

SSC Community College Financial Projection Dartboard Governor's May Revision for 2020–21

This version of School Services of California Inc. (SSC) Financial Projection Dartboard is based on the Governor's May Revision proposal for 2020–21. We have updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. We rely 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.

Factor		2019–20	2020–21	2021–22	2022–23	2023–24
Statutory COLA for Apportionments		3.26%	2.31%	2.48%	3.26%	N/A
Funded COLA ¹		3.26%	0%	0%	3.26%	N/A
Growth Funding ¹		0.55% (\$24.7 million)	0%	0%	TBD	TBD
SCFF Reduction ²		N/A	10%	Ongoing unless otherwise stated	Ongoing unless otherwise stated	Ongoing unless otherwise stated
State Categorical Programs	COLA ¹	3.26%	0%	0%	3.26%	N/A
	Funding	\$98.4 million	Targeted Reductions ³	Ongoing unless otherwise stated	Ongoing unless otherwise stated	Ongoing unless otherwise stated
California CPI		2.06%	0.62%	1.73%	2.12%	2.26%
Interest: Ten-Year Treasuries		1.22%	0.93%	1.23%	1.80%	2.10%
California Lottery ⁴	Unrestricted per FTES*	\$153	\$153	\$153	\$153	\$153
	Restricted per FTES	\$54	\$54	\$54	\$54	\$54
Mandate Block Grant (per FTES)		\$30.16	\$30.16	\$30.16	\$31.14	\$31.14
CalSTRS Employer Rate ⁵		17.10%	16.15%	16.02%	18.10%	18.10%
CalPERS Employer Rate		19.721%	20.70%	22.84%	25.50%	26.20%

*Full-Time Equivalent Students (FTES)

¹ While a positive statutory COLA is projected for 2021–22, and the system will request growth funding, the state's ability to fund these items is suspect. Districts should have a contingency plan should the state partially fund or not fund them. Also, the Department of Finance has not yet provided an updated projected COLA for 2023–24.

² The reduction to the Student Centered Funding Formula is applied by reducing the funding rates. Although the hold harmless funding is proposed to be extended for two more years (through 2023–24), districts receiving hold harmless funding will receive proportionally reduced funding for 2020–21.

³ See Chancellor's Office May Revision Joint Analysis dated May 15, 2020.

⁴ Rates for 2019–20 accrual and for 2020–21 are expected to be released in June. Future rates are expected to decrease as a result of the pandemic and this Dartboard will be updated at that time. Lottery funding is initially based on prior-year actual annual FTES, and is ultimately based on current-year annual FTES.

⁵ California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS) rates for 2020–21 and 2021–22 are reduced by the proposed \$2.3 billion state payment. Rates in the following years are subject to change based on determination by the respective governing boards.