

May Revision to the Governor's Proposed FY 2023-24 Budget



**Board of Trustees Meeting
May 15, 2023**

Iris Ingram, Vice Chancellor, Business Services

Highlights



- State Budget will be \$306 billion
 - Modest increase over January proposal
 - Lower than current year (2022-23) of \$308 billion
 - General Fund expenditures will decrease by \$10 billion or 4.4%
 - Projected deficit grew from \$22.5 million in January to \$31.5 million
 - Projects \$37.2 billion in reserves
 - Includes \$22.2 billion in Rainy Day Fund
- Prop 98 resources are projected to be \$2 billion lower than projected in January \$107 billion vs. \$109 billion.
- Community College funding will be shaped by **Roadmap for the Future** goals intended to advance equity, student success. Preparation of students for the future.
- Proposed on-going spending to support a 8.22% COLA (\$678 million) to apportionments
 - \$25.4 million increase over January's 8.13% COLA
 - \$3 million more for COLAs to certain categorical programs on top of \$92 million already proposed.

Highlights

- One-time funding proposals to include \$100 million for increased student retention and enrollment
 - Reduced from \$200 million
- Re-appropriation of funds allocated in current year (2022-23) for Deferred Maintenance (\$452 million) and COVID-19 Block Grants (\$344 million).
 - Funds already distributed to districts
 - Allows for one-time distribution of \$503 million to SCFF
- Includes \$232 million in capital outlay funding (increase above \$143.8 million) for
 - 2 new projects
 - 12 on-going projects



Appendices: Tables Containing Proposed Revisions to the Governor's FY 2023-24 Budget

Table 1: California Community Colleges Proposition 98 Funding by Source (In Millions)

Source	2021-22 Revised	2022-23 Revised	2023-24 Proposed	Change From 2022-23 Amount	Change From 2022-23 Percent
ALL PROPOSITION 98 PROGRAMS					
General Fund	\$ 83,754	\$ 78,115	\$ 77,435	\$ (680)	-1%
Local property tax	\$ 26,800	\$ 28,656	\$ 29,404	748	3%
Totals	\$ 110,554	\$106,771	\$ 106,839	\$ 68	0%
COMMUNITY COLLEGES ONLY ^a					
General Fund	\$ 8,678	\$ 8,554	\$ 8,481	\$ (73)	-1%
Local property tax	\$ 3,515	\$ 3,706	\$ 3,831	125	3%
Totals	\$ 12,193	\$ 12,260	\$ 12,312	\$ 52	0%

^a CCC totals include resources that go to the K-12 system via the Adult Education, Apprenticeship, and K-12 Strong Workforce programs.

Table 2: Proposed 2023-24 Changes in Proposition 98 Funding for the System (In Millions)

	Governor's Budget	May Revision	Change from Governor's Budget
POLICY ADJUSTMENTS			
Ongoing (Proposition 98)			
Provide 8.22% COLA for SCFF	\$652.6	\$678.0	\$25.4
Provide 8.22% COLA for Adult Education Program	\$48.5	\$49.1	\$0.6
Provide 0.5% for SCFF growth	\$28.8	\$26.4	-\$2.4
Provide 8.22% COLA for Extended Opportunity Programs and Services (EOPS)	\$13.8	\$13.9	\$0.1
Provide 8.22% COLA for Disabled Students Programs and Services (DSPS)	\$13.0	\$13.1	\$0.1
Provide funding for a new LGBTQ+ Pilot Program	\$0.0	\$10.0	\$10.0

Provide 8.22% COLA and a technical adjustment for Apprenticeship (community college districts)	\$4.7	-\$4.9	-\$9.6
Provide 8.22% COLA for CalWORKs student services	\$4.1	\$4.2	\$0.1
Provide 8.22% COLA and an enrollment-based adjustment for Mandates Block Grant and reimbursements	\$3.0	\$2.2	-\$0.8
Provide 8.22% COLA for Cooperative Agencies Resources for Education (CARE)	\$2.5	\$2.5	\$0.0
Provide 8.22% COLA for Childcare tax bailout	\$0.3	\$0.3	\$0.0
Increase FCMAT funding for Professional Learning Opportunities	\$0.2	\$0.2	\$0.0
Reduce Financial aid administration to reflect an enrollment-based adjustment	-\$4.2	-\$3.1	\$1.1
Provide funding for the Equal Employment Opportunity Program	\$0.0	\$4.2	\$4.2
Reduce Student Success Completion Grant to reflect an enrollment-based adjustment	\$0.0	-\$50.0	-\$50.0
Subtotal Ongoing (Proposition 98) Policy Adjustments	\$767.3	\$746.1	-\$21.2
One-Time (Proposition 98)			
Support retention and enrollment strategies	\$200.0	\$100.0	-\$100.0
Workforce Training Grants	\$14.0	\$14.0	\$0.0
East Los Angeles College Entrepreneurship and Innovation Center	\$0.0	\$2.5	\$2.5
FCMAT Professional Learning Opportunities	\$0.1	\$0.1	\$0.0
Reduce prior year deferred maintenance funding	-\$213.0	-\$452.2	-\$239.2
Reduce prior year COVID-19 Recovery Block Grant funding	\$0.0	-\$344.7	-\$344.7
Subtotal One-Time Policy Adjustments	\$1.1	-\$680.3	-\$681.4
TECHNICAL ADJUSTMENTS			
Student Centered Funding Formula (SCFF) adjustments related to DOF estimates of 2023-24 Hold Harmless protection and FTES, supplemental, and success metrics.	-\$314.4	\$28.1	\$342.5
Subtotal Technical Adjustments	-\$314.4	\$28.1	\$342.5
TOTAL CHANGES	\$454.0	\$93.9	-\$360.1

^a Funding for health care pathways in Adult Ed would be spent over three years.

Table 3: Proposed 2023-24 Student Centered Funding Formula Rates (rounded)

Allocations	2022-23 Rates	Proposed 2023-24 Rates	Change from 2022-23 (Amount)	Change from 2022-23 (Percent)
Base Credit*	\$4,840	\$5,238	\$398	8.22%
Incarcerated Credit*	6,788	7,346	558	8.22%
Special Admit Credit*	6,788	7,346	558	8.22%
CDCP	6,788	7,346	558	8.22%
Noncredit	4,082	4,417	336	8.22%
Supplemental Point Value	1,145	1,239	94	8.22%
Student Success Main Point Value	675	730	55	8.22%
Student Success Equity Point Value	170	184	14	8.22%
Allocations	2022-23 Totals	Proposed 2023-24 Totals	Change from 2022-23 (Amount)	Change from 2022-23 (Percent)
Single College District				
Small College	5,950,421	6,439,546	489,125	8.22%
Medium College	7,933,899	8,586,065	652,166	8.22%
Large College	9,917,373	10,732,581	815,208	8.22%
Multi College District				
Small College	5,950,421	6,439,546	489,125	8.22%
Medium College	6,942,161	7,512,806	570,646	8.22%
Large College	7,933,899	8,586,065	652,166	8.22%
Designated Rural College	1,892,601	2,048,173	155,572	8.22%
State Approved Centers	1,983,474	2,146,516	163,042	8.22%
Grandparented Centers				
Small Center	247,936	268,316	20,380	8.22%
Small Medium Center	495,869	536,629	40,760	8.22%
Medium Center	991,736	1,073,257	81,521	8.22%
Medium Large Center	1,487,605	1,609,886	122,281	8.22%
Large Center	1,983,474	2,146,516	163,042	8.22%

^a Ten districts receive higher credit FTE rates, as specified in statute.