

Community College Update -- July 15, 2016

This version of SSC's Financial Projection Dashboard is based on the 2016-17 Adopted State Budget. We have updated the cost-of-living adjustment (COLA), consumer price index (CPI), and ten-year T- bill planning factors to reflect the latest economic forecasts. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are, at best, general guidelines.



Factor	2015-16	2016-17	2017-18	2018-19	2019-20
Statutory COLA for Apportionments	1.02%	0.00%	1.11%	2.42%	2.67%
Base Apportionment Increase	\$266.7 million	\$75 million	Ongoing	Ongoing	Ongoing
Growth/Restoration Funding	3% (\$156.5 million)	2% (\$126.9 million)	Ongoing	Ongoing	Ongoing
Increased CDCP Rate	\$49 million	Ongoing	Ongoing	Ongoing	Ongoing
State Categorical Programs	\$1.2 billion	\$688.2 million	Ongoing (except for one-time funds)	Ongoing (except for one-time funds)	Ongoing (except for one-time funds)
California CPI	2.07%	2.26%	2.39%	2.46%	2.63%
California Base Lottery Proposition 20	\$140 \$41	\$140 \$41	\$140 \$41	\$140 \$41	\$140 \$41
CalPERS Employer Rate	11.847%	13.888%	15.50%	17.10%	18.60%
CalSTRS Employer Rate	10.73%	12.58%	14.43%	16.28%	18.13%
Interest Rate for 10-Year Treasuries	1.95%	1.76%	2.22%	2.37%	2.50%

The 2016-17 State Budget includes the following additional programmatic funding sources:

- \$200 million for the Strong Workforce Program, split 60% to colleges and 40% to regions
- \$184.6 million for deferred maintenance or instructional equipment, with no match requirement (one-time funds)
- \$105.5 million in one-time funds to pay down prior-year state mandate claims (these will be unrestricted funds allocated as approximately \$91 per FTES)
- \$49.2 million for Proposition 39 energy efficiency program grants
- \$48 million for the Career Technical Education Pathways Program
- \$30 million for the Basic Skills and Student Outcomes Transformation Program
- \$20 million in one-time funds for online courses through the exchange
- \$10 million for the Institutional Effectiveness Partnership Initiative
- \$12 million for the Telecommunications and Technology Infrastructure Program (\$7 million is one-time)
- \$8.7 million for the California Work Opportunity and Responsibility to Kids Program
- \$5 million for zero-textbook-cost degree, certificate, and credential programs (one-time)
- \$4.3 million for Equal Employment Opportunity Fund
- \$3.7 million for part-time faculty office hours
- \$3 million for digital instructional materials for incarcerated individuals
- \$2.4 million for Puente and Mathematics, Engineering, Science Achievement (MESA) Programs
- \$1.8 million for Apprenticeship to reflect the estimated non-credit rate
- Zero COLA for Disabled Student Programs and Services, Extended Opportunity Programs and Services, California Work Opportunity and Responsibility to Kids, and Child Care Tax Bailout programs

The forecast for Lottery funding per FTES includes both base (unrestricted) funding and the amount restricted by Proposition 20 for instructional materials. Lottery funding is initially based on prior year actual annual FTES, and is ultimately based on current-year annual FTES. Starting in 2015-16, K-12 Adult and ROCIP ADA will no longer earn Lottery funding, so the per-FTES estimates will increase; revised estimates are not yet available.