

2015-16 Governor's Budget Summary-January 9, 2015

Community Colleges

Investing in Student Success—The Budget provides an increase of \$200 million Proposition 98 General Fund to improve and expand student success programs and to strengthen efforts to assist underrepresented students. This includes \$100 million to increase orientation, assessment, placement, counseling, and other education planning services. It also targets \$100 million to close achievement gaps in access and achievement between underrepresented student groups and their peers, as identified in local student equity plans.

Increased Operating Expenses—The Budget provides an additional \$125 million Proposition 98 General Fund to increase base allocation funding in recognition of increased community college operating expenses in the areas of facilities, retirement benefits, professional development, converting part time to full-time faculty, and other general expenses.

Growth—The Budget provides an increase of \$106.9 million Proposition 98 General Fund for growth in general-purpose apportionments, which represents a 2-percent increase in full-time equivalent enrollment. The 2014 Budget directed the Board of Governors to adopt a growth formula that gives first priority to districts identified as having the greatest unmet need in adequately serving their community's higher educational needs. This new growth formula is to begin in the 2015-16 fiscal year.

Cost of Living Adjustment—The Budget provides an increase of \$92.4 million Proposition 98 General Fund for a cost-of-living adjustment of 1.58 percent.

Adult Education Block Grant—The Budget provides \$500 million Proposition 98 General Fund to implement the Adult Education Block Grant as discussed in the K thru 12 Education Chapter.

Apprenticeship Programs—The Budget provides \$29.1 million Proposition 98 General Fund for expansion of apprenticeship programs. This includes \$14.1 million to grow existing apprenticeship programs and \$15 million to create innovative apprenticeship demonstration projects that focus on new and emerging industries with unmet labor market demand.

Career Technical Education—The Budget provides \$48 million Proposition 98 General Fund one-time to support the Career Technical Education Pathways Program at the Chancellor's Office. These funds provide resources for community colleges to develop, enhance, and expand career technical education programs that build upon existing regional capacity to meet regional labor market demands.

Enhanced Non-Credit Rate Change—The Budget provides \$49 million Proposition 98 General Fund to reflect an increase adopted with the 2014 Budget in the funding rate for career development and college preparation non-credit courses (also known as CDCP or enhanced non-credit) to equal the rate provided for credit courses. Career development and college preparation non-credit courses offer flexibility for community colleges to design and deliver courses better suited for students pursuing career technical education. The lower funding rate, along with the higher cost of career technical education, serve as barriers to many community colleges offering career development and college preparation instruction in a manner that best supports student success.

Mandate Backlog Payments—The Budget provides an additional \$353.3 million Proposition 98 General Fund to continue paying down outstanding mandate claims by community colleges. These payments will further reduce outstanding mandate debt, while providing community colleges with one-time resources to address deferred maintenance at facilities, instructional equipment needs, and other one-time costs.

Eliminating Apportionment Deferrals—The Budget provides \$94.5 million Proposition 98 General Fund to eliminate deferrals consistent with the revenue trigger included in the 2014 Budget. Inter-year deferrals reached a high of \$961 million in the 2011-12 fiscal year.