

January 8, 2010

The governor just released his proposed 2010-11 budget and, while we will get more details in briefings this afternoon and spreadsheets yet to be released, here are the initial points on the community college budget and a preliminary response.

Major points of the proposed community college budget

- Provides \$126 million to fund enrollment growth of 2.21 percent (about 26,000 new full-time students)
- Reduces funding for apportionments and select categorical programs by \$22.9 million to account for a negative cost-of-living adjustment (COLA), computed at -0.38% due to reductions in the statutory inflationary index
- **Cuts \$10 million from Extended Opportunity Programs and Services**
- **Cuts \$10 million from Part-time Faculty Compensation**
- **Increases Career-Technical Education by \$20 million**
- Maintains all categorical cuts and flexibility allowances approved in 2009-10, and does not backfill the \$35 million in federal funds provided this year to ease the cuts.
- Proposes student fees be maintained at \$26/unit.
- Makes technical changes to accommodate and backfill reduced property taxes and other budget year revenue shortfalls and acknowledges, but does not backfill, student fee revenue shortfall of \$10 million in the current year.
- Proposes the suspension of the competitive Cal Grant program, with no new awards provided beginning in fall 2010.

Talking points

- The governor has taken significant steps to protect college access at a very difficult fiscal time for California. This gives hope to the graduating high school seniors and unemployed Californians seeking education and a skilled job.
- Even with funding for 26,000 additional full-time students, enrollment will continue to exceed state support, and community colleges will have to prioritize basic skills, transfer and career technical enrollment.
- The decision to propose a negative cost-of-living adjustment is disappointing, as state mandated increases in pension benefits for non-academic employees appear to not be fully considered and districts are seeing continued double-digit health insurance increases. The negative COLA also fails to recognize a deficit that has accrued over the last two years as the state has failed to provide over 10% in statutorily guided COLAs. We will collect information on actual cost increases from districts to present to the Legislature if indeed the index does not match reality.
- The proposed elimination of the competitive Cal Grant program would hurt the neediest community college students at a time when California's citizens are deeply concerned with college affordability. This program provides 44,000 community colleges students grants of \$1,551 for textbooks,

Links:

- [2010-11 State Budget](#)
- [League Advocacy Center](#)
- [League Budget Information](#)

For more information:

- [Theresa Tena](#),
Director, Fiscal Policy
- [Stacy Berger](#),
Northern California Regional Representative
- [Elaine Reodica](#),
Southern California Regional Representative

Have a question or comment but don't know who to contact?

*E-mail
budget@ccleague.org
or call the League at
(916) 444-8641.*

transportation and supplies. These are generally older students whose income averages \$14,000 and are ineligible for the state's entitlement program because they worked between high school and college.

- While no further categorical program cuts are proposed, devastating program cuts will have to be implemented as districts across California used one-time budget reserve funds to protect student access to the most vital programs. We commit to looking at the impact of these cuts on student success, particularly among the most vulnerable students, and finding ways to maintain the most essential services.
- From Sacramento to Washington, the recognized role of community colleges in our state and nation's economic future has never been higher, and locally elected trustees, faculty and staff are ready to step up to the challenge and deliver quality degrees, certificates and lower-division transfer curriculum to the record number of students and would-be students turning to our colleges.
- This budget proposal for community colleges clearly shows Governor Schwarzenegger's commitment to help underemployed and unemployed Californians get back on their feet and cements his legacy as an advocate for the role of our colleges in that priority.

This budget is a very good starting point for the legislative deliberations ahead. While the sustained deep cuts to categorical programs requires our vigilance, your advocacy and hard work has well positioned California's community colleges in this very difficult budget time.

I look forward to sharing more information as it becomes available and as we have more time to digest the entire proposed state budget.

Finally, with the expanded budget advocacy efforts of the League, I know it can be difficult sometimes to figure out who the best person to ask a question or contact is. To make it easier, now you can simply send a message to budget@ccleague.org, which will go to our policy experts, our regional advocacy contacts, our communications director and me. One of us will get back to you as soon as possible!

Sincerely,



Scott Lay
President and Chief Executive Officer
Orange Coast College '94