

2022-2023 Governor's January Proposed Budget
California Community Colleges

OVERVIEW OF 2022-23 GOVERNOR'S BUDGET

- Governor's Budget outlines a roadmap that includes investment in California Community Colleges that focuses on equity and student success.

- Goals and expectation of the roadmap includes:
 - Improving educational outcomes for CCC students
 - Improving student success and advancing equity
 - Increasing intersegmental collaboration to benefit students
 - Supporting workforce preparedness and high-demand career pipelines

- The 2022-23 budget includes several investments intended to align with the road which include ongoing and one-time funds:

- **Ongoing Funding:**
 - \$409.4M: 5.33% Cost-of-living adjustment (COLA) for Student-Centered Funding Formula

 - \$17.5M: 5.33% COLA for EOPS, DSPS, and CalWORKS programs

 - \$200M: Augment the Part-Time Faculty Health Insurance Program. This additional funding will allow the State to pay the District back at a higher rate than the current reimbursement rate

 - \$100M: for students newly eligible for the Student Success Completion grant related to expanded Cal Grant eligibility

 - \$24.9M: System-wide enrollment growth of 0.5%, which includes all components of the SCFF

 - \$25M: Address modernization of technology infrastructure, including sensitive data protection efforts

 - \$10M: Implementation of Equal Employment Opportunity program best practices to diversify community college faculty, staff, and administrators

- **One-time Funding:**

- \$108.7M: Support deferred maintenance and energy efficiency projects
- \$150M: Continue to support student retention and enrollment efforts to increase student retention rates and enrollment
- \$130M: Support healthcare-focused vocational pathways through the Adult Education Program – funding is over 3 years
- \$105M: Support the system-wide implementation of a common course numbering system
- \$75M: Address modernization of technology infrastructure, including sensitive data protection efforts
- \$20M: Support emergency student financial assistance grants to eligible AB540 students

- **Student Centered Funding Formula**

- In response to the disruptions of the COVID-19 pandemic, providing fiscal stability was a top priority. While the temporary protections under the COVID-19 Emergency Conditions Allowance expire at the end of 2021-22, the 2021 Budget Act extended the SCFF hold harmless provision by one year, through 2024-25.
- Under this provision, districts will earn at least their 2017- 18 total computational revenue, adjusted by COLA each year, if applicable.
- To prevent sharp fiscal declines in 2025-26, the Budget proposes, a district's 2024-25 funding would represent its new "floor".

- **Next Steps**

- January marks the beginning of the budget cycle in California each year
- Over the next several months, the proposed state budget will likely change as interest groups and public entities lobby the Legislature
- Following the Legislature's review of the budget and updated state revenue projections this spring, a revised state budget will be presented in May, with final approval by the Legislature in June
- District will start building the Tentative Budget based on the January Proposed Budget
- Develop budget strategies for 2022-23
- Estimate the on-going increased and new cost including step, column and longevity, benefits and operating expenses