and 2.2% in 2026.

Director of Finance, Joe Stephenshaw, began the press conference emphasizing California's reliance on higher income earners for state revenue and vulnerability to a fluctuating stock market. The largest source of state General Fund revenues is derived from taxes on personal income, including capital gains. Personal income tax is estimated to make up over 67% of pre-transfer General Fund revenue for 2023-24. One percent of the state's highest income earners paid nearly 39% of all personal income taxes in 2022, an 11% reduction from the prior year. This reduction was due primarily to a weaker stock market and lessening impact from federal stimulus. Notably, according to the Governor's Budget Summary, "the tax liability of the top one percent is highly volatile and often unconnected to the growth of the broader economy." This can add difficulty to forecasting revenues.

Capital gains revenue as a percentage of annual General Fund revenues are projected to make up 8.4%, 7.7%, 8.5%, and 9.1% of total annual General Fund revenues for 2023, 2024, 2025, and 2026, respectively. The Newsom Administration assumes a stock market that is largely consistent with Wall Street’s mid-November 2024 levels and as such, projects capital gains realizations to increase 5% higher than anticipated in the 2024 forecast.

The Governor’s Budget recognizes a budget surplus of \$16.5 billion more General Fund revenue over the three-year budget window (2023-24, 2024-25, and 2025-26) than projected in the 2024 Budget Act. The increases are due primarily to personal income tax, corporation tax, and the Pooled Money Investment interest forecasts. The Budget also includes total reserve balances of approximately \$17 billion at the end of 2025-26.

The budget forecast recognizes stock market and asset price volatility and declines, geopolitical instability, federal policy changes, and stubborn inflation as risks to the economy, although they are not anticipated to lead to a recession if realized.

Proposition 98 Minimum Guarantee and Rainy Day Fund

Proposition 98 Minimum Guarantee

Proposition 98 funding remains strong in the Governor’s Budget but plateaus in 2025-26 at a near historic level of \$118.9 billion. The budget year estimate is just \$300 million lower than Proposition 98’s peak reached in 2024-25. Upward revisions to state General Fund revenues warrant increasing the 2024-25 Proposition 98 minimum guarantee by \$3.9 billion from the 2024-25 Enacted Budget estimate. Across the three-year budget window, Proposition 98 funding increases by \$7.5 billion above estimates from last July.

Proposition 98 Minimum Guarantee In billions				
2023-24		2024-25		2025-26
2024-25 Enacted Budget	2025-26 Governor’s Budget	2024-25 Enacted Budget	2025-26 Governor’s Budget	2025-26 Governor’s Budget
\$98.50	\$98.50	\$115.30	\$119.20	\$118.90
Test 2	Test 2	Test 1	Test 1	Test 1

Citing risks to—and recent volatility in—state General Fund revenue projections, the Governor’s Budget proposes to appropriate the 2024-25 (current year) Proposition 98 minimum guarantee at \$117.6 billion, or \$1.6 billion lower than the revised estimated level of \$119.2 billion. The proposal is designed to protect the state from appropriating more funding to K-14 agencies than constitutionally required. Presumably, this approach reflects the Governor’s hesitancy to commit resources to public education that the state may not be able to recoup if budget revenue projections are too optimistic—a hard, multi-billion dollar lesson he learned during last year’s budget negotiations that culminated in a deal struck between him and the California Teachers Association. Notwithstanding concerns that may arise from Governor Newsom’s cautionary proposal, he notes that the estimates of the 2024-25 minimum guarantee will be reevaluated as part of the May Revision and before its final certification.

Like the Legislative Analyst's Office's *Fiscal Outlook* from November 2024, the Governor's Budget assumes that the state is not required to address the outstanding Maintenance Factor obligation created with the suspension of Proposition 98 in 2023-24 through a Maintenance Factor payment in 2025-26.

State Reserves, the PSSSA, and Local Reserves

The Governor's Budget maintains a planned \$7.1 billion withdrawal from the state's Budget Stabilization Account (BSA), which was included in the 2024-25 Enacted Budget. Additionally, Governor Newsom is proposing significant changes to the rules governing the BSA. Specifically, he proposes increasing the cap on annual deposits into the BSA from 10% to 20% of General Fund revenues and to exempt deposits from being included in the calculation of the State Appropriations Limit (or spending limit). These changes are necessary, according to the Governor, to increase California's budget resiliency.

Relative to public education's reserve—the Public School System Stabilization Account (PSSSA)—the Governor's Budget changes the \$1.1 billion discretionary deposit to a mandatory deposit increased by \$100 million for an account balance at the end of this fiscal year of \$1.2 billion. Additionally, in 2025-26, the Governor's Budget assumes an additional required deposit of \$376 million.

SCFF, COLA, and Enrollment

The Governor's Budget estimates, and fully funds, a statutory COLA of 2.43% for the Student Centered Funding Formula (SCFF), which is lower than the Legislative Analyst's Office estimated in its November *Fiscal Outlook* report (2.46%). Both are lower than the estimate of 2.93% from the 2024-25 Enacted Budget. The Governor estimates that it will cost \$230.4 million ongoing to provide the SCFF the COLA.

As a reminder, the 2021-22 Enacted Budget extended the SCFF hold harmless provision, by which districts earn at least their 2017-18 total computational revenue (augmented by COLA each year), through the 2024-25 fiscal year. The 2022-23 Enacted Budget extended the hold harmless protections with some modifications. Specifically, the 2022-23 Enacted Budget stipulates that a district's 2024-25 funding become its new "floor" beginning with the 2025-26 fiscal year. This means that beginning in 2025-26, districts will be funded at either their SCFF-generated amount for that year or their 2024-25 "floor" amount, whichever is greater. It is important to note that the modified hold harmless will not include adjustments to reflect COLA over time, meaning a district's hold harmless amount will not grow like it did through 2024-25.

Additionally, Governor Newsom also proposes to provide \$30.4 million ongoing to fund 0.50% enrollment growth for the system.

Other CCC Apportionments and Categorical Programs

Other community college programs that are funded outside of the SCFF that would also receive the estimated 2.43% statutory COLA under the Governor's Budget proposal are: Adult Education, Extended Opportunity Programs and Services, Disabled Students Programs and Services, Apprenticeship, CalWORKs Student Services, Mandates Block Grant and reimbursements, Cooperative Agencies Resources for Education, and the childcare tax bailout. The Governor's Budget assumes \$16.0 million ongoing to cover the COLA for the above programs.

Additionally, the Governor's Budget proposal includes the following investments outside of the SCFF:

- \$168 million one-time for the completion of the Statewide Technology Transformation project
- \$162.5 million (\$29 million of which is ongoing) for scaling of a common cloud data platform across the CCC system
- \$30 million ongoing to expand the Rising Scholars Network, which provides college educational opportunities to students who have been impacted by the criminal justice system

Career Education Investments

Back in August 2023, Governor Newsom called for a new Master Plan for Career Education (Master Plan) through the Freedom to Succeed [Executive Order](#). Last month, his Administration released the executive summary of the Master Plan and is expected to release the full plan within the coming weeks (see the article “[Governor Unveils Master Plan for Career Education Executive Summary](#)” in the December 2024 *Community College Update*).

To support the goals of the Master Plan, the Governor proposes to include dual enrollment and pathways programs as allowable expenditures for funds allocated through his proposed \$1.8 billion Student Support and Discretionary Block Grant for K-12 education. The Governor also proposes to provide an increase of \$3 million ongoing to support the California College Guidance Initiative and the Cradle-to-Career Data System.

Additionally, the Governor is proposing the following new investments to implement key provisions of the Master Plan, with additional phases of implementation to be considered in future fiscal years:

- **Career Passport Program.** The Governor is proposing \$100 million in one-time Proposition 98 funding for the California Community Colleges to expand Credit for Prior Learning and begin building the infrastructure for the state’s first Career Passport System. The system will allow students to create formal documentation of their marketable skills and abilities developed through work, classes, apprenticeships, internships, or other experiences both inside and outside the classroom.
- **State Planning and Coordinating Body.** The Governor is proposing \$5 million ongoing (non-Proposition 98) for the Government Operations Agency to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies. The coordinating body would be tasked with improving the forecasting of needed skills and coordination of resources and initiatives across state government in alignment with recommendations from the Master Plan.
- **Regional Coordination for Career Education and Training.** The Governor proposes \$4 million one-time (non-Proposition 98) for the Labor and Workforce Development Agency to evaluate how regional coordination models can be expanded to create sustainable forums where educators, workforce training providers, and employers can work to align programs with employer needs. This work will be aligned with the State Economic Blueprint and 13 regional plans.

Facilities

As part of the November 2024 General Election, voters approved Proposition 2—The Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024. Proposition 2 includes \$1.5 billion for community colleges and \$8.5 billion in funding for school facilities projects through the School Facility Program for TK-12.

The Governor's Budget proposes to allocate \$51.5 million one-time Proposition 2 bond funds for critical infrastructure, facility modernization, and enrollment growth projects at 28 community college facilities.

The Rest of Higher Education

The Governor's Budget proposal reflects the fourth year of the multiyear compacts with the University of California (UC) and California State University (CSU) systems.

In alignment with the 2024 Budget Act, the proposed State Budget maintains the planned deferral of the 2025-26 compact investment of \$240.8 million for the UC, representing a 5% base increase in the fourth year of the compact, to 2027-28. The proposed Budget also maintains the planned 2025-26 deferral of \$31 million to offset revenue reductions associated with the replacement of 902 nonresident undergraduate students enrolled at three campuses with an equivalent number of California resident undergraduate students from 2025-26 to 2027-28.

The Administration takes a similar approach with the CSU by proposing \$252.3 million ongoing, representing a 5% base increase in the fourth year of the compact, though the 2025-26 amount is deferred to 2027-28. The Administration will continue to monitor the CSU's actions toward meeting the compact goals.

As indicated in the 2024 Budget Act, the Governor states that the UC and CSU should continue planning for a reduction of 7.95% in ongoing General Fund support beginning with the 2025-26 fiscal year.

K-12 Education Proposals

The Governor's Budget also proposes applying the 2.43% COLA to the K-12 Local Control Funding Formula and categorical programs.

The Governor is also proposing a \$1.8 billion Student Support and Professional Development Discretionary Block Grant that may be used to address unspecified rising costs, professional development for teachers on the English Language Arts and English Language Development Framework and Literacy Roadmap, professional development for teachers on the Mathematics Framework, teacher recruitment and retention strategies, and career pathways and dual enrollment.

Additionally, the Governor is proposing \$378.6 million to the Learning Recovery Emergency Block Grant. This block grant, initially established in the 2022 Budget Act, supports learning recovery initiatives through the 2027-28 school year.

In Closing

After experiencing years of revenue swings during good times and bad, the education world steadies itself with the Governor's 2025-26 State Budget proposal. Education community members will rally to ensure the Proposition 98 minimum guarantee is free of manipulation and fully funded when the dust settles on the budget discussions.

That said, we know there is nothing *normal* about the impacts of the unprecedented fires affecting the school community in the Greater Los Angeles area. As likely with many of you, the Greater Los Angeles education community is in our thoughts, and we have offered our unlimited support in their recovery. Throughout our 50-year history, we have found the education community to be relentlessly resilient in support of their students, families, staff, and each other.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

First Quarter Lottery Apportionment for 2024-25

✉ [BY MATT PHILLIPS, CPA](#)

✉ [BY WENDI MCCASKILL](#)

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posted January 13, 2025

The State Controller's Office (SCO) distributed the 2024-25 first quarter Lottery apportionment. Community colleges should receive \$61.42 per full-time equivalent student for the unrestricted Lottery apportionment. The restricted (Proposition 20) funding will be apportioned once enough Lottery revenue is received to achieve the threshold, typically in the second or third quarter apportionment. Remember that this first quarter apportionment includes prior-year adjustments due to the recalculation of 2022-23 and 2023-24.

This apportionment only represents one quarter, and community college districts should still budget annual Lottery apportionments on the most recent [projections](#) available, which are also available on the current [School Services of California Inc. Financial Projection Dartboard](#) (Dartboard). A new Dartboard will be posted next week, corresponding with the release of the 2025-26 Governor's Budget.

For more information on the Lottery apportionments and projections, visit the California Community Colleges Lottery website [here](#). For the apportionment detail, please visit the SCO website [here](#).

SSC Community College Financial Projection Dartboard 2025-26 Governor's Budget

This version of the School Services of California Inc. (SSC) Financial Projection Dartboard is based on the 2025-26 Governor's Budget proposal. SSC has updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. SSC has also updated the Student Centered Funding Formula (SCFF) factors. SSC relies on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

SCFF PLANNING FACTORS					
Factor	2024-25	2025-26 ¹	2026-27	2027-28	2028-29
Department of Finance Statutory COLA	1.07%	2.43%	3.52%	3.63%	3.49%
Growth Funding	0.50%	0.50%	TBD	TBD	TBD

SCFF RATE FACTORS FOR 2024-25 AND 2025-26		
	2024-25	2025-26 (Estimated)
Base Credit	\$5,294	\$5,423
Supplemental Point Value	\$1,252	\$1,282
Student Success Main Point Value	\$738	\$756
Student Success Equity Point Value	\$186	\$191
Incarcerated Credit, Special Admit Credit, CDCP*	\$7,425	\$7,605
Noncredit	\$4,465	\$4,573

OTHER PLANNING FACTORS						
Factors		2024-25	2025-26	2026-27	2027-28	2028-29
California CPI		2.85%	2.92%	2.70%	2.76%	2.90%
California Lottery	Unrestricted per FTES**	\$191	\$191	\$191	\$191	\$191
	Restricted per FTES	\$82	\$82	\$82	\$82	\$82
Mandate Block Grant		\$35.64	\$36.51	\$37.80	\$39.17	\$40.54
Interest Rate for Ten-Year Treasuries		4.39%	4.49%	4.41%	4.30%	4.30%
CalSTRS Employer Rate ²		19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate ²		27.05%	27.40%	27.50%	28.50%	28.20%
Unemployment Insurance Rate ³		0.05%	0.05%	0.05%	0.05%	0.05%
Minimum Wage ⁴		\$16.50	\$16.90	\$17.40	\$17.80	\$18.30

*Career development and college preparation (CDCP)

**Full-time equivalent student (FTES)

¹Applies to Adult Education, Extended Opportunity Programs and Services, Disabled Students Programs and Services, Apprenticeship, CalWORKs, Mandate Block Grant, Cooperative Agencies Resources for Education, and the Childcare Tax Bailout.

²California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) rates are subject to change based on determination by the respective governing boards.

³Unemployment rate in 2024-25 is final, and the subsequent years' rates are subject to actual experience of the pool and will be calculated in accordance with California Unemployment Insurance Code Section 823(b)(2).

⁴Minimum wage increases are effective January 1 of the respective year.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Legislature Wraps up Special Session



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posted February 7, 2025

This past Monday, February 3, 2025, the Legislature wrapped up the special session that was convened by Governor Gavin Newsom on December 2, 2024 (see "[Special Session to Convene on December 2](#)" in the November 2024 *Community College Update*).

The original scope of the special session was to "safeguard California values and fundamental rights in the face of an incoming Trump administration." However, after the wildfires broke out in Los Angeles County in early January, Governor Newsom expanded the scope of the special session to provide funding to help Los Angeles recover from the devastating wildfires and support the emergency response.

Overall, there were four bills approved by the Legislature during the special session: two measures related to shoring up state and local legal defenses against the Trump Administration and two measures related to the wildfires. We provide a summary of the special session measures below.

Wildfire Legislation

The two bills related to the wildfire response and recovery efforts sailed through the legislative process and were introduced and signed into law within four days.

On Thursday, January 23, 2025, Governor Newsom signed special session bills ABX1 4 by Assemblymember Jesse Gabriel (D-Encino) and SBX1 3 by Senator Scott Wiener (D-San Francisco). The two measures provide billions of dollars to expedite firestorm response and recovery efforts, streamline rebuilding efforts, and help rebuild fire-damaged school facilities. More specifically, the two bills will provide the following assistance to Los Angeles County:

- \$2.5 billion to expedite initial firestorm response and recovery efforts including support for emergency protective measures, evacuations, shelter, debris removal and cleanup, post-fire hazard assessments, traffic control, and other necessary emergency activities
- \$4 million to the Department of Housing and Community Development for a grant program for local governments in areas impacted by the wildfires to provide additional planning review and building inspection resources for the purpose of expediting building approvals for homeowner rebuilding
- \$1 million to the Division of the State Architect and Office of Public School Construction to provide assistance to the Los Angeles Unified School District (USD), Pasadena USD, and any impacted charter schools located within those school districts, to rebuild and recover school facilities damaged as a result of the wildfires

Funds for the relief package will be drawn from the state's reserve fund earmarked for economic uncertainties, which had about \$8.3 billion as of January 10, 2025, according to the Department of Finance (DOF). State officials believe that all or most of the \$2.5 billion should be reimbursable by the federal government.

State and Local Legal Funding Legislation

The two bills related to the original scope of the special session, SBX1 1 (Wiener) and SBX1 2 (Wiener), were approved by the Legislature on Monday afternoon and sent to Governor Newsom on Tuesday morning.

SBX1 1 authorizes the DOF to increase funding for the Department of Justice by up to \$25 million for the current 2024-25 fiscal year for costs related to defending the state against enforcement and legal actions taken by the federal government, filing affirmative litigation challenging actions taken by the federal government, and taking administrative action authorized under state law to mitigate the impacts of actions taken by the federal government.

SBX1 2 provides \$25 million in one-time funding for the current 2024-25 fiscal year for immigration services, specifically:

- Appropriates \$10 million to the Legal Services Trust Fund to provide legal services to vulnerable persons at risk of detention, deportation, eviction, wage theft, intimate partner violence, and other actions as a result of potential or actual federal action
- Adds \$10 million to the Immigration Services Funding Program at the Department of Social Services for immigration services funding
- Increases \$5 million to the Judicial Council, to be distributed through the California Access to Justice Commission to nonprofit providers of legal services

The Assembly was expected to approve these bills last week but delayed the vote after GOP lawmakers questioned whether the funding for migrants could end up supporting people with criminal records. To quell this concern, Democratic lawmakers submitted a letter clarifying that the funding from these bills is not intended to provide services for people convicted of violent or serious crimes.

Governor Newsom is expected to sign these two bills into law in the coming days.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Top Legislative Issues—February 7, 2025



BY SSC GOVERNMENTAL RELATIONS TEAM

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posted February 7, 2025

Friday, February 21, 2025, is the deadline for California legislators to introduce bills for the 2025 legislative year.

As of this writing, there have been more than 700 bills introduced in 2025, which is far off the pace of the 1,700 measures that were introduced in 2024. While lawmakers have historically introduced the bulk of their legislation near or at the introduction deadline, another reason for the lower number of bill introductions is that each Assemblymember and Senator is capped at authoring 35 bills over the two-year 2025–26 Legislative Session. Comparatively, during the 2023–24 Legislative Session, each Assemblymember was permitted to introduce 50 bills, while each Senator was allowed to author 40 bills. Due to the new bill limit, it is likely that members are being more selective about the legislation that they introduce.

It is important to note that policy committee hearings will not begin until after the bill introduction deadline and will not ramp up until mid- to late-March.

Over the course of the legislative year, culminating with Governor Gavin Newsom's action deadline of October 12, 2025, we will be highlighting the legislative issues that will be the most important for community college districts (CCDs) to follow.

To jump to certain topics, click on any of the appropriate links below:

- [College and Career](#)
- [Employees](#)
- [Facilities](#)
- [Governance and District Operations](#)
- [Miscellaneous](#)
- [Student Safety](#)

College and Career

[Assembly Bill \(AB\) 323](#) (Fong, D-Alhambra)—Strong Workforce Program: Work-Based Learning Opportunities. This bill would require the California Community Colleges Chancellor's Office to, by June 30, 2026, revise any policies, regulations, and guidance necessary to provide students and employers with paid work-based learning opportunities. The bill would also authorize CCDs to use those funds apportioned directly to CCDs to provide direct support to students, employers, or both, for paid work-based learning to increase employability and employment.

Employees

[AB 65](#) (Aguiar-Curry, D-Winters)—School and Community College Employees: Paid Disability and Parental Leave. This bill would require a K-14 public school employer to provide up to 14 weeks of full pay to certificated and classified employees due to pregnancy, miscarriage, childbirth, termination of pregnancy, or recovery from those conditions.

SSC Comment: A similar measure made it all the way to the Senate floor last year, but never received a vote after “contingent upon an appropriation” language was added to the measure in the Senate Appropriations Committee.

[Senate Bill \(SB\) 241](#) (Cervantes, D-Riverside)—Community Colleges: Personnel: Qualifications. This bill would explicitly require that individuals serving in roles such as community college instructors, librarians, counselors, student personnel workers, supervisors, administrators, chief administrative officers, extended opportunity programs and services workers, disabled students programs and services workers, apprenticeship instructors, or supervisors of health must meet the established minimum qualifications or alternative qualifications for their respective positions.

Facilities

[AB 48](#) (Alvarez, D-San Diego)—Education Finance: Postsecondary Education Facilities: College Health and Safety Bond Act of 2026. This bill would place a higher education facilities bond on the 2026 primary election ballot. The bond amount is unknown at this time.

Governance and District Operations

[SB 226](#) (Cabaldon, D-Yolo)—Community Colleges: Territory Transfers Between Districts. This bill would authorize the Board of Governors (BOG) to approve the transfer of territory from specified CCDs to another district upon its own initiative or upon the filing of a petition by the governing board of a district or the county committee on school district organization for the county where territory would be transferred. The bill would require the BOG to ensure that a transfer of territory and

any necessary agreements between the CCDs comply with and meet the requirements of specified provisions of existing state law, including that the reorganization of any district does not affect the classification of academic employees already employed by any district affected and that the transfer agreement provides for the allocation of funds, property, and obligations affected by the transfer.

Miscellaneous

[AB 95](#) (Fong)—**Postsecondary Education: Coordinating Commission for Education in California**. This bill would establish the Coordinating Commission for Education in California as a state career and higher education coordination body composed of workforce, education segment, and employer representatives that establishes joint and regional plans and makes recommendations on state and federal funding related to statewide educational attainment and career education goals.

SSC Comment: This is not the first time a legislator has tried to create a higher education coordinating body. Governor Newsom vetoed a bill in 2019 that would have established such a body. However, it might be different this time as the Governor is proposing \$5 million ongoing for the Government Operations Agency to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies.

Student Safety

[AB 90](#) (Jackson, D-Moreno Valley)—**Public Postsecondary Education: Overnight Student Parking**. This bill would require CCDs and the Chancellor of the California State University (CSU) to establish a program to allow overnight parking by eligible students. The bill would also require the governing board of each CCD, with the participation of basic needs coordinators, and the Chancellor of the CSU, with the participation of student representatives, to determine a plan of action for implementing these programs that includes the issuance of an overnight parking permit. This bill would require an eligible student who participates in a program to be granted access to overnight parking until the student is provided access to a suitable alternative, including a hotel voucher through a public agency or community organization.

SSC Comment: A similar measure was significantly amended several times last year before being held by the Senate Appropriations Committee.

[SB 98](#) (Pérez, D-Alhambra)—**Elementary, Secondary, and Postsecondary Education: Immigration Enforcement: Notification**. This bill would require postsecondary educational institutions (including community colleges) and K-12 local educational agencies to immediately notify all students, parents, faculty, staff, and other school community members if immigration officers are present on a school site. Immigration officers are defined as any state, local, or federal law enforcement officer who is seeking to enforce immigration law.

2025 Legislative Calendar—Upcoming Holidays and Deadlines

February 17—Presidents' Day observed

February 21—Last day for bills to be introduced



AB 218

ANNUAL
REPORT
2023-2024



SELF
SCHOOLS EXCESS
LIABILITY FUND

AB

218

ANNUAL
REPORT
2023-2024

Schools Excess Liability Fund produces this annual report to keep you apprised of the evolving financial impact that has been created by AB 218. In this fourth report, we will provide you with both a current snapshot of district liabilities as relates to this retroactive law; as well as a brief overview of collaborations with other entities and statewide groups to educate policy makers and develop strategies to deal with the unsustainable financial consequences of this legislation.

AB 218 Claim Status

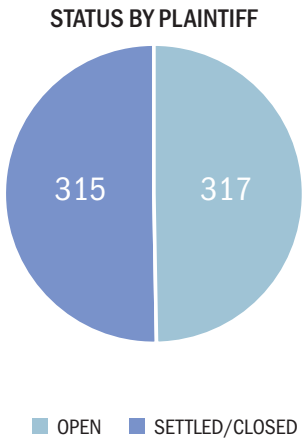
As of October 31, 2024, SELF has received a total of 412 claims involving 632 plaintiffs, from districts statewide. That's an increase in claims of 25% (81 new claims) and a 23% increase in plaintiffs (117 new plaintiffs) since June 30, 2023.

Of those AB 218 plaintiffs, approximately half have had their case settled or adjudicated through the court system thus far, resulting in payments of \$145.4 million as of October 31, 2024.

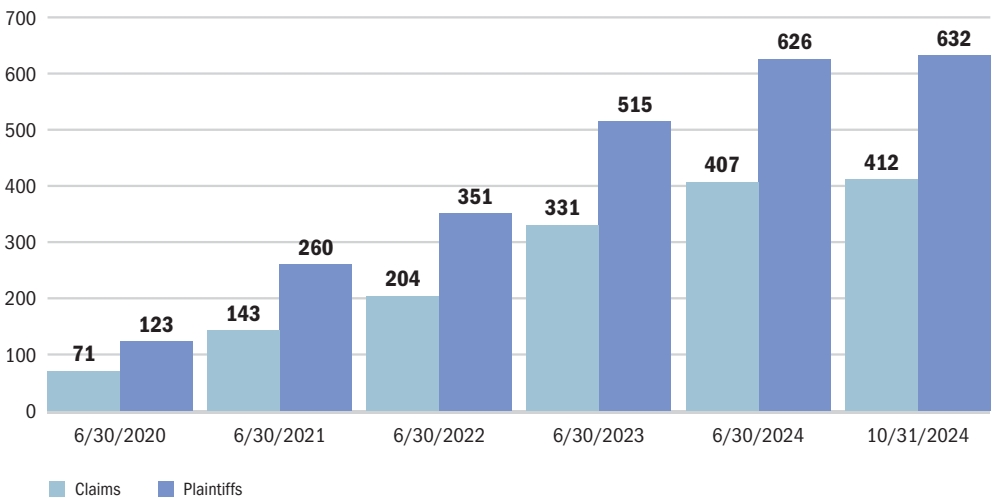
Although the three-year revival period closed at the end of December 2022, claims continue to come in, largely as a result of another component of AB 218; the simultaneous increase in the statute of limitations age from 26 to 40.

As noted in previous reports, the majority of the fiscal impact of these claims remains within the period from 1986 and 2008, a time in which nearly all public educational entities in California were participating in SELF’s Excess Liability Program.

CSA Claim Status



Claims since passage of AB 218



Legislative & Legal Advocacy

Collaborative efforts to mitigate the impact of AB 218 on public educational entity budgets through both legislative and legal avenues continued throughout 2024.

SELF filed an amicus brief in support of a petition to the California Supreme Court that posited AB 218 was a gift of public funds and therefore unconstitutional, but the petition was denied by the Court in October.

In addition to the amicus brief, we are engaging in a number of legal challenges on your behalf to protect public schools’ interests.

On the legislative side, SELF maintains contact through our legislative advocate, Schools Services of California, with the California Department of Finance, the Governor’s office and both houses of the legislature to keep them apprised of the continuing financial impact that AB 218 is having on public schools and colleges.

SELF continues to collaborate with others who are concerned about the unprecedented and unsustainable financial impact of this law, including other primary and excess risk sharing JPAs, school districts, statewide associations like the California Association of School Business Officials (CASBO), Association of California School Administrators (ACSA), California School Board Association (CSBA) and with the Fiscal Crisis & Management Assistance Team (FCMAT). These stakeholders are working tirelessly to educate the legislature and find a solution to this issue that provides justice and support to victims while protecting schools and the students they currently serve from the financial volatility that this law has created.

Nuclear Verdicts & Coverage Availability

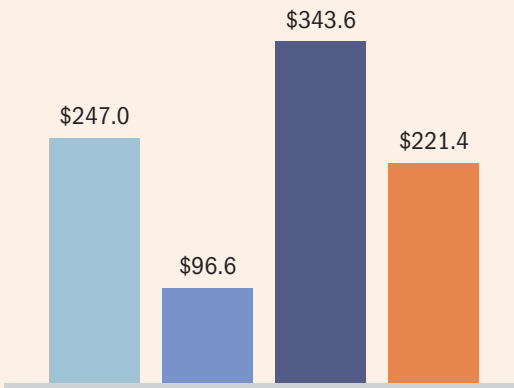
California continues to rank in the top 10 states for generating nuclear verdicts, just inching past Florida for the top spot on that list over the 10-year period of 2013-2022, according to the U.S. Chamber of Commerce ILR Nuclear Verdict Study for 2024.

Insurance and reinsurance pricing continued the projected upward climb in 2024, and the number of available providers willing to take on the unique risks involved with covering public entities in California saw further decline.

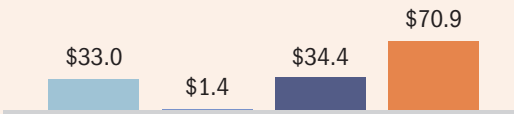
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Estimated liabilities as of 10/31/24

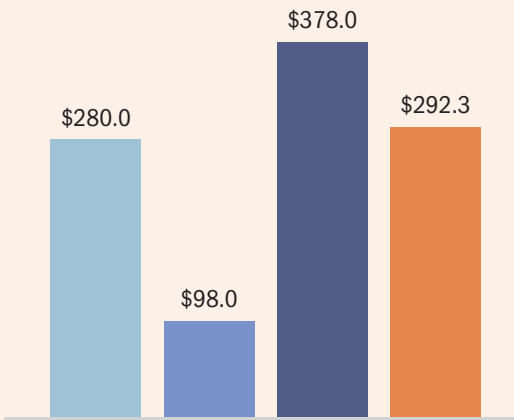
Dates of loss through 6/30/20 only



1986-2008



2009-2020



Total

- 6/30 Actuarial
- Incurred since 7/1
- Total
- Assessment to Date

(continued from previous page)

Prevention and training efforts at the district level are critical in turning this trend with the goal of keeping all students safe and significantly reducing the number of claims being presented.

What's Next

Given the sensitive nature of these claims, the volatility of verdicts and settlements and the steady flow of claims reported to SELF, it becomes increasingly more challenging to forecast the ultimate fiscal impacts of AB 218.

At this time, we are advising all members to regard these assessments as an annual expense within your multi-year projections. The SELF Board, consisting of CBOs and other district and JPA executives, will meet each March to determine the amount of funding needed for these claims and that information will be broadcast to the membership in the form of preliminary budget guidance by April of each year. Official invoices will be sent in the new fiscal year, going forward, until all AB 218 claims have been resolved and all associated costs paid.

SELF is in its 39th year as a risk pool with public educational entities as its sole focus, **By Schools, For Schools**. Our path forward together is the same since our inception in 1986; meet the needs of school districts and community colleges for catastrophic claims. While times are challenging in this arena at the moment, we will work through challenges best as a unified community of public education.

For additional resources and background on AB 218, visit our website at: <https://www.selfjpa.org/ab218res>.

AB 218

Background

Enacted effective January 1, 2020, AB 218 has multiple implications for California's schools:

- Opened a three-year revival period, during which a claim for childhood sexual assault could be filed from any point in the past. This window closed December 21, 2022 for persons over the age of 40.
- Broadens the type of misconduct covered by changing the term "abuse" to "assault", significantly increasing the risk exposure of educational agencies.
- Extended the general statute of limitations on child sexual assault claims from age 26 to age 40 once the revival window closed.
- Deleted entirely the requirement of filing a government tort claim.



SELF
SCHOOLS EXCESS
LIABILITY FUND

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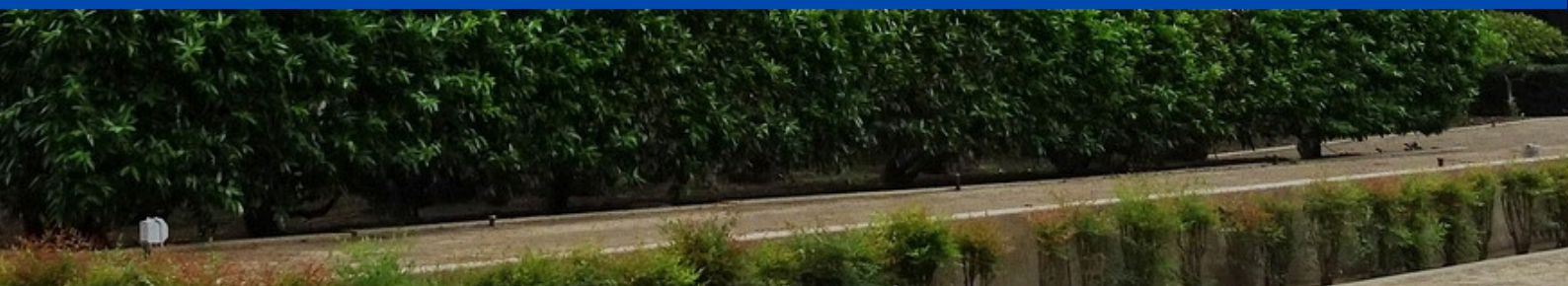
The Association of California Community College
Administrators and The Association of Chief Business Officials

present

The Annual Workshop on the Governor's Proposed Budget 2025-26

Virtual Event

Wednesday, January 15, 2025



***The Association of California Community College
Administrators
and The Association of Chief Business Officials***

present

***The Annual Workshop on the
Governor’s Proposed State Budget
For 2025-26***

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***Governor's Proposals for the
2025-26 State Budget and
California Community Colleges***

***Summary Prepared by
School Services of California Inc.***

Summary of the Governor's Proposals for the 2025-26 State Budget and California Community Colleges

By School Services of California Inc.

Introduction

With California in a better financial position in 2025-26 compared to 2024-25, Governor Gavin Newsom's State Budget proposals emphasize fiscal stability and strategic investments to enhance the state's future. At this time last year, the state was facing a budget gap between \$38 billion and \$68 billion, depending on who you asked, and this year's proposal reflects an expectation that current-year revenues will beat projections by \$16.5 billion.

However, concerns are being raised about how the Governor proposes to fund Proposition 98 in the current year, providing proposals in January to spend *less* than he anticipates the current year's guarantee will ultimately be. This approach is unprecedented; debates this year may echo some of the arguments made against the Governor's initial proposal to solve last year's significant budget gap.

The good news for the California Community Colleges (CCC): a respectable cost-of-living adjustment (COLA), though marginally lower than estimated last summer; facilities funds via Proposition 2 (2024); funding for career education initiatives; funding to expand the Rising Scholars Network; and a potential upside in proposed revenues at the May Revision.

The Economy and Revenues

Governor Gavin Newsom assumes a stable economy for 2025-26 and budget documents note robust growth, cooling inflation, and slowing job growth. Uncertainty about federal policy is noted as the most immediate risk to the economic forecast. Additional risks to the economy include, but aren't limited to, revenue volatility, geopolitical tensions, climate change impacts, the high cost of living in California, and potential delayed tax deadlines due to disasters. The Governor's Budget assumes gross domestic product growth to slow to 2.1% in 2025 and to further decrease to 1.8% in 2026. California unemployment is projected at 5.2% for 2025, 5.1% for 2026, and is expected to gradually decline to 4.7% by 2028. National inflation is projected to drop to 2.3% in 2025 and 2.2% in 2026.

Director of Finance, Joe Stephenshaw, began the press conference emphasizing California's reliance on higher income earners for state revenue and vulnerability to a fluctuating stock market. The largest source of state General Fund revenues is derived from taxes on personal income, including capital gains. Personal income tax is estimated to make up over 67% of pre-transfer General Fund revenue for 2023-24. One percent of the state's highest income earners paid nearly 39% of all personal income taxes in 2022, an 11% reduction from the prior year. This reduction was due primarily to a weaker stock market and lessening impact from federal stimulus. Notably, according to the Governor's Budget Summary, "the tax liability of the top one percent is highly volatile and often unconnected to the growth of the broader economy." This can add difficulty to forecasting revenues.

Capital gains revenue as a percentage of annual General Fund revenues are projected to make up 8.4%, 7.7%, 8.5%, and 9.1% of total annual General Fund revenues for 2023, 2024, 2025, and 2026, respectively. The Newsom Administration assumes a stock market that is largely consistent with Wall Street’s mid-November 2024 levels and as such, projects capital gains realizations to increase 5% higher than anticipated in the 2024 forecast.

The Governor’s Budget recognizes a budget surplus of \$16.5 billion more General Fund revenue over the three-year budget window (2023-24, 2024-25, and 2025-26) than projected in the 2024 Budget Act. The increases are due primarily to personal income tax, corporation tax, and the Pooled Money Investment interest forecasts. The Budget also includes total reserve balances of approximately \$17 billion at the end of 2025-26.

The budget forecast recognizes stock market and asset price volatility and declines, geopolitical instability, federal policy changes, and stubborn inflation as risks to the economy, although they are not anticipated to lead to a recession if realized.

Proposition 98 Minimum Guarantee and Rainy Day Fund

Proposition 98 Minimum Guarantee

Proposition 98 funding remains strong in the Governor’s Budget but plateaus in 2025-26 at a near historic level of \$118.9 billion. The budget year estimate is just \$300 million lower than Proposition 98’s peak reached in 2024-25. Upward revisions to state General Fund revenues warrant increasing the 2024-25 Proposition 98 minimum guarantee by \$3.9 billion from the 2024-25 Enacted Budget estimate. Across the three-year budget window, Proposition 98 funding increases by \$7.5 billion above estimates from last July.

Proposition 98 Minimum Guarantee				
In billions				
2023-24		2024-25		2025-26
2024-25 Enacted Budget	2025-26 Governor’s Budget	2024-25 Enacted Budget	2025-26 Governor’s Budget	2025-26 Governor’s Budget
\$98.5	\$98.5	\$115.3	\$119.2	\$118.9
Test 2	Test 2	Test 1	Test 1	Test 1

Citing risks to—and recent volatility in—state General Fund revenue projections, the Governor’s Budget proposes to appropriate the 2024-25 (current year) Proposition 98 minimum guarantee at \$117.6 billion, or \$1.6 billion lower than the revised estimated level of \$119.2 billion. The proposal is designed to protect the state from appropriating more funding to K-14 agencies than constitutionally required. Presumably, this approach reflects the Governor’s hesitancy to commit resources to public education that the state may not be able to recoup if budget revenue projections are too optimistic—a hard, multi-billion dollar lesson he learned during last year’s budget negotiations that culminated in a deal struck between him and the California Teachers Association.

Notwithstanding concerns that may arise from Governor Newsom’s cautionary proposal, he notes that the estimates of the 2024-25 minimum guarantee will be reevaluated as part of the May Revision and before its final certification.

Like the Legislative Analyst’s Office’s *Fiscal Outlook* from November 2024, the Governor’s Budget assumes that the state is not required to address the outstanding Maintenance Factor obligation created with the suspension of Proposition 98 in 2023-24 through a Maintenance Factor payment in 2025-26.

State Reserves, the PSSSA, and Local Reserves

The Governor’s Budget maintains a planned \$7.1 billion withdrawal from the state’s Budget Stabilization Account (BSA), which was included in the 2024-25 Enacted Budget. Additionally, Governor Newsom is proposing significant changes to the rules governing the BSA. Specifically, he proposes increasing the cap on annual deposits into the BSA from 10% to 20% of General Fund revenues and to exempt deposits from being included in the calculation of the State Appropriations Limit (or spending limit). These changes are necessary, according to the Governor, to increase California’s budget resiliency.

Relative to public education’s reserve—the Public School System Stabilization Account (PSSSA)—the Governor’s Budget changes the \$1.1 billion discretionary deposit to a mandatory deposit increased by \$100 million for an account balance at the end of this fiscal year of \$1.2 billion. Additionally, in 2025-26, the Governor’s Budget assumes an additional required deposit of \$376 million.

SCFF, COLA, and Enrollment

The Governor’s Budget estimates, and fully funds, a statutory COLA of 2.43% for the Student Centered Funding Formula (SCFF), which is lower than the Legislative Analyst’s Office estimated in its November *Fiscal Outlook* report (2.46%). Both are lower than the estimate of 2.93% from the 2024-25 Enacted Budget. The Governor estimates that it will cost \$230.4 million ongoing to provide the SCFF the COLA.

As a reminder, the 2021-22 Enacted Budget extended the SCFF hold harmless provision, by which districts earn at least their 2017-18 total computational revenue (augmented by COLA each year), through the 2024-25 fiscal year. The 2022-23 Enacted Budget extended the hold harmless protections with some modifications. Specifically, the 2022-23 Enacted Budget stipulates that a district’s 2024-25 funding become its new “floor” beginning with the 2025-26 fiscal year. This means that beginning in 2025-26, districts will be funded at either their SCFF-generated amount for that year or their 2024-25 “floor” amount, whichever is greater. It is important to note that the modified hold harmless will not include adjustments to reflect COLA over time, meaning a district’s hold harmless amount will not grow like it did through 2024-25.

Additionally, Governor Newsom also proposes to provide \$30.4 million ongoing to fund 0.50% enrollment growth for the system.

Other CCC Apportionments and Categorical Programs

Other community college programs that are funded outside of the SCFF that would also receive the estimated 2.43% statutory COLA under the Governor's Budget proposal are: Adult Education, Extended Opportunity Programs and Services, Disabled Students Programs and Services, Apprenticeship, CalWORKs Student Services, Mandates Block Grant and reimbursements, Cooperative Agencies Resources for Education, and the childcare tax bailout. The Governor's Budget assumes \$16.0 million ongoing to cover the COLA for the above programs.

Additionally, the Governor's Budget proposal includes the following investments outside of the SCFF:

- \$168 million one-time for the completion of the Statewide Technology Transformation project
- \$162.5 million (\$29 million of which is ongoing) for scaling of a common cloud data platform across the CCC system
- \$30 million ongoing to expand the Rising Scholars Network, which provides college educational opportunities to students who have been impacted by the criminal justice system

Career Education Investments

Back in August 2023, Governor Newsom called for a new Master Plan for Career Education (Master Plan) through the Freedom to Succeed [Executive Order](#). Last month, his Administration released the executive summary of the Master Plan and is expected to release the full plan within the coming weeks.

To support the goals of the Master Plan, the Governor proposes to include dual enrollment and pathways programs as allowable expenditures for funds allocated through his proposed \$1.8 billion Student Support and Discretionary Block Grant for K-12 education. The Governor also proposes to provide an increase of \$3 million ongoing to support the California College Guidance Initiative and the Cradle-to-Career Data System.

Additionally, the Governor is proposing the following new investments to implement key provisions of the Master Plan, with additional phases of implementation to be considered in future fiscal years:

- **Career Passport Program.** The Governor is proposing \$100 million in one-time Proposition 98 funding for the California Community Colleges to expand Credit for Prior Learning and begin building the infrastructure for the state's first Career Passport System. The system will allow students to create formal documentation of their marketable skills and abilities developed through work, classes, apprenticeships, internships, or other experiences both inside and outside the classroom.

- **State Planning and Coordinating Body.** The Governor is proposing \$5 million ongoing (non-Proposition 98) for the Government Operations Agency to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies. The coordinating body would be tasked with improving the forecasting of needed skills and coordination of resources and initiatives across state government in alignment with recommendations from the Master Plan.
- **Regional Coordination for Career Education and Training.** The Governor proposes \$4 million one-time (non-Proposition 98) for the Labor and Workforce Development Agency to evaluate how regional coordination models can be expanded to create sustainable forums where educators, workforce training providers, and employers can work to align programs with employer needs. This work will be aligned with the State Economic Blueprint and 13 regional plans.

Facilities

As part of the November 2024 General Election, voters approved Proposition 2—The Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024. Proposition 2 includes \$1.5 billion for community colleges and \$8.5 billion in funding for school facilities projects through the School Facility Program for TK-12.

The Governor’s Budget proposes to allocate \$51.5 million one-time Proposition 2 bond funds for critical infrastructure, facility modernization, and enrollment growth projects at 28 community college facilities.

The Rest of Higher Education

The Governor’s Budget proposal reflects the fourth year of the multiyear compacts with the University of California (UC) and California State University (CSU) systems.

In alignment with the 2024 Budget Act, the proposed State Budget maintains the planned deferral of the 2025-26 compact investment of \$240.8 million for the UC, representing a 5% base increase in the fourth year of the compact, to 2027-28. The proposed Budget also maintains the planned 2025-26 deferral of \$31 million to offset revenue reductions associated with the replacement of 902 nonresident undergraduate students enrolled at three campuses with an equivalent number of California resident undergraduate students from 2025-26 to 2027-28.

The Administration takes a similar approach with the CSU by proposing \$252.3 million ongoing, representing a 5% base increase in the fourth year of the compact, though the 2025-26 amount is deferred to 2027-28. The Administration will continue to monitor the CSU’s actions toward meeting the compact goals.

As indicated in the 2024 Budget Act, the Governor states that the UC and CSU should continue planning for a reduction of 7.95% in ongoing General Fund support beginning with the 2025-26 fiscal year.

K-12 Education Proposals

The Governor's Budget also proposes applying the 2.43% COLA to the K-12 Local Control Funding Formula and categorical programs.

The Governor is also proposing a \$1.8 billion Student Support and Professional Development Discretionary Block Grant that may be used to address unspecified rising costs, professional development for teachers on the English Language Arts and English Language Development Framework and Literacy Roadmap, professional development for teachers on the Mathematics Framework, teacher recruitment and retention strategies, and career pathways and dual enrollment.

Additionally, the Governor is proposing \$378.6 million to the Learning Recovery Emergency Block Grant. This block grant, initially established in the 2022 Budget Act, supports learning recovery initiatives through the 2027-28 school year.

In Closing

After experiencing years of revenue swings during good times and bad, the education world steadies itself with the Governor's 2025-26 State Budget proposal. Education community members will rally to ensure the Proposition 98 minimum guarantee is free of manipulation and fully funded when the dust settles on the budget discussions.

That said, we know there is nothing *normal* about the impacts of the unprecedented fires affecting the education community in the Greater Los Angeles area. As likely with many of you, the Greater Los Angeles education community is in our thoughts, and we have offered our unlimited support in their recovery. Throughout our 50-year history, we have found the education community to be relentlessly resilient in support of their students, families, staff, and each other.

Reactions to the Governor's Proposals—Excerpts

Reactions to the Governor's Proposals—Excerpts

Legislative Leadership

The tough budget decisions we made last year put California in a stronger financial position to focus on uncertainties, like delivering for the communities impacted by the horrific fire storm now raging in Southern California.

Even with higher-than-expected revenues, we must be cautious on new spending and the Senate Budget Committee is already on the job preparing the Senate's comprehensive budget proposal. Over the weeks and months ahead, we will be delivering another on-time, responsible budget—one that meets the moment and makes the Golden State more affordable and livable.

—*Senate President pro Tempore Mike McGuire (D-North Coast)*

Legislative Budget and Policy Committee Chairs

As Chair of the Budget Subcommittee on Education, I am steadfast in my commitment to safeguarding the transformative investments and initiatives we have made to date in our robust TK-12 education and higher education systems. I am disappointed reductions have been proposed in both the University of California and California State University budgets. We will explore ways to restore these cuts, particularly to the CSUs. I do applaud the Prop. 98 COLA, as it is vital we maintain our commitments to education.

While current projections indicate no deficit, the incoming federal administration has signaled plans to withdraw funding for vital programs that Californians depend on. We must prioritize protecting funding for education, climate initiatives, transportation, firefighting, and efforts to reduce the cost of living for Californians.

—*Senate Budget Subcommittee on Education Chair John Laird (D-Santa Cruz)*

Education Interest Holders

By focusing on fiscal stability and career-oriented investments, Gov. Newsom's proposed budget charts a course to lift low-wage workers into living-wage jobs, a core focus of the California Community Colleges' Vision 2030. The Governor's proposed budget prioritizes unlocking the income potential of California's students and working learners in alignment with the Master Plan for Career Education. It supports the creation of a data analytics engine to proactively seek out and equip underemployed adults with advising services, career development, and employer-backed competencies. It bridges the divide between industry-valued skills and college completion through credit for prior learning, accelerating the transition from education to earning. It builds a strong foundation of success for justice-involved Californians, which will contribute to a more inclusive higher education landscape and diverse workforce. We thank Governor Newsom for supporting the priorities of the Board of Governors of the California Community Colleges, for the proposed investments for expanding access to seamless career pathways at scale and with equity for low-income Californians and look forward to collaborating with the administration and legislative leaders during the upcoming budget process.

—*California Community Colleges Chancellor Sonya Christian*

In this era of economic and political uncertainty, the Governor's budget affirms the significance of California Community Colleges in advancing educational equity and workforce development. We look forward to the deliberations on the Master Plan for Career Education and ensuring that state funds will be available in the May Revision so that our instructional equipment and facilities can advance the aspirational goals for our students and state's workforce, and that we're fully funding community colleges for the students already taking advantage of their quality and accessibility. We also recognize the devastating impact of the fires in Los Angeles and affirm the willingness of our colleges to help distressed communities in whatever ways possible.

—Community College League of California President and CEO Larry Galizio

The Governor's emphasis on career education and recognition of prior learning aligns with our colleges' mission to assist 6.8 million adults in advancing their career paths through their local community colleges. Additionally, many of our colleges, through the Rising Scholars Network, have built strong community partnerships to support justice-involved students, and the Governor's proposed investment will create opportunities for them to rebuild their lives with skills and credentials earned through certificate and degree programs.

—California Community College Trustees Board President Nan Gomez-Heitzeberg

California's community colleges are a gateway to opportunity, equipping more than two million students with the education and skills needed to pursue meaningful career and contribute to their communities. Governor Newsom's ongoing support recognizes our critical role in preparing students for jobs and industries that drive local and state economies. For our colleges to best support our students, their dreams, and the future of California, community colleges must have investment that reflects the value of affordable, high-quality education.

—Chief Executive Officers of the California Community Colleges President Roger Schultz

Budget Subcommittees on Education— Member Rosters

Budget Subcommittees on Education—Member Rosters

Senate

Scott Wiener, Chair, Senate Budget and Fiscal Review Committee—D-San Francisco

Budget Subcommittee 1 on Education

John Laird, Chair—D-Santa Cruz

Rosilicie Ochoa-Bogh—R-Yucaipa

Sasha Renée Pérez—D-Alhambra

Assembly

Jesse Gabriel, Chair, Assembly Committee on Budget—D-Encino

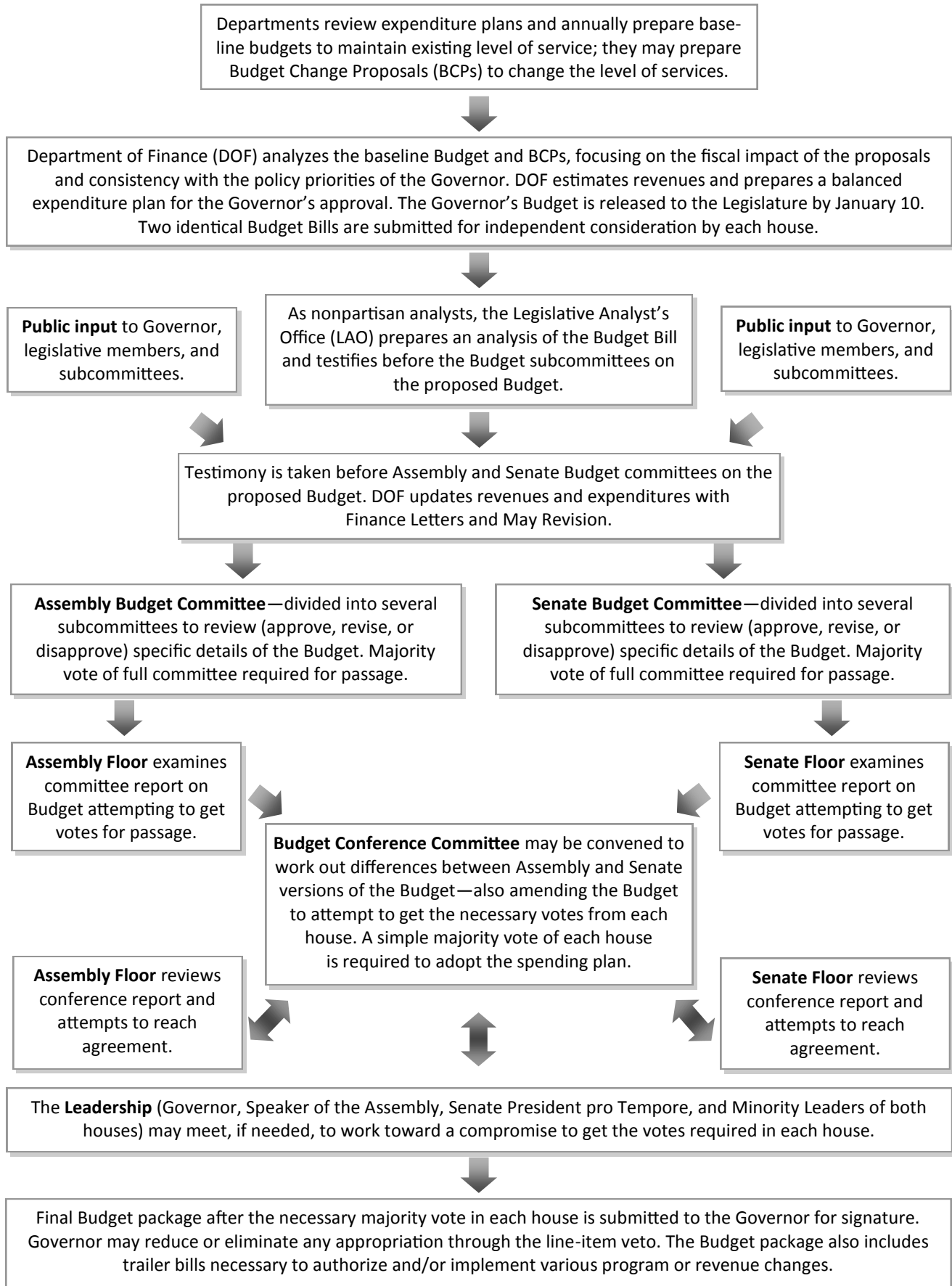
Budget Subcommittee 3 on Education Finance

David A. Alvarez, Chair—D-San Diego

Subcommittee members not yet assigned

State Budget Process

THE ANNUAL BUDGET PROCESS



2025-26 Governor's State Budget Summary—Excerpts

INTRODUCTION

California begins 2025 in a stronger fiscal position than it has in recent years. The combination of extreme revenue volatility and an unprecedented federal tax filing delay contributed to significant budget shortfalls over the past two years. Last year, the Governor proposed a multi-year approach that closed not only the estimated shortfall for the 2024-25 fiscal year, but for the 2025-26 fiscal year as well. While passage of this budget framework represents significant progress, the state's current fiscal outlook underscores the need for continued vigilance to strengthen budget resiliency and fiscal stability even further.

As such, the state's ongoing commitments must continue to be examined over the coming months and necessary adjustments will be proposed at the May Revision, when a clearer view of state's finances emerges. Meanwhile, this Governor's Budget further supports vital initiatives that improve the lives of millions of Californians—in education and health care, as well as housing and homelessness—while enhancing economic development and supporting public safety. For example, through implementation of the Master Plan for Career Education, this Budget makes it easier for Californians to receive college credit for their real-world experience and creates more pathways to fulfilling careers in California. The Budget also reflects full implementation of universal transitional kindergarten, increased funding for universal school meals, and implementation grants will be fully disbursed in 2025-26 to support the community school model at more than 2,000 public schools. Also, since 2021, through California Jobs First, the state has leveraged federal and private funds, investing in 13 regions across the state to create quality jobs and bolster resilience to climate and global

INTRODUCTION

challenges. And the Budget recognizes the importance of keeping Californians safe by maintaining an investment of approximately \$1.6 billion since 2022-23—including \$283.6 million in 2025-26—to support state and local public safety efforts.

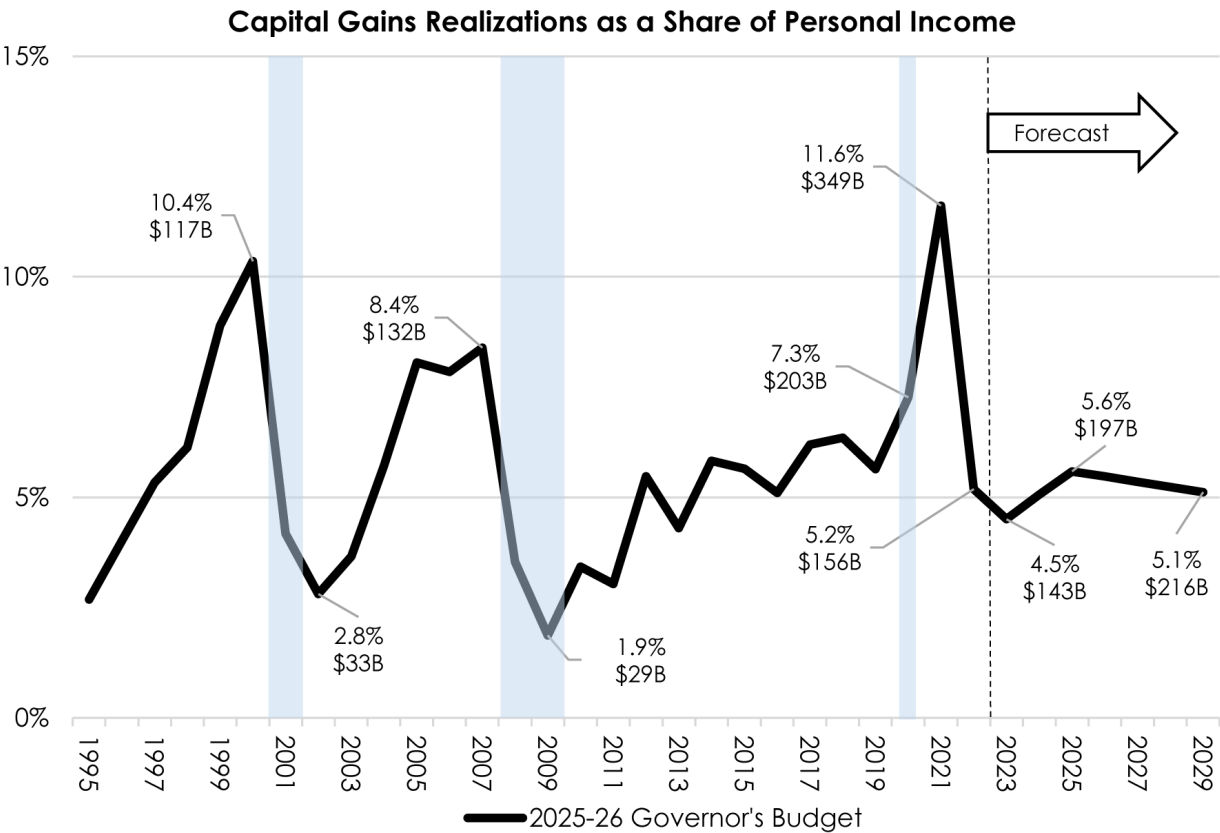
OUTLOOK AND RISKS

The economy has generally performed better than projected in the 2024 Budget Act, leading to an upgrade to the forecast in the near term and modest upward revisions in the long term. The stronger-than-anticipated performance of the economy, stock market, and cash receipts, combined with an improved economic outlook, have all contributed to the upgraded revenue forecast, with General Fund revenues before accounting for transfers and tax policy proposals projected to be higher by approximately \$16.5 billion in the three-year budget window.

California's budget is largely dependent on personal income tax, a volatile source of revenue that adds risk to the forecast. Capital gains realizations as a share of personal income reached a record high of 11.6 percent in 2021, exceeding 2007's pre-Recession peak of 8.4 percent and more than a full percentage point higher than 2000's previous record of 10.4 percent. As shown in the figure below, capital gains realizations reverted to 5.2 percent of personal income in 2022 following its 2021 peak and are forecast to decline to 4.5 percent in 2023. This represents a peak-to-trough decline of 59 percent from 2021 to 2023. The Budget projects capital gains realizations to reach 5.6 percent of personal income in 2025 before gradually moderating to 5 percent of personal income by 2030.

The amount of General Fund capital gains revenue can vary greatly over time and from year to year. For instance, capital gains contributed \$14.4 billion to the General Fund in 2019, increased significantly to \$36 billion in 2021—the highest amount ever—and are estimated to decrease to \$14 billion for 2023.

While the Budget forecast does not reflect a recession, it does recognize several risk factors that could negatively affect the economy and state revenues. These factors include stock market and asset price volatility and declines—particularly those affecting high-income earners—as well as geopolitical instability. And although the Budget is balanced and provides for significant reserves in the coming fiscal year, it anticipates shortfalls in subsequent fiscal years that are driven by expenditures exceeding revenues. The state has made progress in reducing these shortfalls; however, additional decisions may be necessary at the May Revision to maintain a balanced budget, not only in the coming year, but also on an ongoing basis.



Shaded bars indicate previous U.S. recessions.
Source: California Department of Finance, 2025-26 Governor's Budget Forecast.

An additional risk in 2025 comes from stated policy changes by the incoming federal administration that could negatively impact California's economy—especially in the areas of international trade and immigration, as well as in health care. Immigration policies and tariffs of the scale and scope proposed would be highly inflationary and result in labor shortages and higher prices of internationally traded goods, which would subsequently constrain economic output. Higher inflation would in turn lead the Federal Reserve to engage in more restrictive monetary policy, further dampening economic and revenue growth. Potential federal actions create substantial fiscal uncertainty for California particularly given the federal-state funding relationship in major health care programs such as Medi-Cal and the health insurance exchange.

RESERVES

Since the passage of Proposition 2 in 2014, the state has built historic levels of reserves that have served as a buffer to volatility in the state's revenue structure. The Budget Stabilization Account (BSA), also known as the Rainy Day Fund, receives 1.5 percent of General Fund tax revenue as well as a portion of General Fund revenues derived from capital gains, recognizing that revenue from taxes on capital gains can substantially

INTRODUCTION

compound revenue volatility. To provide for a balanced budget over two fiscal years, the 2024 Budget Act assumed withdrawals from the BSA of approximately \$5.1 billion in 2024-25 and \$7.1 billion in 2025-26. Spreading the allowable withdrawal for 2024-25 over two years enabled the state to take a more balanced approach to addressing last year's budget shortfall while prudently managing the use of the reserve. The Governor's Budget maintains the planned withdrawal of approximately \$7.1 billion from the BSA.

Accounting for withdrawals, the Budget reflects total reserve balances of approximately \$17 billion at the end of 2025-26. This includes \$10.9 billion in the BSA, \$4.5 billion in the Special Fund for Economic Uncertainties (SFEU), and \$1.5 billion in the Public School System Stabilization Account.

ADDRESSING REVENUE VOLATILITY AND INCREASING BUDGET RESILIENCY

As discussed, the current deposit requirements for the BSA were established in recognition of the volatility in capital gains revenue and to allow the state to set aside funds during stock market upswings to mitigate the impact of revenue declines during downturns. Since that time, however, the state has effectively been constrained in its ability to set even more revenue aside during upswings. This is because of the interaction between Proposition 2's cap on mandatory deposits of 10 percent of General Fund revenues and Proposition 4's (passed in 1979) State Appropriations Limit.

Under current law, a deposit into a state savings account is effectively counted as an expenditure and is therefore not exempt from the State Appropriations Limit. In recent years, strong growth in state revenues has outpaced the growth in the constitutional calculation that sets the appropriations limit. Unintentionally but effectively, this created a cap on how much the state could set aside in reserve accounts during the state's recent revenue surpluses. This impeded the state's ability to make additional deposits that would have created even greater budget resiliency by building the state's reserves to a level sufficient to address the revenue correction that the state experienced.

To remove the cap on deposits to the Rainy Day Fund and increase budget resiliency, the Budget proposes statutory changes to allow the state to save even more during economic upswings, enhancing the state's ability to protect vital programs and services during future downturns. Specifically, the Budget proposes to increase the mandatory deposit level in the BSA from the current 10 percent to 20 percent of General Fund revenues and exempt deposits into the BSA from the State Appropriations Limit.

The state has taken steps in recent budgets to manage the revenue swings since the COVID-19 Pandemic, including reductions, deferrals, and delays to important

programs. The experience of recent years has demonstrated the need for additional reforms to enable the state to smooth out its revenue by increasing reserves during fiscal upturns. This will better position the state to weather future revenue volatility and protect the essential programs and services upon which Californians rely.

SUMMARY CHARTS

This section provides various statewide budget charts and tables.

SUMMARY CHARTS

**2025-26 Governor's Budget
General Fund Budget Summary**

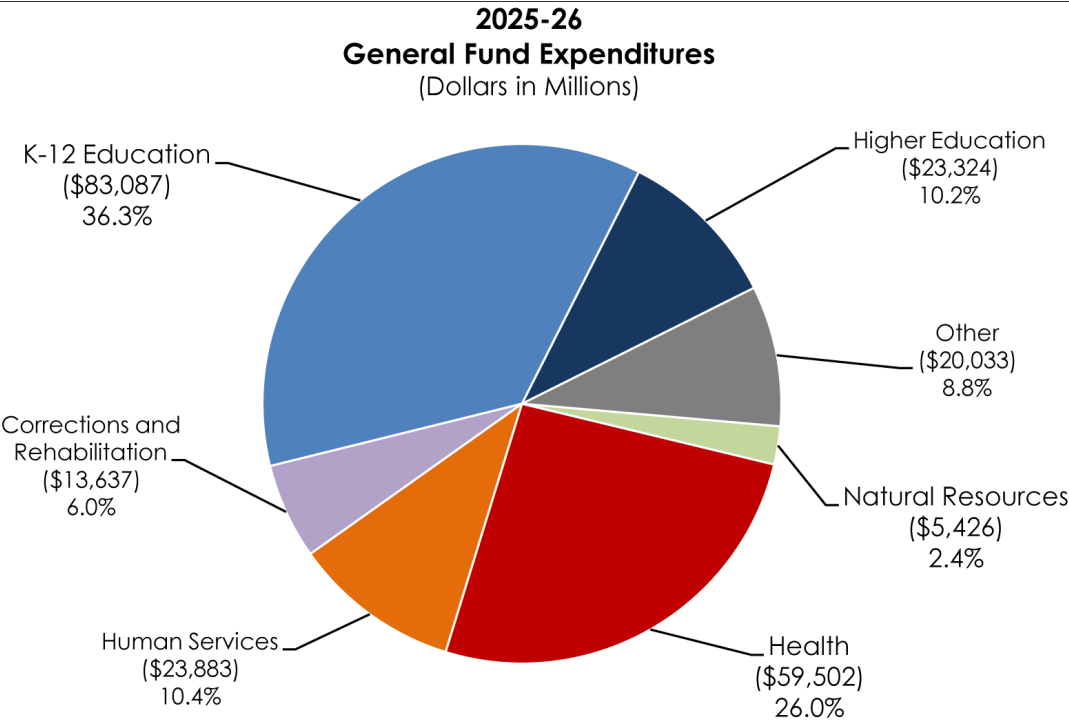
(Dollars in Millions)

	2024-25	2025-26
Prior Year Balance	\$35,877	\$26,299
Revenues and Transfers	\$222,473	\$225,095
Total Resources Available	\$258,350	\$251,394
Non-Proposition 98 Expenditures	\$146,998	\$144,290
Proposition 98 Expenditures	\$85,053	\$84,602
Total Expenditures	\$232,051	\$228,892
Fund Balance	\$26,299	\$22,502
Reserve for Liquidation of Encumbrances	\$18,001	\$18,001
Special Fund for Economic Uncertainties	\$8,298	\$4,501
Public School System Stabilization Account	\$1,157	\$1,533
Safety Net Reserve	-	-
Budget Stabilization Account/Rainy Day Fund	\$18,045	\$10,945
Note: Numbers may not add due to rounding.		

General Fund Expenditures by Agency
(Dollars in Millions)

	2024-25	2025-26	Dollar Change from 2024-25
Legislative, Judicial, Executive	\$10,862	\$8,198	-\$2,664
Business, Consumer Services & Housing	3,951	517	-3,434
Transportation	721	754	33
Natural Resources	8,164	5,426	-2,738
Environmental Protection	594	137	-457
Health and Human Services	76,248	83,385	7,137
Corrections and Rehabilitation	14,044	13,637	-407
K-12 Education	84,135	83,087	-1,048
Higher Education	23,064	23,324	260
Labor and Workforce Development	1,121	963	-158
Government Operations	3,778	3,590	-188
General Government:			
Non-Agency Departments	2,413	1,303	-1,110
Tax Relief/Local Government	653	556	-97
Statewide Expenditures	2,303	4,016	1,713
Total	\$232,051	\$228,892	-\$3,159

Note: Numbers may not add due to rounding.



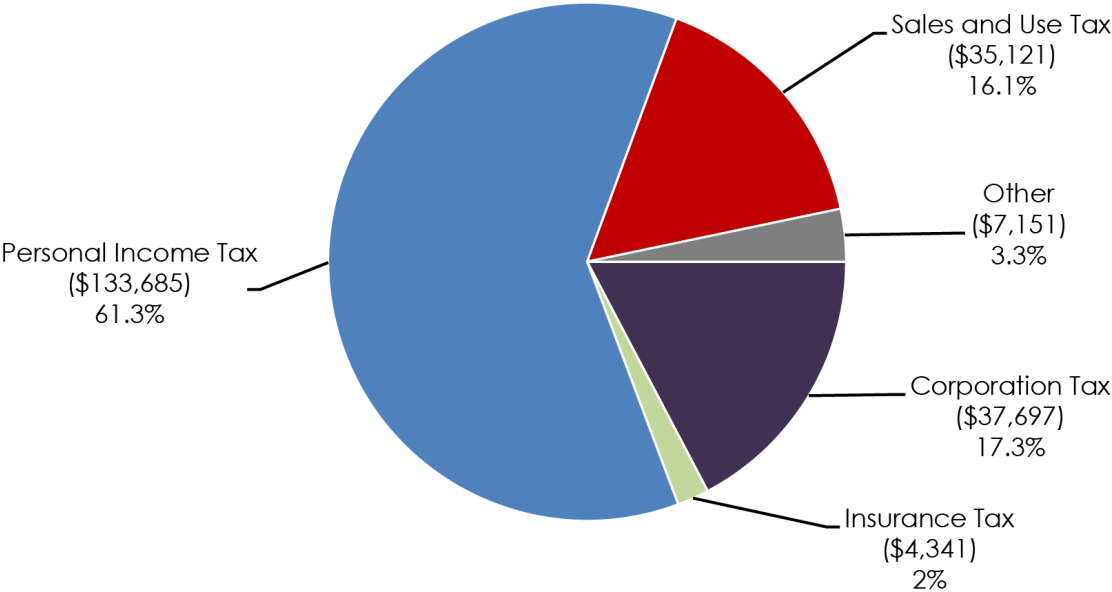
SUMMARY CHARTS

General Fund Revenue Sources
(Dollars in Millions)

	2024-25	2025-26	Change from 2024-25	
			Dollar Change	Percent Change
Personal Income Tax	\$121,106	\$133,685	\$12,579	10.4%
Sales and Use Tax	34,110	35,121	1,011	3.0%
Corporation Tax	43,199	37,697	-5,502	-12.7%
Insurance Tax	4,064	4,341	277	6.8%
Alcoholic Beverage Taxes and Fees	423	428	5	1.2%
Cigarette Tax	37	35	-2	-5.4%
Motor Vehicle Fees	46	46	0	0.0%
Other	14,631	6,642	-7,989	-54.6%
Subtotal	\$217,616	\$217,995	\$379	0.2%
Transfer from the Budget Stabilization Account/Rainy Day Fund	4,857	7,100	2,243	46.2%
Total	\$222,473	\$225,095	\$2,622	1.2%

Note: Numbers may not add due to rounding.

2025-26
General Fund Revenues and Transfers^{1/}
(Dollars in Millions)



^{1/}Excludes \$7.1 billion transfer in from the Rainy Day Fund.

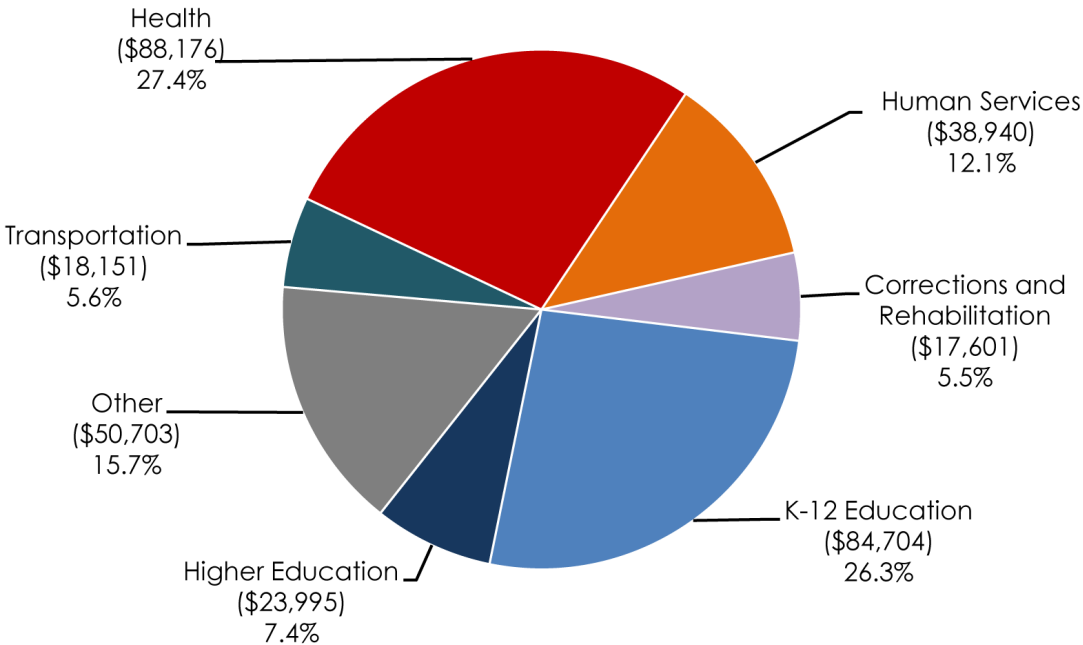
2025-26 Total State Expenditures by Agency

(Dollars in Millions)

	General Fund	Special Funds	Bond Funds	Totals
Legislative, Judicial, Executive	\$8,198	\$4,968	\$374	\$13,541
Business, Consumer Services & Housing	517	1,338	538	2,392
Transportation	754	17,299	97	18,151
Natural Resources	5,426	2,749	2,466	10,640
Environmental Protection	137	4,308	369	4,814
Health and Human Services	83,385	43,294	437	127,115
Corrections and Rehabilitation	13,637	3,964	-	17,601
K-12 Education	83,087	104	1,513	84,704
Higher Education	23,324	105	566	23,995
Labor and Workforce Development	963	1,157	-	2,119
Government Operations	3,590	175	12	3,778
General Government:				
Non-Agency Departments	1,303	2,069	171	3,543
Tax Relief/Local Government	556	3,634	-	4,191
Statewide Expenditures	4,016	1,670	1	5,686
Total	\$228,892	\$86,834	\$6,543	\$322,269

Note: Numbers may not add due to rounding.

2025-26
Total State Expenditures
(Including Selected Bond Funds)
(Dollars in Millions)



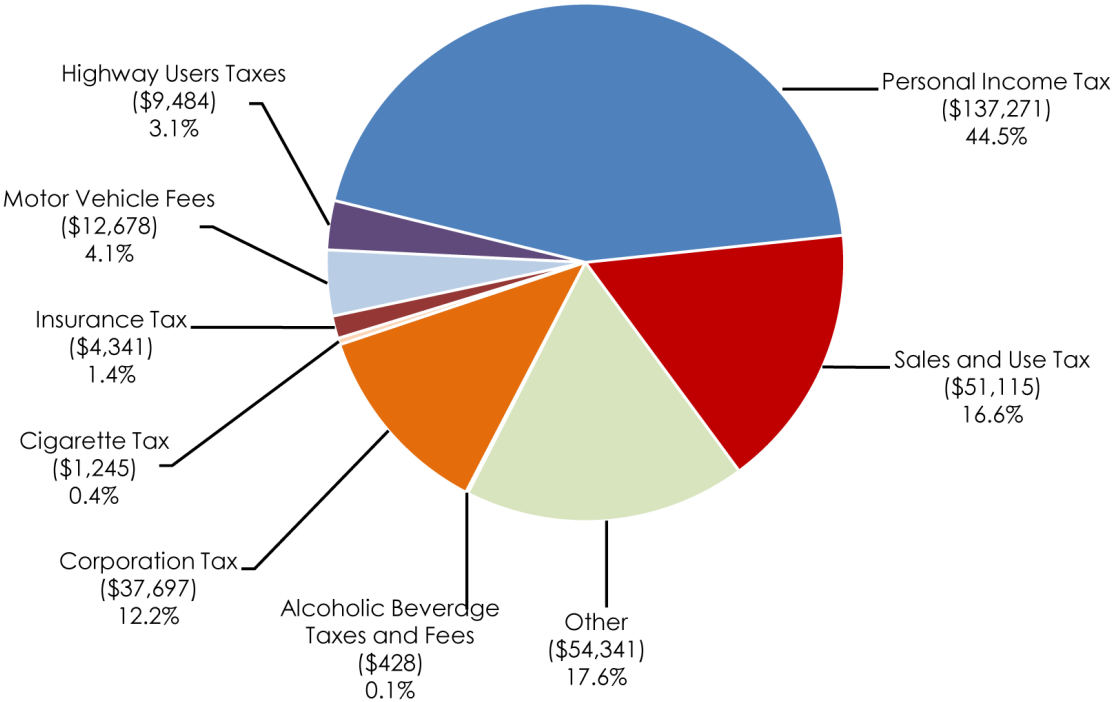
SUMMARY CHARTS

2025-26 Revenue Sources
(Dollars in Millions)

	General Fund	Special Funds	Total	Change From 2024-25
Personal Income Tax	\$133,685	\$3,586	\$137,271	\$12,933
Sales and Use Tax	35,121	15,994	51,115	1,403
Corporation Tax	37,697	-	37,697	-5,502
Highway Users Taxes	-	9,484	9,484	70
Insurance Tax	4,341	-	4,341	277
Alcoholic Beverage Taxes and Fees	428	-	428	5
Cigarette Tax	35	1,210	1,245	-42
Motor Vehicle Fees	46	12,632	12,678	351
Other	6,642	47,699	54,341	-3,597
Subtotal	\$217,995	\$90,605	\$308,600	\$5,898
Transfer to/from the Budget Stabilization Account/Rainy Day Fund	7,100	-7,100	-	-
Total	\$225,095	\$83,505	\$308,600	\$5,898

Note: Numbers may not add due to rounding.

2025-26
Total Revenues and Transfers
(Dollars in Millions)



PROPOSITION 98

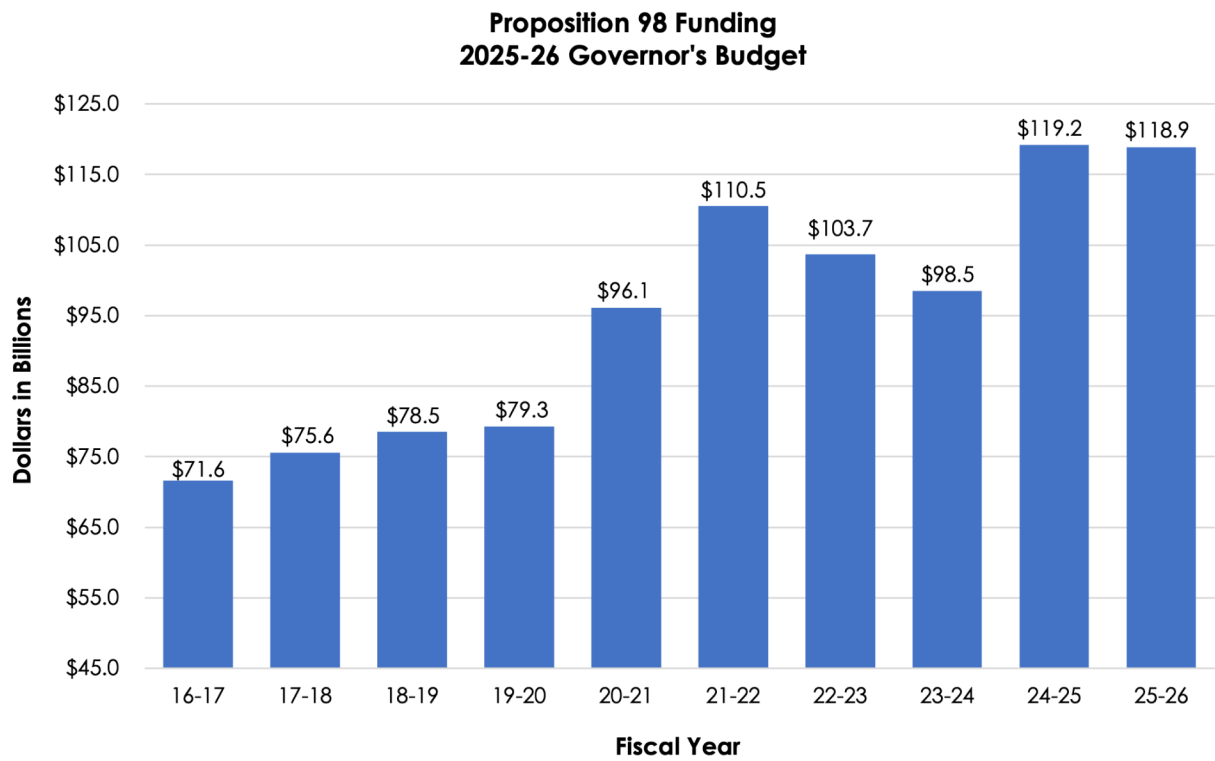
Proposition 98 is a voter-approved constitutional amendment that guarantees minimum funding levels for TK-12 schools and community colleges (collectively referred to as TK-14 schools). The Guarantee, which went into effect in the 1988-89 fiscal year, determines state funding levels for schools according to multiple factors including the level of funding in 1986-87, General Fund revenues, per capita personal income, and school attendance. The LCFF is the primary mechanism for distributing these funds to support all students attending TK-12 public schools in California.

The revised estimates of General Fund revenues result in notable adjustments to the Proposition 98 Guarantee. The Guarantee for TK-12 schools and community colleges is calculated to be \$98.5 billion in 2023-24, \$119.2 billion in 2024-25, and \$118.9 billion

in 2025-26. These revised Proposition 98 levels represent an increase of approximately \$7.5 billion over the three-year period relative to the 2024 Budget Act. Due to the inherent risk in revenue projections, the Budget proposes to appropriate the Guarantee at \$117.6 billion, instead of the currently calculated level of \$119.2 billion in 2024-25. This is intended to mitigate the risk of potentially appropriating more resources to the Guarantee than are ultimately available in the final calculation for 2024-25. Potential adjustments will be evaluated at the May Revision and will not be final until the certification of the 2024-25 Guarantee level.

The Guarantee is in a Test 2 for 2023-24 (although suspended at \$98.5 billion) and continues to be in a Test 1 for 2024-25 and 2025-26. This means that the funding level of the Guarantee for 2024-25 and 2025-26 is equal to roughly 40 percent of General Fund revenues, plus local property tax revenues. Pursuant to the Proposition 98 formula, this percentage of General Fund revenues is not reduced to reflect enrollment adjustments, which further increases per pupil funding. The Proposition 98 minimum Guarantee is “rebenched” to reflect the continued implementation of universal transitional kindergarten. The resulting Test 1 percentage is then “rebenched” to increase the percentage of General Fund revenues due to the Guarantee, from 39.2 percent to 39.6 percent.

The Budget includes total funding of \$137.1 billion (\$83.3 billion General Fund and \$53.8 billion other funds) for all TK-12 education programs. TK-12 per-pupil funding totals \$18,918 Proposition 98 General Fund and \$24,764 per pupil when accounting for all funding sources.



PROPOSITION 98 RAINY DAY FUND

The 2024 Budget Act projected a total balance of \$1.1 billion in the Public School System Stabilization Account (PSSSA), or Proposition 98 Rainy Day Fund, reflecting a discretionary payment of the same amount into the fund in 2024-25. The Budget reflects a revised 2024-25 payment of roughly \$1.2 billion, which is a mandatory payment that replaces the discretionary payment, and an additional mandatory payment of \$376 million in 2025-26 into the PSSSA for a revised balance of \$1.5 billion at the end of 2025-26. There are no changes to the mandatory withdrawal of \$8.4 billion in 2023-24.

Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the PSSSA is equal to or greater than 3 percent of the total TK-12 share of the Proposition 98 Guarantee. The balance of \$1.2 billion in 2024-25 does not trigger school district reserve caps in 2025-26.

MASTER PLAN FOR CAREER EDUCATION: TK-12 EDUCATION

As discussed in the Higher Education Chapter, in alignment with the Master Plan for Career Education, the Administration is engaged in cross-agency collaboration to strengthen planning and coordination across state and regional education and workforce initiatives, make it easier for Californians to receive college credit both in high school and in recognition of their real-world experience, and create more pathways to in-demand careers in California.

Building upon recent state investments in dual enrollment and college and career pathways, and to augment funds provided to LEAs for career technical education through the LCFF and other career technical education programs, the Budget proposes including dual enrollment and pathways programs as allowable expenditures for funds allocated through the \$1.8 billion Student Support and Discretionary Block Grant (see below). The Budget also includes an increase of \$3 million ongoing Proposition 98 General Fund to support the California College Guidance Initiative and the Cradle-to-Career Data System.

Additionally, to reduce the administrative burden for LEAs offering career technical education programs, the Budget proposes to direct the Department of Education to examine the feasibility of streamlining applications for TK-12 career technical education programs into a single consolidated application, rather than administering each program through a separate application process.

HIGHER EDUCATION

The Governor's Budget reflects the fourth year of the multi-year compacts with the University of California (UC) and the California State University (CSU), and of a multi-year roadmap with the California Community Colleges (CCCs), that focus on shared priorities benefitting students. The Administration remains committed to the shared goals of increasing access to the UC and CSU, improving student success while advancing equity, increasing the affordability of higher education, increasing intersegmental collaboration, and supporting workforce preparedness and high-demand career pipelines.

The Budget proposes total funding of \$45.1 billion (\$28.5 billion General Fund and local property tax and \$16.6 billion other funds) for the three higher education segments and the California Student Aid Commission. The figure on Higher Education Expenditures displays additional detail about funding for higher education.

HIGHER EDUCATION

Higher Education Expenditures
(Dollars in Millions)

	2023-24	2024-25	2025-26	Change from 2024-25	
				Dollars	Percent
University of California					
Ongoing General Fund	4,717.3	4,984.6	4,984.6	\$0.0	0.0%
One-Time General Fund	143.0	4.0	-	-\$4.0	
Total Funds ^{1/ 4/}	\$10,602.9	\$10,947.4	\$11,162.5	\$215.1	1.9%
California State University					
Ongoing General Fund	5,391.2	5,600.7	5,642.7	\$42.0	0.7%
One-Time General Fund	35.5	5.0	0.3	-\$4.7	
Total Funds ^{1/ 4/}	\$8,807.8	\$9,158.5	\$9,359.8	\$201.3	2.2%
California Community Colleges					
General Fund & Property Taxes ^{4/}	12,303.4	13,938.0	14,789.1	\$851.1	6.1%
Total Funds ^{3/}	\$21,336.2	\$21,524.3	\$21,160.6	-\$363.7	-1.7%
California Student Aid Commission					
General Fund ^{2/ 4/}	2,875.5	3,135.3	2,802.3	-\$333.0	-10.6%
Total Funds	\$3,304.0	\$3,557.3	\$3,222.7	-\$334.6	-9.4%
General Fund	\$24,829.8	\$27,660.3	\$28,393.9	\$733.7	2.7%
Total Funds	\$44,050.9	\$45,187.5	\$44,905.5	-\$282.0	-0.6%
^{1/} These totals include tuition and fee revenues and other funds the universities report as discretionary.					
^{2/} General Fund expenditures for the Cal Grant program are offset by reimbursements, including approximately \$400 million in federal Temporary Assistance for Needy Families (TANF) funds received through an agreement with the Department of Social Services.					
^{3/} Withdrawals from the Public School System Stabilization Account are reflected in this row.					
^{4/} Savings resulting from Section 4.05 and/or Section 4.12 of the 2024 Budget Act are currently recorded as an unallocated statewide set-aside. As a result, this General Fund expenditure amount may reflect overstated expenditures.					

Additionally, the Budget includes more than \$100 million in new investments across state agencies to work towards implementation of key priorities contained in the new Master Plan for Career Education.

MASTER PLAN FOR CAREER EDUCATION

In August 2023, the Governor called for a new Master Plan for Career Education through the Freedom to Succeed Executive Order. The Governor urged state agencies and institutions of higher education to increase equitable access to well-paid jobs by creating and strengthening education and training pathways that are responsive to the emerging needs of the economy and specific to labor sectors, geographic regions, and individuals' existing and needed skills and experience. These pathways must be

designed so all Californians—whether young people just starting their first job searches or experienced workers seeking new careers—can find opportunities for high-paying and fulfilling career paths, both those that do and do not require college degrees. By building these talent pipelines, the state can spur economic growth in strategic sectors such as education, health care, and climate.

The purposes of the Master Plan are to align state education and workforce development programs with the needs of the future economy, better coordinate and streamline those programs regionally and across state agencies, and ensure that the state's students and adult learners have affordable access to needed educational and career development opportunities over the course of their working lives.

The following new investments are proposed to implement key provisions of the Plan, with additional phases of implementation to be considered in future fiscal years:

- \$100 million one-time Proposition 98 General Fund for the CCCs to expand Credit for Prior Learning and begin building the infrastructure for the state's first "Career Passport." The Career Passport system will allow students to create formal documentation of their marketable skills and abilities developed through work, classes, apprenticeships, internships, or other experiences both inside and outside the classroom, with the intent of scaling the system in future years to be applicable at both the secondary and higher education levels. Additionally, the Career Passport Initiative will provide students with a state-validated transcript for skills earned from educational or work experience, which can be used as a recruitment tool for employment as well as ongoing education (see description in the California Community Colleges section for more details).
- \$5 million ongoing General Fund for the Government Operations Agency to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies, to improve forecasting of needed skills and coordination of resources and initiatives across state government in alignment with recommendations from the Master Plan for Career Education. See the General Government and Statewide Issues Chapter for more details.
- \$4 million one-time General Fund to support regional coordination for career education and training. See the Labor and Workforce Development Chapter for more details.

Additionally, the Budget proposes to streamline applications for TK-12 career technical education categorical programs into a single consolidated application and include

HIGHER EDUCATION

dual enrollment and pathways programs as allowable uses for funds allocated through the \$1.8 billion Student Support and Discretionary Block Grant. See the TK-12 Education Chapter for more details.

UNIVERSITY OF CALIFORNIA

The University of California (UC) offers formal undergraduate and graduate education, is the public segment authorized to independently award doctoral degrees and is designated as the state's primary academic agency for research. Its ten campuses enroll nearly 294,000 students and the UC extension centers register an additional 500,000 participants in continuing education programs. In 2023-24, the UC awarded more than 85,000 degrees, including over 62,000 undergraduate degrees.

In alignment with the 2024 Budget Act, the Budget maintains the planned deferral of the 2025-26 Compact investment of \$240.8 million, representing a five-percent base increase in the fourth year of the Compact, to 2027-28. The Budget also maintains the planned 2025-26 deferral of \$31 million to offset revenue reductions associated with the replacement of 902 nonresident undergraduate students enrolled at three campuses with an equivalent number of California resident undergraduate students, from 2025-26 to 2027-28.

The UC may use interim financing structures or other internal borrowing to support UC spending. The Administration continues to be committed to the Compact with the UC and expects the segment to continue its efforts to meet the Compact goals. This approach will enable the UC to continue its efforts to meet the Compact goals to expand student access, equity, and affordability, and to create pathways to high-demand career opportunities. The Administration will continue to monitor the UC's actions toward meeting the Compact goals.

Finally, the Budget maintains efficiency reductions included in the 2024 Budget Act intended to address ongoing statewide General Fund budget pressures. As a result, and as indicated in the 2024 Budget Act, the UC should continue planning for a reduction of 7.95 percent in ongoing General Fund support, approximately \$396.6 million, beginning in the 2025-26 fiscal year.

CALIFORNIA STATE UNIVERSITY

The California State University (CSU) provides undergraduate and graduate instruction generally up to the master's degree. Its 23 campuses enroll more than 454,000 students. In 2023-24, the CSU awarded approximately 125,000 degrees. The CSU also provides opportunities for residents to enroll in professional and continuing education programs. The CSU strives to further fulfill its mission through the Graduation Initiative 2025, which aims to increase four-year graduation rates, increase two-year transfer graduation rates, and eliminate equity gaps. The CSU provides four-year education in some of the most underserved regions of the state, including the Far North, the Central Valley, and the Inland Empire.

The Administration maintains its commitment to the multi-year Compact Agreement, and the CSU will receive \$252.3 million ongoing General Fund, representing a five-percent base increase in the fourth year of the Compact, though the 2025-26 amount is deferred to 2027-28. The Administration will continue to monitor the CSU's actions toward meeting the Compact goals.

Additionally, the Budget maintains statewide efficiency reductions included in the 2024 Budget Act intended to address ongoing statewide General Fund budget pressures. As a result, and as indicated in the 2024 Budget Act, the CSU should continue planning for a reduction of 7.95 percent in ongoing General Fund support, approximately \$375.2 million, beginning in the 2025-26 fiscal year.

SIGNIFICANT ONGOING BUDGET ADJUSTMENTS

- **Capital Fellows Salary Increase**—\$1.3 million ongoing General Fund to support a salary increase from \$3,253 per month to \$4,888 per month for the Capital Fellows, who are employed through the CSU's Center for California Studies.
- **Drug Testing Devices at Campuses**—\$345,000 ongoing General Fund to support the costs of recently chaptered legislation that requires the CSU to provide drug test devices, defined as test strips, stickers, straws, and other devices designed to detect the presence of controlled substances in a drink, at no cost to students at every on-campus health center.

CALIFORNIA COMMUNITY COLLEGES

The California Community Colleges (CCCs) are the largest system of higher education in the country, serving roughly one out of every four of the nation's community college students, or approximately 2.1 million students. The CCCs provide basic skills, vocational, and undergraduate transfer education with 73 districts, 116 campuses, and 78 educational centers. In 2023-24, the CCCs awarded over 139,000 certificates and 199,000 degrees and transferred over 97,000 students to four-year institutions.

The Budget reflects a continued focus on the CCC multi-year roadmap, which prioritizes equity, student success, and enhancing the system's ability to prepare students for California's future.

SIGNIFICANT BUDGET ADJUSTMENTS

- **CCC Apportionments**—\$230.4 million ongoing Proposition 98 General Fund to provide a 2.43-percent cost-of-living adjustment (COLA) for Student Centered Funding Formula apportionments and \$30.4 million ongoing Proposition 98 General Fund for 0.5 percent enrollment growth.
- **Statewide Technology Transformation**—\$168 million one-time Proposition 98 General Fund for the completion of the Statewide Technology Transformation project. This project will standardize and streamline data collection across the system and achieve both efficiencies and benefits for the system as a whole. Some of the goals of this project include automation of credit transfers between institutions, enhancing data security, cost savings relating to operational efficiencies, and the adoption of a cloud-based common enterprise system that will unite college staff across the system.
- **Systemwide Common Data Platform**—\$162.5 million Proposition 98 General Fund, \$29 million of which is ongoing, for scaling of a common cloud data platform across the community college system. This data platform will accomplish several goals for the system that will provide direct benefits to student supports. Features such as integration of the Program Pathways Mapper AI, eTranscript California, the Mapping Articulated Pathways platform, and CSU Transfer Planner are some of the key ways that this investment will support the Career Education Master Plan.
- **Expanded Credit for Prior Learning Policies and Career Passport**—As mentioned above, \$100 million one-time Proposition 98 General Fund, \$7 million of which is ongoing, to build upon existing credit for prior learning policies. The investment will

be used to develop and beta-test an outcomes-based funding model that will support community college districts in the integration of credit for prior learning into the enrollment process, offering students the opportunity to receive course credit for past experiences such as military service. A key component of this proposal will be the development of a Career Passport—which is a resource that will provide students with formalized documentation of their skills and experience as they enter the workforce.

- **Community College Facilities**—\$51.5 million one-time Proposition 2 bond funds allocated for critical infrastructure, facility modernization, and enrollment growth projects for 28 community college facilities.
- **Expansion of Rising Scholars Network**—\$30 million ongoing Proposition 98 General Fund to expand the Rising Scholars Network, which provides college educational opportunities to students who have been impacted by the criminal justice system, with the goal of serving more students through the program.
- **CCC Categorical Program COLA**—\$16.0 million ongoing Proposition 98 General Fund to provide a 2.43-percent COLA for select categorical programs and the Adult Education Program.

CALIFORNIA STUDENT AID COMMISSION

The Budget reflects a total financial aid expenditure of \$3.1 billion in 2025-26, which is expected to reach over 750,000 higher education students in the state. Of this total, \$2.6 billion will be allocated to support Cal Grant. Cal Grant is the state's largest financial aid program and is administered by the California Student Aid Commission. This entitlement program provides financial aid awards to approximately 417,000 students who meet specified eligibility criteria and who attend one of the state's qualifying public, independent, or private institutions.

Students who demonstrate financial need, but do not meet all the criteria for entitlement awards, may qualify for one of 16,000 proposed competitive Cal Grant awards. The majority of these awards cover the cost of tuition and fees and provide a stipend to cover some living expenses, such as housing, food, and transportation.

The Budget provides \$527.2 million for the Middle Class Scholarship, which is the state's second-largest scholarship program. In 2025-26, approximately 327,000 students are expected to receive a Middle Class Scholarship award.

HIGHER EDUCATION

The Budget also includes \$50 million one-time General Fund to support the Golden State Teacher Grant Program. The 2021 Budget Act allocated \$500 million to the Golden State Teacher Grant Program to be available over a five-year period to support students enrolled in teacher preparation programs who commit to working in a high-need school site after program completion. The initial allocation has been almost fully expended; the new funds proposed in the Budget would provide grants to applicants in the 2025-26 fiscal year.

COLLEGE OF THE LAW, SAN FRANCISCO

College of the Law, San Francisco is affiliated with the UC system but is governed by its own Board of Directors. Located in San Francisco, it primarily serves students seeking a Juris Doctor degree but also offers programs leading to Master of Laws; Master of Studies in Law; and Master of Science, Health Policy and Law degrees. In 2023-24, College of the Law, San Francisco enrolled 1,166 full-time equivalent students. Of these, 1,107 were Juris Doctor students.

The Budget maintains statewide efficiency reductions included in the 2024 Budget Act intended to address ongoing statewide General Fund budget pressures. As a result, and as indicated in the 2024 Budget Act, the College of Law, San Francisco should continue planning for a reduction of 7.95 percent in ongoing General Fund support, approximately \$1.8 million, beginning in the 2025-26 fiscal year.

SIGNIFICANT BUDGET ADJUSTMENTS

- **McAllister Tower Second Phase**—\$10.1 million ongoing General Fund to support the debt service associated with the second phase of the McAllister Tower renovation.
- **Base Growth**—\$2.4 million ongoing General Fund to support operating costs. This represents a 3-percent increase base augmentation.

CALIFORNIA STATE LIBRARY

The California State Library serves as the central reference and research library for the Governor and the Legislature. The Library collects, preserves, generates, and disseminates information, and provides critical assistance to libraries across the state. The Library administers programs funded by state and federal funds to support local and public library programs.

SIGNIFICANT BUDGET ADJUSTMENT

- **Information Technology Enterprise Security**—\$332,000 one-time General Fund in the 2025-26 fiscal year and \$282,000 ongoing thereafter to support the State Library's cybersecurity infrastructure. These funds would replace outdated hardware and purchase renewable cloud-based security subscription services.

***2025-26 Governor's State Budget
"E-Pages" for California
Community Colleges***

6870 Board of Governors of the California Community Colleges

The Board of Governors of the California Community Colleges was established in 1967 to provide statewide leadership to California's 73 community college districts, which operate 116 community colleges. The Board has 18 voting members as specified in statute. Twelve members are appointed by the Governor, require Senate approval for six-year terms, and must include two current or former local board members. Five members are appointed by the Governor to two-year terms and include two students, two faculty members, and one classified member. The Lieutenant Governor also serves as a member of the Board.

The objectives of the Board are to:

- Provide direction and coordination to California's community colleges.
- Apportion state funds to districts and ensure prudent use of public resources.
- Improve district and campus programs through informational and technical services on a statewide basis.

Because community college programs drive the need for infrastructure investment, each community college district has a related capital outlay program to support this need. For specifics on the community college capital outlay program, see "Infrastructure Overview."

3-YEAR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
5670	Apportionments	-	-	-	\$9,303,905	\$10,744,550	\$11,480,951
5675	Special Services and Operations	189.3	214.1	214.1	2,790,627	3,011,167	2,975,452
5685	Mandates	-	-	-	38,290	38,809	39,762
TOTALS, POSITIONS AND EXPENDITURES (All Programs)		189.3	214.1	214.1	\$12,132,822	\$13,794,526	\$14,496,165
FUNDING					2023-24*	2024-25*	2025-26*
0001	General Fund				\$259,532	\$66,281	\$40,062
0001	General Fund, Proposition 98				6,910,095	8,542,445	9,041,435
0342	State School Fund				4,842	4,411	4,411
0814	California State Lottery Education Fund				363,526	316,326	316,326
0925	California Community Colleges Business Resource Assistance and Innovation Network Trust Fund				-	25	25
0942	Special Deposit Fund				552	155	155
0986	Local Property Tax Revenues				4,069,544	4,299,660	4,528,033
0992	Higher Education Fees and Income				472,453	472,453	474,048

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

6870 Board of Governors of the California Community Colleges - Continued

FUNDING		2023-24*	2024-25*	2025-26*
0995	Reimbursements	46,159	88,679	88,679
3085	Behavioral Health Services Fund	120	123	123
3273	Employment Opportunity Fund	3,141	1,109	-
6087	2016 California Community College Capital Outlay Bond Fund	2,858	2,859	2,868
TOTALS, EXPENDITURES, ALL FUNDS		\$12,132,822	\$13,794,526	\$14,496,165

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Education Code, Division 7.

DETAILED BUDGET ADJUSTMENTS

	2024-25*			2025-26*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Workload Budget Change Proposals						
• Apportionments Cost-of-Living Adjustment	\$-	\$-	-	\$230,388	\$-	-
• Complete the Statewide Technology Transformation (Phase 2)	81,507	-	-	62,196	-	-
• Expand Credit for Prior Learning Policies	58,000	-	-	32,000	-	-
• Enrollment Growth Adjustment	-	-	-	30,442	-	-
• Expand Rising Scholars Network	-	-	-	30,000	-	-
• Systemwide Common Data Platform (Phase 1)	130,940	-	-	29,000	-	-
• Reappropriate Funds to Support Expansion of Credit for Prior Learning Policies	-	-	-	8,954	-	-
• Reappropriate Funds to Support Systemwide Common Data Platform	-	-	-	2,557	-	-
• Support Expanded Credit for Prior Learning Policies with Reverted Funds	-	-	-	1,046	-	-
Totals, Workload Budget Change Proposals	\$270,447	\$-	-	\$426,583	\$-	-
Other Workload Budget Adjustments						
• Adjust Apportionments to Reflect Revised Estimates of Offsetting EPA Revenues	-145,330	-	-	122,283	-	-
• Adult Education Program Cost-of-Living Adjustment	-	-	-	15,871	-	-
• Extended Opportunity Programs and Services Cost-of-Living Adjustment	-	-	-	5,319	-	-
• Disabled Student Programs and Services Cost-of-Living Adjustment	-	-	-	4,244	-	-
• Apprenticeship Cost-of-Living Adjustment	-	-	-	2,344	-	-
• Student Services for CalWORKs Students Program Cost-of-Living Adjustment	-	-	-	1,352	-	-
• Mandate Block Grant Cost-of-Living Adjustment	-	-	-	953	-	-
• Financial Aid Administration 2% of Waived Fees Adjustment	-	-	-	853	-	-
• Financial Aid Administration Per Unit Adjustment	-	-	-	844	-	-
• Offsetting Oil and Mineral Revenue Adjustment	-	-	-	192	-	-
• Campus Childcare Tax Bailout Program Cost-of-Living Adjustment	-	-	-	105	-	-

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6870 Board of Governors of the California Community Colleges - Continued

	2024-25*			2025-26*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Informational Net Offsetting Local Revenue Adjustment	-	3,393	-	-	231,766	-
• Informational Offsetting Student Fee Revenue Adjustment	-	66,330	-	-	67,925	-
• Lottery Revenue Adjustment	-	758	-	-	758	-
• 2024-25 EPA Adjustment	145,241	-	-	-	-	-
• Informational State School Fund Pass-Through Adjustment	-	-	-	-	-	-
• Transfer of Adult Education Funds (EO E 24-25-25)	-505,442	-	-	-	-	-
• Informational Oil and Mineral Revenue Adjustment	-	-192	-	-	-192	-
• Other Base Apportionment Adjustments	-	-	-	-13,331	-	-
• Hold Harmless Funding for Student Centered Funding Formula	-	-	-	-43,236	-	-
• Adjust Apportionments to Reflect Revised Estimates of Offsetting Student Fees	-66,330	-	-	-67,925	-	-
• 2025-26 EPA Adjustment	-	-	-	-122,341	-	-
• Adjust Apportionments to Reflect Revised Local Revenue Estimates	-3,393	-	-	-231,766	-	-
• Lease Revenue Debt Service Adjustment	-	-	-	2,443	-	-
• Salary Adjustments	565	63	-	565	63	-
• Benefit Adjustments	301	34	-	384	43	-
• Miscellaneous Baseline Adjustments	316	-1,942	-	306	-1,942	-
• Retirement Rate Adjustments	-1,058	-117	-	-1,058	-117	-
Totals, Other Workload Budget Adjustments	\$-575,130	\$68,327	-	\$-321,599	\$298,304	-
Totals, Workload Budget Adjustments	\$-304,683	\$68,327	-	\$104,984	\$298,304	-
Totals, Budget Adjustments	\$-304,683	\$68,327	-	\$104,984	\$298,304	-

PROGRAM DESCRIPTIONS**5670 - APPORTIONMENTS**

This program supports the general education programs of the community colleges, including for general purpose apportionments.

5675 - SPECIAL SERVICES, OPERATIONS AND INFORMATION

This program includes the development, implementation, and coordination of policies and procedures regarding education programs and funding other than apportionments. Such programs include student financial aid, academic counseling, foster care education, and support for disabled students and CalWORKs participants.

5685 - MANDATES

This program provides funds to community college districts to support the costs of performing state mandates.

DETAILED EXPENDITURES BY PROGRAM

		2023-24*	2024-25*	2025-26*
5670	PROGRAM REQUIREMENTS			
	APPORTIONMENTS			
	Local Assistance:			
0001	General Fund	\$4,385,540	\$5,643,700	\$6,150,133
0342	State School Fund	4,842	4,411	4,411

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6870 Board of Governors of the California Community Colleges - Continued

		2023-24*	2024-25*	2025-26*
0814	California State Lottery Education Fund	363,526	316,326	316,326
0986	Local Property Tax Revenues	4,069,544	4,299,660	4,528,033
0992	Higher Education Fees and Income	472,453	472,453	474,048
0995	Reimbursements	8,000	8,000	8,000
	Totals, Local Assistance	\$9,303,905	\$10,744,550	\$11,480,951
	SUBPROGRAM REQUIREMENTS			
5670015	Apportionments			
	Local Assistance:			
0001	General Fund	\$4,239,099	\$5,495,160	\$6,000,382
0342	State School Fund	4,842	4,411	4,411
0814	California State Lottery Education Fund	363,526	316,326	316,326
0986	Local Property Tax Revenues	4,069,544	4,299,660	4,528,033
0992	Higher Education Fees and Income	472,453	472,453	474,048
	Totals, Local Assistance	\$9,149,464	\$10,588,010	\$11,323,200
	SUBPROGRAM REQUIREMENTS			
5670019	Apprenticeship			
	Local Assistance:			
0001	General Fund	\$64,343	\$64,690	\$65,541
	Totals, Local Assistance	\$64,343	\$64,690	\$65,541
	SUBPROGRAM REQUIREMENTS			
5670023	Apprenticeship Training and Instruction			
	Local Assistance:			
0001	General Fund	\$59,098	\$60,850	\$61,210
	Totals, Local Assistance	\$59,098	\$60,850	\$61,210
	SUBPROGRAM REQUIREMENTS			
5670035	Expand the Delivery of Courses through Technology			
	Local Assistance:			
0001	General Fund	\$23,000	\$23,000	\$23,000
	Totals, Local Assistance	\$23,000	\$23,000	\$23,000
	SUBPROGRAM REQUIREMENTS			
5670036	Calworks Services			
	Local Assistance:			
0995	Reimbursements	8,000	8,000	8,000
	Totals, Local Assistance	\$8,000	\$8,000	\$8,000
	PROGRAM REQUIREMENTS			
5675	SPECIAL SERVICES AND OPERATIONS			
	State Operations:			
0001	General Fund	\$77,594	\$26,886	\$28,248
0925	California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	-	10	10
0942	Special Deposit Fund	552	155	155
0995	Reimbursements	6,096	9,245	9,245
3085	Behavioral Health Services Fund	120	123	123
6087	2016 California Community College Capital Outlay Bond Fund	2,858	2,859	2,868
	Totals, State Operations	\$87,220	\$39,278	\$40,649
	Local Assistance:			
0001	General Fund	\$2,668,203	\$2,899,331	\$2,863,354
0925	California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	-	15	15
0995	Reimbursements	32,063	71,434	71,434
3273	Employment Opportunity Fund	3,141	1,109	-
	Totals, Local Assistance	\$2,703,407	\$2,971,889	\$2,934,803

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6870 Board of Governors of the California Community Colleges - Continued

		<u>2023-24*</u>	<u>2024-25*</u>	<u>2025-26*</u>
	SUBPROGRAM REQUIREMENTS			
5675019	Student Financial Aid Administration			
	Local Assistance:			
0001	General Fund	\$78,489	\$100,416	\$82,113
	Totals, Local Assistance	\$78,489	\$100,416	\$82,113
	SUBPROGRAM REQUIREMENTS			
5675022	Student Success Completion Grant			
	Local Assistance:			
0001	General Fund	\$362,602	\$412,602	\$412,602
	Totals, Local Assistance	\$362,602	\$412,602	\$412,602
	SUBPROGRAM REQUIREMENTS			
5675023	Extended Opportunity Programs and Services			
	Local Assistance:			
0001	General Fund	\$216,561	\$218,878	\$224,197
	Totals, Local Assistance	\$216,561	\$218,878	\$224,197
	SUBPROGRAM REQUIREMENTS			
5675027	Disabled Students			
	Local Assistance:			
0001	General Fund	\$172,820	\$174,669	\$178,913
	Totals, Local Assistance	\$172,820	\$174,669	\$178,913
	SUBPROGRAM REQUIREMENTS			
5675030	CCCCO State Operations Budget			
	State Operations:			
0001	General Fund	\$27,040	\$26,886	\$26,969
0925	California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	-	10	10
0995	Reimbursements	6,096	9,245	9,245
3085	Behavioral Health Services Fund	120	123	123
6087	2016 California Community College Capital Outlay Bond Fund	2,858	2,859	2,868
	Totals, State Operations	\$36,114	\$39,123	\$39,215
	SUBPROGRAM REQUIREMENTS			
5675031	Student Services for CalWORKs Recipients			
	Local Assistance:			
0001	General Fund	\$55,053	\$55,642	\$56,994
	Totals, Local Assistance	\$55,053	\$55,642	\$56,994
	SUBPROGRAM REQUIREMENTS			
5675035	Foster Care Education Program			
	Local Assistance:			
0001	General Fund	\$6,154	\$6,154	\$6,154
0995	Reimbursements	2,979	6,112	6,112
	Totals, Local Assistance	\$9,133	\$12,266	\$12,266
	SUBPROGRAM REQUIREMENTS			
5675040	Student Equity and Achievement Program			
	Local Assistance:			
0001	General Fund	\$523,981	\$523,981	\$523,981
	Totals, Local Assistance	\$523,981	\$523,981	\$523,981
	SUBPROGRAM REQUIREMENTS			
5675042	Community College Summer Assistance Program			
	Local Assistance:			
0001	General Fund	\$10,000	\$10,000	\$10,000
	Totals, Local Assistance	\$10,000	\$10,000	\$10,000
	SUBPROGRAM REQUIREMENTS			

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6870 Board of Governors of the California Community Colleges - Continued

		2023-24*	2024-25*	2025-26*
5675045	Legal Services			
	Local Assistance:			
0001	General Fund	\$10,000	\$10,000	\$10,000
	Totals, Local Assistance	\$10,000	\$10,000	\$10,000
	SUBPROGRAM REQUIREMENTS			
5675061	Academic Senate for the Community Colleges			
	Local Assistance:			
0001	General Fund	\$1,796	\$1,796	\$1,796
	Totals, Local Assistance	\$1,796	\$1,796	\$1,796
	SUBPROGRAM REQUIREMENTS			
5675069	Equal Employment Opportunity			
	Local Assistance:			
0001	General Fund	\$12,767	\$12,767	\$12,767
3273	Employment Opportunity Fund	3,141	1,109	-
	Totals, Local Assistance	\$15,908	\$13,876	\$12,767
	SUBPROGRAM REQUIREMENTS			
5675073	Part-Time Faculty Health Insurance			
	Local Assistance:			
0001	General Fund	\$200,490	\$200,490	\$200,490
	Totals, Local Assistance	\$200,490	\$200,490	\$200,490
	SUBPROGRAM REQUIREMENTS			
5675077	Part-Time Faculty Compensation			
	Local Assistance:			
0001	General Fund	\$26,542	\$26,542	\$26,542
	Totals, Local Assistance	\$26,542	\$26,542	\$26,542
	SUBPROGRAM REQUIREMENTS			
5675081	Part-Time Faculty Office Hours			
	Local Assistance:			
0001	General Fund	\$23,626	\$23,626	\$23,626
	Totals, Local Assistance	\$23,626	\$23,626	\$23,626
	SUBPROGRAM REQUIREMENTS			
5675098	Integrated Technology			
	Local Assistance:			
0001	General Fund	\$113,818	\$301,950	\$183,256
	Totals, Local Assistance	\$113,818	\$301,950	\$183,256
	SUBPROGRAM REQUIREMENTS			
5675100	California Statewide Community College			
	Local Assistance:			
0001	General Fund	\$15,000	\$15,000	\$15,000
	Totals, Local Assistance	\$15,000	\$15,000	\$15,000
	SUBPROGRAM REQUIREMENTS			
5675107	Vocational Education			
	State Operations:			
0942	Special Deposit Fund	\$552	\$155	\$155
	Totals, State Operations	\$552	\$155	\$155
	Local Assistance:			
0001	General Fund	\$14,000	\$-	\$60,000
0995	Reimbursements	29,084	65,322	65,322
	Totals, Local Assistance	\$43,084	\$65,322	\$125,322
	SUBPROGRAM REQUIREMENTS			
5675109	Institutional Effectiveness			
	Local Assistance:			

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6870 Board of Governors of the California Community Colleges - Continued

		2023-24*	2024-25*	2025-26*
0001	General Fund	\$41,500	\$27,500	\$27,500
	Totals, Local Assistance	\$41,500	\$27,500	\$27,500
	SUBPROGRAM REQUIREMENTS			
5675115	Fund for Student Success			
	Local Assistance:			
0001	General Fund	\$272,711	\$272,711	\$302,711
	Totals, Local Assistance	\$272,711	\$272,711	\$302,711
	SUBPROGRAM REQUIREMENTS			
5675117	AANHPI Student Achievement Program			
	Local Assistance:			
0001	General Fund	\$8,000	\$8,000	\$8,000
	Totals, Local Assistance	\$8,000	\$8,000	\$8,000
	SUBPROGRAM REQUIREMENTS			
5675119	Economic Development			
	Local Assistance:			
0001	General Fund	\$313,329	\$313,329	\$313,329
0925	California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	-	15	15
	Totals, Local Assistance	\$313,329	\$313,344	\$313,344
	SUBPROGRAM REQUIREMENTS			
5675120	K-12 Strong Workforce Program			
	Local Assistance:			
0001	General Fund	\$163,500	\$163,500	\$163,500
	Totals, Local Assistance	\$163,500	\$163,500	\$163,500
	SUBPROGRAM REQUIREMENTS			
5675123	Transfer Education and Articulation			
	Local Assistance:			
0001	General Fund	\$2,079	\$2,079	\$2,079
	Totals, Local Assistance	\$2,079	\$2,079	\$2,079
	SUBPROGRAM REQUIREMENTS			
5675132	Student Housing			
	State Operations:			
0001	General Fund	\$50,554	\$-	\$1,279
	Totals, State Operations	\$50,554	\$-	\$1,279
	SUBPROGRAM REQUIREMENTS			
5675133	Physical Plant and Instructional Support			
	Local Assistance:			
0001	General Fund	\$5,732	\$-	\$-
	Totals, Local Assistance	\$5,732	\$-	\$-
	SUBPROGRAM REQUIREMENTS			
5675150	Campus Childcare Tax Bailout			
	Local Assistance:			
0001	General Fund	\$4,275	\$4,321	\$4,426
	Totals, Local Assistance	\$4,275	\$4,321	\$4,426
	SUBPROGRAM REQUIREMENTS			
5675156	Nursing Program Support			
	Local Assistance:			
0001	General Fund	\$13,378	\$13,378	\$13,378
	Totals, Local Assistance	\$13,378	\$13,378	\$13,378
	PROGRAM REQUIREMENTS			
5685	MANDATES			
	Local Assistance:			

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6870 Board of Governors of the California Community Colleges - Continued

		2023-24*	2024-25*	2025-26*
0001	General Fund	\$38,290	\$38,809	\$39,762
	Totals, Local Assistance	\$38,290	\$38,809	\$39,762
	SUBPROGRAM REQUIREMENTS			
5685010	Mandates			
	Local Assistance:			
0001	General Fund	\$38,290	\$38,809	\$39,762
	Totals, Local Assistance	\$38,290	\$38,809	\$39,762
	TOTALS, EXPENDITURES			
	State Operations	87,220	39,278	40,649
	Local Assistance	12,045,602	13,755,248	14,455,516
	Totals, Expenditures	\$12,132,822	\$13,794,526	\$14,496,165

EXPENDITURES BY CATEGORY

1 State Operations				Expenditures		
	Positions			2023-24*	2024-25*	2025-26*
	2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
PERSONAL SERVICES						
Baseline Positions	214.1	214.1	214.1	\$22,215	\$22,272	\$22,272
Other Adjustments	-24.8	-	-	-4,804	628	628
Net Totals, Salaries and Wages	189.3	214.1	214.1	\$17,411	\$22,900	\$22,900
Staff Benefits	-	-	-	9,971	9,679	9,771
Totals, Personal Services	189.3	214.1	214.1	\$27,382	\$32,579	\$32,671
OPERATING EXPENSES AND EQUIPMENT				\$59,286	\$6,544	\$7,823
SPECIAL ITEMS OF EXPENSES				552	155	155
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$87,220	\$39,278	\$40,649
2 Local Assistance				Expenditures		
				2023-24*	2024-25*	2025-26*
Grants and Subventions - Governmental				\$12,032,800	\$13,742,455	\$14,440,280
Rents and Leases				12,802	12,793	15,236
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)				\$12,045,602	\$13,755,248	\$14,455,516

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS		2023-24*	2024-25*	2025-26*
	0001 General Fund			
APPROPRIATIONS				
001 Budget Act appropriation		\$27,040	\$27,078	\$26,969
Allocation for Employee Compensation		-	565	-
Allocation for Staff Benefits		-	301	-
Section 3.60 Pension Contribution Adjustment		-	-1,058	-
001 Budget Act appropriation		50,554	-	1,279
Totals Available		\$77,594	\$26,886	\$28,248
TOTALS, EXPENDITURES		\$77,594	\$26,886	\$28,248
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund				
APPROPRIATIONS				
001 Budget Act appropriation		-	\$10	\$10

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6870 Board of Governors of the California Community Colleges - Continued

1 STATE OPERATIONS	2023-24*	2024-25*	2025-26*
Totals Available	-	\$10	\$10
TOTALS, EXPENDITURES	-	\$10	\$10
0942 Special Deposit Fund			
APPROPRIATIONS			
Government Code section 16370	\$552	\$155	\$155
Totals Available	\$552	\$155	\$155
TOTALS, EXPENDITURES	\$552	\$155	\$155
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$6,096	\$9,245	\$9,245
TOTALS, EXPENDITURES	\$6,096	\$9,245	\$9,245
3085 Behavioral Health Services Fund			
APPROPRIATIONS			
003 Budget Act appropriation	\$120	\$123	\$123
Allocation for Employee Compensation	-	3	-
Allocation for Staff Benefits	-	2	-
Section 3.60 Pension Contribution Adjustment	-	-5	-
TOTALS, EXPENDITURES	\$120	\$123	\$123
6087 2016 California Community College Capital Outlay Bond Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,858	\$2,879	\$2,868
Allocation for Employee Compensation	-	60	-
Allocation for Staff Benefits	-	32	-
Section 3.60 Pension Contribution Adjustment	-	-112	-
TOTALS, EXPENDITURES	\$2,858	\$2,859	\$2,868
Total Expenditures, All Funds, (State Operations)	\$87,220	\$39,278	\$40,649

2 LOCAL ASSISTANCE	2023-24*	2024-25*	2025-26*
0001 General Fund, Proposition 98			
APPROPRIATIONS			
101 Budget Act appropriation (Apportionments and Community College Programs)	\$5,253,485	\$6,149,214	\$6,233,275
Adjust Apportionments to Reflect Revised Estimates of Offsetting EPA Revenues	-	-145,330	-
Adjust Apportionments to Reflect Revised Estimates of Offsetting Student Fees	-	-66,330	-
Adjust Apportionments to Reflect Revised Local Revenue Estimates	-	-3,393	-
103 Budget Act appropriation (Lease Revenue Debt Service)	12,802	12,793	-
105 Budget Act appropriation (Online College)	15,000	15,000	15,000
107 Budget Act appropriation (Fiscal Crisis and Management Assistance Team)	845	770	770
108 Budget Act appropriation (Student Success Completion Grant)	362,602	412,602	412,602
193 Budget Act appropriation (Lease Revenue Debt Service)	-	-	15,236
201 Budget Act appropriation (Adult Education Program)	152,408	659,137	675,008
Transfer of Adult Education Funds (EO E 24-25-25)	-	-505,442	-
203 Budget Act appropriation (K-12 Strong Workforce Program)	163,500	163,500	163,500
295 Budget Act appropriation (State Mandates)	13	13	13
296 Budget Act appropriation (State Mandates)	38,277	38,796	39,749
Pending Legislation	3	-	29,000
Systemwide Common Data Platform (Phase 1)	-	130,940	-
Pending Legislation	-	-	32,000
Expand Credit for Prior Learning Policies	-	58,000	-
Pending Legislation	24,312	-	62,196
Complete the Statewide Technology Transformation (Phase 2)	-	81,507	-
Article XIII, Section 36 of the California State Constitution (Proposition 30-transfer to Education Protection Account)	867,116	1,395,427	1,273,086

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6870 Board of Governors of the California Community Colleges - Continued

2 LOCAL ASSISTANCE	2023-24*	2024-25*	2025-26*
2024-25 EPA Adjustment	-	145,241	-
Pending Legislation	-	-	30,000
Chapter 50, Statutes of 2023 (Adjustment to Deferred Maintenance Funding)	5,732	-	-
Chapter 50, Statutes of 2023 (Provide Funding for CCC Retention and Enrollment Strategies)	14,000	-	-
Prior Year Balances Available:			
Pending Legislation (Nursing Programs at CCCs)	-	-	60,000
TOTALS, EXPENDITURES	\$6,910,095	\$8,542,445	\$9,041,435
0001 General Fund			
APPROPRIATIONS			
Chapter 189, Statutes of 2023, Control Section 19.568	\$14,932	-	-
Prior Year Balances Available:			
Reappropriation from Proposition 98 per Item 6870-488, Budget Act of 2018	168,602	40,128	11,511
Reversion from Proposition 98 per Item 6870-485, Budget Act of 2024	-	-	1,046
TOTALS, EXPENDITURES	\$183,534	\$40,128	\$12,557
Loan repayment per Education Code section 41329.52	-1,596	-733	-743
NET TOTALS, EXPENDITURES	\$181,938	\$39,395	\$11,814
0342 State School Fund			
APPROPRIATIONS			
Article XVI, Section 8.5 of the California State Constitution	\$6,826,622	\$7,312,465	\$8,259,545
Informational State School Fund Pass-Through Adjustment	-	326,442	-
Education Code section 12320 (Federal Oil and Mineral Revenue)	4,842	6,545	4,411
Informational Oil and Mineral Revenue Adjustment	-	-192	-
State School Fund (0342) Technical Adjustments	-	-1,942	-
TOTALS, EXPENDITURES	\$6,831,464	\$7,643,318	\$8,263,956
Less funding provided by General Fund	-6,826,622	-7,638,907	-8,259,545
NET TOTALS, EXPENDITURES	\$4,842	\$4,411	\$4,411
0814 California State Lottery Education Fund			
APPROPRIATIONS			
Government Code section 8880.5	\$363,526	\$315,568	\$316,326
Lottery Revenue Adjustment	-	758	-
TOTALS, EXPENDITURES	\$363,526	\$316,326	\$316,326
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund			
APPROPRIATIONS			
101 Budget Act appropriation	-	\$15	\$15
Totals Available	-	\$15	\$15
TOTALS, EXPENDITURES	-	\$15	\$15
0986 Local Property Tax Revenues			
APPROPRIATIONS			
Local property tax revenue (amount counted toward apportionments)	\$4,069,544	\$4,296,267	\$4,528,033
Informational Net Offsetting Local Revenue Adjustment	-	3,393	-
TOTALS, EXPENDITURES	\$4,069,544	\$4,299,660	\$4,528,033
0992 Higher Education Fees and Income			
APPROPRIATIONS			
Student fee revenue (amount counted toward apportionments)	\$472,453	\$406,123	\$474,048
Informational Offsetting Student Fee Revenue Adjustment	-	66,330	-
TOTALS, EXPENDITURES	\$472,453	\$472,453	\$474,048
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$40,063	\$79,434	\$79,434
TOTALS, EXPENDITURES	\$40,063	\$79,434	\$79,434
3207 Education Protection Account			

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6870 Board of Governors of the California Community Colleges - Continued

2 LOCAL ASSISTANCE	2023-24*	2024-25*	2025-26*
APPROPRIATIONS			
Article XIII, Section 36 of the California State Constitution (Proposition 30)	\$619,423	\$1,395,427	\$1,273,086
2024-25 EPA Adjustment	-	145,241	-
TOTALS, EXPENDITURES	\$619,423	\$1,540,668	\$1,273,086
Less funding provided by General Fund	-619,423	-1,540,668	-1,273,086
NET TOTALS, EXPENDITURES	-	-	-
3273 Employment Opportunity Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$4,251	\$1,109	-
TOTALS, EXPENDITURES	\$4,251	\$1,109	-
Less funding provided by General Fund	-1,110	-	-
NET TOTALS, EXPENDITURES	\$3,141	\$1,109	-
Total Expenditures, All Funds, (Local Assistance)	\$12,045,602	\$13,755,248	\$14,455,516
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$12,132,822	\$13,794,526	\$14,496,165

FUND CONDITION STATEMENTS

	2023-24*	2024-25*	2025-26*
3273 Employment Opportunity Fund ^s			
BEGINNING BALANCE	\$4,250	1,109	-
Adjusted Beginning Balance	\$4,250	\$1,109	-
Total Resources	\$4,250	\$1,109	-
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			
6870 Board of Governors of the California Community Colleges (Local Assistance)	4,251	1,109	-
Less funding provided by General Fund (Local Assistance)	-1,110	-	-
Total Expenditures and Expenditure Adjustments	\$3,141	\$1,109	-
FUND BALANCE	\$1,109	-	-
Reserve for economic uncertainties	1,109	-	-

CHANGES IN AUTHORIZED POSITIONS [†]

	Positions			Expenditures		
	2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
Baseline Positions	214.1	214.1	214.1	\$22,215	\$22,272	\$22,272
Salary and Other Adjustments	-24.8	-	-	-4,804	628	628
Totals, Adjustments	-24.8	-	-	\$-4,804	\$628	\$628
TOTALS, SALARIES AND WAGES	189.3	214.1	214.1	\$17,411	\$22,900	\$22,900

[†] Savings resulting from SEC. 4.05 and/or SEC. 4.12 of the 2024 Budget Act are currently being recorded as an unallocated statewide set-aside. As a result, this department's budgetary displays may reflect overstated expenditures and may also potentially reflect negative fund balances in particular programs and funds.

INFRASTRUCTURE OVERVIEW

The California Community Colleges (CCC) comprise the largest postsecondary system of education in the nation. The CCC system serves approximately 2 million students annually at 73 locally-governed community college districts encompassing 116 campuses, 79 approved off-campus centers, and 24 district offices. The districts' assets include more than 25,000 acres of

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6870 Board of Governors of the California Community Colleges - Continued

land, 6,000 buildings, and 87 million gross square feet of space. The system also holds instruction at numerous off-campus outreach centers.

SUMMARY OF PROJECTS

	State Building Program Expenditures	2023-24*	2024-25*	2025-26*
5680	CAPITAL OUTLAY Projects			
0001600	San Francisco Community College District, Ocean Campus: Utility Infrastructure Replacement	58,082	-	-
	Construction	58,082	-	-
0001601	San Francisco Community College District, Alemany Center: Seismic and Code Upgrades	10,933	-	-
	Construction	10,933	-	-
0002134	Coast Community College District, Orange Coast College: Language Arts & Social Sciences Building	23	-	-
	Working Drawings	23	-	-
0002489	Monterey Peninsula Community College District, Fort Ord Center: Public Safety Center Phase 2	289	-	-
	Working Drawings	289	-	-
0002490	Mt. San Antonio Community College District, Mt. San Antonio College: New Physical Education Complex	4,793	-	-
	Construction	4,793	-	-
0002496	Rancho Santiago Community College District, Santa Ana College: Russell Hall Replacement	1,697	-	-
	Construction	1,697	-	-
0002497	Peralta Community College District, Laney College: Learning Resource Center	22,812	-	-
	Construction	22,812	-	-
0005036	Redwoods Community College District, College of the Redwoods: Physical Education Replacement	72,298	-	-
	Construction	72,298	-	-
0005037	Santa Monica Community College District, Santa Monica College: Arts Complex Consolidation	9,821	-	-
	Construction	9,821	-	-
0005039	Los Angeles Community College District, Los Angeles City College: Theater Arts Replacement	14,124	-	-
	Construction	14,124	-	-
0005043	Santa Barbara Community College District, Santa Barbara City College: Physical Education Replacement	32,521	-	-
	Construction	32,521	-	-
0005064	Peralta Community College District, Laney College: Modernize Theatre Building	7,290	-	-
	Construction	7,290	-	-
0005067	West Hills Community College District, West Hills College Lemoore: Instructional Center Phase 1	23,543	-	-
	Construction	23,543	-	-
0006504	Barstow Community College District, Barstow College: Hydronic Loop and Water Infrastructure	9,047	-	-
	Construction	9,047	-	-
0006545	Los Rios Community College District, Rancho Cordova Educational Center: Rancho Cordova Phase 2	8,509	-	-
	Construction	8,509	-	-
0006546	West Valley-Mission Community College District, Mission College: Performing Arts Building	14,430	-	-
	Construction	14,430	-	-
0006547	Los Angeles Community College District, Los Angeles Valley College: Academic Building 2	23,743	-	-
	Construction	23,743	-	-

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6870 Board of Governors of the California Community Colleges - Continued

		State Building Program Expenditures	2023-24*	2024-25*	2025-26*
5680		CAPITAL OUTLAY Projects			
0006548	North Orange County Community College District, Cypress College: Fine Arts Renovation		19,377	-	-
	Construction		19,377	-	-
0006549	Compton Community College District, Compton College: Physical Education Complex Replacement		21,534	-	-
	Construction		21,534	-	-
0006550	El Camino Community College District, El Camino College: Music Building Replacement		27,087	-	-
	Construction		27,087	-	-
0006551	Los Angeles Community College District, East Los Angeles College: Facilities Maintenance & Operations Replacement		11,588	-	-
	Construction		11,588	-	-
0006552	Sonoma County Junior College District, Santa Rosa Junior College: Tauzer Gym Renovation		12,060	-	-
	Construction		12,060	-	-
0006553	Los Angeles Community College District, Los Angeles Trade-Technical College: Design and Media Arts		35,782	-	-
	Construction		35,782	-	-
0006560	Grossmont-Cuyamaca Community College District, Cuyamaca College: Instructional Building Phase 1		15,925	-	-
	Construction		15,925	-	-
0006561	Grossmont-Cuyamaca Community College District, Grossmont College: Liberal Arts/Business/Computer Science Information Systems		11,464	-	-
	Construction		11,464	-	-
0006562	Los Angeles Community College District, West Los Angeles College: Plant Facilities/Shops Replacement		5,728	-	-
	Construction		5,728	-	-
0006563	Sonoma County Junior College District, Public Safety Training Center: Public Safety Training Center Expansion		4,925	-	-
	Construction		4,925	-	-
0006565	Antelope Valley Community College District, Antelope Valley College: Gymnasium Renovation		-	-	1,622
	Preliminary Plans		-	-	823
	Working Drawings		-	-	799
0006567	Los Angeles Community College District, Los Angeles Pierce College: Industrial Technology Replacement		16,998	-	-
	Construction		16,998	-	-
0006568	Napa Valley Community College District, Napa Valley College: Modernize Industrial Technology Building 3100		2,756	-	-
	Construction		2,756	-	-
0006570	Chabot-Las Positas Community College District, Chabot College: Building 3000 Maintenance Operations Warehouse & Garage		10,058	-	-
	Construction		10,058	-	-
0008104	Peralta Community College District, College of Alameda: Aviation Complex Replacement		514	-	13,836
	Working Drawings		514	-	-
	Construction		-	-	13,836
0008106	San Francisco Community College District, San Francisco City College: Cloud Hall Reconstruction		678	-	-
	Working Drawings		678	-	-
0008107	Sierra Joint Community College District, Sierra College: Science Building Phase 1		27,469	-	-
	Construction		27,469	-	-
0008110	North Orange County Community College District, Fullerton College: Music/Drama Complex-Buildings 1100 and 1300 Replacement		40,492	-	-
	Construction		40,492	-	-

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6870 Board of Governors of the California Community Colleges - Continued

		State Building Program Expenditures	2023-24*	2024-25*	2025-26*
5680		CAPITAL OUTLAY Projects			
0008111	Mt. San Antonio Community College District, Mt. San Antonio College: Technology and Health Replacement		72,581	-	-
	Construction		72,581	-	-
0008112	Riverside Community College District, Norco College: Center for Human Performance and Kinesiology		28,555	-	-
	Construction		28,555	-	-
0008959	North Orange County Community College District, Anaheim Campus: Tower First Floor Life/Safety Renovation		10,464	-	-
	Construction		10,464	-	-
0008960	Compton Community College District, Compton College: Visual and Performing Arts Replacement		12,530	-	-
	Construction		12,530	-	-
0008961	Sierra Joint Community College District, Sierra College: Applied Technology Center Modernization		19,896	-	-
	Construction		19,896	-	-
0008962	Desert Community College District, College of the Desert: Science Building Renovation		6,854	-	-
	Construction		6,854	-	-
0008963	Shasta-Tehama-Trinity Joint Community College District, Shasta College: Building 800 Renovation		5,974	-	-
	Construction		5,974	-	-
0008964	Ventura Community College District, Moorpark College: Administration Building Reconstruction		3,909	-	-
	Construction		3,909	-	-
0008965	West Valley-Mission Community College District, West Valley College: Theater Renovation/Expansion		10,807	-	-
	Construction		10,807	-	-
0008966	Los Angeles Community College District, Los Angeles Mission College: Plant Facilities Warehouse and Shop Replacement		7,319	-	-
	Construction		7,319	-	-
0010515	North Orange County Community College District: Fullerton College: Business 300 Renovation		14,006	-	-
	Construction		14,006	-	-
0010516	Siskiyou Joint Community College District, College of the Siskiyous: Remodel Theater and McCloud Hall		-	29,292	-
	Construction		-	29,292	-
0011996	Coast Community College District, Golden West College: Fine Arts Renovation		1,392	-	14,740
	Preliminary Plans		702	-	-
	Working Drawings		690	-	-
	Construction		-	-	14,740
0011997	San Mateo County Community College District, College of San Mateo: Building 9 Library Modernization		1,760	-	-
	Preliminary Plans		828	-	-
	Working Drawings		932	-	-
0014718	El Camino CCD, El Camino College: Hydronic Line Replacement		-	-	813
	Preliminary Plans		-	-	515
	Working Drawings		-	-	298
0014719	Los Angeles CCD, Los Angeles Pierce College: Sewer Replacement		-	-	692
	Preliminary Plans		-	-	446
	Working Drawings		-	-	246
0014720	Los Angeles CCD, Los Angeles Valley College: Sewer Replacement		-	-	591
	Preliminary Plans		-	-	389
	Working Drawings		-	-	202
0014721	Merced CCD, Merced College: Music, Art, Theater Complex		-	-	1,469

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6870 Board of Governors of the California Community Colleges - Continued

		State Building Program Expenditures	2023-24*	2024-25*	2025-26*
5680		CAPITAL OUTLAY Projects			
		Preliminary Plans	-	-	773
		Working Drawings	-	-	696
0014722	Los Angeles CCD, Los Angeles City College: Kinesiology Replacement		-	-	1,294
		Preliminary Plans	-	-	655
		Working Drawings	-	-	639
0014723	Mendocino-Lake CCD, Willits Center: Phase II		-	-	1,343
		Preliminary Plans	-	-	665
		Working Drawings	-	-	678
0014724	Hartnell CCD, Hartnell College: Buildings F, G & H		-	-	1,764
		Preliminary Plans	-	-	959
		Working Drawings	-	-	805
0014725	State Center CCD, Reedley College: Agriculture Complex		-	-	1,295
		Preliminary Plans	-	-	616
		Working Drawings	-	-	679
0014726	Riverside CCD, Ben Clark Training Center: Education Building II Phase I		-	-	1,335
		Preliminary Plans	-	-	770
		Working Drawings	-	-	565
0014727	Coast CCD, Golden West College: Gym Replacement		-	-	2,002
		Preliminary Plans	-	-	1,001
		Working Drawings	-	-	1,001
0014728	Kern CCD, Bakersfield College: Center for Student Success		-	-	1,934
		Preliminary Plans	-	-	954
		Working Drawings	-	-	980
0014729	North Orange CCD, Fullerton College: STEM Vocational Center		-	-	1,922
		Preliminary Plans	-	-	1,077
		Working Drawings	-	-	845
0014730	Grossmont-Cuyamaca CCD, Grossmont College: Gymnasium		-	-	1,175
		Preliminary Plans	-	-	573
		Working Drawings	-	-	602
0014731	Peralta CCD, Merritt College: Buildings E & F, Kinesiology & Physical Training		-	-	1,676
		Preliminary Plans	-	-	857
		Working Drawings	-	-	819
0014732	Riverside CCD, Moreno Valley College: Library		-	-	2,997
		Preliminary Plans	-	-	1,567
		Working Drawings	-	-	1,430
0014733	Imperial CCD, Imperial Valley College: Gym		-	-	1,039
		Preliminary Plans	-	-	579
		Working Drawings	-	-	460
0014734	Coast CCD, Orange Coast College: Skills Lab		-	-	1,110
		Preliminary Plans	-	-	588
		Working Drawings	-	-	522
0014735	Riverside CCD, Riverside City College: Cosmetology Building		-	-	1,617
		Preliminary Plans	-	-	913
		Working Drawings	-	-	704
0014747	Long Beach CCD, Liberal Arts Campus: Building B		-	-	382
		Performance Criteria	-	-	382
0014748	Citrus CCD, Citrus College: New Career Technical Education Building		-	-	3,226
		Preliminary Plans	-	-	1,602
		Working Drawings	-	-	1,624
0014749	Mt. San Antonio CCD, Mt. San Antonio College: Library		-	-	3,896

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6870 Board of Governors of the California Community Colleges - Continued

		State Building Program Expenditures	2023-24*	2024-25*	2025-26*
5680	CAPITAL OUTLAY Projects				
	Preliminary Plans		-	-	1,928
	Working Drawings		-	-	1,968
0014750	Los Angeles CCD, Los Angeles Trade-Technical College: Advanced Transportation & Manufacturing Replacement		-	-	6,047
	Preliminary Plans		-	-	2,961
	Working Drawings		-	-	3,086
0014751	Rio Hondo CCD, Rio Hondo College: Business & Art Building Replacement		-	-	1,594
	Preliminary Plans		-	-	892
	Working Drawings		-	-	702
0014752	Riverside CCD, Norco College: Library Learning Resource Center & Student Services		-	-	2,512
	Preliminary Plans		-	-	1,334
	Working Drawings		-	-	1,178
0014753	Foothill-De Anza CCD, De Anza College: Physical Education Complex Renovation		-	-	3,386
	Preliminary Plans		-	-	1,693
	Working Drawings		-	-	1,693
0014754	Shasta-Tehama-Trinity CCD, Shasta College: Life Sciences (Building 1600)		-	-	680
	Preliminary Plans		-	-	325
	Working Drawings		-	-	355
0014755	State Center CCD, Clovis College: Kinesiology & Wellness Center		-	-	1,682
	Preliminary Plans		-	-	821
	Working Drawings		-	-	861
0014756	San Mateo CCD, Skyline College: Boiler Plant Replacement		-	-	393
	Preliminary Plans		-	-	175
	Working Drawings		-	-	218
TOTALS, EXPENDITURES, ALL PROJECTS			\$774,437	\$29,292	\$80,064
FUNDING			2023-24*	2024-25*	2025-26*
0574	1998 Higher Education Capital Outlay Bond Fund		\$264	\$-	\$-
0658	1996 Higher Education Capital Outlay Bond Fund		150	-	-
0705	Higher Education Capital Outlay Bond Fund of 1992		42	-	-
6028	2002 Higher Education Capital Outlay Bond Fund		160	-	-
6041	2004 Higher Education Capital Outlay Bond Fund		65,669	-	-
6049	2006 California Community College Capital Outlay Bond Fund		55,531	-	-
6087	2016 California Community College Capital Outlay Bond Fund		652,621	29,292	28,576
6095	2024 California Community College Capital Outlay Bond Fund		-	-	51,488
TOTALS, EXPENDITURES, ALL FUNDS			\$774,437	\$29,292	\$80,064

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

3 CAPITAL OUTLAY	2023-24*	2024-25*	2025-26*
0574 1998 Higher Education Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	\$264	-	-
TOTALS, EXPENDITURES	\$264	-	-
0658 1996 Higher Education Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	\$150	-	-
TOTALS, EXPENDITURES	\$150	-	-
0705 Higher Education Capital Outlay Bond Fund of 1992			
APPROPRIATIONS			

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6870 Board of Governors of the California Community Colleges - Continued

3 CAPITAL OUTLAY	2023-24*	2024-25*	2025-26*
301 Budget Act appropriation	\$42	-	-
TOTALS, EXPENDITURES	\$42	-	-
6028 2002 Higher Education Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	\$160	-	-
TOTALS, EXPENDITURES	\$160	-	-
6041 2004 Higher Education Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	\$55,205	-	-
Prior Year Balances Available:			
Item 6870-301-6041, Budget Act of 2022	10,464	-	-
TOTALS, EXPENDITURES	\$65,669	-	-
6049 2006 California Community College Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	\$55,531	-	-
TOTALS, EXPENDITURES	\$55,531	-	-
6087 2016 California Community College Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	\$120,949	\$29,292	\$28,576
Prior Year Balances Available:			
Item 6870-301-6087, Budget Act of 2018 as reappropriated by Item 6870-492, Budget Act of 2019 and Item 6870-493, Budget Act of 2021	23	-	-
Item 6870-301-6087, Budget Act of 2019 as reappropriated by Item 6870-492, Budget Act of 2020	98,606	-	-
Item 6870-301-6087, Budget Act of 2020 as reappropriated by Item 6870-492, Budget Act of 2021	41,684	-	-
Item 6870-301-6087, Budget Act of 2021	105,602	-	-
Item 6870-301-6087, Budget Act of 2022	283,570	-	-
Item 6870-302-6087, Budget Act of 2022	2,187	-	-
Totals Available	\$652,621	\$29,292	\$28,576
TOTALS, EXPENDITURES	\$652,621	\$29,292	\$28,576
6095 2024 California Community College Capital Outlay Bond Fund			
APPROPRIATIONS			
301 Budget Act appropriation	-	-	\$51,488
TOTALS, EXPENDITURES	-	-	\$51,488
Total Expenditures, All Funds, (Capital Outlay)	\$774,437	\$29,292	\$80,064

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2025/26 Tentative Budget Assumptions
February 12, 2025

I. State Revenue

A. The District's earned revenue is projected to be greater than hold harmless in 2023/24. Budgeting for 2025/26 will use the Student Centered Funding Formula (SCFF) at the full calculated revenue less estimated deficit factor.

B. FTES Workload Measure Assumptions:

Year	Base	Actual	Funded		Actual Growth	Funded Growth
2016/17	28,901.64	27,517.31	28,901.64	a	-4.79%	0.00%
2017/18	28,901.64	29,378.53	29,375.93	b	1.65%	1.64%
2018/19	Recal	25,925.52	28,068.86	c	-11.75%	-4.45%
2019/20	Recal	27,028.98	26,889.30		4.26%	-4.20%
2020/21	Recal	25,333.74	26,993.32		-6.27%	0.39%
2021/22	Recal	26,202.98	27,208.25		3.43%	0.80%
2022/23	Recal	27,294.07	26,783.85		4.16%	-1.56%
2023/24	Recal	29,002.84	28,827.28		6.26%	7.63%
2024/25	P1	31,113.45		P1	7.28%	-100.00%

a - based on submitted P3, District went into Stabilization in FY 2016/17

b - based on submitted P3, the district shifted 1,392.91 FTES from summer 2018

c - To maintain the 2015/16 funding level and produce growth FTES in 2017/18, the district borrowed from summer 2018 which reduced FTES in 2018/19.

The governor's state budget proposal includes .5% systemwide growth funding and 2.43% COLA. The components remain at 70/20/10 split with funded COLA added to all metrics each year. Any changes to our funding related to the SCFF will be incorporated when known.

Projected COLA of 2.43%	\$5,751,031
Projected SCFF Base Increase	\$0
Projected Growth/Restoration	\$0
Deficit Factor (from 3.55% to 2%)	\$3,528,916

2025/26 Potential Growth at 0.5%

31,269 FTES

C. Education Protection Account (EPA) funding estimated at \$31,787,984 based on 2024/25 @ Advance. These are not additional funds. The EPA is only a portion of general purpose funds that offsets what would otherwise be state aid in the apportionments. We intend to charge a portion of faculty salaries to this funding source in compliance with EPA requirements.

D. Unrestricted lottery is projected at \$191 per FTES (\$6,077,568). Restricted lottery at \$82 per FTES (\$2,609,218). (2024/25 @ P1 of resident & nonresident factored FTES, 31,819.73 x \$191 = \$6,077,568 unrestricted lottery; 31,819.73 x \$82 = \$2,609,218 restricted lottery)

E. Estimated reimbursement for part-time faculty compensation is estimated at \$707,056 (2024/25 @ Advance).

F. Categorical programs will continue to be budgeted separately; self-supporting, matching revenues and expenditures. COLA is being proposed on certain categorical programs. Without COLA, other categorical reductions would be required to remain in balance if settlements are reached with bargaining groups. The colleges will need to budget for any program match requirements using unrestricted funds.

G. College Promise Grants (BOG fee waivers 2% administration) funding estimated at 2024/25 @ Advance of \$219,878.

H. Mandates Block Grant estimated at a total budget of \$1,046,832 (\$35.64 x 29,372.40 FTES @ P2). No additional one-time allocation proposed.

II. Other Revenue

I. Non-Resident Tuition budgeted at \$4,000,000. (SAC \$2,500,000, SCC \$1,500,000). Increase of \$300,000.

J. Interest earnings estimated at \$3,000,000.

K. Other miscellaneous income (includes fines, fees, rents, etc.) is estimated at approximately \$404,737.

L. Apprenticeship revenue estimated at \$5,227,354. (Corresponding expenses are also budgeted for apprenticeship course offerings.)

M. Scheduled Maintenance/Instructional Equipment allocation - no new allocation is proposed at this time.

N. Full-time Faculty Hiring Allocation - no new allocation is proposed at this time.

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2025/26 Tentative Budget Assumptions
February 12, 2025
III. Appropriations and Expenditures

- A. As the District's budget model is a revenue allocation model, revenues flow through the model to the colleges as earned. The colleges have the responsibility, within their earned revenue, to budget for ALL necessary expenditures including but not limited to all full time and part time employees, utilities, instructional services agreements, multi-year maintenance and other contracts, supplies, equipment and other operating costs.
- B. Salary Schedule Adjustments - estimated at 2.43% for unrestricted general fund = \$4,526,846
 (FARSCCD approximate cost \$2,143,327, CSEA approximate cost \$1,251,432, Management/Other approximate cost \$1,132,087)
 The colleges will need to budget for bargained increased costs in Salaries and Benefits for part-time employees.
 The estimated cost of a 1% salary increase is \$2.49 million for all funds. The estimated cost of a 1% salary increase is \$1.86 million for the unrestricted general fund.
- C. Step and column movement is budgeted at an additional cost of approximately \$2.35 million including benefits for FD 11
 (FARSCCD approximate cost \$758,246 CSEA approximate cost \$658,140, Management/Other approximate cost \$935,559)
 For all funds, it is estimated to = \$3.74 million (FARSCCD = \$863,599, CSEA = \$1,516,603, Management/Others = \$1,355,858)
 In addition, the colleges would need to budget for step/column increases for P/T faculty.
- D. Health and Welfare benefit premium cost increase as of 1/1/2026 is estimated at 3.0% for an additional cost of approximately \$613,747 for active employees. For retirees estimated to be \$184,273. PT Health continue budget of \$1M.
 State Unemployment Insurance (.05%)
 CalSTRS employer contribution rate will stay the same in 2025/26 at 19.10% for no increase.
 (Note: The cost of each 1% increase in the STRS rate is approximately \$760,000.)
 CalPERS employer contribution rate will increase in 2025/26 from 27.05% to 27.40% for a increase of \$162,566
 (Note: The cost of each 1% increase in the PERS rate is approximately \$464,000.)
- E. The full-time faculty obligation (FON) for Fall 2025 is estimated to be 354. The Fall 2024 report indicated the District was 66.6 faculty over its FON and will meet its Fall 2025 obligation without the need to hire additional faculty. The current cost for a new position is budgeted at Class VI, Step 11 at approximately \$178,566. Penalties for not meeting the obligation amount to approximately \$97,855 per FTE not filled. Each faculty hired over the FON adds cost of (\$182,677- \$63,944) = \$118,733 if deduct hourly cost.
- F. The current rate per Lecture Hour Equivalent (LHE) effective 7/1/25 for hourly faculty is \$96.39 x 18 hrs/LHE= \$1,735 (FY 2025/26)
 (Total cost of salary and benefits of part-time faculty to teach 30 LHE = \$63,944)
- G. Retiree Health Benefit Fund (OPEB/GASB 75 Obligation) - The calculated Employer Contribution Target is estimated to be less than our current pay as you go therefore the district employer payroll contribution remains at 0% of total salaries.
- H. Capital Outlay Fund - The District will continue to budget \$1.5 million for capital outlay needs as a transfer from General Fund to Capital Outlay Fund (no change).
- I. Utilities cost increases of 15%, estimated at \$100,000.
- J. Information Technology licensing contract escalation cost of 5%, estimated at \$240,000.
- K. Property and Liability Insurance transfer estimated at \$3,900,000 adding \$1M for expected annual cost of AB218 assessments.
- L. Other additional DSO/Institutional Cost expenses: approved on 11/4/24 at DC
- | | Ongoing Cost | One-time Cost |
|---|--------------|---------------|
| Business Services | | |
| (Reorg 1436 - Senior Communications Dispatcher Clerk) (Reorg 1437 - Senior District Safety Officer) | \$ 233,294 | |
| ITS Positions | | |
| (Reorg 1429 -Networks Specialist III) | \$ 198,387 | |
| (Reorg 1430 - Information Security Specialist) | | |
| ITS - Distance Education Technology | \$ 492,432 | |
- M. Ninth contribution of Santiago Canyon College ADA Settlement expenses of \$2 million from available one-time funds.
- N. SRP 1 Expense Reduction

<p align="center">Rancho Santiago Community College District Unrestricted General Fund Summary 2025/26 Tentative Budget Assumptions February 12, 2025</p>
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*	<u>New Revenues</u>		
		Ongoing Only	One-Time
A	Student Centered Funding Formula		
B	Projected COLA of 2.43%	\$5,751,031	
B	Projected SCFF Base Increase	\$0	
B	Projected Growth/Restoration	\$0	
B	Deficit Factor (2%)	\$3,528,916	
D	Unrestricted Lottery	\$406,203	
H	Mandates Block Grant	\$0	
I	Non-Resident Tuition	\$300,000	
J	Interest Earnings	\$0	
L	Apprenticeship - SCC	\$0	
EGK	Misc Income	\$83,750	
N	Full-time Faculty Allocation	\$0	
	Total	\$10,069,900	
 <u>New Expenditures</u>			
B	Salary Schedule Increases/Collective Bargaining - 2.43%	\$4,526,846	
C	Step/Column	\$2,351,945	
D	Health and Welfare/Benefits Est. Increase 3.0% - Active	\$613,747	
D	Health and Welfare/Benefits - Retirees	\$184,273	
D	Health and Welfare - Part-time Faculty (placeholder)	\$0	
D	CalSTRS Increase	\$0	
D	CalPERS Increase	\$162,566	
D	State Unemployment	\$0	
E	Full Time Faculty Obligation Hires	\$0	
E	Non-Credit Faculty (Non FON)	\$0	
E/F	Hourly Faculty Budgets (Match Budget to Actual Expense)	\$0	
G	Cost of Retiree Health Benefit (OPEB Cost)	\$0	
H	Capital Outlay/Scheduled Maintenance Contribution	\$0	
I	Utilities Increase	\$100,000	
J	ITS Licensing/Contract Escalation Cost	\$240,000	
K	Property, Liability and All Risks Insurance	\$1,000,000	
II.L	Apprenticeship - SCC	\$0	
L	Other Additional DSO/Institutional Costs	\$924,113	
M	SCC ADA Settlement Costs	\$0	\$2,000,000
N	SRP 1 Expense Reduction	(\$1,214,561)	
	Total	\$8,888,929	\$2,000,000
2025/26 Budget Year Unallocated (Deficit)		<u>\$1,180,971</u>	
2024/25 Structural Unallocated (Deficit)		\$1,943,969	
Additional College added ongoing cost during FY 24/25		(1,007,627)	
Employee Changes in H/W Plan Savings		<u>776,624</u>	
Total Est. Unallocated (Deficit)		<u>\$2,893,937</u>	

* Reference to budget assumption number

Vacant Funded Positions for FY2024-25- Projected Annual Salary and Benefits Savings
As of February 12, 2025

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2024-25 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Almaraz, Erika	2340247	Director, Accounting, Audit & Advisory Asst VC, P&C/Chief Diversity&Social Impact Officer	District	06/14/2024	-	Hired CL24-00938 Menendez, Rasel#2827354 Eff:10/2/2024	11-0000-672000-54211-2110	-	
11	Brown, Mikaila	2659235		District	12/31/2023		Reorg#1412 Eliminated position	11-0005-660000-53110-2110		
11	Chang, Kevin	2705445	Senior HR Analyst	District	01/17/2025	46,804		11-0000-673000-53110-2120	71,952	
11	Jensen, Michael	1167609	Sergeant Dist Safety & Sergeant	District	06/01/2024	99,142	CL24-00953. BCF \$60,000 #8028152	11-0000-677000-54165-2110-50% 11- 0000-695000-54165-2110-50%	160,451	
11	Jin, Sil Han	2616593	Director, People & Culture	District	07/05/2024		Hired CL24-00980 Velez, Sonia #2858145 Eff:2/4/2025	11-0000-673000-53110-2110	-	421,329
11	Patikamanant, Tommy	2664667	Manager P&C Strategy Analytics and Equity	District	02/20/2023		Reorg#1412 Eliminated position	11-0000-673000-53110-2110	-	
11	Perez, Carol	1029987	Human Resource Analyst	District	05/30/2024		Hired CL24-00958 Gunther, Melissa#2812896 Eff:8/13/24	11-0000-673000-53110-2120	-	
11	Principal Analyst(Reorg1412)	Reorg1412	Principal Analyst(Reorg1412)	District	06/04/2024	118,037		11-0000-673000-53110-2110	188,926	
11	Butler, Sara	2712684	Dean Academic Affairs	SAC	06/27/2024		Hired AC24-00997 Morin, Matthew#2860396 Eff:1/14/2025	11-0000-601000-15055-1210	-	
11	Chahhad, Mohamed	2500258	Instructor, Physics	SAC	06/09/2024		Site moved funds to #11-0000-790000- 10000-7910 (REF#BC52823VNV)	11-0000-191010-16431-1110-20% 11- 0000-191010-16431-1110-40%	-	
11	Courter, William	1026259	Instructor, Geography	SAC	06/08/2025		Out on Bank Leave FA24&SP25 CL24-01015. Interim	11-0000-220600-15650-1110	-	
11	Davaloz, Dalilah	1026125	Public Information Officer	SAC	09/06/2024	113,818	Reyes,Ethereal#2813902 Eff:11/24/24- 6/30/25. Interim Kim Young #2476926	11-0000-671000-11501-2110	176,642	664,398
11	Jones, Walter	2593581	Dean, Humanities & Social Sciences	SAC	06/30/2024		Hired AC23-00751 Galvan, Javier#1027584 Eff:7/1/24	11-0000-601000-15605-1210	-	
11	Sergeyeva, Larisa	2453059	Dean, Human Services & Technology	SAC	01/20/2025	111,469	Interim Reardon, William #1025006 Eff:1/21/2025	11-0000-601000-15705-1210	142,528	
11	Tanaka, Yoi	2744077	Associate Dean, Admissions & Records	SAC	02/16/2024	183,199	Interim Assignment Nguyen, Hung#1030881 Eff:7/1/24-12/31/24	11-0000-620000-19205-1210	266,280	
11	Winchell, Timothy	2407706	Associate Dea, Criminal Justice	SAC	03/06/2025	61,856		11-0000-601000-12712-1210	78,948	
11	Miranda, Veronica	2728215	Instructor, English	SCC	06/09/2024	101,748		11-0000-150100-25315-1110	133,568	
11	Vargas Navarro, Jose	1026660	VP, Continuing Education-OEC	OEC	08/24/2024		Hired AC24-00982 Sergeyeva, Larisa #2453059 Eff:1-21-2025	11-0000-601000-28100-1210-95% 11- 0000-684000-28100-1210-5%	-	
11	Wales, Charles	2314075	Facilities Manager	SCC	06/07/2024		Hired CL24-00975 Francisco Gonzalez#2833315 Eff:11/4/24. Reorg1416 Eliminated Facilities Manager added Director, Physical Plant & Facilites	11-0000-651000-27400-2110	-	133,568
						836,073			1,219,295	
Fund	Classified	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes		2024-25 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Cabrera, Anabelle	1029249	Business System Analyst	District	07/12/2024		CL24-00827 Hired Chavez, Elisabeth#2613973 Eff:9/03/24	11-0000-678000-54144-2130	-	
11	Camacho, Emelyne	2572113	HR Specialist	District	01/15/2025	53,712		11-0000-673000-53110-2130	80,807	
11	Chavez, Elisabeth	2613973	Business System Analyst	District	11/12/2024	74,804		11-0000-678000-54144-2130	117,575	
11	Delzer, Michelle	2756963	Purchasing Services Assistant	District	03/12/2024		Hired CL24-00867 Suzanne Hoffman#2806472 Eff:7/9/24	11-0000-677000-54151-2130	-	
11	Dorin, Mirela	1030325	Executive Secretary	District	03/24/2024		Hired CL24-00883 Guadarrama, Aida#1264403 Eff:9/23/24	11-0000-673000-53110-2130	-	
11	Eng, Gregory	2258588	Reprographics Technician	District	01/03/2024	26,670		11-0000-677000-52500-2310	36,338	
11	Flores, Esther	2312462	Senior Purchasing Clerk	District	07/15/2024	59,804		11-0000-677000-54151-2130	103,072	867,014
11	Hoffman, Suzanne	2806472	Purchasing Services Assistant	District	01/06/2025	38,713		11-0000-677000-54151-2130	57,734	
11	Maa, Ray	1025044	Network Specialist IV	District	12/31/2024	84,087	OOC Lammoglia,Fernando#2338935 Eff:10/5/24-1/17/25	11-0000-678000-54145-2130	132,045	
50%-fd 11	Nguyen, Tyler	2262222	Research Analyst	District	03/03/2023		CL23-00617 Lateral Transfer Kevin Kawa#2339619 Eff:10/15/23	11-2410-679000-53340-2130-50% 12-3401-679000-53340-2130-50%	-	
50%-fd 12	Palomares, Vanessa	1851190	Business Services Coordinator	District	10/19/2022	76,718		11-0000-701000-53350-2130	129,704	
11	Smith, Nancy	1794928	Desktop Publishing Technician	District	11/04/2022	71,191		11-0000-677000-52600-2130	122,169	
60%-fd 11	Tran, John	1030000	Media Systems Electronic Technician, Lead	District	12/29/2023	52,184	WOC Stephen Avila#2322397 7/1/24- 12/31/24	11-0000-678000-54142-2130	87,571	
40%-fd 12	Wittman, Robert	1280163	Senior District Safety Officer	District	08/31/2023		Hired CL23-00734 Jehoich, Brandon#1983078 Eff:7/22/24	11-0000-677000-54166-2130-60% 12-3610-695000-54166-2130-40%	-	
50%-fd 11	Arvizu, Gloria	1030824	Administrative Clerk	CEC	06/16/2024			11-0000-619000-18100-2130-50% 12- 1101-619000-18100-2130-50%	-	
11	Avalos, Jessica	1754656	Division Administrative Assistant	SAC	09/30/2024	69,051		11-0000-601000-16100-2130	119,044	
11	Briseno, Jennifer	2712369	P/T Student Services Specialist	SAC	02/14/2024	27,880	CL24-01023WOC Miller, Rebekah#12888994 Eff:7/1/24-12/31/24	11-0000-696000-19720-2310	37,987	
11	Butler, Spencer	2771282	Student Services Coordinator	SAC	07/23/2024	69,920	WOC Paula Kincaid#2425277 Eff:8/20/24- 12/18/24	11-0000-649000-19620-2130	118,166	
11	Cardenas, Maria	1588853	Administrative Clerk	SAC	08/20/2024		Hired CL24-01057 Chavarria, Kathy#2758065 Eff:12/9/24	11-0000-620000-18100-2130	-	
11	Castillo, Norma	1026405	facilities Coordinator	SAC	05/12/2024	71,190	WOC Joanne Mejia#1233047 Eff:6/24/24- 6/30/2025	11-0000-683000-17100-2130	122,166	
36%-fd 11	Cervantes, Mariana	2730594	Instructional Center Technician	SAC	01/26/2024		Hired CL24-00869 Maldonado, Vanessa#1687210 Eff:8/24/24 WOC Jasmine Barba#1271183 Eff:7/1/24- 8/30/24	11-0000-632000-19510-2130-5% 11-2410-632000-19510-2130-31% 12-2412-632000-19510-2130-64%	-	
64%-fd 12	Chavarria, Kathy	2768065	P/T Admissions/Records Specialist I	SAC	12/08/2024	14,131		11-0000-620000-18100-2310	14,739	
11	Chavez, Antonio	1759169	Custodian	SAC	11/24/2023		Hired CL24-00857 Applewhaite, Neal#2814213 Eff:9/10/24	11-0000-653000-17200-2130	-	
11	Chavez, Elizabeth	2613973	Administrative Secreatry	SAC	09/02/2024	65,731	CL24-01007	11-0000-620000-19205-2130	107,232	
65%-fd 11	Cristobal, Andrea	2229410	High School & Community Outreach Specialist	SAC	12/15/2024	49,709		11-0000-649000-18100-2130-65% 12- 1102-649000-18100-2130-35%	76,036	
11	Delgado, Roberto	1374929	Custodian	SAC	11/03/2023		Hired CL24-00844 Rivera, Maria#2519848 Eff:2/3/2025	11-0000-653000-17200-2130	-	
11	Fisher, Ivette	1888390	1LIB-CF-TECH1	SAC	06/05/2024	61,972		11-0000-612000-15915-2130	95,450	
11	Garcia, Jose	1026942	P/T Custodian	SAC	04/01/2024	23,223		11-0000-653000-17200-2130	24,222	
70%-fd 11	Gutierrez, Claudia	1029121	Division Administrative Assistant	CEC	06/09/2024		CL24-00962 Lateral Transfer Sanchez- Moreno, Marisol#2039925 Eff:11/12/24	11-0000-601000-18100-2130-70% 12- 1102-601000-18100-2130-30%	-	
11	Hayes, Charles F.	1026480	Custodian	SAC	06/01/2020		Hired CL24-00857 Carlton, Terry#2814203 Eff:8/19/24	11-0000-653000-17200-2130	-	
11	Hernandez, Eric	1027374	P/T Custodian	SAC	05/01/2022	22,118		11-0000-653000-17200-2130	30,136	
11	Kawa, Kevin	2339619	Research Analyst	SAC	10/14/2023		Hired CL23-00745 Jennica Powers #2778085 Eff:7/8/24.	11-0000-679000-11600-2130	-	
11	Lopez, Felipe	1027162	Gardener/Utility Worker	SAC	12/31/2021		Hired CL23-00712 Rangel Alvarado, Andrew#2109151 Eff:5/22/2024	11-0000-655000-17300-2130	-	
65%-fd 11	Ly, Anh	1026316	High School & Community Outreach Specialist	SAC	12/31/2024	34,529		11-0000-649000-18100-2130-65% 12- 1102-649000-18100-2130-35%	58,231	2,298,612
35%-fd 11	Miranda Zamora, Cristina	1339369	Auxiliary Services Specialist	SAC	11/19/2019	22,661		11-0000-699000-14121-2130-35%	-	
65%-fd 31	Mora, Jorge	1030245	High School & Community Outreach Specialist	SAC	06/30/2024	92,401		11-0000-691000-14121-2130-65%	39,684	
11	Murillo, George	1027926	Skilled Maintenance Worker	SAC	05/19/2024	82,205		11-0000-649000-18100-2130	142,199	
11	Naguib-Estefanous, Nancy A	2018465	Senior Clerk	SAC	10/02/2022	59,429		11-0000-651000-17400-2130	145,120	
11	Nguyen, Hung	1030881	Admissions and Records Tech Specialist	SAC	11/24/2024	106,305		11-0000-646000-19405-2130	106,128	
11	Nguyen, Thuy	1026315	Library Technician II	SAC	12/30/2023		Hired CL24-00821 Fisher, Ivette #1888390 Eff:6/6/24.	11-0000-620000-19205-2130-80% 11- 2410-620000-19205-2130-20%	177,980	
11	Pacino, Joseph	1029364	Instructional Media Producer	SAC	05/31/2024		Hired CL24-00881 Hamman, Tyler#2737286 Eff:7/29/24	11-0000-612000-15915-2130	-	
11	Plascencia, Ambar	2322951	Administrative Clerk	SAC	04/01/2024		Hired CL24-00954 Flores, Destiny #2312236 Eff:10/7/24	11-0000-619000-15054-2130	-	
11	Ramirez, Leonardo	1379054	Skilled Maintenance Worker	SAC	01/03/2022		Hired CL24-00957 Pulido, Juan #2861384 Eff:2/3/2025	11-0000-651000-17400-2130	-	
11	Razo, Mariano	1029552	Custodian	SAC	03/25/2024	69,829		11-0000-653000-17200-2130	126,772	
82%-fd 11	Reimer, Lillian	1025907	Admissions/Records Specialist I	SAC	08/16/2022	53,091		11-0000-620000-18100-2130-82%	92,972	
18%-fd 13	Rodriguez, Fidel	1029186	Lead Custodian	SAC	07/31/2024	69,361		12-1102-620000-18100-2130-18%	116,098	
11	Rodriguez, Hector	2611615	Gardener/Utility Worker	SAC	05/03/2022	59,429		11-0000-655000-17300-2130	106,132	
11	Saldana, Maria	1027925	Library Clerk	SAC	06/29/2024	74,177		11-0000-612000-15915-2130	134,174	
11	Sandoval, Christopher	1904454	Senior Clerk	SAC	12/31/2023		Hired CL24-00896 Galia, Christine Mae #2020181 Eff:1/23/2025	11-0000-660000-11100-2130	-	
11	Sanchez-Moreno, Marisol	2039925	Division Administrative Assistant	SAC	11/11/2024		Hired CD24-01079 Hilton, Anna#2847966 Eff:1-7-2025	11-0000-601000-15105-2130	-	
11	Santamaria, Mark	1028966	HVAC Mechanic	SAC	11/02/2024	60,360		11-0000-651000-17400-2130	96,109	
40%-fd 11	Student Services Specialist	REORG#1190	Student Services Specialist	SAC	12/29/2019	25,898	Reorg#1190 (Nguyen, Cang#1030027)	11-0000-632000-19510-2130-40% 12-2416-632000-19510-2130-60%	45,353	

Vacant Funded Positions for FY2024-25- Projected Annual Salary and Benefits Savings
As of February 12, 2025

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2024-25 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
	11	Taylor, Katherine A.	1028961	P/T Admissions/Records Specialist I	SAC	10/01/2020	23,656	11-0000-620000-19205-2310-30% 11-2410-620000-19205-2310-70% 11-0000-620000-19205-2130-40% 11-2410-620000-19205-2130-10%	32,231	
50%-fd 11		Vu, Amy	2233583	Admissions/Records Specialist II	SAC	09/30/2023	-	Hired CL23-00748 Cabrera, Juan#2218013 Eff:7/9/24	-	
50%-fd 12								12-2412-620000-19205-2130-50%	-	
75%-fd 11		Wilson, Gina	1028331	Graduation Speciaist	SAC	07/31/2024	79,288	WOC Tatekawa, Stephanie#2712439 Eff:8/1/24-6/30/25	-	
25%-fd 12								11-0000-620000-19215-2130-35% 12-2412-649000-19205-2130-25%	134,253	
82%-fd 11		Yoder, Brian	1028171	Instructional Media Producer	SAC	09/01/2023	-	Hired CL23-00865 Collado Mendoza, Marcos#2633328 Eff:7/29/24	-	
18%-fd 12		Zambrano, Wendy	1338982	Adm/Rec Spec Senior	CEC	08/10/2023	-	Hired CL23-00747 Cardenas, Maria#1588953 Eff:8/21/24	-	
								11-0000-620000-19215-2130-18%	-	
		Bui, Mark	2792307	Auxiliary Services Specialist	SCC	11/22/2024	-	Hired CL24-01086 Ammann, Lynette #1901212 Eff:12/9/2024	-	
		Cruz, Edward	2356350	Instructional Center Technician	SCC	08/30/2024	49,940	Reorg1391	91,464	
30%-fd 11								11-0000-493062-28200-2210	-	
70%-fd 12		DelaTorre, Irma	1027036	Administrative Clerk	SCC	12/31/2024	16,359	12-1542-649000-29905-2130-70%	27,326	
								11-0000-645000-29905-2130-30%	-	
		Devora Murillo, Abraham	2326045	P/T Custodian	SCC	02/21/2024	-	Hired CL24-00859 Dominguez, Oswaldo#2740147 Eff:8/12/24	-	
								11-0000-653000-27200-2310	-	
60%-fd 11								11-0000-620000-28100-2130-60%, 12- 1102-620000-28100-2130-23% 12-2462- 620000-28100-2130-17%	-	
40%-fd 12		Gardea, Maria Adilene	1292404	Administrative Clerk	OEC	05/12/2024	7,680		26,434	
		Gilbert, Jessica	1905429	PT Administrative Clerk	SCC	12/31/2023	27,880		37,987	
		Gitonga, Kanaa	1030388	International Student Coordinator	SCC	01/31/2019	-	11-0000-601000-25051-2310	-	
		Godinez, Ismael	2633936	Custodian-GY	SCC	08/12/2024	50,964	11-0000-649000-29110-2130	-	
		Hermen, Lisa	1027710	Senior Clerk	SCC	03/31/2022	-	11-0000-653000-28100-2130	91,875	
		Hernandez, Guadalupe	1492326	Custodian	SCC	04/04/2023	51,287	11-0000-601000-25131-2130	-	
		Karimpour, Jennifer	1679262	Auxiliary Services Specialist	SCC	11/01/2024	41,103	11-0000-653000-27200-2130	95,032	
								11-0000-691000-24126-2130	73,441	
		Kawafuchi, Emily	1239034	Transfer Center Specialist	SCC	04/16/2023	-	Hired CL24-00961 Lawrence, Dominic#2846963 Eff 1/6/2025	-	
								11-0000-631000-29305-2130	-	
		Kelly, Ann	1030363	Executive Secretary	SCC	03/24/2024	-	Hired CL24-00876 Ambar	-	
		Lasane, Jaysun	2229878	P/T Library Technician	SCC	10/13/2024	23,528	11-0000-679000-27105-2130	-	
								11-0000-612000-25430-2310	24,540	
								Hired CL24-00933 Godinez, Ismael #26339936 Eff:8/12/24 He si not working GY.	-	1,005,837
		Lara, Rene	2083849	Custodian	SCC	05/27/2024	-	11-0000-653000-27200-2130	-	
								Hired CL24-00859 Reyes, Sergio#2670695 Eff:8/12/24	-	
		Lopez Gomez, Valentin	1810444	P/T Custodian	SCC	02/21/2024	-	11-0000-653000-27200-2310	-	
								11-0000-696000-24129-2130-9% 11- 0000-699000-24129-2130-91%	-	
91%-fd 11		McMinimy, Tawny	1030826	Auxiliary Services Specialist	SCC	12/10/2023	-	Hired CL24-00826 Mark Bui#2792307 Eff:6/26/24	-	
9%-fd 12		Melgoza, Angelica	1055577	High School & Community Outreach Specialist	SCC	06/17/2024	82,873	11-2250-643000-29335-2130-91% 12- 2250-643000-29335-2130-9%	128,737	
									-	
		Mendoza, Misael	2387469	Gardener/Utility Worker	SCC	05/28/2024	-	Hired CL24-00985 Sanchez Nunez, Hugo #2815472 Eff:8/28/24	-	
								11-0000-655000-27300-2130	-	
		Nakagami, Ambar	2333446	facilities Coordinator	SCC	07/07/2024	-	Hired CL24-00994 karimpour, Jennifer#1679262 Eff:11/1/2024	-	
		Nguyen, Jay	1062155	P/T Admission & Records Specialist I	SCC	10/31/2023	23,655	11-0000-683000-27105-2130	-	
		Orellana, Yvette	1111601	Career Guidance Coordinator	SCC	08/09/2024	63,427	11-0000-620000-29110-2310	32,230	
								11-0000-634000-29320-2130	100,934	
		Ramirez, Margarito	2443392	P/T Custodian	SCC	02/21/2024	-	Hired CL24-00859 Merino Gonzalez, Jaime#2596109 Eff:8/12/24	-	
								11-0000-653000-27200-2310	-	
		Tolentino, Alfredo	2599392	P/T Gardener/Utility Worker	SCC	06/26/2024	-	Hired CL24-00977 Calderon, Alfredo#1586163 Eff:11/18/24	-	
		Torres Gomez, Oscar	1030467	Lead Custodian	OEC	10/22/2024	51,084	11-0000-655000-27300-2310	84,799	
		Tran, Kieu-Loan T.	1030029	Admission Records Specialist III	SCC	03/01/2020	64,745	11-0000-620000-29100-2130	113,380	
90%-fd 11								11-0000-691000-24126-2130-90% 31- 0000-691000-24126-2130-10%	-	
10%-fd 31		White Kathleen	1028519	Senior Accountant	SCC	05/12/2024	-	Reorg1418 elininated position	77,659	
		Zui, Armida	1029218	Custodian	OEC	09/30/2024	50,515	11-0000-653000-28100-2130	4,171,463	
							2,530,465		-	
TOTAL							3,366,538		5,390,758	

Rancho Santiago Community College
FD 11/13 Combined -- Unrestricted General Fund Cash Flow Summary
FY 2024-25, 2023-24, 2022-23
YTD Actuals- January 31, 2025

	FY 2024/2025												
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	
Beginning Fund Balance	\$108,927,679	\$113,031,979	\$100,968,058	\$91,807,724	\$78,264,865	\$77,151,729	\$90,479,916	\$84,591,376	\$84,591,376	\$84,591,376	\$84,591,376	\$84,591,376	Total
Total Revenues	19,472,410	7,947,480	12,511,262	8,911,894	24,669,507	35,190,815	15,012,323	0	0	0	0	0	123,715,690
Total Expenditures	15,368,109	20,011,400	21,671,597	22,454,752	25,782,643	21,862,628	20,900,863	0	0	0	0	0	148,051,993
Change in Fund Balance	4,104,300	(12,063,921)	(9,160,335)	(13,542,858)	(1,113,137)	13,328,187	(5,888,540)	0	0	0	0	0	(24,336,303)
Ending Fund Balance	113,031,979	100,968,058	91,807,724	78,264,865	77,151,729	90,479,916	84,591,376	84,591,376	84,591,376	84,591,376	84,591,376	84,591,376	
	FY 2023/2024												
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	
Beginning Fund Balance	\$69,995,934	\$71,193,146	\$61,145,109	\$63,533,219	\$60,187,237	\$59,940,448	\$71,637,035	\$71,291,816	\$63,539,135	\$77,687,365	\$84,911,330	\$75,100,098	Total
Total Revenues	14,999,379	7,247,510	21,581,168	16,416,147	22,719,457	32,139,652	19,316,041	12,651,332	35,037,316	26,748,556	12,047,791	64,494,321	285,398,670
Total Expenditures	13,802,167	17,295,547	19,193,058	19,762,128	22,966,246	20,443,065	19,661,260	20,404,013	20,889,085	19,524,592	21,859,023	30,666,740	246,466,925
Change in Fund Balance	1,197,212	(10,048,037)	2,388,110	(3,345,982)	(246,789)	11,696,586	(345,219)	(7,752,681)	14,148,231	7,223,964	(9,811,231)	33,827,581	38,931,745
Ending Fund Balance	71,193,146	61,145,109	63,533,219	60,187,237	59,940,448	71,637,035	71,291,816	63,539,135	77,687,365	84,911,330	75,100,098	108,927,679	
	FY 2022/2023												
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	
Beginning Fund Balance	\$59,415,833	\$61,784,640	\$52,663,482	\$47,112,071	\$44,117,698	\$38,009,050	\$59,834,822	\$52,186,865	\$55,286,293	\$56,436,784	\$64,728,465	\$58,986,931	Total
Total Revenues	13,207,623	6,163,437	12,205,656	14,492,940	14,987,785	39,069,575	9,590,300	22,970,783	18,833,781	25,599,139	12,376,790	40,473,184	229,970,994
Total Expenditures	10,838,816	15,284,595	17,757,067	17,487,313	21,096,433	17,243,803	17,238,257	19,871,355	17,683,289	17,307,458	18,118,324	29,464,181	219,390,893
Change in Fund Balance	2,368,807	(9,121,158)	(5,551,411)	(2,994,373)	(6,108,648)	21,825,772	(7,647,956)	3,099,427	1,150,491	8,291,681	(5,741,534)	11,009,003	10,580,101
Ending Fund Balance	61,784,640	52,663,482	47,112,071	44,117,698	38,009,050	59,834,822	52,186,865	55,286,293	56,436,784	64,728,465	58,986,931	69,995,934	

Fiscal Resources Committee

Via Zoom Video Conference Call

4:02 p.m. –4:42 p.m.

Meeting Minutes for January 15, 2025

FRC Members Present: Iris Ingram, Claire Coyne, Madeline Grant, Noemi Guzman, Bart Hoffman, Tara Kubicka-Miller, Veronica Munoz, Thao Nguyen (for O'Connor), Christopher Sweeten (for Satele), and Tommy Strong

FRC Members Absent: Sara Gonzalez, Adam O'Connor, Enrique Perez, Arleen Satele, Chrissy Talarico, Noah Villa, and Venuri Weerathne

Alternates/Guests Present: Jason Bui, Steven Deeley, Gina Huegli, Vaniethia Hubbard, Rasel Menendez, Annebelle Nery, Mark Reynoso, Kennethia Vega, and Barbie Yniguez

1. Welcome: Vice Chancellor Ingram called the meeting to order at 4:02 p.m. via zoom upon achieving quorum. She extended appreciation of understanding for the rescheduling of the FRC meeting to accommodate her and others attending the Budget Workshop that was earlier in the day and concluded just moments before the start of this meeting.
2. State/District Budget Update
 - 2025-26 Proposed State Budget report link: <http://www.ebudget.ca.gov>
 - LAO 2025-26 Overview of Governor's Budget link: <https://lao.ca.gov/Budget>
 - Joint Analysis-Governor's January Budget 2025-2026 *included in Additional Handouts*
 - SSC – October Annual Inflation Creeps Up
 - SSC – Will Lame Duck Congress Tackle FY 2025 Budget?
 - SSC – October Revenues Continue Recent Trend
 - SSC – LAO's Fiscal Outlook for Education – Positive, but Modest
 - SSC – Minimum Wage Increases Effective January 1, 2025
 - SSC – Voters Reject Minimum Wage Increase
 - SSC – Special Session to Convene on December 2
 - SSC – All Ten Statewide Measures Called
 - SSC – Legislature Convenes the 2025-26 Legislative Session
 - SSC – UCLA Anderson Forecast Projects Likely Inflation Increase
 - SSC – State Auditor Report on CCC Transfers
 - SSC – BOG Adopts 2025 FON and Reelects leadership for 2025
 - SSC – 2024 Chaptered Legislation and Guidance Report Released
 - SSC – Governor Unveils Master Plan for Career Education Executive Summary
 - SSC – Fed Reduces Interest Rates and Signals Caution
 - SSC – Fourth Quarter Lottery Apportionment for 2023-24
 - SSC – Government Shutdown Averted
 - SSC – Governor Newsom Previews 2025-26 State Budget Proposal
 - SSC – Cash Was Short, but we Are Still Ahead
 - DOF – [Finance Bulletin-December 2024](#)
 - [Budget Presentation to Board of Trustees January 13, 2025](#)

Ingram briefly referenced the above articles/updates for further understanding of the State Budget and affirmed there were no significant changes announced in the Budget Workshop. Ingram shared that her presentation to the Board of Trustees on Monday, January 13, 2025, is available and posted to the RSCCD, Budget Updates webpage for ease of access and review. She further referenced the joint analysis noted above as the most up-to-date analysis. This is the information to be used until the May Revise. Potential

changes may come about because of the fires in Southern California and the transition in administration in Washington DC. Revenues have come in higher than originally anticipated, however the effect on community colleges is unknown currently.

Ingram announced Thao Nguyen to provide updates as Adam O'Connor is on well deserved vacation.

3. 2025-26 Budget Calendar Revision

Nguyen discussed the revisions to the 2025-26 budget calendar, specifically when the budget will be on display prior to Board approval and the Board's approval in September. This adjustment to the calendar is necessary to align with the Board of Trustees meeting schedule for 2025 and is only one week later than originally scheduled. This is information only and no action is required. There were no questions.

Ingram discussed the Board of Trustees meeting schedule with one meeting in January and February. The budget assumptions will be presented to the Board, but FRC will review the budget assumptions for 2025-26 prior to the Board's approval.

4. Mid-Year Updates

• Unrestricted General Fund Expenditure Update

Nguyen screenshared page 29 of meeting materials and reviewed the mid-year expenditures for fund 11 and 13 with comparison to last year with SAC at 54.03% and this year at 56.70%; and last year SCC at 54.27% and this year at 53.52%. The colleges increased the 1300s accounts (part-time faculty) with SAC last year at \$20 million and this year at \$24 million: that is an increase of \$4 million. However, the availability of the percentage remaining is lower than was left last year at 33.96% and 32.41%, respectively. However, overall, SAC has more this year at 56.7% compared to last year at 54.03%.

For SCC, last year's comparison was at 54.27% and this year at 53.52%; last year SCC had \$8 million in the 1300s accounts (part-time faculty) and this year increased it by \$2.5 million with availability of 34.16%. Looking at mid-year, the funds may not be enough to cover the expenses if the expenditures continue at the same pace.

District Services mid-point comparison last year was at 53.62% and this year at 54.09% availability and overall, for fund 11 and 13, the district was at 54.02% last year compared to 55.40% availability this year.

Ingram explained this is just information for discussion and not direction; it is the "burn rate" at this point and time. Questions were answered for clarification of the information received and discussion ensued.

• Final FTES Update for (P1) *included in Additional Handouts*

Nguyen screenshared and reviewed the Final FTES Update for P1 that is posted as additional handouts on the FRC webpage. At this point in time, RSCCD reported with summer, fall actuals and spring annualizers for SAC 22,346.44 FTES, and SCC 8,767.01 FTES for a combined total of 31,113.45 FTES. The rough total split between the two colleges is 71.82% for SAC and 28.18% for SCC. When comparing to last year, SAC reported growth rate is 9.87% and SCC growth rate is 1.18% with a total overall for the district reported growth rate of 7.28% for P1. There were no questions, however, Nery extended appreciation to Gina Huegli and Thao Nguyen for the work involved in generating and submitting the report. Ingram acknowledged that she certified the report earlier this afternoon to the CCCCCO (State Chancellor's Office).

• SCFF Simulation FY 2024-25 *included in Additional Handouts*

Nguyen screenshared and reviewed the simulated revenue draft, projecting the growth rate if fully funded. The simulation is based on the P1 report just reviewed and certified by Vice Chancellor Ingram. If fully funded, RSCCD could be allocated over \$197 million. The supplemental and student

success updates are based on information released on December 2, and there may be another update soon. As reported, supplemental will add approximately \$29 million and student success \$22.4 million with the total calculated revenue of \$249.6 million based on P1. The TCR adjusted by COLA is \$238.5 million and therefore gains \$11.1 million based on the TCR and SCFF calculations. The State growth cap for RSCCD is 0.12%. These estimates are based on whether the Chancellor's Office fully funds FTES growth. Final numbers will be known following P2 and Final Estimate submissions. There were no questions.

Ingram shared comments on a discussion at the Budget Workshop about lifting the State growth cap and what the limitation to growth is doing to colleges currently growing. Consideration of changes to State growth cap and individual growth caps are part of the active discussions occurring at the State level with respect to available revenue and the negative impact of unfunded FTES.

5. Discussion of Member Communication – (Kubicka-Miller)

Kubicka-Miller briefly discussed the additional goal of communication responsibilities to constituency groups and in consideration of deeper discussion at the next meeting, she asked committee members to be prepared to answer the following questions:

1. Who are your constituents? Who do you report to?
2. How do you communicate information from FRC to constituents? Email, reports at meetings.
3. What practices are put into place for receiving questions and bringing items back to FRC?

Kubicka-Miller anticipates further discussion at the next FRC meeting in February. There were no questions.

6. Annual External Audit

Ingram noted the annual external audit is complete but not released by the audit firm (Eide Bailly) for approval by the Board of Trustees. Annually, by law the annual external audit is submitted to the Chancellor's Office by December 31. That did not happen this year because the Board of Trustees requested a Forensic Audit, which could potentially have a material effect on the annual audit and therefore it is not being released. RSCCD informed the Chancellor's Office of the delay in submission and were given an extension to March 31, 2025, which aligns with the Federal deadline. Additionally, RSCCD was advised of being placed on "watch" to be monitored by FCMAT (Fiscal Crisis and Management Assistance Team) because of this delay in submission. RSCCD is not in fiscal crisis. If there are any further delays and the March 31 deadlines are missed, then RSCCD may incur federal penalties along with potential impact to student financial aid and grants. When asked about the next steps, Ingram explained the urgency in getting a negotiated agreement by the end of the week and the audit firm to begin work immediately thereafter on the forensic audit. It is anticipated all will be accomplished within the month.

7. Standing Report from District Council – (Kubicka-Miller)

Kubicka-Miller briefly reported on the activities of District Council meeting of December 2 with review and approval of roles and responsibilities; discussion of three job descriptions: Director, Institute for Workforce Development, Executive Director Orange County Regional Consortium, and Director, Orange County Regional Consortium Workforce and Employer Engagement. All were approved. Routine reports and the 2024-25 district council meeting schedule were discussed. The meeting schedule was approved and posted on the RSCCD webpage.

8. Informational Handouts

- District-wide expenditure report link: <https://intranet.rsccd.edu>
- Vacant Funded Position List as of January 9, 2025
- Monthly Cash Flow Summary as of December 31, 2024
- [SAC Planning and Budget Committee Agendas and Minutes](#)
- [SCC Budget Committee Agendas and Minutes](#)

General informational handouts, links, and webpages above were referenced for further review.

9. Approval of FRC Minutes – November 20, 2024

A motion by Hoffman to approve the minutes of the November 20, 2024, meeting as presented was seconded by Coyne. By roll call vote the motion passed with one abstention by Sweeten.

10. Other

There were no further comments, questions, or discussion.

Next FRC Committee Meeting:

The next FRC meeting is February 19, 2025, at 1:30-3:00 p.m. This meeting was adjourned at 4:42 p.m.