



Chabot-Las Positas Community College District

Summary of the Governor's January
Budget Proposal
Fiscal Year 2013-14

Board of Trustees Meeting
January 15, 2013

*Lorenzo Legaspi
Vice Chancellor
Business Services*

Presentation Summary

- Governor's Budget Proposal Summary
- Governor's Proposal
- Additional Policy Changes
- The Budget Process
- Closing

Governor's Budget Proposal Summary

On January 10, 2013, the Governor released his State Budget Proposal for the 2013-14 fiscal year.

He described the State's 2013-14 Budget as a "live within our means budget." The Governor's budget includes increased investment in our colleges as well as several policy-related proposals.

The purpose of this Budget in Brief is to provide a complete overview of the Governor's proposal as it relates to the California Community Colleges and the Chabot-Las Positas Community College District.

Governor's Proposal

- No changes to current fee levels
- An increase of \$196.9 million (or 3.6% increase) to base apportionments, to be allocated between workload restoration and a Cost of Living Adjustment (COLA) as determined by the Board of Governors
- A deferral buy down of \$179 million, lowering the cross-year deferrals from \$801 million to \$622 million
- Creation of a \$450 million energy efficiency fund for schools and community colleges using Proposition 39, the California Clean Energy Jobs Act. For 2013-14, \$49.5 million of these funds would go directly to community colleges to expand career-technical education training and on-the-job work experience training

Governor's Proposal - *Continued*

- Increase in funding of \$133.2 million to offset lower than anticipated property taxes from the elimination of redevelopment agencies.
- Provide \$16.9 million to enhance on-line education efforts including the creation of a “virtual campus” to increase statewide access to 250 new course; creation of a common centralized delivery and support infrastructure for all courses; and expansion of options for students to earn college credit through credit by exam
- Increase Cal Grant Program funding by \$161.1 million to accommodate increase participation
- A decrease in California Work Opportunity and Responsibility to Kids (CAL WORKS) childcare funding by \$6.6 million

Governor's Proposal - *Continued*

- A \$300 million increase in Proposition 98 funding to shift the responsibility for Adult Education from K-12 to California Community
- A \$15.7 million shift in funding to move the Apprenticeship Program from K-12 to California Community Colleges
- No changes to the Mandated Cost Block Grant enacted in the 2012-13 fiscal year, with \$33.33 million in 2013-14

Governor's Proposal - *Continued*

Additional policy changes that can have a significant impact on students and funding:

- Apportionment funding based on course completion instead of the current census date enrollment, phased in over five years; intended to be cost neutral; shift funding for student support efforts such as the Student Success and Support Program
- A 90-unit cap for students. Students who exceed this cap would be required to pay the full cost of instruction
- Require students seeking a BOG fee waiver to fill out a Free Application for Federal Student Aid (FAFSA) and include both parent and student income to determine eligibility

Closing

The Governor's Budget marks the beginning of the Budget process. This overview is designed to assist the District in developing its Tentative and Adoption budgets for fiscal year 2013-14.

By the way.....

The District Budget Study Group (DBSG) has been working hard to craft a new Revenue Allocation Model for the District. The Group will meet on Friday, January 25, 2013.