

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: [Fiscal Resources Committee](#)

Agenda for Wednesday, July 5, 2023

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

Zoom Meeting

1. Welcome
2. State/District Budget Update – Ingram
 - 2022-23 Second Principal Apportionment and 2020-21 Recalculation Memo/posted June 28, 2023
 - 2022-23 Second Principal Apportionment Exhibit “C”-Statewide posted June 27, 2023
 - 2022-23 Second Principal Apportionment Exhibit “C”-RSCCD posted June 27, 2023
 - 2022-23 Recalculation Apportionment Exhibit “C”-Statewide posted June 27, 2023
 - 2021-22 Recalculation Apportionment Exhibit “C”-RSCCD posted June 27, 2023
 - Final State Budget 2023-24 report link: <http://www.ebudget.ca.gov>
 - SSC – LAO Warns Budget Estimates Optimistic
 - SSC – Differing Senate and Assembly Budget Proposals Emerge
 - SSC – Dartboard for 2023-24
 - SSC – Congress Approves Debt Ceiling Legislation
 - SSC – Top Legislative Issues- June 2, 2023
 - SSC – Recession or No Recession? Flip a Coin
 - SSC – Statewide Facilities Bond Bills Pending in the Legislature
 - SSC – 2023-24 Legislative State Budget Announced
 - SSC – 2023-24 State Budget Agreement Reached
 - SSC – Top Legislative Issues for 2023-June 30, 2023
 - CCCO – 2023-24 Summary Overview of CCC Budget Agreement
 - CCFC – Budget Detail Emerge: Student Housing and Deferred Maintenance
 - DOF – Finance Bulletin-June 2023
3. Approval of Committee Co-Chair – **Action Item**
4. 2023-24 Proposed Adopted Budget Assumptions – **Action Item**
5. Standing Report from District Council – Jim Isbell
6. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rsccd.edu>
 - Vacant Funded Position List as of June 26, 2023
 - Monthly Cash Flow Summary as of May 31, 2023
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)
 - Districtwide Enrollment Management Workgroup Minutes- *Items Not Available*
7. Approval of FRC Minutes – May 18, 2023
8. Other

Next FRC Committee Meeting: Wednesday, August 16, 2023, 1:30 pm – 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.



MEMORANDUM

June 28, 2023

FS 23-03 | Via Website and Email

TO: Chief Executive Officers
Chief Business Officers

FROM: Fiscal Services Unit
Office of Institutional Supports & Success
College Finance and Facilities Planning Division

RE: 2022-23 Second Principal and 2021-22 Recalculation Apportionment June 2023 Revision

This memo describes the 2022-23 Second Principal (P2) and 2021-22 Recalculation (R1) June 2023 Revision apportionment calculations for the Student Centered Funding Formula (SCFF) and various categorical programs. Associated exhibits are available on the Chancellor's Office [Fiscal Services Unit Apportionment Reports website](#).

SCFF General Background

The SCFF consists of three principal components – the base allocation, supplemental allocation, and student success allocation with the following parameters:

- The base allocation relies primarily on college and center size based on prior year data and current year Full Time Equivalent Student (FTES) enrollment.
- The supplemental allocation is based on prior year data.
- The student success allocation is based on an average of three prior years of data.

Generally, the Chancellor's Office certifies apportionments three times per year with the Advance Apportionment (AD) released in July, First Principal (P1) and Recalculation (R1) in February, and Second Principal (P2) in June. Additional certification revisions are completed as necessary.

SCFF 2022-23 P2

At 2022-23 P2, SCFF calculations reflect district reported FTES estimates (which includes an optional title 5 COVID-19 emergency conditions allowance), supplemental and student success metric data reported as of March 10, 2023, county reported property tax, district reported enrollment fees, updated 2022-23 Education Protection Account (EPA) resources, and currently available general fund.

Notably, there was a significant decline in anticipated EPA funding at 2022-23 P2, resulting in a point-in-time revenue deficit that will be resolved once additional general fund revenues are

2022-23 Second Principal and 2021-22 Recalculation Apportionment June 2023 Revision
June 28, 2023

appropriated and available for expenditure in the 2023 Budget Act and/or associated legislation. This is discussed in greater detail in the Education Protection Account (EPA) section below.

Growth has been applied to districts that are opted-out of COVID-19 emergency conditions allowance and have reported an increase in FTES year over year. Growth will be reassessed at 2022-23 R1 when final FTES are reported.

Prior year FTES data (or COVID-19 emergency conditions allowance FTES for districts that are opted-in) is used to determine the current year basic allocation. If a district's reported FTES calculates below the prior year college or center funding size, the prior three years of FTES data are used to determine stability in the basic allocation. If a district was opted-in to COVID-19 emergency conditions allowance in the prior three years, emergency conditions allowance FTES data is used to determine stability funding size.

The supplemental and student success allocations at 2022-23 P2 reflect metric data updates provided through the data validation cutoff of March 10, 2023. Aside from any pending audit adjustments, this is the final data set used for calculating the 2022-23 supplemental and student success allocations.

The 2022-23 P2 Total Computational Revenue (Max TCR) consists of the highest of the following three TCR calculations for each district: (A) TCR calculated by formula in 2022-23, (B) TCR stability protection (2021-22 calculated TCR plus COLA), or (C) Hold Harmless (2017-18 TCR plus yearly COLAs). At 2022-23 P2, the statewide SCFF Max TCR is \$8.73 billion. SCFF rates at 2022-23 P2 remain unchanged from 2022-23 AD.

SCFF Component	2022-23 P2 Amount (Statewide) (In Millions)
FTES Allocation	\$5,466
Basic Allocation	\$921
Supplemental Allocation	\$1,295
Student Success Allocation	\$966
SCFF Calculated Revenue (TCR A)	\$8,648
TCR Stability (TCR B)	\$8,012
Hold Harmless Revenue (TCR C)	\$8,036
2022-23 TCR (Max of A, B, or C)	\$8,728
Stability Protection Adjustment	\$0

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SCFF Component	2022-23 P2 Amount (Statewide) (In Millions)
Hold Harmless Protection Adjustment	\$80
Property Tax & ERAF	\$4,225
Less Property Tax Excess	(\$460)
Student Enrollment Fees	\$404
Education Protection Account (EPA)	\$503
State General Fund Allocation	\$3,192
Deficit Factor	10.83%

2022-23 P2 TCR Status	Number of Districts
SCFF Calculated Revenue (TCR A)	60
TCR Stability (TCR B)	0
Hold Harmless Revenue (TCR C)	12

Education Protection Account (EPA)

The Fiscal Year (FY) 2022-23 EPA funding allocation was updated by the Department of Finance in June 2023 from \$1.56 billion to \$503 million, a decrease of \$1.057 billion. The California Community Colleges do not have a continuous appropriation (automatic backfill) for decreases in EPA and local revenues in the same manner that the K-12 system does. As is the case this year, historically, and upon discretion of the Governor and Legislature, community colleges have received backfills of needed general fund revenues in the subsequent Budget Act and/or associated legislation. Once enacted, the 2023 Budget Act will provide the revenue needed to offset the June 2023 decrease in 2022-23 EPA funding. Since the Budget Act and/or associated legislation had not been enacted at the time of certification, 2022-23 P2 does not include the 2022-23 general fund revenue increases needed to offset the decrease in 2022-23 EPA funding, resulting in a temporary revenue deficit of 10.83% at 2022-23 P2.

As of the third quarter payment in March 2023, districts have received \$1.17 billion in 2022-23 EPA payments, resulting in \$667.2 million in payments above the revised June 2023 EPA funding allocation estimate. To minimize the impact of the temporary revenue deficit at 2022-23 P2, 2022-

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23 EPA payments will not be processed in June 2023. The 2022-23 EPA payments will be accounted for by offsetting the first quarter and second quarter 2023-24 EPA payments in September and December 2023, respectively.

To offset the decrease in 2022-23 EPA funding, additional 2022-23 general fund revenues will be allocated to districts once funds are available at the State Controller's Office. Additional 2022-23 general fund payments will be processed through an early 2022-23 Recalculation apportionment, estimated September or October 2023.

2022-23 P2 Exhibits

- Exhibit A (District Monthly Payments by Program)
- Exhibit B4 (County Monthly Payment Schedule)
- Exhibit C (Statewide and District SCFF details)
- Educational Revenue Augmentation Fund (ERAF) Memo
- ERAF and Property Tax Distribution by County and District

SCFF 2021-22 R1 June 2023 Revision

At 2021-22 R1 June 2023 revision, adjustments were made to the FTES Growth calculation. Appropriately, FY 2021-22 EPA and State General Apportionment allocations have been adjusted for each district. The State General Apportionment Certification can be viewed in the 2021-22 R1 June 2023 Exhibit D, and both payment adjustments are listed in the 2022-23 P2 Exhibit A on the [Fiscal Services Unit Apportionment Reports website](#).

2021-22 R1 June 2023 Revision Exhibits

- Exhibit C (Statewide and District SCFF details)
- 2021-22 R1 June 2023 Exhibit D
- 2021-22 R1 June 2023 EPA Exhibit D
- 2021-22 State General Apportionment and EPA adjustments are listed on the 2022-23 P2 Exhibit A

SCFF Dashboard

Since the adoption of the SCFF, the Chancellor's Office has collaborated with system partners to develop tools and resources to support SCFF implementation. The [SCFF Dashboard](#) provides analytics and visualizations about the California Community Colleges funding formula. There are three dashboard interfaces:

- Dashboard 1: Presents an analysis and comparison of the prior funding formula (SB 361) and SCFF. This data is updated each year after Recalculation. Data last updated February 2023.
- Dashboard 2: Provides analysis and trends in the SCFF supplemental and student success counts, funding protections, and race and ethnicity analyses. This data is updated each year after Recalculation. Data last updated February 2023.
- Dashboard 3: Provides districts with a planning tool, known as the SCFF Resource Estimator.

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This data is updated after each apportionment period. Data last updated March 2023.

Dashboard 3, the SCFF Resource Estimator, allows users to modify assumptions about levels of general enrollment, low-income student enrollment, and student success, in addition to cost-of-living adjustments to generate projections of funding levels in future years. The SCFF Resource Estimator is designed to provide five-year estimates. The SCFF Resource Estimator will be updated with 2022-23 P2 data in the coming weeks.

Categorical Programs

Sixty-three categorical programs certified their district allocations at 2022-23 P2 totaling over \$5.3 billion. The following exhibits pertaining to 2022-23 P2 categorical program allocations can be found on our [website](#):

- Exhibit A (District Monthly Payments by program),
- Exhibit A (Apprenticeship Training and Instruction,
- Local Education Agencies), Exhibit B-4 (Perkins Reimbursement), and
- Exhibit A/B-4 (Statewide Community College).

Additional information regarding categorical programs can be found in the Compendium of Allocations and Resources (the Compendium) on the [Budget News](#) web page.

Contacts

For questions regarding the SCFF please email scff@cccoco.edu.

For general questions regarding apportionment payments please email apportionments@cccoco.edu.

For questions regarding specific categorical programs, please contact the appropriate staff specified in Appendix A: Summary of Categorical Program Accounting of the Compendium on the [Budget News](#) web page.

**California Community Colleges
2022-23 Second Principal
Statewide Totals
Exhibit C - Page 1**

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)		
I. Base Allocation (FTES + Basic Allocation)		\$ 6,386,789,521
II. Supplemental Allocation		1,295,305,280
III. Student Success Allocation		966,084,840
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$ 8,648,179,641
	2021-22 SCFF Calculated Revenue + COLA (B)	8,012,349,847
	Hold Harmless Revenue (C)	8,036,125,452
	Stability Protection Adjustment	-
	Hold Harmless Protection Adjustment	80,316,381
	2022-23 TCR (Max of A, B, or C)	\$ 8,728,496,022
Revenue Sources		
Property Tax & ERAF		\$ 4,224,961,980
Less Property Tax Excess		(460,161,633)
Student Enrollment Fees		403,922,324
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	503,137,910
State General Fund Allocation	Funded FTES: 1,096,799.46 x Rate: varies	3,192,289,153
State General Fund Allocation		
General Fund Allocation	\$ 3,113,959,125	
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	78,330,028	
	Subtotal State General Fund Allocation	\$3,192,289,153
Adjustment(s)	(2,462,153)	
	Total State General Fund Allocation (Exhibit A)	\$3,189,827,000
		Available Revenue \$ 7,864,149,734
		2022-23 TCR (Max of A, B, or C) 8,728,496,022
8 Fully Community Supported Districts	See memo for additional information regarding revenue deficit at 2022-23 P2.	9.9026% Revenue Deficit \$ (864,346,288)

Supporting Sections

Section Ia: FTES Data and Calculations									
variable	a	b	c	d	e	f = b + c + d + e	g = f (except credit = (a + b + f)/3)	h	i = g + h
FTES Category	2020-21 Applied #3	2021-22 Applied #3	2022-23 Restoration	2022-23 Decline	2022-23 Adjustment	2022-23 Applied #1	2022-23 Applied #2	2022-23 Growth	2022-23 Funded
Credit	994,808.73	988,930.49	(420.08)	(29,754.65)	(386.91)	958,368.85	980,702.69	1,548.91	982,251.60
Incarcerated Credit	4,766.21	4,988.11	70.09	410.10	9.69	5,477.99	5,477.99	135.07	5,613.06
Special Admit Credit	36,814.17	37,776.67	199.40	1,484.70	249.33	39,710.09	39,710.09	651.54	40,361.63
CDCP	40,221.68	40,664.65	211.24	(1,437.36)	29.39	39,467.92	39,467.92	9.56	39,477.48
Noncredit	28,755.00	29,235.82	178.37	(298.88)	(20.79)	29,094.52	29,094.52	1.17	29,095.69
Total FTES=>>>	1,105,365.79	1,101,595.73	239.02	(29,596.09)	(119.29)	1,072,119.37	1,094,453.21	2,346.25	1,096,799.46
Total Values=>>>		\$5,485,244,256	\$1,956,085	(\$142,763,938)	\$0				
Change from PY to CY=>>>		(\$101,437,544)							

variable	j = g x l 2022-23 Applied #2 Revenue	k = h x l 2022-23 Growth Revenue	l 2022-23 P2 Rate \$*	m = j + k 2022-23 Total Revenue	n 2022-23 Applied #0	o = f + h 2022-23 Applied #3	p = n - o 2022-23 Unfunded FTES	q = p x l 2022-23 Unfunded FTES Value
Credit	\$4,758,825,899	\$ 7,503,660	\$4,840.49	\$4,766,329,559	963,894.01	959,917.76	3,976.25	\$ 19,254,490
Incarcerated Credit	37,480,653	923,510	\$6,787.96	38,404,163	5,683.42	5,613.06	70.36	477,577
Special Admit Credit	270,072,129	4,429,715	\$6,787.96	274,501,844	40,760.94	40,361.63	399.31	2,714,281
CDCP	267,906,559	64,893	\$6,787.96	267,971,452	40,066.38	39,477.48	588.90	3,997,413
Noncredit	118,757,719	4,768	\$4,081.79	118,762,487	29,095.69	29,095.69	0.00	-
Total	\$5,453,042,959	\$12,926,546		\$5,465,969,505	1,079,500.44	1,074,465.62	5,034.82	\$ 26,443,761

*Rates reflect statewide rates applicable to the majority of districts.

Total Value=>>> \$5,383,806,712

Section Ib: 2022-23 FTES Modifications						Definitions:	PY: 2021-22	CY: 2022-23
variable	r Applied #0 19-20 FTES	s Reported 320 2022-23 P2 FTES	t Emergency Conditions Allowance (ECA) COVID-19	u Other	n = s + t + u 2022-23 Applied #0			
Credit	1,004,343.02	818,334.08	132,705.82	12,854.11	963,894.01	CY App#3: PY App#1 plus PY Growth, is the base for CY		
Incarcerated Credit	5,203.78	5,153.40	506.10	23.92	5,683.42	CY App#0: Reported R1 FTES with COVID-19 and other ECA and statutory protections. These FTES are used in the calculations of the CY funded FTES.		
Special Admit Credit	36,200.70	48,258.80	(7,444.65)	(53.21)	40,760.94	CY App#1: Base for CY plus any restoration, decline or adjustment		
CDCP	40,325.68	38,840.15	1,159.42	66.81	40,066.38	CY App#2: FTES that will be funded not including growth		
Noncredit	29,776.47	21,876.14	5,821.88	1,397.67	29,095.69	CY App#3: CY App#1 plus Growth and used as the base for the following year		
Total	1,115,849.65	932,462.57	132,748.57	14,289.30	1,079,500.44	CY Adjustment: Alignment of FTES to available resources.		
						Change Prior Year to Current Year: CY App#0 value minus PY App#3 value and is the sum of CY restoration, decline, growth and unapplied values		

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 Statewide Totals
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Section Ic: FTES Restoration Authority				
variable	v	w	y	z = (v + w + y) x l
FTES Category	2019-20	2020-21	2021-22	Total \$
Credit	14,585.65	4,565.57	7,669.23	\$ 129,989,518
Incarcerated Credit	176.03	128.06	(88.15)	1,492,320
Special Admit Credit	1,402.48	(688.88)	(742.28)	(40,671)
CDCP	1,219.05	(435.04)	(56.86)	4,935,892
Noncredit	549.21	665.17	(135.42)	4,404,088
Total	17,932.42	4,234.88	6,646.52	\$ 140,781,147

Section Id: FTES Growth Authority			
variable	aa	ab	ac = aa x ab
FTES Category	% target	Applied #3 FTES	Growth FTES
Credit		988,930.49	4,648.53
Incarcerated Credit		4,988.11	112.18
Special Admit Credit		37,776.67	259.83
CDCP		40,664.65	158.28
Noncredit		29,235.82	82.27
Total		1,101,595.73	5,261.09
Total Growth FTES Value =>>> \$			26,470,788

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	FTES	Funding Rate	Number of Centers	Basic Allocation
<u>Single College Districts</u>				<u>State Approved Centers</u>			
≥ 20,000	9,917,373.09	6	\$59,504,238	≥ 1,000	\$1,983,474.31	38	\$75,372,012
≥ 10,000 & < 20,000	7,933,898.79	20	158,677,980	<u>Grandparented Centers</u>			
< 10,000	5,950,421.36	23	136,859,683	≥ 1,000	1,983,474.31	17	33,719,058
<u>Multi-College Districts</u>				≥ 750 & < 1,000	1,487,605.34	3	4,462,815
≥ 20,000	7,933,898.79	2	15,867,798	≥ 500 & < 750	991,736.37	4	3,966,944
≥ 10,000 & < 20,000	6,942,160.85	26	180,496,186	≥ 250 & < 500	495,868.97	9	4,462,821
< 10,000	5,950,421.36	38	226,115,998	≥ 100 & < 250	247,936.04	2	495,872
<u>Additional Rural \$</u>	1,892,600.56	11	20,818,611	Subtotal			\$122,479,522
Subtotal			\$798,340,494	Total Basic Allocation			\$920,820,016
				Total FTES Allocation			5,465,969,505
				Total Base Allocation			\$6,386,789,521

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$1144.62	Points	2021-22 Headcount	Rate	Revenue
AB540 Students	1	45,095	\$1,144.62	\$51,616,616
Pell Grant Recipients	1	362,439	1,144.62	414,854,766
Promise Grant Recipients	1	724,113	1,144.62	828,833,898
		Totals	1,131,647	\$1,295,305,280

Section III: Student Success Allocation

All Students - Point Value \$674.94	Points	2019-20 Headcount	2020-21 Headcount	2021-22 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	58,678	63,289	58,813	60,260.00	\$ 2,699.76	\$162,687,335
Associate Degrees	3	63,733	62,853	63,221	63,269.00	2,024.82	128,108,176
Baccalaureate Degrees	3	221	271	296	262.67	2,024.82	531,852
Credit Certificates	2	21,390	21,593	23,834	22,272.33	1,349.88	30,064,940
Transfer Level Math and English	2	55,268	51,275	46,737	51,093.33	1,349.88	68,969,783
Transfer to a Four Year University	1.5	72,350	72,896	79,309	74,851.67	1,012.41	75,780,480
Nine or More CTE Units	1	191,976	187,049	172,121	183,715.33	674.94	123,996,676
Regional Living Wage	1	215,025	182,842	190,121	195,996.00	674.94	132,285,376
All Students Subtotal		678,641	642,068	634,452	651,720.33		\$722,424,618
Pell Grant Recipients - Point Value \$170.24							
Associate Degrees for Transfer	6	32,661	35,472	32,445	33,526.00	\$ 1,021.46	\$34,245,610
Associate Degrees	4.5	34,166	33,822	34,090	34,026.00	766.10	26,067,254
Baccalaureate Degrees	4.5	99	124	150	124.33	766.10	95,251
Credit Certificates	3	9,449	9,218	10,339	9,668.67	510.73	4,938,101
Transfer Level Math and English	3	21,913	18,184	17,548	19,215.00	510.73	9,813,715
Transfer to a Four Year University	2.25	33,057	34,565	35,620	34,414.00	383.05	13,182,252
Nine or More CTE Units	1.5	88,008	82,832	76,915	82,585.00	255.37	21,089,405
Regional Living Wage	1.5	59,739	50,868	60,149	56,918.67	255.37	14,535,099
Pell Grant Recipients Subtotal		279,092	265,085	267,256	270,477.67		\$123,966,687
Promise Grant Recipients - Point Value \$170.24							
Associate Degrees for Transfer	4	43,738	47,880	44,092	45,236.67	\$ 680.98	\$30,805,090
Associate Degrees	3	47,510	47,263	47,640	47,471.00	510.73	24,244,963
Baccalaureate Degrees	3	163	179	211	184.33	510.73	94,147
Credit Certificates	2	13,859	13,893	15,391	14,381.00	340.49	4,896,559
Transfer Level Math and English	2	32,523	28,923	25,883	29,109.67	340.49	9,911,493
Transfer to a Four Year University	1.5	46,006	47,296	50,206	47,836.00	255.37	12,215,694
Nine or More CTE Units	1	128,164	123,335	112,893	121,464.00	170.24	20,678,522
Regional Living Wage	1	105,566	88,057	103,252	98,958.33	170.24	16,847,067
Promise Grant Recipients Subtotal		417,529	396,826	399,568	404,641.00		\$119,693,535
Total Headcounts		1,375,262	1,303,979	1,301,276	1,326,839.00		\$966,084,840
Total Student Success Allocation							\$966,084,840

**California Community Colleges
2022-23 Second Principal
Rancho Santiago CCD
Exhibit C - Page 1**

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)		
I. Base Allocation (FTES + Basic Allocation)		\$ 159,001,364
II. Supplemental Allocation		23,682,179
III. Student Success Allocation		20,661,637
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$ 203,345,180
	2021-22 SCFF Calculated Revenue + COLA (B)	189,459,847
	Hold Harmless Revenue (C)	195,753,297
	Stability Protection Adjustment	-
	Hold Harmless Protection Adjustment	-
	2022-23 TCR (Max of A, B, or C)	\$ 203,345,180
Revenue Sources		
Property Tax & ERAF		\$ 101,211,465
Less Property Tax Excess		-
Student Enrollment Fees		8,577,987
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	13,398,042
State General Fund Allocation	Funded FTES: 26,783.85 x Rate: \$500.23	58,141,575
State General Fund Allocation		
General Fund Allocation	\$ 56,150,052	
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	1,991,523	
	Subtotal State General Fund Allocation	\$58,141,575
Adjustment(s)	-	
	Total State General Fund Allocation (Exhibit A)	\$58,141,575
	Available Revenue	\$ 181,329,069
	2022-23 TCR (Max of A, B, or C)	203,345,180
	See memo for additional information regarding revenue deficit at 2022-23 P2. 10.8270% Revenue Deficit	\$ (22,016,111)

Supporting Sections

Section Ia: FTES Data and Calculations

variable	a	b	c	d	e	f = b + c + d + e	g = f (except credit = (a + b + f)/3)	h	i = g + h
FTES Category	2020-21 Applied #3	2021-22 Applied #3	2022-23 Restoration	2022-23 Decline	2022-23 Adjustment	2022-23 Applied #1	2022-23 Applied #2	2022-23 Growth	2022-23 Funded
Credit	18,186.72	18,346.86	-	(1,851.40)	-	16,495.46	17,676.35	-	17,676.35
Incarcerated Credit	-	-	-	-	-	-	-	-	-
Special Admit Credit	643.04	940.72	-	420.66	-	1,361.38	1,361.38	-	1,361.38
CDCP	5,341.22	5,636.03	-	173.19	-	5,809.22	5,809.22	-	5,809.22
Noncredit	1,162.76	1,279.37	-	657.53	-	1,936.90	1,936.90	-	1,936.90
Total FTES=>>>	25,333.74	26,202.98	-	(600.02)	-	25,602.96	26,783.85	-	26,783.85
Total Values=>>>		\$138,672,516	\$0	(\$2,246,747)	\$0				
Change from PY to CY=>>>		(\$2,246,746)							

variable	j = g x l 2022-23 Applied #2 Revenue	k = h x l 2022-23 Growth Revenue	l 2022-23 P2 Rate \$*	m = j + k 2022-23 Total Revenue
Credit	\$85,562,091	\$ -	\$4,840.49	\$85,562,091
Incarcerated Credit	-	-	\$6,787.96	-
Special Admit Credit	9,240,989	-	\$6,787.96	9,240,989
CDCP	39,432,736	-	\$6,787.96	39,432,736
Noncredit	7,906,018	-	\$4,081.79	7,906,018
Total	\$142,141,834	\$0		\$142,141,834

n 2022-23 Applied #0	o = f + h 2022-23 Applied #3	p = n - o 2022-23 Unfunded FTES	q = p x l 2022-23 Unfunded FTES Value
16,495.46	16,495.46	-	\$ -
-	-	-	-
1,361.38	1,361.38	-	-
5,809.22	5,809.22	-	-
1,936.90	1,936.90	-	-
25,602.96	25,602.96	-	\$ -

Total Value=>>> \$136,425,770

Section Ib: 2022-23 FTES Modifications

variable	r Applied #0 19-20 FTES	s Reported 320 2022-23 P2 FTES	t Emergency Conditions Allowance (ECA) COVID-19	u Other	n = s + t + u 2022-23 Applied #0
Credit	21,522.80	16,495.46	-	-	16,495.46
Incarcerated Credit	-	-	-	-	-
Special Admit Credit	425.86	1,361.38	-	-	1,361.38
CDCP	5,035.22	5,809.22	-	-	5,809.22
Noncredit	1,214.59	1,936.90	-	-	1,936.90
Total	28,198.47	25,602.96	-	-	25,602.96

Definitions:	PY: 2021-22	CY: 2022-23
PY App#3: PY App#1 plus PY Growth, is the base for CY		
CY App#0: Reported R1 FTES with COVID-19 and other ECA and statutory protections. These FTES are used in the calculations of the CY funded FTES.		
CY App#1: Base for CY plus any restoration, decline or adjustment		
CY App#2: FTES that will be funded not including growth		
CY App#3: CY App#1 plus Growth and used as the base for the following year		
CY Adjustment: Alignment of FTES to available resources.		
Change Prior Year to Current Year: CY App#0 value minus PY App#3 value and is the sum of CY restoration, decline, growth and unapplied values		

California Community Colleges
 2022-23 Second Principal
 Rancho Santiago CCD
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Section Ic: FTES Restoration Authority				
variable	v	w	y	z = (v + w + y) x l
FTES Category	2019-20	2020-21	2021-22	Total \$
Credit	-	3,336.08	-	\$ 16,148,245
Incarcerated Credit	-	-	-	-
Special Admit Credit	-	(217.18)	-	(1,474,209)
CDCP	-	(306.00)	-	(2,077,115)
Noncredit	-	51.83	-	211,559
Total	-	2,864.73	-	\$ 12,808,480

Section Id: FTES Growth Authority			
variable	aa	ab	ac = aa x ab
FTES Category	% target	2021-22 Applied #3 FTES	2022-23 Growth FTES
Credit	0.10%	18,346.86	18.52
Incarcerated Credit	0.10%	-	-
Special Admit Credit	0.10%	940.72	0.95
CDCP	0.10%	5,636.03	5.69
Noncredit	0.10%	1,279.37	1.29
Total		26,202.98	26.45
Total Growth FTES Value =>>> \$			140,001

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	FTES	Funding Rate	Number of Centers	Basic Allocation	
<u>Single College Districts</u>				<u>State Approved Centers</u>				
≥ 20,000	9,917,373.09	-	\$0	≥ 1,000	\$1,983,474.31	1	\$1,983,474	
≥ 10,000 & < 20,000	7,933,898.79	-	-	<u>Grandparented Centers</u>				
< 10,000	5,950,421.36	-	-	≥ 1,000	1,983,474.31	1	1,983,474	
<u>Multi-College Districts</u>				≥ 750 & < 1,000	1,487,605.34	-	-	
≥ 20,000	7,933,898.79	-	-	≥ 500 & < 750	991,736.37	-	-	
≥ 10,000 & < 20,000	6,942,160.85	1	6,942,161	≥ 250 & < 500	495,868.97	-	-	
< 10,000	5,950,421.36	1	5,950,421	≥ 100 & < 250	247,936.04	-	-	
<u>Additional Rural \$</u>	1,892,600.56	-	-	Subtotal				
			Subtotal				\$12,892,582	\$3,966,948
				Total Basic Allocation			\$16,859,530	
				Total FTES Allocation			142,141,834	
				Total Base Allocation			\$159,001,364	

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$1144.62	Points	2021-22 Headcount	Rate	Revenue
AB540 Students	1	1,699	\$1,144.62	\$1,944,709
Pell Grant Recipients	1	5,815	1,144.62	6,655,963
Promise Grant Recipients	1	13,176	1,144.62	15,081,507
		Totals		\$23,682,179

Section III: Student Success Allocation

All Students - Point Value \$674.94	Points	2019-20 Headcount	2020-21 Headcount	2021-22 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	1,299	1,220	1,146	1,221.67	\$ 2,699.76	\$3,298,203
Associate Degrees	3	1,425	1,255	1,329	1,336.33	2,024.82	2,705,831
Baccalaureate Degrees	3	11	16	7	11.33	2,024.82	22,948
Credit Certificates	2	524	583	450	519.00	1,349.88	700,587
Transfer Level Math and English	2	1,097	1,008	887	997.33	1,349.88	1,346,279
Transfer to a Four Year University	1.5	1,412	755	651	939.33	1,012.41	950,989
Nine or More CTE Units	1	4,104	4,762	4,506	4,457.33	674.94	3,008,429
Regional Living Wage	1	8,163	5,795	5,370	6,442.67	674.94	4,348,408
All Students Subtotal		18,035	15,394	14,346	15,925.00		\$16,381,674
Pell Grant Recipients - Point Value \$170.24							
Associate Degrees for Transfer	6	624	583	542	583.00	\$ 1,021.46	\$595,514
Associate Degrees	4.5	618	532	574	574.67	766.10	440,251
Baccalaureate Degrees	4.5	4	3	5	4.00	766.10	3,064
Credit Certificates	3	177	194	165	178.67	510.73	91,251
Transfer Level Math and English	3	459	343	329	377.00	510.73	192,546
Transfer to a Four Year University	2.25	599	329	264	397.33	383.05	152,198
Nine or More CTE Units	1.5	1,310	1,395	1,492	1,399.00	255.37	357,257
Regional Living Wage	1.5	689	474	673	612.00	255.37	156,284
Pell Grant Recipients Subtotal		4,480	3,853	4,044	4,125.67		\$1,988,365
Promise Grant Recipients - Point Value \$170.24							
Associate Degrees for Transfer	4	936	884	852	890.67	\$ 680.98	\$606,523
Associate Degrees	3	1,035	913	969	972.33	510.73	496,602
Baccalaureate Degrees	3	10	7	7	8.00	510.73	4,086
Credit Certificates	2	338	344	288	323.33	340.49	110,091
Transfer Level Math and English	2	711	600	501	604.00	340.49	205,655
Transfer to a Four Year University	1.5	904	475	427	602.00	255.37	153,730
Nine or More CTE Units	1	2,554	2,647	2,659	2,620.00	170.24	446,039
Regional Living Wage	1	1,866	1,217	1,655	1,579.33	170.24	268,872
Promise Grant Recipients Subtotal		8,354	7,087	7,358	7,599.67		\$2,291,598
Total Headcounts		30,869	26,334	25,748	27,650.33		\$20,661,637

**California Community Colleges
2021-22 Recalculation
Statewide Totals
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Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)		
I. Base Allocation (FTES + Basic Allocation)		\$ 5,457,145,856
II. Supplemental Allocation		1,228,059,762
III. Student Success Allocation		833,891,459
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$ 7,519,097,077
	2020-21 SCFF Calculated Revenue + COLA (B)	7,691,065,671
	Hold Harmless Revenue (C)	7,541,409,020
	Stability Protection Adjustment	78,456,896
	Hold Harmless Protection Adjustment	262,365,269
	2021-22 TCR (Max of A, B, or C)	\$ 7,859,919,243
Revenue Sources		
Property Tax & ERAF		\$ 3,934,153,298
Less Property Tax Excess		(429,024,360)
Student Enrollment Fees		401,142,779
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	1,954,074,100
State General Fund Allocation	Funded FTES: 1,106,885.08 x Rate: varies	1,999,573,426
State General Fund Allocation		
General Fund Allocation	\$ 1,926,065,516	
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	73,507,910	
	Subtotal State General Fund Allocation	\$1,999,573,426
Adjustment(s)	(1,841,435)	
	Total State General Fund Allocation (Exhibit A)	\$1,997,731,991
	Available Revenue	\$ 7,859,919,243
	2021-22 TCR (Max of A, B, or C)	7,859,919,243
8 Fully Community Supported Districts	Revenue Deficit Percentage 0.0000%	Revenue Deficit \$ -

Supporting Sections

Section Ia: FTES Data and Calculations

variable	a	b	c	d	e	f = b + c + d + e	g = f (except credit = (a + b + f)/3)	h	i = g + h
FTES Category	2019-20 Applied #3	2020-21 Applied #3	2021-22 Restoration	2021-22 Decline	2021-22 Adjustment	2021-22 Applied #1	2021-22 Applied #2	2021-22 Growth	2021-22 Funded
Credit	998,920.27	994,808.73	1,790.98	(7,669.23)	-	988,930.49	994,219.83	-	994,219.83
Incarcerated Credit	4,894.27	4,766.21	133.75	88.15	-	4,988.11	4,988.11	-	4,988.11
Special Admit Credit	35,710.49	36,814.17	220.22	742.28	-	37,776.67	37,776.67	-	37,776.67
CDCP	39,718.96	40,221.68	386.11	56.86	-	40,664.65	40,664.65	-	40,664.65
Noncredit	29,732.55	28,755.00	345.40	135.42	-	29,235.82	29,235.82	-	29,235.82
Total FTES=>>>	1,108,976.55	1,105,365.79	2,876.46	(6,646.52)	-	1,101,595.73	1,106,885.08	-	1,106,885.08
Total Values=>>>		\$4,786,812,116	\$13,162,687	(\$26,640,184)	\$0				
Change from PY to CY=>>>		\$9,960,683							

variable	j = g x l 2021-22 Applied #2 Revenue	k = h x l 2021-22 Growth Revenue	l 2021-22 Rate \$*	m = j + k 2021-22 Total Revenue
FTES Category	2021-22 Applied #2 Revenue	2021-22 Growth Revenue	2021-22 Rate \$*	2021-22 Total Revenue
Credit	\$4,198,361,025	\$ -	\$4,212.26	\$4,198,361,025
Incarcerated Credit	29,722,414	-	\$5,906.97	29,722,414
Special Admit Credit	223,515,325	-	\$5,906.97	223,515,325
CDCP	240,205,006	-	\$5,906.97	240,205,006
Noncredit	103,846,494	-	\$3,552.03	103,846,494
Total	\$4,795,650,264	\$0		\$4,795,650,264

n	o = f + h	p = n - o	q = p x l 2021-22 Unfunded FTES Value
2021-22 Applied #0	2021-22 Applied #3	2021-22 Unfunded FTES	2021-22 Unfunded FTES Value
992,766.05	988,930.49	3,835.56	\$ 16,167,267
5,297.62	4,988.11	309.51	1,835,869
38,079.85	37,776.67	303.18	1,800,434
41,253.55	40,664.65	588.90	3,478,603
29,279.74	29,235.82	43.92	155,998
1,106,676.81	1,101,595.73	5,081.08	\$ 23,438,171

*Rates reflect statewide rates applicable to the majority of districts.

Total Value=>>> \$4,796,772,799

Section Ib: 2021-22 FTES Modifications

variable	r Applied #0 19-20 FTES	s Reported 320 2021-22 R1	t Emergency Conditions Allowance (ECA) COVID-19	u Other	n = s + t + u 2021-22 Applied #0	Definitions:
Credit	1,004,343.64	793,436.41	186,776.77	12,552.87	992,766.05	20-21 App#3: 20-21 App#1 plus 20-21 Growth, is the base for 21-22
Incarcerated Credit	5,203.16	4,811.22	486.40	-	5,297.62	21-22 App#0: Reported R1 FTES with COVID-19 and other ECA and statutory protections. These FTES are used in the calculations of the 21-22 funded FTES.
Special Admit Credit	36,200.70	43,432.61	(5,360.34)	7.58	38,079.85	21-22 App#1: Base for 21-22 plus any restoration, decline or adjustment
CDCP	40,325.68	37,669.69	3,293.37	290.49	41,253.55	21-22 App#2: FTES that will be funded not including growth
Noncredit	29,776.47	19,951.28	7,642.32	1,686.14	29,279.74	21-22 App#3: 21-22 App#1 plus Growth and will be used as the base for 22-23
Total	1,115,849.65	899,301.21	192,838.52	14,537.08	1,106,676.81	21-22 Adjustment: Alignment of FTES to available resources. Change Prior Year to Current Year: 21-22App#0 value minus 20-21 App#3 value and is the sum of CY restoration, decline, growth and unapplied values

California Community Colleges
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Section Ic: FTES Restoration Authority				
variable	v	w	y	z = (v + w + y) x l
FTES Category	2018-19	2019-20	2020-21	Total \$
Credit	26,705.72	21,252.54	6,115.49	\$ 228,387,717
Incarcerated Credit	(23.28)	290.00	128.06	2,371,279
Special Admit Credit	(1,422.09)	1,052.24	(742.25)	(6,479,711)
CDCP	130.77	4,201.94	(325.13)	23,672,690
Noncredit	752.96	1,647.83	883.63	11,666,355
Total	26,144.09	28,444.55	6,059.80	\$ 259,618,330

Section Id: FTES Growth Authority			
variable	aa	ab	ac = aa x ab
FTES Category	% target	Applied #3 FTES	Growth FTES
Credit		994,808.73	5,056.12
Incarcerated Credit		4,766.21	73.23
Special Admit Credit		36,814.17	248.54
CDCP		40,221.68	136.39
Noncredit		28,755.00	86.73
Total		1,105,365.79	5,601.01
Total Growth FTES Value =>>> \$			24,340,519

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	FTES	Funding Rate	Number of Centers	Basic Allocation
<u>Single College Districts</u>				<u>State Approved Centers</u>			
≥ 20,000	7,084,351.71	6	\$42,506,112	≥ 1,000	\$1,416,870.12	39	\$55,257,930
≥ 10,000 & < 20,000	5,667,481.59	20	113,349,640	<u>Grandparented Centers</u>			
< 10,000	4,250,609.24	23	97,764,007	≥ 1,000	1,416,870.12	17	24,086,790
<u>Multi-College Districts</u>				≥ 750 & < 1,000	1,062,652.31	4	4,250,608
≥ 20,000	5,667,481.59	3	17,002,446	≥ 500 & < 750	708,434.50	4	2,833,740
≥ 10,000 & < 20,000	4,959,045.97	26	128,935,196	≥ 250 & < 500	354,217.81	8	2,833,744
< 10,000	4,250,609.24	37	157,272,533	≥ 100 & < 250	177,110.02	3	531,330
<u>Additional Rural \$</u>	1,351,955.59	11	14,871,516	Subtotal			
			Subtotal				\$89,794,142
							Total Basic Allocation
							\$661,495,592
							Total FTES Allocation
							4,795,650,264
							Total Base Allocation
							\$5,457,145,856

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$996.06	Points	2020-21 Headcount	Rate	Revenue
AB540 Students	1	53,064	\$996.06	\$52,855,123
Pell Grant Recipients	1	380,364	996.06	378,866,736
Promise Grant Recipients	1	799,485	996.06	796,337,903
		Totals		\$1,228,059,762

Section III: Student Success Allocation

All Students - Point Value \$587.34	Points	2018-19 Headcount	2019-20 Headcount	2020-21 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	51,098	58,678	63,289	57,688.33	\$ 2,349.37	\$135,530,959
Associate Degrees	3	65,226	63,733	62,853	63,937.33	1,762.02	112,659,108
Baccalaureate Degrees	3	214	221	271	235.33	1,762.02	414,662
Credit Certificates	2	22,983	21,390	21,593	21,988.67	1,174.68	25,829,702
Transfer Level Math and English	2	41,273	55,268	51,275	49,272.00	1,174.68	57,878,960
Transfer to a Four Year University	1.5	68,763	72,350	72,896	71,336.33	881.01	62,848,162
Nine or More CTE Units	1	195,669	191,976	187,049	191,564.67	587.34	112,513,846
Regional Living Wage	1	201,435	215,025	182,842	199,767.33	587.34	117,331,605
All Students Subtotal		646,661	678,641	642,068	655,790.00		\$625,007,004
Pell Grant Recipients - Point Value \$148.15							
Associate Degrees for Transfer	6	27,994	32,661	35,472	32,042.33	\$ 888.89	\$28,482,182
Associate Degrees	4.5	34,727	34,166	33,822	34,238.33	666.67	22,825,641
Baccalaureate Degrees	4.5	103	99	124	108.67	666.67	72,444
Credit Certificates	3	10,151	9,449	9,218	9,606.00	444.45	4,269,352
Transfer Level Math and English	3	15,128	21,913	18,184	18,408.33	444.45	8,181,514
Transfer to a Four Year University	2.25	31,617	33,057	34,565	33,079.67	333.33	11,026,597
Nine or More CTE Units	1.5	86,211	88,008	82,832	85,683.67	222.22	19,040,884
Regional Living Wage	1.5	54,874	59,739	50,868	55,160.33	222.22	12,257,902
Pell Grant Recipients Subtotal		260,805	279,092	265,085	268,327.33		\$106,156,516
Promise Grant Recipients - Point Value \$148.15							
Associate Degrees for Transfer	4	37,698	43,738	47,880	43,105.33	\$ 592.59	\$25,543,999
Associate Degrees	3	48,510	47,510	47,263	47,761.00	444.45	21,227,187
Baccalaureate Degrees	3	172	163	179	171.33	444.45	76,148
Credit Certificates	2	15,179	13,859	13,893	14,310.33	296.30	4,240,116
Transfer Level Math and English	2	22,715	32,523	28,923	28,053.67	296.30	8,312,232
Transfer to a Four Year University	1.5	44,046	46,006	47,296	45,782.67	222.22	10,173,966
Nine or More CTE Units	1	128,124	128,164	123,335	126,541.00	148.15	18,746,883
Regional Living Wage	1	98,126	105,566	88,057	97,249.67	148.15	14,407,408
Promise Grant Recipients Subtotal		394,570	417,529	396,826	402,975.00		\$102,727,939
Total Headcounts		1,302,036	1,375,262	1,303,979	1,327,092.33		\$833,891,459

**California Community Colleges
2021-22 Recalculation
Rancho Santiago CCD
Exhibit C - Page 1**

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)		
I. Base Allocation (FTES + Basic Allocation)		\$ 137,660,994
II. Supplemental Allocation		21,494,056
III. Student Success Allocation		18,641,353
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$ 177,796,403
	2020-21 SCFF Calculated Revenue + COLA (B)	181,143,412
	Hold Harmless Revenue (C)	183,702,418
	Stability Protection Adjustment	-
	Hold Harmless Protection Adjustment	5,906,015
	2021-22 TCR (Max of A, B, or C)	\$ 183,702,418
Revenue Sources		
Property Tax & ERAF		\$ 94,368,413
Less Property Tax Excess		-
Student Enrollment Fees		8,327,798
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	54,427,253
State General Fund Allocation	Funded FTES: 27,208.25 x Rate: \$2,000.40	26,578,954
State General Fund Allocation		
General Fund Allocation	\$ 24,710,032	
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	1,868,922	
	Subtotal State General Fund Allocation	\$26,578,954
Adjustment(s)	-	
	Total State General Fund Allocation (Exhibit A)	\$26,578,954
	Available Revenue	\$ 183,702,418
	2021-22 TCR (Max of A, B, or C)	183,702,418
	Revenue Deficit Percentage	0.0000%
	Revenue Deficit	\$ -

Supporting Sections

Section Ia: FTES Data and Calculations

variable	a	b	c	d	e	f = b + c + d + e	g = f (except credit = (a + b + f)/3)	h	i = g + h
FTES Category	2019-20 Applied #3	2020-21 Applied #3	2021-22 Restoration	2021-22 Decline	2021-22 Adjustment	2021-22 Applied #1	2021-22 Applied #2	2021-22 Growth	2021-22 Funded
Credit	21,522.80	18,186.72	160.14	-	-	18,346.86	19,352.13	-	19,352.13
Incarcerated Credit	-	-	-	-	-	-	-	-	-
Special Admit Credit	425.86	643.04	297.68	-	-	940.72	940.72	-	940.72
CDCP	5,035.22	5,341.22	294.81	-	-	5,636.03	5,636.03	-	5,636.03
Noncredit	1,214.59	1,162.76	116.61	-	-	1,279.37	1,279.37	-	1,279.37
Total FTES=>>>	28,198.47	25,333.74	869.24	-	-	26,202.98	27,208.25	-	27,208.25
Total Values=>>>		\$116,086,146	\$4,588,576	\$0	\$0				
Change from PY to CY=>>>		\$4,588,577							

variable	j = g x l 2021-22 Applied #2 Revenue	k = h x l 2021-22 Growth Revenue	l 2021-22 Rate \$*	m = j + k 2021-22 Total Revenue
Credit	\$81,516,117	\$ -	\$4,212.26	\$81,516,117
Incarcerated Credit	-	-	\$5,906.97	-
Special Admit Credit	5,556,808	-	\$5,906.97	5,556,808
CDCP	33,291,878	-	\$5,906.97	33,291,878
Noncredit	4,544,360	-	\$3,552.03	4,544,360
Total	\$124,909,163	\$0		\$124,909,163

n 2021-22 Applied #0	o = f + h 2021-22 Applied #3	p = n - o 2021-22 Unfunded FTES	q = p x l 2021-22 Unfunded FTES Value
18,346.86	18,346.86	-	\$ -
-	-	-	-
940.72	940.72	-	-
5,636.03	5,636.03	-	-
1,279.37	1,279.37	-	-
26,202.98	26,202.98	-	\$ -

Total Value=>>> \$120,674,723

Section Ib: 2021-22 FTES Modifications

variable	r	s	t	u	n = s + t + u	Definitions:
	Applied #0 19-20 FTES	Reported 320 2021-22 R1	Emergency Conditions Allowance (ECA) COVID-19	Other	2021-22 Applied #0	
Credit	21,522.80	18,346.86	-	-	18,346.86	20-21 App#3: 20-21 App#1 plus 20-21 Growth, is the base for 21-22
Incarcerated Credit	-	-	-	-	-	21-22 App#0: Reported R1 FTES with COVID-19 and other ECA and statutory protections. These FTES are used in the calculations of the 21-22 funded FTES.
Special Admit Credit	425.86	940.72	-	-	940.72	21-22 App#1: Base for 21-22 plus any restoration, decline or adjustment
CDCP	5,035.22	5,636.03	-	-	5,636.03	21-22 App#2: FTES that will be funded not including growth
Noncredit	1,214.59	1,279.37	-	-	1,279.37	21-22 App#3: 21-22 App#1 plus Growth and will be used as the base for 22-23
Total	28,198.47	26,202.98	-	-	26,202.98	21-22 Adjustment: Alignment of FTES to available resources. Change Prior Year to Current Year: 21-22App#0 value minus 20-21 App#3 value and is the sum of CY restoration, decline, growth and unapplied values

California Community Colleges
 2021-22 Recalculation
 Rancho Santiago CCD
 Exhibit C - Page 2

Section Ic: FTES Restoration Authority				
variable	v	w	y	z = (v + w + y) x l
FTES Category	2018-19	2019-20	2020-21	Total \$
Credit	1,294.87	-	3,336.08	\$ 19,506,761
Incarcerated Credit	-	-	-	-
Special Admit Credit	58.41	-	(217.18)	(937,850)
CDCP	(53.51)	-	(306.00)	(2,123,616)
Noncredit	(122.31)	-	51.83	(250,347)
Total	1,177.46	-	2,864.73	\$ 16,194,948

Section Id: FTES Growth Authority			
variable	aa	ab	ac = aa x ab
FTES Category	% target	Applied #3 FTES	Growth FTES
Credit	0.12%	18,186.72	22.02
Incarcerated Credit	0.12%	-	-
Special Admit Credit	0.12%	643.04	0.78
CDCP	0.12%	5,341.22	6.47
Noncredit	0.12%	1,162.76	1.41
Total		25,333.74	30.68
Total Growth FTES Value =>>> \$			140,572

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	FTES	Funding Rate	Number of Centers	Basic Allocation	
<u>Single College Districts</u>				<u>State Approved Centers</u>				
≥ 20,000	7,084,351.71	-	\$0	≥ 1,000	\$1,416,870.12	1	\$1,416,870	
≥ 10,000 & < 20,000	5,667,481.59	-	-	<u>Grandparented Centers</u>				
< 10,000	4,250,609.24	-	-	≥ 1,000	1,416,870.12	1	1,416,870	
<u>Multi-College Districts</u>				≥ 750 & < 1,000	1,062,652.31	-	-	
≥ 20,000	5,667,481.59	1	5,667,482	≥ 500 & < 750	708,434.50	-	-	
≥ 10,000 & < 20,000	4,959,045.97	-	-	≥ 250 & < 500	354,217.81	-	-	
< 10,000	4,250,609.24	1	4,250,609	≥ 100 & < 250	177,110.02	-	-	
<u>Additional Rural \$</u>	1,351,955.59	-	-	Subtotal				
			Subtotal				\$9,918,091	
							Total Basic Allocation	\$12,751,831
							Total FTES Allocation	124,909,163
							Total Base Allocation	\$137,660,994

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$996.06	Points	2020-21 Headcount	Rate	Revenue
AB540 Students	1	1,760	\$996.06	\$1,753,072
Pell Grant Recipients	1	5,365	996.06	5,343,881
Promise Grant Recipients	1	14,454	996.06	14,397,103
		Totals		\$21,494,056

Section III: Student Success Allocation

All Students - Point Value \$587.34	Points	2018-19 Headcount	2019-20 Headcount	2020-21 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	1,203	1,299	1,220	1,240.67	\$ 2,349.37	\$2,914,779
Associate Degrees	3	1,404	1,425	1,255	1,361.33	1,762.02	2,398,702
Baccalaureate Degrees	3	23	11	16	16.67	1,762.02	29,367
Credit Certificates	2	477	524	583	528.00	1,174.68	620,232
Transfer Level Math and English	2	925	1,097	1,008	1,010.00	1,174.68	1,186,429
Transfer to a Four Year University	1.5	1,235	1,412	755	1,134.00	881.01	999,068
Nine or More CTE Units	1	4,271	4,104	4,762	4,379.00	587.34	2,571,968
Regional Living Wage	1	7,277	8,163	5,795	7,078.33	587.34	4,157,398
All Students Subtotal		16,815	18,035	15,394	16,748.00		\$14,877,943
Pell Grant Recipients - Point Value \$148.15							
Associate Degrees for Transfer	6	566	624	583	591.00	\$ 888.89	\$525,335
Associate Degrees	4.5	561	618	532	570.33	666.67	380,224
Baccalaureate Degrees	4.5	12	4	3	6.33	666.67	4,222
Credit Certificates	3	162	177	194	177.67	444.45	78,963
Transfer Level Math and English	3	374	459	343	392.00	444.45	174,223
Transfer to a Four Year University	2.25	533	599	329	487.00	333.33	162,334
Nine or More CTE Units	1.5	1,195	1,310	1,395	1,300.00	222.22	288,890
Regional Living Wage	1.5	568	689	474	577.00	222.22	128,223
Pell Grant Recipients Subtotal		3,971	4,480	3,853	4,101.33		\$1,742,414
Promise Grant Recipients - Point Value \$148.15							
Associate Degrees for Transfer	4	866	936	884	895.33	\$ 592.59	\$530,570
Associate Degrees	3	975	1,035	913	974.33	444.45	433,039
Baccalaureate Degrees	3	20	10	7	12.33	444.45	5,482
Credit Certificates	2	304	338	344	328.67	296.30	97,383
Transfer Level Math and English	2	592	711	600	634.33	296.30	187,951
Transfer to a Four Year University	1.5	803	904	475	727.33	222.22	161,630
Nine or More CTE Units	1	2,484	2,554	2,647	2,561.67	148.15	379,508
Regional Living Wage	1	1,482	1,866	1,217	1,521.67	148.15	225,433
Promise Grant Recipients Subtotal		7,526	8,354	7,087	7,655.67		\$2,020,996
Total Headcounts		28,312	30,869	26,334	28,505.00		\$18,641,353



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

LAO Warns Budget Estimates Optimistic — An Interview

BY PATTI F. HERRERA, EDD Copyright 202 School Services of California, Inc. posted May 24, 2023

The uncertainty of the economy and the blind spot created by extending the tax filing deadline to October makes projecting state General Fund revenues particularly complicated this year. As Governor Gavin Newsom and the Legislature negotiate a final agreement for the 2023-24 State Budget, the revenue assumptions they use will be important.

Just three days following the release of the May Revision, the Legislative Analyst's Office (LAO) released its initial impressions on the Governor's revised budget proposals with a warning that its revenue estimates are likely too optimistic.

We are joined today by Ken Kappahn, Principal Fiscal and Policy Analyst at the LAO, to discuss the differences between the Governor's latest revenue estimates and those of the LAO and what this can mean for Proposition 98. While some of the examples regarding funding proposals are K-12 specific, the majority of the discussion regarding the Proposition 98 predicament is of interest to community college viewers.

LAO Warns of Budget Risk

SSC REPORTS

LAO Warns Budget Estimates Optimistic

An Interview with Ken Kappahn

WHEEL OF REVENUE FORTUNE

Lower than projected

On target

Lower than projected

11:30

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Differing Senate and Assembly Budget Proposals Emerge



BY SSC GOVERNMENTAL RELATIONS TEAM

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posted May 26, 2023

A deal has not yet been reached on the 2023–24 State Budget, but each house of the Legislature has unveiled their own versions of the budget this week. On Tuesday, May 23, 2023, the Senate Budget Subcommittee on Education took action on budget items affecting community college programs and, on Thursday, May 25, 2023, the Assembly Budget Committee adopted the Assembly Budget Plan, including proposals related to community college programs. While negotiations among the Senate, Assembly, and Governor Gavin Newsom continue, it is helpful to know the details of the Senate and Assembly versions of the budget to understand what investments each house may prioritize in the closed-door discussions.

The Senate and Assembly each adopt the Governor's May Revision state revenue estimates rather than the drastically lower estimates forecasted by the Legislative Analyst's Office (LAO) (see "[LAO Warns May Revision Rife With Risk](#)" in the May 2023 *Community College Update*). However, both houses include in their respective budgets the local property tax projections of the LAO, which are higher than in the Governor's May Revision.

The actions that the Assembly and Senate took the on California Community Colleges (CCC) issues are detailed below:

- **Student Centered Funding Formula**—Both houses both approve the \$678 million ongoing to apply the 8.22% cost-of-living adjustment (COLA) to the Student Centered Funding Formula.
- **Enrollment Growth**—Both the Assembly and Senate approve the \$26.4 million ongoing to recognize 0.5% enrollment growth.
- **Categorical Programs**—The Senate approves the 8.22% COLA for select categorical programs, while the Assembly approves the 8.22% COLA for the select categorical programs as well as a COLA for basic needs centers, mental health services, rapid rehousing, NextUp, MESA, Puente, veterans resource centers, and Umoja.
- **Deferred Maintenance Reduction**—Both houses approve the \$452 million (one-time) deferred maintenance reduction proposed by the Governor.
- **COVID-19 Recovery Block Grant Reduction**—Both the Assembly and Senate reject the \$345 million (one-time) reduction proposed by the Governor.
- **Recruitment and Retention Initiatives**—Both houses reject the \$100 million proposed by the Governor for recruitment and retention in 2023–24. Additionally, the Senate proposes to reduce the one-time \$150 million included in 2022–23 by \$46.446 million.
- **Categorical Program Flexibility**—Both the Assembly and Senate reject the Governor's proposal to provide spending flexibility for the Student Equity and Achievement Program, Student Financial Aid, and Student Mental Health Resources programs.
- **Workforce Training Grants**—Both houses approve the \$14 million (one-time) to support the administration of workforce training grants in collaboration with the California Department of Forestry and Fire Protection.
- **Debt-Free College for Foster Youth**—The Senate proposes \$14 million ongoing to amend the Student Success Completion Grant program so that former and current foster youth students committing to a certain number of units have their total cost of attendance covered.
- **Associate Degree in Nursing Program**—The Senate proposes \$60 million per year, beginning in 2024–25, for at least five years to educate and maintain the next generation of registered nurses.
- **Calbright College**—The Assembly proposes to eliminate Calbright College and to adopt trailer bill language directing the college to develop a closure plan.
- **Full-Time Faculty Language**—The Assembly proposes to adopt trailer bill language to implement recommendations made by the State Auditor to improve colleges' use of funding to increase full-time faculty and to achieve the state goal of 75% of instruction taught by full-time faculty.

Flexible Spending Proposals

In addition to the items above, the Assembly and Senate both offer proposals to flex deferred maintenance, recruitment and retention, and COVID-19 Recovery Block Grant dollars.

The Senate would take the \$650 million from the 2022-23 COVID-19 Recovery Block Grant and \$103.554 from the 2022-23 Recruitment and Retention initiative to establish the \$753.554 million CCC Recovery Block Grant. The Senate would allow districts to use these dollars for recruitment and retention, all purposes indicated within the COVID-19 Recovery Block Grant, and deferred maintenance. However, this proposal does not permit the 2022-23 deferred maintenance dollars to be flexed, meaning those dollars must still be used for deferred maintenance.

Rather than create a block grant, the Assembly simply approves trailer bill language to allow colleges to use remaining funds from the COVID-19 block grant, student retention and recruitment, and deferred maintenance for any of these purposes. Unlike the Senate, the Assembly's proposal permits districts to flex their 2022-23 deferred maintenance dollars.

Student Housing and Revolving Loan Fund

The Senate adopts Governor Newsom's proposal to provide \$450 million one-time General Fund for 2023-24 and \$95.4 million one-time General Fund for 2024-25 for CCC affordable student housing projects. The Assembly, however, proposes to provide \$360.7 million to support Riverside, Merced, Cabrillo, Cerritos, and San Mateo student housing projects and move the remaining \$89.3 million to the Revolving Loan Fund.

For the Revolving Loan Fund, Governor Newsom has proposed to delay \$900 million planned in 2023-24 to the 2025-26 fiscal year and delay \$250 million from the 2024-25 fiscal year to the 2025-26 fiscal year. This delay would result in \$650 million in 2024-25 and \$1.15 billion in 2025-26 being available for the program.

The Senate's proposal is to provide \$1.15 billion General Fund over three years (\$383 million in each of 2023-24, 2024-25, and 2025-26) while the Assembly would provide \$239.3 million one-time to begin fund in 2023-24, \$650 million in 2024-25, and \$1.2 billion in 2025-26.

Next Steps

The Assembly and Senate will need to reach agreement, and the members of each house must pass a budget by June 15, 2023, in order to avoid penalties. We expect the agreement to include the Governor before the fiscal year starts on July 1, 2023. We will provide further updates in our Community College Update articles as information becomes available.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Dartboard for 2023-24 Now Available

 [BY KYLE HYLAND](#)

 [BY MICHELLE MCKAY UNDERWOOD](#)

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posted June 1, 2023

With the release of the 2023-24 May Revision, the School Services of California Inc. (SSC) Financial Projection Dartboard (Dartboard) has been updated to incorporate the latest budget and financial planning factors to assist in developing local agency budgets. Included in the Dartboard are the proposed factors for the current and out-year statutory cost-of-living adjustment (COLA), as well as the funded COLA for the Student Centered Funding Formula provided by the Department of Finance.

In addition, this widely used planning tool provides the foundation for budget assumptions related to other revenues and expenditures including Lottery and Mandate Block Grant rates, as well as California's Consumer Price Index for the current and future years. Given the changes in the California State Teachers' Retirement System and California Public Employees' Retirement System contribution rates that are being implemented, and the recent changes relative to Unemployment Insurance, we continue to include the relevant contribution rates on the Dartboard. With potential annual changes to the minimum wage due to inflation, we are also including this factor on the Dartboard. As a reminder, any rate changes to the minimum wage go into effect on January 1 of the respective year.

SSC Community College Financial Projection Dartboard 2023-24 May Revision

This version of School Services of California Inc. (SSC) Financial Projection Dartboard is based on the Governor's 2023-24 May Revision. We have updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and other planning factors. We have also updated the Student Centered Funding Formula (SCFF) factors. 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.

SCFF PLANNING FACTORS					
Factor	2022-23	2023-24 ¹	2024-25	2025-26	2026-27
Department of Finance Statutory COLA	6.56%	8.22%	3.94%	3.29%	3.19%
Planning COLA	6.56%	8.22%	3.94%	3.29%	3.19%
Growth Funding	0.50%	0.50%	TBD	TBD	TBD
SCFF Basic Allocation Increase	\$200 m	—	TBD	TBD	TBD
SCFF Base Funding Increase	\$400 m	—	TBD	TBD	TBD

SCFF RATE FACTORS FOR 2022-23 and 2023-24		
	2022-23	2023-24
Base Credit	\$4,840	\$5,238
Supplemental Point Value	\$1,145	\$1,239
Student Success Main Point Value	\$675	\$730
Student Success Equity Point Value	\$170	\$184
Incarcerated Credit, Special Admit Credit, CDCP*	\$6,788	\$7,346
Noncredit	\$4,082	\$4,417

OTHER PLANNING FACTORS					
Factors	2022-23	2023-24	2024-25	2025-26	2026-27
California CPI	5.71%	3.54%	3.02%	2.64%	2.89%
California Lottery	Unrestricted per FTES**	\$170	\$170	\$170	\$170
	Restricted per FTES	\$67	\$67	\$67	\$67
Mandate Block Grant	\$32.68	\$35.37	\$36.76	\$37.97	\$39.18
Interest Rate for Ten-Year Treasuries	3.65%	3.13%	2.81%	2.90%	3.00%
CalSTRS Employer Rate ²	19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate ²	25.37%	26.68%	27.70%	28.30%	28.70%
Unemployment Insurance Rate ³	0.50%	0.05%	0.05%	0.05%	0.05%
Minimum Wage ⁴	\$15.50	\$16.00	\$16.50	\$16.90	\$17.30

*Career development and college preparation

**Full-time equivalent student

¹Applies to Adult Education, Extended Opportunity Programs and Services, Disabled Students Programs and Services, Apprenticeship, CalWORKs Student Services, the Mandate Block Grant and reimbursements, Cooperative Agencies Resources for Education, and the childcare tax bailout.

²California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) rates in 2023-24 are final, and the subsequent years' rates are subject to change based on determination by the respective governing boards.

³Unemployment rate in 2023-24 is final based on determination by the Employment Development Department 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 and are effective January 1 of the respective year.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Congress Approves Debt Ceiling Legislation



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posted June 2, 2023

On Wednesday, May 31, 2023, the U.S. House of Representatives approved the debt ceiling deal brokered by President Joe Biden and House Speaker Kevin McCarthy (R-CA) by a vote of 314-117. The U.S. Senate followed suit, approving the bill late Thursday evening by a vote of 63-36 and then sent the measure to President Biden, who is expected to sign the legislation into law at some point today, Friday, June 2, 2023.

The agreement reached between the Biden Administration and Speaker McCarthy suspends the federal government's \$31.4 trillion borrowing limit through January 1, 2025, ensuring that there will be no debt ceiling standoff between the President and House Republicans during the 2024 presidential election. More importantly, the deal averts an economic crisis by guaranteeing that the U.S. will not default on its financial obligations. Without this deal, U.S. Treasury Secretary Janet Yellen predicted that the nation would have hit its debt limit on June 5.

In exchange for suspending the debt ceiling, the Biden Administration agrees to keep non-defense spending flat in fiscal year (FY) 2024 and cap total spending increases for FY 2025 at 1%. This means that the \$10.8 billion increase for education programs that President Biden proposed back in his FY 2024 budget blueprint back in March will not be realized (see "[President Biden Releases 2024 Budget](#)" in the March 2023 *Community College Update*).

The agreement also claws back approximately \$27 billion in unspent COVID-19 relief funding, including \$392 million from the Education Stabilization Fund (ESF). The ESF is comprised of the four primary federal emergency relief funds for education during the pandemic: the Elementary and Secondary School Emergency Relief Fund, the Governor's Emergency Education Relief Fund, the Emergency Assistance to Non-Public Schools Fund, and the Higher Education Emergency Relief Fund.

It is important to note that the dollars being recaptured from the ESF are unobligated funds that have yet to be awarded because they are still sitting in the U.S. Treasury and thus were not available for release to states or community college districts (CCDs) by the U.S. Department of Education. This means that CCDs should not worry about forfeiting ESF dollars they have spent or encumbered since the obligation and spending deadlines for the various funds have not changed in the debt ceiling measure.

The bill also imposes stricter work requirements for the Supplemental Nutrition Assistance Program, claws back funding for the Internal Revenue Service enforcement, protects veterans' health care benefits, restarts student loan repayments, and accelerates the permitting of new energy projects. The Congressional Budget Office estimates that the legislation will cut federal spending by \$1.5 trillion over a decade.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Top Legislative Issues—June 2, 2023

 [BY SSC GOVERNMENTAL RELATIONS TEAM](#)

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Both the Assembly and Senate held lengthy floor sessions this week in order to meet the June 2, 2023, “house of origin” deadline. Since we are in the first year of the 2023-24 Legislative Session, any bills that fall short of mustering sufficient votes for passing this latest legislative hurdle are considered inactive for the rest of the year but can be revived in 2024.

While most bills clear the “house of origin” deadline, it is much harder to get out of the second house than the first for various reasons. Second house policy committees expect the kinks of a bill to be substantially worked out by this point in the process and are not as forgiving as when a bill was just a few weeks old, as is the case during the first round of policy committee hearings. Additionally, priorities of one house may not align with the priorities of the other, making certain measures more difficult to pass than others.

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

- [Affordability](#)
- [Employees](#)
- [Facilities](#)
- [Health/Safety](#)
- [Miscellaneous](#)
- [Student Services](#)

Affordability

[Assembly Bill \(AB\) 607](#) (Kalra, D-San Jose)—Public Postsecondary Education: Course Materials. As amended on May 18, 2023, this bill would require each campus of the California Community Colleges (CCC) and the California State University (CSU) to prominently display the estimated costs for each course,

including all required course materials and fees directly related to those materials, for no less than 75% of the total number of courses on the online campus course schedule. The bill would define, for purposes of this requirement, “course materials” to include digital or physical textbooks, devices such as calculators and remote attendance platforms, and software subscriptions.

AB 607 was approved 80-0 by the Assembly and is now in the Senate awaiting committee assignment.

Employees

AB 472 (Wicks, D-Oakland)—Classified School District and Community College Employees: Compulsory Leaves of Absence: Compensation. As amended on May 18, 2023, this bill would require K-14 districts to provide back pay to any classified employee if the district places the employee on an involuntary leave of absence during the period in which the employee is charged with a criminal offense, under investigation, or waiting due to administrative delay for necessary job-related administrative determinations and the determination is found in favor of the employee.

This bill was approved 66-8 by the Assembly and is now in the Senate awaiting committee assignment.

AB 1699 (McCarty, D-Sacramento)—K-14 Classified Employees: Part-Time or Full-Time Vacancies: Public Postings. As amended on May 18, 2023, this bill would require vacancies for part-time or full-time positions of a K-14 district to be offered with priority to current non-probationary classified employees who meet the minimum job qualifications of the position or who could meet the minimum job qualifications after ten or fewer hours of paid training, unless otherwise negotiated. The bill would require K-14 districts to adhere to specified requirements, including providing all classified employees notice of, and instructions for applying for, any new classified position at least ten business days before the general public is authorized to apply for the position. AB 1699 would also require an education employer to accept a current part-time employee’s number of years of service with the education employer, regardless of the capacity in which they were earned, when that part-time employee applies for an additional part-time assignment that requires a certain number of years of service. The bill would require classified employees who work part-time assignments that equal the number of hours for a full-time assignment for the same education employer to receive the same benefits as employees who work a full-time assignment.

AB 1699 was approved 60-15 in the Assembly and is now in the Senate awaiting committee assignment.

Senate Bill (SB) 433 (Cortese, D-San Jose)—Classified School and Community College Employees: Disciplinary Hearings: Appeals: Impartial Third-Party Hearing Officers. As amended on May 18, 2023, this bill would authorize a permanent classified employee in a non-merit K-14 district to appeal disciplinary action to an impartial third-party hearing officer, paid for by the district and jointly selected by the district and the employee union. The only exception is if the district and union enter into an agreement providing an alternative method of appealing disciplinary action.

This bill was approved 28-11 in the Senate and is now in the Assembly where it has been double referred to the Assembly Public Employment and Retirement Committee and the Assembly Higher Education Committee.

Facilities

AB 247 (Muratsuchi, D-Torrance)—**Education Finance: School Facilities: Kindergarten Through Community College Public Education Facilities Bond Act of 2024**. As amended on May 18, 2023, this bill would place a \$14 billion transitional kindergarten through community college (TK-14) facilities bond on the 2024 statewide ballot in an unspecified election. There is no remaining bond authority from Proposition 51 to allocate to new community college projects, but this bill would require the Board of Governors to review and evaluate applications for bond funds and prepare a capital outlay spending plan for recommendation for funding in the annual Budget Act.

AB 247 was approved 66-0 by the Assembly and is now in the Senate awaiting committee assignment.

SB 28 (Glazer, D-Contra Costa)—**Education Finance: School Facilities: Public Preschool, K-12, and College Health and Safety Bond Act of 2024**. This bill would place a \$15.5 billion preschool through higher education bond before voters on the March 5, 2024, statewide primary election. Each higher education segment would receive \$2 billion. SB 28 is largely a reintroduction of AB 48 (O'Donnell, Statutes of 2019) that placed Proposition 13 on the 2020 primary election ballot, which was rejected 53% to 47% by voters.

This bill was approved 33-4 by the Senate and is now in the Assembly where it has been double referred to the Assembly Education Committee and the Assembly Higher Education Committee.

SSC Comment: Even though both bond bills cleared the house of origin deadline, the Legislature is not going to place competing bond proposals before voters in 2024. This means that Senator Steve Glazer, Assemblymember Al Muratsuchi, and the various interest holders will need to craft one proposal for the Legislature to approve and place before voters on either the 2024 primary or General Election ballot.

Health/Safety

AB 299 (Holden, D-Pasadena)—**Hazing: Educational Institutions: Resources**. As amended on May 18, 2023, this bill would establish civil liability for higher education institutions with direct involvement in, or that knew/should have known of, the dangerous hazing practices of the school organization at the time of an alleged hazing incident. For purposes of determining whether an educational institution fails to proactively prevent, discover, or stop the dangerous hazing practices, the bill would authorize consideration of the extent to which the institution had specific antihazing measures in place at the time of the alleged hazing incident.

AB 299 was approved 63-4 in the Assembly and is now in the Senate awaiting committee assignment.

AB 1138 (Weber, D-San Diego)—**Postsecondary Education: Sexual Assault and Sexual Violence Prevention: Transportation Services**. As a condition of receiving state funds for student financial assistance, this bill would, as amended on May 18, 2023, require the CCC and the CSU to provide to students, free of charge and, to

the extent possible, in a manner that protects student confidentiality, transportation to and from a local Sexual Assault Forensic Examination (SAFE) or Sexual Abuse Response Team (SART) exam center for a qualified health care provider to administer the sexual assault forensic medical evidence kit. The bill would authorize a campus health center staff member to transport the student to and from a local SAFE or SART exam center for a qualified health care provider to administer the sexual assault forensic medical evidence kit. The bill would require, as a condition of receiving state financial assistance funds, the systems to submit a report to the Legislature on whether their respective institutions have provided transportation for students to and from a local SAFE or SART exam center for a qualified health care provider to administer the sexual assault forensic medical evidence kit and the manner in which students received the transportation.

This bill was approved 80-0 by the Assembly and is now in the Senate awaiting committee assignment.

Miscellaneous

SB 532 (Weiner, D-San Francisco)—Ballot Measure: Local Taxes. Existing law requires local bond and tax proposals to include the tax rate, duration of the measure, and amount of money to be raised annually. Current law also prohibits the ballot label from containing more than 75 words and limits the label to be a condensed version of the ballot title and summary.

As amended, on May 18, 2023, SB 532 would exempt fiscal disclosure requirements for local tiered tax and bond measures from the 75-word cap on local ballot labels.

Senator Scott Wiener and the proponents of SB 532 argue that the measure would allow local jurisdictions to fully explain their tax and bond proposals by exempting the fiscal disclosure requirements from the 75-word cap. The opponents, headlined by the Howard Jarvis Taxpayers Association, argue that passage rates for local tax and bond measures have remained consistently high, even after the passage of AB 809 (Oberholte, Statutes of 2015) and AB 195 (Oberholte, Statutes of 2017), the bills that established the 75-word cap.

SB 532 was approved 34-3 by the Senate and is now in the Assembly awaiting committee assignment.

Student Services

AB 610 (Holden)—Youth Transit Pass Pilot Program: Free Youth Transit Passes. As amended on May 18, 2023, this bill would, upon an appropriation, create the Youth Transit Pass Pilot Program, to be administered by the Department of Transportation, for the purpose of awarding grants to transit agencies for the creation, marketing, provision, and administration of fare-free programs. The bill would make students at educational institutions eligible for the fare-free programs.

This bill was approved 80-0 by the Assembly and is now in the Senate awaiting committee assignment.

2023 Legislative Calendar—Upcoming Holidays and Deadlines

June 2—Last day for each house to pass bills introduced in that house.

June 5—Committee meetings may resume.

June 15—Budget Bill must be passed by midnight.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Recession or No Recession? Flip a Coin



BY MICHELLE MCKAY UNDERWOOD

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posted June 12, 2023

For its third Anderson Forecast (Forecast) in a row, the UCLA Anderson School of Management has the outlook of the U.S. economy on the flip of a coin—with both a mild recession and a slowly growing economy having nearly equal likelihood of occurring in the third quarter of this year.

One of the biggest determining factors is likely consumer confidence and spending. UCLA's economists noted that Americans still have somewhere between \$800 billion and \$1.2 trillion in excess savings from the pandemic. Under UCLA's recession scenario, the deficit in gross domestic product (GDP) would be \$384 billion less than a steady growth scenario—meaning Americans' consumption of goods and services could make the difference between a mild recession and a continued growing economy. Americans' spending patterns would also affect business investment, and whether companies believe they need to continue to grow to keep up with demand or hit the brakes. Another major sector of GDP, government spending, is likely to remain flat and therefore not be a significant factor in the recession equation.

If a recession does take place, it would likely be experienced by Americans the same way the first half of 2022 felt, with negative GDP annual growth rates but declining inflation and unemployment rates. In the U.S. recession scenario, GDP would be negative for three quarters, returning to positive growth in mid-2024; unemployment would peak at 4.5% in the second quarter of 2024; and inflation would stay higher initially, but ease down more quickly in 2024 and 2025.

Turning to California, UCLA's economists once again focused on the solid footing that the state finds itself in if a recession is on the horizon. Forecast Director Jerry Nickelsburg noted that the current-day State Budget negotiations taking place between the Legislature and Newsom Administration revolve around whether it is sufficiently a "rainy day" situation to warrant tapping into the state's reserves or whether those funds should be retained for more severe economic conditions.

California has regained and surpassed its pre-pandemic number of nonfarm payroll jobs by 2.1% in April 2023, but Nickelsburg stated that job recovery has been uneven by sector and by region of the state, with job growth higher than the nation in every region except the Inland Empire and the State of Jefferson area. Regarding technology layoffs, he notes that those jobs leaving large tech firms are being quickly absorbed by small tech firms and start-ups, fueled by venture capital and high-tech production growth.

Regarding housing, the median price has dropped 8.4% from its peak in California, although this drop only brings the rate back to mid-2021 levels. Nickelsburg stated that Californians moving out of the state during the pandemic did a great job of exporting housing unaffordability with them, driving prices up elsewhere and removing the price advantage that Californians migrating out of state experienced previously.

In summation, if the nation goes into a recession, California will experience basically flat job growth in 2024, and a slightly higher unemployment rate in 2023 and the following two years than in the absence of a recession.

UCLA's economists expect the outlook to be clearer by its next Forecast in early October 2023, and hope to drop the dueling scenario projections. Until then, we'll wait to see if Americans spend their savings like the fate of the national economy depends up on it.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Statewide Facilities Bond Bills Pending in the Legislature

✓ BY PATTI F. HERRERA, EDD

✓ BY BRIANNA GARCÍA

Copyright 2023 School Services of California, Inc.

posted June 12, 2023

As hundreds of public educational agencies across California prepare to take advantage of the summer months to build new, modernize, and address deferred maintenance issues related to their facilities, one of the biggest questions on their minds is when we can anticipate another statewide bond to provide critical state matching funds to perfect local projects (or, more likely, replenish local coffers that have been fronting anticipated state funds)?

The answer is hopefully soon. There are two statewide education facilities bond bills making their way through the Legislature this year in the hopes of being presented to the voters in 2024—Assembly Bill (AB) 247 (Muratsuchi, D-Torrance) and Senate Bill (SB) 28 (Glazer, D-Orinda)—that, while largely similar to each other, contain some significant differences.

For the most part, both bills do not go into a level of detail for community college facilities that they do for TK-12 districts. The chart below provides a side-by-side comparison of the major provisions of AB 247 and SB 28.

	AB 247 (Muratsuchi)	SB 28 (Glazer)
	Transitional Kindergarten Through Community College Public Education Facilities Bond Act of 2024	Public Preschool, K-12, and College Health and Safety Bond Act of 2024
Bond Amount	\$14.0 billion K-12: unspecified Community Colleges: unspecified	\$15.5 billion K-12: \$9.5 billion Community Colleges: \$2.0 billion California State University (CSU): \$2.0 billion University of California (UC): \$2.0 billion
Segments	K-12 and community colleges	K-12, community colleges, CSU, and UC
Ballot	Unspecified	March 5, 2024
Key School Facility Program Changes		
Bonding Capacity	Unchanged	2.0% Elementary/high school districts 4.0% Community College/Unified school districts
Conditions	One-time submittal of facilities inventory	Submittal of new or updated, as appropriate, five-year master plan

Additionally, SB 28 requires an independent performance audit of any project funded in whole or in part from the proceeds of a bond.

Both bond bills passed out of their respective houses of origin and will soon be considered by the policy committees in the Assembly and the Senate. AB 247 is scheduled to be heard by the Senate Education Committee on June 14, 2023, while SB 28 is awaiting a hearing date in the Assembly Higher Education Committee.

Should state policymakers decide to place a statewide bond on the 2024 primary election ballot, the bond bill that reflects a final agreement between the Senate, the Assembly, and Governor Gavin Newsom must make its way to the Governor this fall. If policymakers decide to take a statewide bond measure to the voters at the 2024 General Election, lawmakers have until next summer to reach a final agreement.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

2023-24 Legislative State Budget Announced

 **BY SSC GOVERNMENTAL RELATIONS TEAM**

Copyright 2023 School Services of California, Inc. posted June 13, 2023

On Monday, June 12, 2023, Senate President pro Tempore Toni Atkins and Assembly Speaker Anthony Rendon announced that the Legislature had agreed to a 2023-24 State Budget. (As a refresher on where the two houses' priorities lay just after the May Revision was released, see "[Differing Senate and Assembly Budget Proposals Emerge](#)" in the May 2023 *Community College Update*.)

This comes just in time to meet the 72-hour deadline for a budget bill to be in print before a vote by the Legislature and keeps the Legislature on track to meet its June 15 constitutional deadline for a State Budget to be approved.

The main budget bill is Assembly Bill (AB) and Senate Bill (SB) 101. These bills (which are identical) provide limited information about the use of community college spending, along with the Senate and Assembly summary of the plan, which outlines:

- Providing an 8.22% cost-of-living adjustment (COLA) for select categorical programs and the Student Centered Funding Formula
- Providing the 8.22% COLA to basic needs centers, mental health services, rapid rehousing, NextUp, MESA, Puente, veteran's resource centers, and Umoja programs
- Rejecting Governor Gavin Newsom's proposals to provide additional funding to support student retention and recruitment activities
- Rejecting the proposed cuts to community colleges' COVID-19 Recovery Block Grant and instead providing districts the flexibility to spend funding amongst COVID-19 learning loss, recruitment and retention, and deferred maintenance purposes
- Approving the \$452 million cut to deferred maintenance

- Providing \$60 million per year, for at least five years, to grow, educate, and maintain the next generation of registered nurses through the community college system starting in 2024-25
- Rejecting funding delays for the California Student Housing Revolving Loan Fund and instead providing \$300 million per year for six years (2023-24 through 2028-29)
- Approving funding to bolster safe spaces, learning communities, and other support services for LGBTQ+ students that attend community colleges across the state

Also included in the legislative plan is to adopt placeholder trailer bill language to implement recommendations made by the State Auditor to “improve colleges’ use of funding to increase full-time faculty, and to achieve the state goal of 75% of instruction taught by full-time faculty.” This is based on the audit that came out back in February 2023, which included several robust recommendations all aimed specifically at the California Community Colleges Chancellor’s Office, but with implications for local districts, and deadlines of August 2023 and February 2024 (see “[State Auditor Releases Report on District Hiring Practices](#)” in the February 2023 *Community College Update*). To date, these audit recommendations have not been discussed in a legislative hearing and it is unclear which recommendations would be implemented.

It is important to note that this is *not* the final State Budget, as Governor Newsom has not agreed to this spending plan. Both the Assembly and Senate Budget Committees are meeting on Wednesday to approve this budget, and floor votes in both houses are expected on Thursday, June 15.

In the meantime, the Legislature continues to negotiate with the Newsom Administration, and once a final deal has been reached, legislation to make changes to AB/SB 101 and accompanying trailer bill language will be released. We will keep you updated as California moves closer to a final 2023-24 State Budget.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

2023-24 State Budget Agreement Reached

 [BY KYLE HYLAND](#)

 [BY MICHELLE MCKAY UNDERWOOD](#)

Copyright 2023 School Services of California, Inc. posted June 27, 2023

A week prior to the new fiscal year, a package of trailer bills was released by the Legislature, reflecting additional details of the 2023-24 State Budget. Late last night, Governor Gavin Newsom, Senate President pro Tempore Toni Atkins (D-San Diego), and Assembly Speaker Anthony Rendon (D-Lakewood) [announced](#) that the three parties had reached an agreement on the 2023-24 State Budget.

The bill that reflects the deal is Assembly Bill (AB) 102, which will amend Senate Bill (SB) 101—the main State Budget bill that reflected the Legislature’s approach to the 2023-24 fiscal year (see “[Legislature Approves 2023-24 State Budget](#)” in the June 2023 *Community College Update*).

Within the package, and of the most relevance to the California Community Colleges (CCC), is SB 117, the higher education trailer bill. Today, June 27, 2023, the Legislature approved both AB 102 and SB 117 and they are on their way to Governor Newsom’s desk for his action. It is important to note that while SB 117 may not be changed by the Governor when it arrives at his desk, as always, subsequent bills could change these provisions.

With these caveats in mind, we believe it is critically important for community college districts (CCDs) to understand the framework of the 2023-24 State Budget. SB 117, which is a 117-page bill making various changes to the Education Code:

- Reduces the recruitment and retention initiatives reduction amount scored to 2022-23 from \$150 million to \$94.163 million
- Includes a net reduction of \$494.281 million deferred maintenance reduction based on reductions and appropriations scored to the 2021-22, 2022-23, and 2023-24 fiscal years
 - Allows districts to spend remaining amounts for the following purposes: recruitment and retention initiatives, all purposes within the \$650 million CCC COVID-19 Recovery Block Grant

that was included in the 2022 Budget Act, and the CCC deferred maintenance categorical program

- Appropriates, subject to future legislation, \$60 million per year for five years, starting in the 2024-25 fiscal year, to expand nursing programs and bachelor of science in nursing partnerships
- Specifies University of California (UC), California State University (CSU), and CCC campuses to receive funding in the next round of the Higher Education Student Housing Grant Program and shifts the fund source for prior, new, and future construction projects from the General Fund to bonds
- Includes \$200 million General Fund in 2023-24 and \$300 million annually from the 2024-25 to 2028-29 fiscal years per year for the Student Housing Revolving Loan Fund
- Appropriates \$500,000 to the California Community Colleges Chancellor's Office (CCCCO) to enter into a memorandum of understanding with a third-party research institution to conduct a systematic review of online and hybrid education at community colleges throughout the state
- Restores the CCC as the administrator of the K-12 Strong Workforce Program

SB 117 also looks to implement the following changes to CCC full-time faculty statute, per the findings of the audit that came out back in February 2023 (see "[State Auditor Releases Report on District Hiring Practices](#)" in the February 2023 *Community College Update*):

- Requires CCDs, as a condition of receiving funding for full-time faculty, to report their progress in increasing the percentage of instruction by full-time faculty and in diversifying faculty
- Requires the CCCCCO to, no later than May 30 of each year, synthesize the information received from the districts into a systemwide report to be posted on a public website
- Requires the CCCCCO to establish and implement a process that verifies that district expenditures related to full-time faculty are used for that purpose
- Requires colleges to expand their use of best practices in terms of Equal Employment Opportunity programs to promote faculty diversity by directing the CCCCCO to ensure that districts are performing analyses needed to identify and determine the causes of any underrepresentation in the faculty they hire

As the 2023-24 State Budget is finalized over the coming days and weeks, we will dig into the details of these new provisions of law through a series of Community College Update articles, with an emphasis on the significant changes since the May Revision. We will also let you know when Governor Newsom acts on these bills. Stay tuned.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Top Legislative Issues for 2023—June 30, 2023

[BY SSC GOVERNMENTAL RELATIONS TEAM](#) Copyright 2023 School Services of California, Inc. posted June 30, 2023

The Assembly Higher Education Committee, chaired by Assemblymember Mike Fong (D-Alhambra), held its second hearing to consider Senate higher education bills this past Tuesday, June 27, 2023. The committee approved all 9 measures on the agenda.

The Senate Education Committee, chaired by Senator Josh Newman (D-Fullerton), met for the fourth consecutive week to consider and approve 22 Assembly bills. The committee is scheduled to meet over the next two weeks to consider another 35 bills, again illustrating that the Assembly sends over significantly more measures for the Senate to consider.

Two weeks from today, July 14, is the deadline for second house policy committees to approve legislation and send bills to the Appropriations Committee or straight to the house floor. The Legislature will then begin its month-long summer recess and will not return to Sacramento until Monday, August 14, 2023.

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

- [College and Career](#)
- [Employees](#)
- [Facilities](#)
- [Student Safety](#)
- [Student Services](#)
- [Tuition and Fees](#)

College and Career

[Assembly Bill \(AB\) 1695](#) (Gipson, D-Carson)—**Career Technical Education: Nursing Pathway Pilot Program**. As amended on April 18, 2023, this bill would establish the Nursing Pathway Pilot Program in high schools to create pathways toward associate degrees in nursing at the California Community Colleges (CCC) until January 1, 2032. More specifically, the bill would require the State Superintendent of Public Instruction to, subject to an appropriation, allocate funding for the development of career pathways toward an associate degree in nursing at community college schoolsites. The bill would require that a student who completes a pilot program be granted preferential enrollment status toward an associate degree at any CCC, subject to the establishment of additional capacity in community college nursing programs above and beyond the level in place for the 2024-25 academic year.

This bill was approved by a unanimous 7-0 vote in the Senate Education Committee this past Wednesday and now heads to the Senate Appropriations Committee.

Employees

[Senate Bill \(SB\) 433](#) (Cortese, D-San Jose)—**Classified School and Community College Employees: Disciplinary Hearings: Appeals: Impartial Third-Party Hearing Officers**. As amended on May 18, 2023, this bill would authorize a permanent classified employee in a non-merit K-14 district to appeal disciplinary action (defined as dismissals and suspensions of staff and demotions of nonsupervisory staff) to an impartial third-party hearing officer (defined as an arbitrator selected by striking from a list of seven arbitrators to be obtained by parties from the California State Mediation and Conciliation Service), paid for by the district and jointly selected by the district and the employee union.

The only exception is if the district and union enter into an agreement providing an alternative method of appealing disciplinary action.

SB 433 was approved 8-3 (one absence) in the Assembly Higher Education Committee this past Tuesday and now goes to the Assembly Appropriations Committee, where its fiscal implications will be scrutinized.

[SB 791](#) (McGuire, D-Healdsburg)—**Postsecondary Education: Academic and Administrative Employees: Disclosure of Sexual Harassment**. As amended on June 15, 2023, this bill would require community college districts (CCDs) and the California State University (CSU) to require, as part of the hiring process for an appointment to an academic or administrative position, that the applicant disclose any final administrative decision or final judicial decision, issued within the

last seven years, determining that the applicant committed sexual harassment. The bill would prohibit CCDs and the CSU from asking an applicant to disclose information concerning any final administrative decision or final judicial decision described above, including any inquiry about an applicable decision on any employment application, until it has determined that the applicant meets the minimum employment qualifications stated in the notice issued for the position.

SB 791 was approved 11-0 (one absence) by the Assembly Higher Education Committee this past Tuesday and now heads to the Assembly Appropriations Committee.

Facilities

SB 28 (Glazer, D-Contra Costa)—Education Finance: School Facilities: Public Preschool, K-12, and College Health and Safety Bond Act of 2024. This bill would place a \$15.5 billion preschool through higher education bond before voters on the March 5, 2024, statewide primary election. Each higher education segment would receive \$2 billion. SB 28 is largely a reintroduction of AB 48 (O'Donnell, Statutes of 2019) that placed Proposition 13 on the 2020 primary election ballot, which was rejected 53% to 47% by voters.

SB 28 was approved 9-1 (two absences) by the Assembly Higher Education Committee this past Tuesday and will now go to the Assembly Education Committee for consideration and needs to clear that committee in order to meet the July 14 deadline.

SSC Comment: Even though both bond bills, SB 28 and AB 247 (Muratsuchi, D-Torrance), continue to move along in the legislative process, the Legislature is not going to place competing bond proposals before voters in 2024 (see "[Statewide Facilities Bond Bills Pending in the Legislature](#)" in the June 2023 *Community College Update*). This means that Senator Steve Glazer, Assemblymember Al Muratsuchi, and the various interest holders will need to craft one proposal for the Legislature to approve and place before voters on either the 2024 primary or General Election ballot.

Student Safety

AB 299 (Holden, D-Pasadena)—Hazing: Educational Institutions: Resources. As amended on June 19, 2023, this bill would, beginning January 1, 2025, establish civil liability for higher education institutions if the institution has direct involvement in, knew, or, in the exercise of ordinary care, should have known of, the hazing practices of the school organization to which the student is seeking membership and the organization involved in the hazing is affiliated (recognized or sanctioned by the educational institution) with the educational institution at the time of the alleged hazing incident. The bill would specify that an educational institution that should have known of those hazing practices includes an institution that unreasonably fails to proactively prevent, discover, or stop the hazing practices. For purposes of determining whether an educational institution fails to proactively prevent, discover, or stop the hazing practices, the bill would authorize consideration of the extent to which the institution had specific antihazing measures in place at the time of the alleged hazing incident.

AB 299 was highly scrutinized by the Senate Judiciary Committee this past Tuesday, with members encouraging the author to further amend the bill to help alleviate the concerns of the higher education institutions that oppose the measure. Some of the proposed amendments include:

- Clarifying language to state, "That the institution knew or should have known and did not take appropriate responsive action to the known hazing incident"
- Setting forth parameters that identify the reasonable conduct by the institution in addressing hazing and state that if the institution would be shielded by civil liability if these parameters are adopted

The chair of the committee, Senator Thomas Umberg (D-Santa Ana), said that he wants to work with the chair of the Senate Appropriations Committee to create both the elements for the cause of action and the affirmative defense for the bill. The bill was then approved 8-1 (with two absences) by the committee and will be heard by the Senate Education Committee next Wednesday and needs to clear that committee in order to meet the July 14 deadline.

AB 461 (Ramos, D-Highland)—Student Safety: Fentanyl Test Strips. As amended on June 15, 2023, this bill would require CCDs and the CSU to stock and distribute fentanyl test strips at their campus health centers, provide information about the use and location of fentanyl test strips as part of established campus orientations, and to notify students of the presence and location of fentanyl test strips.

This bill was approved 7-0 on the Senate Education Committee's consent calendar this past Wednesday and will now have to clear the Senate Health Committee in order to meet the July 14 deadline.

Student Services

AB 1524 (Lowenthal, D-Long Beach)—Postsecondary Education: On-Campus Access to Drug Testing Devices and Antitampering Devices. As amended on June 19, 2023, this bill would require CCDs and the CSU to stock an adequate supply of drug testing devices and antitampering devices that are available and accessible, free of charge, at no fewer than one designated and accessible location on each campus and post a notice on these requirements in a prominent and conspicuous location in all restrooms. The bill defines "antitampering devices" as covers, lids, and other devices designed to prevent an individual from tampering with or adding controlled substances to a drink. The bill defines "drug testing devices" as test strips, stickers, straws, and other devices designed to detect the presence of controlled substances in a drink.

This bill was approved 7-0 on the Senate Education Committee's consent calendar this past Wednesday and now heads to the Senate Appropriations Committee.

Tuition and Fees

[AB 91](#) (Alvarez, D-San Diego)—Community Colleges: Exemption From Nonresident Tuition Fee: San Diego and Imperial Counties Community Colleges Association. As amended on March 13, 2023, this bill would authorize, until January 1, 2029, a community college that is a member of the San Diego and Imperial Counties Community Colleges Associations (SDICCCA) to waive nonresident tuition fees and claim apportionment for a limited number of low-income students that reside in Mexico within 45 miles of the California-Mexico border.

However, during the Senate Education Committee hearing this week, the author accepted the following amendments from the committee staff:

- Deleting references to the SDICCCA from the bill and replacing them with references to the applicable colleges: Cuyamaca Community College, Grossmont Community College, Imperial Valley Community College, MiraCosta Community College, Palomar Community College, San Diego City Community College, San Diego Mesa Community College, San Diego Miramar Community College, or Southwestern College
- Deleting the requirement for the SDICCCA to adopt the rules and regulations and instead require the governing boards of the specified community colleges to adopt uniform policies
- Including language that requires, as a condition of a student receiving an exemption, the governing boards of the specified colleges to collaborate with each other to ensure the adoption of a uniform policy

This bill was approved 6-0 (one abstention) in the committee and will now go the Senate Appropriations Committee, where its fiscal implications will be scrutinized.

2023 Legislative Calendar—Upcoming Holidays and Deadlines

July 4—Independence Day.

July 14—Last day for policy committees to meet and report bills. Summer recess begins upon adjournment, provided the budget bill has been passed.



California Community Colleges

2023-24 State Budget Update | June 27, 2023

SUMMARY OVERVIEW

(Joint Analysis of the Enacted Budget expected in early July)

California Community Colleges | Higher Education Agreement

Revenue Estimates

- The budget agreement approves the Department of Finance Proposition 98 revenue estimates and the Legislative Analyst Office's property tax revenue estimates. This approach accepts the higher of both estimates.

Cost-of-Living Adjustments

- The budget agreement provides \$678 million Proposition 98 to support an 8.22% cost-of-living adjustment for apportionments under the Student Centered Funding Formula.
- Approves the May Revise proposal to provide \$95.5 million Proposition 98 to support an 8.22% cost-of-living adjustment for select categorical programs.
- Provides \$16.9 million Proposition 98 to support an 8.22% cost-of-living adjustment for basic needs centers, mental health services, rapid rehousing, NextUp, MESA, Puente, Umoja and veterans resource centers.

Enrollment Growth

- The budget agreement approves the May Revise proposal to provide \$26.4 million to support 0.5% Enrollment Growth.

Adjustment to Prior Year Funding

- Reduces the 2022-23 allocation for student retention and recruitment activities from \$150 million one-time Proposition 98 to \$94.6 million one-time Proposition 98 but provides a \$50 million one-time Proposition 98 allocation for student retention and recruitment in 2023-24.
- Reduces the 2022-23 deferred maintenance and instructional equipment program to a total of \$346.4 million. The total reduction equals \$494.3 million one-time Proposition 98.
- The budget agreement maintains full funding for the COVID-19 Block Grant.
- Approves trailer bill language to allow colleges to use remaining funds from the COVID-19 Block Grant, student retention and recruitment, and deferred maintenance and instructional equipment for any of these purposes. The amount remaining is roughly \$1.1 billion.

Affordable Student Housing

- Provides \$78.5 million ongoing General Fund to preserve the affordable student housing program and intended to support debt service for student housing projects in 2022-23, 2023-24 and 2024-25.
- Trailer bill language does not use the terms “debt service.” Instead, the language indicates the state will provide ongoing support for the infrastructure projects and that “funding previously allocated for construction grants for campuses of the California Community Colleges, or funding that is planned to be allocated for additional construction grants for the California Community Colleges...” “shall be funded with local revenue bonds issued by community college districts.”
- Trailer bill language also approves the following community college student housing projects:
 - Merced College in partnership with UC Merced
 - Riverside College in partnership with UC Riverside
 - Cabrillo College in partnership with UC Santa Cruz
 - Cerritos College
 - College of the Redwoods
 - College of San Mateo
 - San Diego City College

Capital Outlay

- The budget agreement approves the May Revise proposal for two new capital outlay projects and three continuing projects using bond funds.

Workforce

- Approves the Governor’s Budget proposal to provide \$14 million one-time Proposition 98 to support workforce training grants in collaboration with the California Department of Forestry and Fire Protection.
- Approves Chancellor’s Office priority language to expand the use of Strong Workforce program funding to support student grants for third-party certifications and work-based learning programs.
- Approves the May Revise proposals to adjust Education Protection Account, Property Tax Revenue, Student Fee Revenue, Apprenticeship, Financial Aid Administration, Student Success Completion Grant and Perkins Grant programs to reflect revised estimates.
- Approves the May Revise proposal to provide \$4.3 million one-time Proposition 98 to support the Equal Employment Opportunity Program.
- Approves the Governor’s Budget proposal to provide \$275,000 Proposition 98, with \$200,000 ongoing, to develop the Chief Business Officer Mentorship Program.

Categorical Programs

- Provides \$10 million one-time Proposition 98 in each of next three years to support LGBTQ+ student support centers and includes budget bill language increasing the maximum amount allowed per district to \$900,000.

- Adopts trailer bill language to require campuses to report on how many campuses have data-sharing agreements with counties to improve student access to the Cal Fresh program, and what efforts are underway to enact such agreements.
- Rejects the May Revise proposal to allow colleges to flexibly use funding for the Student Equity and Achievement Program, Financial Aid Administration and Student Mental Health services.
- Approves trailer bill language to provide former foster youth with expanded financial aid to cover the total cost of attendance through the Student Success and Completion Grant.
- Provides \$60 million Proposition 98 in 2024-25 and each year through the 2028-29 fiscal year to expand nursing programs and Bachelor of Science in nursing partnerships to grow, educate, and maintain the next generation of registered nurses through the community college system, subject to future legislation.
- Amends budget bill language to allow county juvenile halls, in addition to state prisons, to be eligible for online textbook funding.

Board of Governors

- Adopts trailer bill language to allow students who serve on the Board of Governors to receive \$4,000 in financial assistance each semester from the Chancellor's Office.

Systemwide Reporting and Studies

- Provides \$500,000 one-time Proposition 98 to review outcomes and costs associated with online courses and programs, and develop recommendations for the state and system to ensure an appropriate mix of online and in-person programs and courses, and that online programs and courses are designed to support student success and equitable outcomes.
- Adopts trailer bill language to increase reporting around full-time faculty and the use of funding allocated in 2018 and 2021. Language also focuses on furthering implementation of equal employment opportunity practices.

Projects of Regional Concern

- Approves the May Revise proposal to provide \$2.5 million one-time Proposition 98 to support the East Los Angeles Community College Entrepreneurship and Innovation Center.

Budget Details Emerge: Student Housing and Deferred Maintenance

Monday, June 26, 2023

As of Monday morning we are still awaiting news of a final FY 2023-24 budget deal between the Legislature and Governor. On Saturday, the Legislature released a number of new trailer bills, indicating that the bills reflect the discussions that have taken place between the Legislature and Governor in recent weeks. Trailer bills provide additional detail and policy changes to implement the budget. The Senate and Assembly have floor votes planned for Tuesday, June 27 to continue their budget work. The Legislature previously passed budget bill SB 101 on June 15, and the Governor has until tomorrow to sign or veto that bill. As such, we expect more information in the next day or so regarding a final budget deal. One of the final sticking points is the Governor's proposed infrastructure and CEQA reform package, including a proposal that would speed development of the Delta Conveyance Project.

The proposed budget package includes General Fund expenditures of \$225.9 billion and estimated state reserves of approximately \$37.8 billion. The Legislature indicates that these reserves need to be maintained due to "significant uncertainties about the economy and tax revenues to be paid by California's high-income tax filers in October." The Legislature's key budget goal is to protect the state's core ongoing programs in education, health care, human services safety net, and more.

This week we expect the Legislature to take action on a few bills that would affect community college facilities, including the higher education trailer bill, AB/SB 117. This bill includes the following provisions:

Student Housing

Higher Education Student Housing Grant Program

The proposed budget package would make changes to the funding mechanism for the Higher Education Student Housing Grant Program – to both previously-funded and future projects. The proposal shifts the fund source for prior, newly authorized, and future student housing construction projects from state General Fund to local revenue bonds issued by the community college. The proposed budget would provide \$78.5 million General Fund on an ongoing basis to support debt service for these projects (this appropriation is contained in trailer bill AB/SB 102). All program requirements, including affordability commitments, remain in place.

Policymakers are aware that there are many questions regarding the implementation of this change. It appears the state remains committed to funding the construction of previously-approved and newly-approved projects. There are many details that will need to be finalized, especially for the 12 community college projects that were previously approved as part of the FY 2022-23 budget, some of which have already commenced construction. State support for UC and CSU student housing projects will also be shifted from state General Fund to bonds issued by UC and CSU.

The budget package approves the following 7 new community college student housing projects worth \$464.1 million for FY 2023-24 using the local revenue bond financing mechanism:

- Merced College (with UC Merced) - \$50.0 million
- Riverside College (with UC Riverside) - \$75.0 million
- Cabrillo College (with UC Santa Cruz) - \$111.8 million
- Cerritos College - \$68.0 million
- College of the Redwoods - \$28.4 million
- College of San Mateo - \$55.9 million
- San Diego City College - \$75.0 million

Additionally, the budget package authorizes \$81.3 million in additional construction grants using local revenue bond funding issued by community college districts, subject to future legislation.

Student Housing Revolving Loan Fund

The proposed budget provides \$200 million (one-time General Fund) for the Student Housing Revolving Loan Fund and includes intent language to provide \$300 million each year through 2028-29. Of this funding, 75% would be available for university projects, and 25% would be available for community college projects. There is also trailer bill language that would allow a shift in unused funds toward a segment with higher demand.

Deferred Maintenance

The proposed budget package would reduce funding for the current year (FY 2022-23) deferred maintenance and instructional support program by \$494.3 million (one-time Proposition 98 General Fund), leaving \$346.4 million. This is a larger reduction than was previously approved by the Legislature in their June 15 version of the budget. The proposed budget would allow colleges to use remaining funds from the COVID-19 Block Grant, student retention and recruitment, and deferred maintenance for any of these purposes. The amount available for these activities is about \$1.1 billion.

Community College Operations Budget

The proposed budget provides an 8.22% cost-of-living adjustment for:

- Apportionments – \$678 million (Proposition 98 General Fund)
- Select categorical programs – \$95.5 million (Proposition 98 General Fund)
- Basic needs centers, mental health services, rapid rehousing, NextUp, MESA, Puente, Umoja, and veterans resource centers - \$16.9 million (Proposition 98 General Fund)

Capital Outlay

The budget provides a total of \$232.3 million in General Obligation bond funds for two new start projects and twelve continuing projects.

Next Steps

We are awaiting word from the Governor and Legislature on a final budget deal. CCFC will share additional information on the status of the budget, likely later this week.

Rebekah Kalleen

CCFC Executive Director

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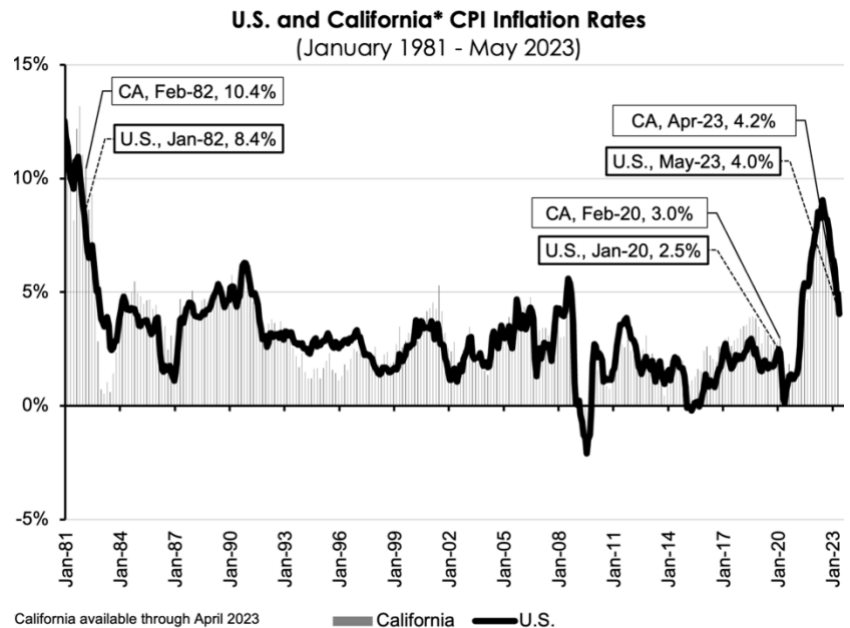
Finance Bulletin

Joe Stephenshaw, Director

Economic Update

Newly released global financial data confirm that California remained the fifth largest economy in the world in 2022 for the sixth consecutive year. The state's Gross Domestic Product (GDP) grew by \$225 billion to total nearly \$3.6 trillion in current dollar terms, ranking ahead of India and behind Germany.

Year-over-year U.S. headline inflation slowed for the eleventh straight month to 4 percent in May 2023, down from 4.9 percent in April. The Core Consumer Price Index – which excludes the volatile food and energy categories – declined from 5.5 percent in April to 5.3 percent in May. Shelter inflation, which measures rents currently paid by tenants, fell slightly from 8.1 percent to 8 percent. This measure typically changes slower than other components, and the current slowing reflects declines in asking prices in late 2022. California headline inflation, available only for even months, slowed to 4.2 percent in April.



LABOR MARKET CONDITIONS

- The U.S. unemployment rate rose from 3.4 percent in April to 3.7 percent in May as the labor force increased by 130,000 while civilian household employment fell by 310,000, resulting in unemployment increasing by 440,000 persons. The U.S. added 339,000 nonfarm payroll jobs in May 2023, a gain of at least 200,000 jobs for twenty-nine months in a row. The March and April estimates were also revised upward by a combined 93,000 jobs. Most major sectors gained jobs, led by private educational and health services (97,000), professional and business services (64,000), and government (56,000).
- California's unemployment rate remained at 4.5 percent in May 2023 as the labor force increased by 25,000 while civilian household employment rose by 10,000, and the number of unemployed workers increased by 15,000. California added 47,300 nonfarm payroll jobs in May 2023, driven by gains in private education and health services (16,400) and professional and business services (11,700). The construction sector added 6,500 jobs. The largest job loss was in manufacturing (-5,700), followed by information (-2,800) and mining and logging (-100).

BUILDING ACTIVITY & REAL ESTATE

- Year-to-date, California permitted 98,000 units on a seasonally adjusted annualized rate (SAAR) basis in April 2023, up 1 percent from March 2023 but down 21.4 percent from April 2022. April 2023 permits consisted of 47,000 single-family units (up 0.6 percent from March 2023, and down 35.6 percent year-over-year) and 51,000 multi-family units (up 1.3 percent from March 2023 and down 1.2 percent year-over-year).
- The statewide median price of existing single-family homes increased to \$836,110 in May 2023, up 3 percent from April 2023 and down 6.4 percent from May 2022. Sales of existing single-family homes in California totaled 289,460 units (SAAR) in May 2023, up 9.8 percent from April 2023, and down 23.6 percent from May 2022. Year-to-date through May 2023, sales volume averaged 271,938 units (SAAR), which was 35.1 percent lower than during the same period in 2022.

MONTHLY CASH REPORT

Preliminary General Fund agency cash receipts for the first eleven months of the 2022-23 fiscal year were \$195 million below the 2023-24 May Revision forecast of \$147.497 billion and matched the forecast in May. However, it is worth noting these numbers exclude \$173 million in May personal income withholding that will be reflected in June cash receipts due to a processing delay. Adjusting for the \$173-million shift in withholding, General Fund agency cash receipts would have been \$22 million below forecast fiscal year-to-date, and \$173 million above forecast for May. Personal income tax withholding, adjusting for the \$173-million shift, increased by 3 percent year-over-year, its highest growth since May 2022. Personal income and corporate income tax refunds were cumulatively \$813 million higher than projected fiscal year-to-date, offsetting gains in payments and revenues from personal income tax, corporate income tax, pooled money interest, insurance, and other revenues. While high refunds potentially indicate weakness related to tax year 2022 liability, it is an incomplete picture until payments in October related to tax year 2022 are received. The May Revision monthly cashflow reflects the expected impact of delayed payment and filing deadlines for Californians in most counties to October 16.

- Personal income tax cash receipts for the first eleven months of the fiscal year were \$371 million below the forecast of \$85.622 billion and were \$177 million below forecast in May. May withholding through May 30 was \$127 million above forecast. Additionally, \$173 million in withholding revenue were shifted from May 31 to June due to a payment processing delay resulting from a bank merger and are not reflected in the revenue table below. Adjusting for the \$173-million shift, withholding would have been \$300 million above forecast. May refunds were \$476 million higher than projected. Estimated payments, final payments, and other payments were cumulatively up \$127 million relative to forecast for the month. Adjusting for the \$173-million shift, May personal income tax receipts would have been \$4 million below forecast.
- Corporation tax cash receipts for the first eleven months of the fiscal year were \$153 million below the forecast of \$23.67 billion and were \$153 million below forecast in May. May refunds were \$231 million higher than projected. Pass-Through Entity (PTE) Elective Tax payments were \$100 million above projections in May. Excluding PTE payments, net corporation tax revenues were cumulatively down \$252 million relative to forecast for the fiscal year-to-date.
- Sales and use tax cash receipts for the first eleven months of the fiscal year were \$56 million below the forecast of \$31.318 billion and were \$56 million below forecast in May.

2022-23 Comparison of Actual and Forecast Agency General Fund Revenues
(Dollars in Millions)

Revenue Source	MAY 2023				2022-23 YEAR-TO-DATE			
	Forecast	Actual	Difference	Percent Difference	Forecast	Actual	Difference	Percent Difference
Personal Income ^{1/}	\$5,849	\$5,672	-\$177	-3.0%	\$85,622	\$85,252	-\$371	-0.4%
Withholding ^{1/}	6,481	6,608	127	2.0%	82,193	82,220	27	0.0%
Estimated Payments	291	235	-57	-19.5%	13,229	13,172	-57	-0.4%
Final Payments	348	402	54	15.6%	8,421	8,476	55	0.7%
Other Payments	474	604	130	27.5%	7,971	8,114	143	1.8%
Refunds	-1,524	-2,000	-476	31.2%	-24,341	-24,924	-582	2.4%
MHFS Transfer	-117	-102	15	-12.9%	-1,542	-1,527	14	-0.9%
Corporation	\$753	\$600	-\$153	-20.3%	\$23,670	\$23,516	-\$153	-0.6%
Estimated Payments	322	393	71	22.0%	9,869	9,940	71	0.7%
PTE Payments	136	236	100	73.1%	10,963	11,063	99	0.9%
Other Payments	465	372	-92	-19.9%	6,612	6,519	-93	-1.4%
Refunds	-170	-401	-231	136.2%	-3,775	-4,006	-231	6.1%
Sales & Use	\$4,336	\$4,281	-\$56	-1.3%	\$31,318	\$31,263	-\$56	-0.2%
Insurance	\$628	\$683	\$55	8.8%	\$3,473	\$3,528	\$55	1.6%
Pooled Money Interest	\$107	\$232	\$125	117.3%	\$1,551	\$1,676	\$125	8.1%
Alcohol	\$35	\$28	-\$7	-19.8%	\$396	\$389	-\$7	-1.7%
Tobacco	\$3	\$3	-\$1	-15.1%	\$45	\$44	-\$1	-1.2%
Other	\$9	\$221	\$212	2343.0%	\$1,422	\$1,633	\$212	14.9%
Total	\$11,720	\$11,720	\$0	0.0%	\$147,497	\$147,301	-\$195	-0.1%

^{1/} The personal income tax withholding figure excludes \$173 million from May 31 that will be reflected in June cash receipts due to a processing delay. This is an agency cash report and the data may differ from the Controller's report to the extent that cash received by agencies has not yet been reported to the Controller. The personal income total includes Individual Shared Responsibility Penalty transfers. The forecast is from the 2023-24 May Revision.

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2023/24 Adopted Budget Assumptions
June 15, 2023

I. State Revenue

- A. Budgeting will begin using the Student Centered Funding Formula (SCFF) at the hold harmless provision for the 2017/18 Total Computational Revenue plus outyear cost of living adjustments (COLA) plus estimated revenue earned above hold harmless less estimated deficit factor.

B. FTES Workload Measure Assumptions:

Year	Base	Actual	Funded	Actual Growth
2016/17	28,901.64	27,517.31	28,901.64	a -4.79%
2017/18	28,901.64	29,378.53	29,375.93	b 1.65%
2018/19	Recal	25,925.52	28,068.86	c -11.75%
2019/20	Recal	27,028.98	26,889.30	4.26%
2020/21	Recal	25,333.74	26,993.32	-6.27%
2021/22	Recal	26,202.98	27,208.25	3.43%
2022/23	P2	25,602.96	26,971.89	-2.29%

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, 8.22% COLA. The components now 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 8.22%	\$16,090,921
Projected SCFF Base Increase	\$0
Projected Growth/Restoration	\$5,783,744
Deficit Factor (2%)	(\$4,352,560)

2023/24 Potential Growth at 0.5%

26,334 FTES

- C. Education Protection Account (EPA) funding estimated at \$38,980,355 based on 2022/23 @ 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 \$170 per FTES (\$4,449,862). Restricted lottery at \$67 per FTES (\$1,753,769). (2022/23 @ P1 of resident & nonresident factored FTES, 26,175.66 x \$170 = \$4,449,862 unrestricted lottery; 26,175.66 x \$67 = \$1,753,769 restricted lottery)
- E. Estimated reimbursement for part-time faculty compensation is estimated at \$568,828 (2022/23 @ 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 2022/23 @ Advance of \$232,423.
- H. Mandates Block Grant estimated at a total budget of \$825,239 (\$32.68 x 25,252.10). No additional one-time allocation proposed.

II. Other Revenue

- I. Non-Resident Tuition budgeted at \$3,000,000. (SAC \$2,000,000, SCC \$1,000,000).
- J. Interest earnings estimated at \$900,000.
- 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. Unknown at this time.
- N. Full-time Faculty Hiring Allocation (\$3,325,444 - \$2,367,141 = \$958,303)

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2023/24 Adopted Budget Assumptions
June 15, 2023

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 5% for unrestricted general fund = \$7,669,263 (FARSCCD approximate cost \$3,859,222 CSEA approximate cost \$2,090,750, Management/Other approximate cost \$1,719,291) 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 \$2.05 million for all funds. The estimated cost of a 1% salary increase is \$1.53 million for the unrestricted general fund.
- C. Step and column movement is budgeted at an additional cost of approximately \$1.77 million including benefits for FD 11 & 13 (FARSCCD approximate cost \$893,243 CSEA approximate cost \$483,621, Management/Other approximate cost \$397,652) For all funds, it is estimated to = \$2.46 million (FARSCCD = \$1,114,537, CSEA = \$770,322, Management/Others = \$571,510) 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 1/1/2024 is estimated at 3.5% for an additional cost of approximately \$601,137 for active employees and \$288,637 for retirees, for a combined increase of \$889,774 for unrestricted general fund. The additional cost increase for all funds is estimated to = \$1,070,323.
State Unemployment Insurance (.50% to .05%)
 CalSTRS employer contribution rate will stay the same in 2023/24 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 2023/24 from 25.37% to 26.68% for a increase of \$548,796.
 (Note: The cost of each 1% increase in the PERS rate is approximately \$411,000.)
- E. The full-time faculty obligation (FON) for Fall 2023 is estimated to be 348. The Fall 2022 report indicated the District was 17.8 faculty under its FON. The current cost for a new position is budgeted at Class VI, Step 12 at approximately **\$175,733**. Penalties for not meeting the obligation amount to approximately \$87,151 per FTE not filled. Each faculty hired over the FON adds cost of (**\$175,733 - \$61,114**)= **\$114,619** if deduct hourly cost. Hiring of 26 new faculty for FY 2023/24 (SAC=18 and SCC=8).
 SAC hiring 12.5 = **\$2,196,663** unrestricted general fund, hiring 2.5 = \$440,435 in restricted general fund (categorical program), and hiring 3 non-credit non-FON = **\$527,199**.
 SCC hiring 6 = **\$1,054,398** unrestricted general fund and hiring 2 non-credit non-FON = **\$351,466**.
 Unrestricted General Fund will be budgeted for 18.5 position, the differences of funding will need to be provided by the colleges.
- F. The current rate per Lecture Hour Equivalent (LHE) effective 7/1/23 for hourly faculty is \$92.69 x 18 hrs/LHE= \$1,669 (FY 2023/24) (Total cost of salary and benefits of part-time faculty to teach 30 LHE = **\$61,114**)
- G. Retiree Health Benefit Fund (OPEB/GASB 75 Obligation) - The calculated Employer Contribution Target remains less than our current pay as you go, therefore there is no additional need to fund this liability this year.
- H. Capital Outlay Fund - The District will continue to budget \$1.5 million for capital outlay needs.
- I. Utilities cost increases of 15%, estimated at \$100,000.
- J. Information Technology licensing contract escalation cost of 7%, estimated at \$150,000.
- K. Property and Liability Insurance transfer estimated at \$1,970,000. Unchanged.
- L. Other additional DS/Institutional Cost expenses:
- | | Ongoing Cost | One-time Cost |
|-------------------|--------------|---------------|
| Business Services | \$ 1,612,336 | |
| P & C Recruitment | \$ 50,000 | |
- M. Seventh contribution of Santiago Canyon College ADA Settlement expenses of \$2 million from available one-time funds.

Rancho Santiago Community College District Unrestricted General Fund Summary 2023/24 Adopted Budget Assumptions June 15, 2023
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*	<u>New Revenues</u>	Ongoing Only	One-Time
A	Student Centered Funding Formula		
B	Projected COLA of 8.22%	\$16,090,921	
B	Projected SCFF Base Increase	\$0	
B	Projected Growth/Restoration	\$5,783,744	
B	Deficit Factor (2%) - additional	(\$421,170)	
D	Unrestricted Lottery	\$165,140	
H	Mandates Block Grant	\$0	
I	Non-Resident Tuition	\$500,000	
J	Interest Earnings	\$0	
L	Apprenticeship - SCC	\$0	
EGK	Misc Income	\$0	
N	Full-time Faculty Allocation	\$958,303	
	Total	\$23,076,938	
	<u>New Expenditures</u>		
B	Salary Schedule Increases/Collective Bargaining **	\$7,669,263	
C	Step/Column	\$1,774,516	
D	Health and Welfare/Benefits Est. Increase 3.5% - Active	\$601,137	
D	Health and Welfare/Benefits Est. Increase 3.5% - Retirees	\$288,637	
D	CalSTRS Increase	\$0	
D	CalPERS Increase	\$548,796	
D	State Unemployment (.50% to .05%)	(\$532,020)	
E	Full Time Faculty Obligation Hires	\$3,251,061	
E	Non-Credit Faculty (Non FON)	\$878,665	
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	\$150,000	
K	Property, Liability and All Risks Insurance	\$0	
II.L	Apprenticeship - SCC	\$0	
L	Other Additional DS/Institutional Costs	\$1,662,336	
M	SCC ADA Settlement Costs	\$0	\$2,000,000
	Total	\$16,392,390	\$2,000,000
	2023/24 Budget Year Unallocated (Deficit)	\$6,684,548	
	2022/23 Structural Unallocated (Deficit)	(\$2,388,864)	
	Total Est. Unallocated (Deficit)	\$4,295,684	
	Vacancies & Other Adjustments	\$760,904	
		\$5,056,588	

SRP Savings/Rightsizing Recap	
Beginning Balance 7/1/22 SRP Savings	\$14,655,522
Est SRP Savings FY 2022/23	\$8,745,467
FON Penalty (17.8 x \$87,151)	(\$1,551,288)
SRP Cost for FY 2023/24	(\$1,979,622)
SRP Cost for FY 2024/25	(\$1,979,622)
SRP Cost for FY 2025/26	(\$765,062)
Ending Balance	\$17,125,395

* Reference to budget assumption number
 ** 5.00% for FARSCCD/CSEA/CEFA/Management set aside

Vacant Funded Positions for FY2022-23- Projected Annual Salary and Benefits Savings
As of June 26, 2023

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2022-23 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Chan, Derrick	2652974	Director of Academic and End User Support Services/SCC	District	12/16/2022	20,774		11-0000-678000-54143-2110	57,987	
11	Clark, Letitia C.	2633790	Chief Communication Officer	District	4/20/2022	42,440	Hired Chi-Chung Keung#2712975 Eff: 6/1/23. CL22-00515 Resignation Nhadira Johnson#2567956 Eff:02/13/23. Interim Assignment Nhadira Johnson#2567956 Eff:6/28/22-6/30/23, CL22-00343. Hired Letitia Clark#2633790 CL21-00109 Reorg#1230 Eliminated Director, Public Affairs/Publications position and changed to Chief Communication Officer.	11-0000-671000-52200-2110	77,755	
30%-fd 11 70%-fd 12	Director of Grants	REORG#1228	Director of Grants	District	6/22/2026	40,880	CL22-00371 Reorg#1228 Eliminated Executive Director Resource Development and added Director of Grants	11-0000-679000-53345-2110-30% 12-3401-679000-53345-2110-70%	63,047	790,273
11	Estevez, Jean	2439960	Revised Title to Asst.Vice Chancellor PC/HR, Learning, Innovation, Wellness & Equity from Director Admin, Institutional Equity, Compliance & Title IX	District	5/11/2021	207,721	Interim Assignmet Sil Han Jin#2616593 Eff:11/22-6/30/23. CL22-00185. Jennifer De La Rosa Interim Assignment 7/1/22-9/30/22. Revised Title to Asst.Vice Chancellor PC/HR, Learning, Innovation, Wellness & Equity from Director Admin, Institutional Equity, Compliance & Title IX on Board docket March 14, 2022	11-0000-673000-53110-2110	309,111	
11	Garcia, Elvia	1029353	Assistant to Vice Chancellor People & Culture	District	12/19/2022	37,639	Interim Assignment Irena Glomba#1028144 Eff:11/28/22-6/30/23	11-0000-660000-53110-2120	68,157	
11	Huotari, Monte	1088579	Sergeant District Safety & Security	District	3/23/2023	56,632		11-000-695000-54164-2110-50% 11-0000-677000-54164-2110-50%	107,011	
11	Patikamanant, Tommy	2664667	Manager P&C Strategy Analytics and Equity	District	2/20/2023	43,710		11-0000-673000-53110-2110	60,275	
11	Randolph, Shelly	2336099	Internal Audit Manager	District	6/2/2023	31,397		11-0000-672000-54113-2110	46,929	
11	Alduenda, Leann	1998093	Instructor, Dance	SAC	6/4/2023	-		11-0000-100800-15520-1110-94% 11-0000-601000-15520-1280-6%	-	
11	Brandon, Kelly	1026409	Instructor, English	SAC	6/5/2023	-	Board docket April 24, 2023	11-0000-150100-15620-1110	-	
11	Briones, Michael	1061005	Instructor, Music	SAC	8/1/2022	24,834	Part of salary used to fund BCF \$450,000 for ISA 11-0000-213350-15715-5873	11-0000-100400-15555-1110	56,635	
11	Ettinger, Becky	1026620	Instructor, Nursing	SAC	3/9/2022	147,061		11-0000-649000-19620-1210-50% 11-2410-649000-19620-1210-50%	123,701	
11	Kruizenga, Alicia	2296718	Dean, Student Affairs	SAC	7/1/2022	82,213	Hired Gregory Toya#2685012 Eff:1/17/2023 AC22-00365	11-0000-649000-19620-1210-50% 11-2410-649000-19620-1210-50%	123,701	
11	Kushida, Cherylee	1028185	Coordinator, Distance Education	SAC	6/23/2023	-		11-0000-601000-15054-1250	-	
11	Gilmour, Dennis	1028933	Counselor	SAC	1/1/2023	78,734		11-2410-493010-15320-1110-53.30% 11-2410-631000-15310-1230-46.70%	112,175	
11	Gilreath, Genice	1026037	English & Read Instructor	SAC	7/24/2022	21,870	Part of salary used to fund BCF \$450,000 for ISA 11-0000-213350-15715-5873	11-0000-150100-15620-1110-20% 11-0000-152000-15675-1110-80%	43,445	
11	Hardy, Michelle	1029393	Instructor, Human Development	SAC	6/10/2022	133,969		11-0000-130500-15717-1110	196,725	
11	Horenstein, Daniel	2314022	Instructor, Planetarium	SAC	6/4/2022	85,539		11-0000-191100-16431-1110-80% 11-0000-619000-16431-1280-20%	118,467	
11	Jones, Stephanie	2418945	Dean, Instructional & Student Services	CEC	1/3/2023	(1,295)	Interim Assignment Steven Holman#2689249 Eff:2/1/23-6/30/23 AC22-00521.	11-2490-601000-18100-1210	7,077	1,755,147
11	Lamourelle, Chantal	1053437	Instructor, Human Development	SAC	8/22/2022	-	Part of salary used to fund BCF \$450,000 for ISA 11-0000-213350-15715-5873 - Chantal Lamourelle replaced Maria	11-0000-130500-15717-1110	30,742	
11	Manning, R Douglass	2308931	Dean Kinesiology,	SAC	6/30/2022	-	Hired Interim Dean Courtney Doussett#2665165 Eff:8/29/22-6/30/23 AC22-00303	11-0000-601000-15410-1210	-	
11	Mandir, Joshua	1961420	Instructor, Chemistry	SAC	6/9/2022	130,969		11-0000-190500-16420-1110-80% 11-0000-601000-16420-1280-20%	191,857	
11	McMillan, Jeffrey	1028829	Instructor, Chemistry	SAC	6/4/2022	147,061		11-0000-190500-16420-1110 11-0000-170100-16201-1110-93% 11-0000-170200-16201-1110-7%	196,869	
11	Meier, Krystal	1025453	Instructor, Math	SAC	6/5/2023	-		11-0000-170200-16201-1110-7%	-	
11	Mercado-Cota-Teresa	1027921	Assistant Dean, Student Services	SAC	12/31/2022	74,493		11-0000-649000-19100-1210	111,835	
11	Ortiz, Fernando	1026742	Dean, Academic Affairs	SAC	1/31/2023	72,305	Hired Sara Butler#2712684. Effective 5/16/23 AC23-00453. Employee resigned Dean position, returned to F/T Psychology	11-0000-601000-15055-1210	101,516	
11	Sill, Kenneth	1027536	Instructor, Mathematics	SAC	6/5/2023	-	instructor effe 2/1/23	11-0000-170100-16201-1110	-	
11	Tran, Melissa	1027087	English Instructor	SAC	6/30/2023	-	Employee on Bank Leave Fall2022 and Spring2023	11-0000-150100-15620-1110	-	
11	Virgoe, Brad	1055072	Director of Criminal Justice	SAC	6/30/2021	22,526	Interim Assignment Ernestp Gomez #1277463 Eff:7/1/22-6/30/23	11-0000-601000-15712-1210	46,953	
11	Ward, Robert	2409846	Maintenance Supervisor	SAC	11/15/2021	39,951	BCF#BCE1NICTR3 transferred (S83,379) to 11-2390-657000-17500-5520	11-0000-651000-17400-2110	66,622	
11	Waterman, Patricia J.	1027281	Instructor, Art	SAC	6/9/2019	110,923		11-0000-100200-15510-1110	137,747	
11	Artega, Elizabeth	1027713	Associate Dean, Business and Career Technical Education	SCC	2/24/2020	-	REORG#1303 Eliminated Associate Dean, Business and Career Technical Education and created new Assistant Director, Athletics & Sports Information	11-0000-601000-25205-1210-89% 11-3230-601000-25205-1210-11%	-	
11	New Assistant Director, Athletics & Sports Information	REORG#1303	New Assistant Director, Athletics & Sports Information	SCC		167,765	REORG#1303 Eliminated Associate Dean, Business and Career Technical Education and created new Assistant Director, Athletics & Sports Information CL22-00474	11-0000-601000-25132-2110 OR 11-0000-601000-25205-1210-89% 11-3230-601000-25205-1210-11%	255,128	
11	Bailey, Denise	1668755	Instructor, Chemistry	SCC	8/24/2022	135,513		11-0000-190500-25163-1110	192,309	
11	Carrera, Cheryl	1027004	Instructor, Math	SCC	12/15/2019	110,923		11-0000-170100-25150-1110 11-0000-649000-29050-1210-95%	161,767	
11	Castro, Melba	1034219	VP, Student Service	SCC	5/19/2023	18,176		11-0000-684000-29050-1250-5%	27,081	
11	Ceja, Daniel	1100167	Custodian	SCC	10/31/2022	59,865		11-0000-653000-27200-2130	113,147	1,409,425
11	Coto, Jennifer	1029536	Dean, Enrollment & Support Services	SCC	10/13/2020	194,433	Site used funds from Dean, Enrollment & Support Services vacancy to fund Dean of Student Development&Deputy Title IX Coordinator REORG (DynamicForm) Interim Assignment Jose vargas#1026660 7/1/22-9/14/22 Interim Assignment Aaron Voelcker#1985186 10/5/22-6/30/23	11-0000-620000-29100-1210	266,706	
11	Flores, Marilyn	2041264	VP, Academic Affairs-SCC	SCC	7/1/2022	1		11-0000-601000-25051-1210-100% 11-0000-083700-25133-1110-4% 11-0000-083500-25133-1110-36% 11-0000-083550-25132-1110-60%	27,793	
11	Medina, Guillermo	2444288	Instructor, Health Education	SCC	6/2/2022	116,992		11-0000-601000-25051-1210-100% 11-0000-083700-25133-1110-4% 11-0000-083500-25133-1110-36% 11-0000-083550-25132-1110-60%	168,249	

Vacant Funded Positions for FY2022-23- Projected Annual Salary and Benefits Savings As of June 26, 2023

Table with columns: Fund, Management/Academic/Confidential, EMPLOYEE ID#, Title, Site, Effective Date, Annual Salary, Notes, Vacant Account, 2022-23 Estimated Annual Budgeted Sal/Ben, Total Unr. General Fund by Site. Includes rows for various positions like Chemistry Instructor, Public Information Officer, Senior District Safety Officer, etc., and a TOTAL row at the bottom.

Rancho Santiago Community College
FD 11/13 Combined -- Unrestricted General Fund Cash Flow Summary
FY 2022-23, 2021-22, 2020-21
YTD Actuals- May 31, 2023

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	\$56,451,429	\$64,744,775	\$58,948,369
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	25,599,349	12,377,407	0
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	17,668,644	17,306,003	18,173,813	0
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	1,165,137	8,293,346	(5,796,406)	0
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	56,451,429	64,744,775	58,948,369	58,948,369
FY 2021/2022												
	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	\$46,370,067	\$48,091,696	\$35,602,855	\$41,281,989	\$26,324,996	\$24,068,300	\$50,130,982	\$43,899,530	\$33,460,128	\$34,790,561	\$42,595,206	\$33,912,083
Total Revenues	11,437,098	2,884,275	21,977,395	701,517	16,658,801	40,835,472	9,174,999	7,173,633	16,255,779	23,385,633	9,250,271	52,842,778
Total Expenditures	9,715,469	15,373,117	16,298,261	15,658,510	18,915,497	14,772,790	15,406,451	17,613,035	14,925,346	15,580,988	17,933,393	27,339,028
Change in Fund Balance	1,721,630	(12,488,842)	5,679,134	(14,956,992)	(2,256,696)	26,062,682	(6,231,452)	(10,439,402)	1,330,433	7,804,645	(8,683,122)	25,503,749
Ending Fund Balance	48,091,696	35,602,855	41,281,989	26,324,996	24,068,300	50,130,982	43,899,530	33,460,128	34,790,561	42,595,206	33,912,083	59,415,833
FY 2020/2021												
	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	\$38,043,629	\$37,890,520	\$21,377,062	\$29,621,168	\$20,972,596	\$18,331,844	\$40,829,056	\$35,611,009	\$21,137,122	\$19,535,152	\$23,813,198	\$15,243,357
Total Revenues	9,803,314	(1,484,159)	24,214,797	7,145,358	15,876,235	37,159,108	7,568,219	1,329,565	13,748,589	19,224,264	5,986,870	58,955,542
Total Expenditures	9,956,422	15,029,299	15,970,692	15,793,930	18,516,988	14,661,896	12,786,266	15,803,453	15,350,560	14,946,217	14,556,711	27,828,832
Change in Fund Balance	(153,109)	(16,513,458)	8,244,105	(8,648,571)	(2,640,753)	22,497,212	(5,218,047)	(14,473,888)	(1,601,970)	4,278,047	(8,569,841)	31,126,710
Ending Fund Balance	37,890,520	21,377,062	29,621,168	20,972,596	18,331,844	40,829,056	35,611,009	21,137,122	19,535,152	23,813,198	15,243,357	46,370,067

Fiscal Resources Committee

Via Zoom Video Conference Call
1:32 p.m. – 1:49 p.m.

Meeting Minutes for May 18, 2023

FRC Members Present: Iris Ingram, Susana Cardenas, Steven Deeley, Noemi Guzman, Ethan Harlan, Bart Hoffman, Jim Isbell (arrived at 1:35 pm), Jorge Lopez, Thao Nguyen (for Perez), Adam O’Connor, Craig Rutan and Jose Vargas (for Satele)

FRC Members Absent: Morrie Barembaum, Veronica Munoz, Enrique Perez, and Arleen Satele

Alternates/Guests Present: Erika Almaraz, Jason Bui, Vaniethia Hubbard, Gina Huegli, Kelvin Leeds, Annebelle Nery, Mark Reynoso, Kennethia Vega, and Barbie Yniguez

1. Welcome: Vice Chancellor Ingram called the meeting to order at 1:31 p.m. via zoom upon achieving quorum.
2. State/District Budget Update
 - [Governor’s May Revise](#)
 - SSC – By the Way... CalPERS Sets 2023-24 Employer Contribution Rates
 - SSC – Top Legislative Issues-April 21, 2023
 - SSC – Lower Tax Receipts Will Impact May Revision
 - SSC – 2023-24 Statutory COLA Released
 - SSC – CalSTRS Set to Adopt 2023-24 Employer Contribution Rate
 - SSC – Senate Democrats Release 2023-24 State Budget Plan
 - SSC – By the Way... CalSTRS Sets 2023-24 Employer Contribution Rate
 - SSC – Fed Increases Rate for 10th Time
 - SSC – To Legislative Issues-May 5, 2023
 - SSC – Initial Impressions of the 2023-24 May Revision
 - SSC – An Overview of the 2023-24 Governor’s May Revision
 - Joint Analysis Governor’s 2023-24 May Revision
 - [LAO– Initial Comments on the Governor’s May Revision \(posted on FRC Website\)](#)

Ingram referenced the above resources as information highlighting the Governor’s May Revise that was released last week. At the Board Meeting on Monday, May 15, Ingram provided a brief presentation on the May Revise which contained a fair amount of information with a lot of uncertainty. The uncertainty is due in part to the postponement of state income taxes to October instead of April. The state budget is based on estimates more than usual which also provides the various levels of uncertainty. Federal extension of taxes coupled with potential default on debt ceiling affects the state budget as well. RSCCD is moving ahead based on assumptions known with 8.22% COLA, further reductions to scheduled maintenance which may be considered flexible and combined with block grant for COVID and student retention. More may be known after the ACBO conference next week. The budget is not horrible news, but cautionary as the state budget continues to boom and bust about every 10 years or so. There is a plan by the State Chancellor to move districts out of hold harmless 2025-26 that could help many other districts. Tomorrow, Ingram will provide a presentation at the Spring Budget Town Hall at 10:30 a.m. via zoom.

3. 2023/24 Proposed Tentative Budget – Recommendation to District Council

O’Connor screen shared the 2023/24 proposed tentative budget (beginning at page 57 of meeting materials) and reviewed the summary with updated P2 FTES, new projected COLA of 8.22% and based on the colleges’ growth estimation for growth, and therefore looking at total new revenue just over \$23 million, a slight increase of \$173,000 from last review of the assumptions. The only change to the expenditure items is the ITS licensing and contract escalation costs that increased to \$150,000 and includes

the 7% annual increase over the last nine years. This amount fluctuates throughout the year due to timing and negotiated costs for these licenses. It is anticipated this estimate will be finetuned in the future and peg it to the specific licenses due annually. While there are no other new expenditures, O'Connor referenced the increase in utilities at the district office and cautioned the colleges to be mindful of similar increases for their respective sites through their allocations. The last item O'Connor discussed was the reconciling of positions at the end of the year, with the filling of vacancies, salary placements, and benefit changes, there was \$760,000 that was picked up from such adjustments, and this brought the bottom line to \$4.7 million which is up by \$900,000 in total over what was reviewed previously. O'Connor briefly referenced budget details for funds 11, 12 and 13.

O'Connor screen shared (page 80 of meeting materials) 2023/24 Revenue Simulation for Unrestricted General Fund – FD 11 Based on Student Centered Funding Formula – Calculation 2023/24 TCR + COLA. He focused on the bottom line which includes P2 FTES and noted if corrections are needed it will be updated. At this point SAC will have \$3.45 million and SCC \$1.28 million.

A motion by Rutan was seconded by Guzman to recommend the 2023/24 proposed tentative budget with corrections or edits as needed upon verification that P2 data apportionment is correct and forward to District Council. The motion passed unanimously by roll call vote as follows:

Name	Yes	No	Abstain	Note
Hoffman	X			
Lopez	X			
Isbell	X			
Cardenas	X			
Dinh				Absent, Not Present
Satele				Absent, Not Present
Deeley	X			
Rutan	X			
Munoz				Absent, Not Present
Harlan	X			
Vargas	X			Alternate for Satele
Ingram	X			
O'Connor	X			
Perez				Absent, Not Present
Guzman	X			
Barembaum				Absent, Not Present
T. Nguyen	X			Alternate for Perez

President Nery initiated discussion on distribution of SCFF based on FTES and apportionment in accordance with the BAM. O'Connor confirmed apportionment is based on actual dollar amounts earned with some metrics having a higher dollar value of which SCC accomplished in comparison to SAC. Vargas shared that since the transition to SCFF, everything is based on the dollar value and not funded on FTES, but the revenue generating basis, which is how it has been distributed and percentages established. President Nery suggested clarity in the document would be helpful and should be considered during next year's review and update. Ingram suggested revised language focused on this clarification could be brought to district council at the same time as the proposed tentative budget however, waiting until next year, is okay as well.

4. HEER Funding Update

O'Connor screen shared (page 81 of the meeting materials), noting the balances reported are as of May 8, 2023, with SCC bringing balances down and SAC with about \$4.7 million left to spend. He encouraged both colleges to spend down the funds by June 30. There is no extension requested at this time, and it is understood there is a debt relief of approximately \$1.8 million that is being addressed by SAC. If the

colleges have questions especially regarding off-setting loss revenue, you are welcome to contact Erika Almaraz. Ingram further shared that requests for extension are on a case-by-case basis with detailed justification and no guarantee of approval. Hubbard confirmed SAC is very much aware of the deadline and has a plan in place to spend down the funds addressing student needs first and then addressing loss revenue.

5. Standing Report from District Council – Rutan

Rutan briefly commented on the actions of District Council, which finally approved the revised Administrative Regulations for hiring of full-time faculty and classified professionals. It only took six months to accomplish and is effective now. The RSCCD Goals were extended for another year due to the current Strategic plan expiring on June 30 and another plan may not be in place until the end of the fall semester. This will allow time to get the new plan together with the consultants to assist with the coordination of SAC, SCC and DO plans.

6. Informational Handouts

- 50% Law Calculation

O'Connor provided a brief report on the 50% law calculation with current standings for SAC at 64.28%, SCC at 60.01% and overall district wide at 52.53%. This aligns exactly with placement at the same time last year, and landing at just over 54%. O'Connor expressed confidence in RSCCD remaining well over 50% through the remainder of the year.

- Districtwide expenditure report link: <https://intranet.rsccd.edu>
- Vacant Funded Position List as of May 12, 2023
- Monthly Cash Flow Summary as of April 30, 2023
- [SAC Planning and Budget Committee Agendas and Minutes](#)
- [SCC Budget Committee Agendas and Minutes](#)
- Districtwide Enrollment Management Workgroup Minutes

Informational handouts above were referenced for further review. Hoffman noted the District-wide expenditure report link was not working properly. O'Connor confirmed it as a broken link and will be fixed.

7. Approval of FRC Minutes – April 19, 2023

A motion by Hoffman was seconded by Deeley to approve the minutes of the April 19, 2023, meeting as presented. There were no questions, comments or corrections and the motion passed with one abstention by Vargas.

8. Other

Nery inquired about the 2% deficit factor for the current year and what portion would be returned to the colleges. O'Connor confirmed that information is not typically known until after the fiscal closing of the books and the opening of the next year. Nery then inquired about the upcoming year's 2% deficit factor with discussion that ensued, and Ingram confirmed it is wise to leave in and confirmed the budget cycle is truly 18 months.

Nery clarified that FTES reports from the campuses may differ from fiscal services reports due to the shifting of summer enrollments as needed. The numbers will never quite align since the campuses work on the academic FTES and fiscal services focuses on the apportionment FTES for the State Chancellor's Report called the 320.

A motion by Hoffman was seconded by Vargas to adjourn the meeting. The motion passed unanimously.

Next FRC Committee Meeting:

The next FRC meeting is July 5, 2023, at 1:30-3:00 p.m. This meeting adjourned at 2:13 p.m.