

Jolley, Kate

From: Jolley, Kate
Sent: Friday, May 20, 2022 7:55 AM
To: Jolley, Kate
Subject: Governor's Proposed 2022/23 Budget - May Revise

Sent bcc: DL.Staff.All

Dear colleague,

Governor Newsom released the 2022/23 budget May Revise last week. It is a historic budget that builds on the January proposal (described below this email) and proposes additional funds for California Community Colleges. The highlights include:

On-going proposed budget allocations include:

- 6.56 % COLA (including for Adult Ed, CalWORKS, DSPS, EOPS, apprenticeship and mandated costs)
- There is no change in the May Revise from the January proposal to the structure of the Student Centered Funding Formula (SCFF) reform. As a reminder - they are proposing a permanent raising of the floor to the funded levels of 2024/25, which is the year after our fire waiver expires. Districts would then be guaranteed one time statutory, not ongoing, COLA. This would mean that we would get the current COLA in the year it is given but it wouldn't be given the following year(s). For example, in 2026/27, we would get the 2024/25 baseline funding plus the funded 26/27 COLA and it would not include any previously funded 25/26 COLA.
- \$250 million base increase to the SCFF
- \$125 million increase in the basic allocation, in part to support increased technology needs
- 0.50% growth
- \$25 million (approx. 5%) Increase for SEA program
- \$200 million to augment the Part Time Faculty Health Insurance Program
- \$50 million for Student Success Completion Grants (financial aid package)
- \$25 million for modernizing technology infrastructure and data protection as it relates to cybersecurity
- \$10 million for financial aid office support
- \$10 million for EEO best practices
- \$20 million to support availability of foster youth programs through the NextUp Program to expand the number of participating colleges
- \$1.1 million for expansion of A2MEND
- \$16.9 million to increase the funding level for apprenticeship program to align apprenticeship FTES with the credit rate
- \$10 million to implement a Classified Employee Summer Assistance Program. This would provide a state match for employees who work less than 12 months and elect to reduce their pay during the year to get summer pay

One time proposed budget allocations include:

- \$1.5 billion for deferred maintenance, instructional equipment and energy efficiency projects
- \$750 million for discretionary block grants to reduce long term obligations or to offset certain costs related to the pandemic
- \$150 million to support high touch strategies to increase student retention rates and enrollment strategies related to the pandemic
- \$130 million for supporting healthcare pathways in the Adult Ed program (funding spread over 3 years, \$30 million in 2022/23)

- \$105 million for common course numbering across the segments
- \$75 million for modernizing technology infrastructure and data protection as it relates to cybersecurity
- \$65 million for AB928 transfer reforms including ADT pathway
- \$25 million for program mapping technology
- \$20 million for AB540 emergency financial assistance grants
- \$20 million to implement a pathways grant program for high skilled careers (including STEM, health careers and education)
- \$5 million to support the Teacher Credentialing Partnership Program (SB577)
- \$179 thousand to study best practices for the Umoja program
- \$45 million to implement a California Health School Meals Pathway (Pre)Apprenticeship Program
- \$403 million for 18 Prop 22 capital outlay projects (includes \$14.8 million for the Tauzer and PSTC projects)

In addition, there continue to be additional proposals that will impact us as we move forward.

- They have addressed the GANN/State Appropriations Limit overage through infrastructure and a rebate package for taxpayers
- There is a requirement that colleges aim to offer at least 50% of their lecture and lab classes in person in 2022/23 (dependent on demand and public health guidelines)
- There is still an official recommendation to develop policies to maintain a sufficient level of reserves. This is now defined as two months of expenditures per recommendations from the Government Finance Officers Association, which is equivalent to a 16.7% reserve
- The May Revise still allocates the next round of \$750 million for student housing projects, however there is currently no proposal for increased funding for the next grouping, which includes ours

Road Map:

The budget continues to be shaped by a multiyear road map that is focused on equity and student success and includes refined metrics and goals. These include increased collaboration across segments and sectors, increased completion rates, reducing excess units, closing equity gaps, and better alignment of the higher education systems with workforce and K12 needs.

While this budget proposal continues to be good news for California community colleges, there is still about a month left in the budget process and will likely change before the final budget is approved late June. I will continue to keep you updated as the budget process continues to unfold.

Please feel free to reach out to me directly with any questions.

Kate

Kate Jolley

Vice President, Finance and Administrative Services



1501 Mendocino Ave | Santa Rosa, CA | 95401

tel 707-527-4413 | fax 707-535-3769

kjolley@santarosa.edu

<https://financeadmin.santarosa.edu/>

I acknowledge that Santa Rosa Junior College is on the territorial traditional land of the Pomo People in Santa Rosa and the Coast Miwok People in Petaluma, past and present, and honor with gratitude the land itself and the people who have stewarded it throughout the generations.

IMPORTANT NOTICE: This e-mail message is intended to be received only by persons entitled to receive the confidential information it may contain. Please do not read, copy, forward, or store this message unless you are an intended

recipient of it. If you have received this message in error, please forward it to the sender and delete it completely from your computer system.

From: Jolley, Kate
Sent: Monday, January 24, 2022 4:30 PM
To: Jolley, Kate <kjolley@santarosa.edu>
Subject: Governor's Proposed 2022/23 Budget

Sent bcc: DL.STAFF.ALL

Dear Colleague,

Governor Newsom has released the January 2022/23 Budget Proposal, which I am pleased to report includes additional funding increases for California community colleges. As a part of the budget proposal, the Governor has created a multiyear roadmap that is focused on equity and student success. This roadmap creates goals and expectations for all higher education segments, including increasing completions, decreasing units to completions, increasing transfers, closing equity gaps, supporting and participating in statewide initiatives, and improving workforce preparedness. We will get more details as we go through the full budget process, which I will share as it becomes available.

The highlights for **ongoing funding** proposals in the Governor's budget proposal includes:

- 5.33% COLA (including for Adult Education, CalWORKS, DSPS, EOPS, apprenticeship and mandated costs)
- Changes to the Student Centered Funding Formula (SCFF), including a permanent raising of the floor to 2024/25 funded levels and adding unduplicated first generation student headcount to the metrics when it can be reliably reported.
- 0.50% growth funding for the SCFF
- \$200 million to augment the Part-Time Faculty Health Insurance Program
- \$10 million for financial aid office support
- \$10 million for EEO best practices
- \$10 million to expand the number of participating colleges in the NextUp Program to support availability of foster youth programs
- \$1.1 million for expansion of A2MEND
- \$100 million for Student Success Completion Grants, (part of a student's financial aid package)
- \$25 million for modernizing technology infrastructure and data protection as it relates to cybersecurity

The highlights for **one-time funding** proposals in the Governor's budget proposal includes:

- \$387.6 million for deferred maintenance/instructional equipment
- \$150 million to continue to support increasing student retention rates and enrollment strategies related to the pandemic
- \$130 million for supporting healthcare pathways in the Adult Education program (funding spread over 3 years, \$30 million proposed in 2022/23)
- \$105 million for common course numbering across the higher education segments
- \$65 million for AB928 transfer reforms, including the Associate Degree Transfer pathway
- \$20 million to implement a pathways grant program for high skilled careers (including STEM, health careers and education)
- \$5 million to support the Teacher Credentialing Partnership Program (SB577)
- \$179 thousand to study best practices for the Umoja program
- An additional \$75 million for modernizing technology infrastructure and data protection as it relates to cybersecurity

- \$25 million for program mapping technology
- \$20 million for AB540 emergency financial assistance grants
- \$373 million for 18 Prop 51 capital outlay projects (includes \$14.8 million for the Tauzer and PSTC projects)
- Allocates the next round of \$750 million for student housing projects

In addition, there are some additional proposed areas that will likely impact us as we move forward.

- The State is anticipating exceeding the GANN appropriations limit again this year and they will have proposals on how to address in the May Revise.
- There is a requirement that colleges aim to offer at least 50% of their lecture and lab classes in person in 2022/23 (dependent on demand and public health guidelines).
- There is an official recommendation to develop policies to maintain a sufficient level of reserves. This is now defined as two months of expenditures, which is equivalent to a 16.7% reserve.

While this budget proposal is certainly good news for California community colleges, this information is tentative and will change over the next few months. I will continue to keep you updated as the budget process continues to unfold.

Please feel free to reach out to me directly with any questions.

Sincerely,
Kate

Kate Jolley
Vice President, Finance and Administrative Services



1501 Mendocino Ave | Santa Rosa, CA | 95401

tel 707-527-4413 | fax 707-535-3769

kjolley@santarosa.edu

accounting.santarosa.edu

I acknowledge that Santa Rosa Junior College is on the territorial traditional land of the Pomo People in Santa Rosa and the Coast Miwok People in Petaluma, past and present, and honor with gratitude the land itself and the people who have stewarded it throughout the generations.

IMPORTANT NOTICE: This e-mail message is intended to be received only by persons entitled to receive the confidential information it may contain. Please do not read, copy, forward, or store this message unless you are an intended recipient of it. If you have received this message in error, please forward it to the sender and delete it completely from your computer system.