

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



July 20, 2009 - 9:00 p.m.

Dear Martha,

The governor and legislative leaders emerged from the governor's office this evening to announce they have reached a deal on a \$25 billion budget revision. Both houses are expected to vote on the package on Thursday.

For community colleges, the plan [cuts community colleges by \\$936 million](#) in state general funds. Student fees would increase to \$26/unit effective with the fall semester (\$17/unit for the two districts on the quarter system).

Even with \$70 million in additional student fee revenue and up to \$130 million in one-time federal funds, the cuts are the [deepest in the history of California's community colleges](#). With booming enrollment from four converging forces--record high school graduates, redirected four-year students, returning veterans, and the newly unemployed--the budget will significantly constrain access and limit essential student services.

We are awaiting several details issues, including how the 2008-09 cuts will be implemented, now that that fiscal year is officially over. Below are the [details](#) as we know them.

Nobody is happy with this budget, and community colleges are no different. However, we did succeed in extracting a commitment in the deal **to repay K-12 schools and community colleges \$9.5 billion as the economy rebounds**. This is an important restoration of quality that will likely begin in 2012-13. We certainly have several difficult years ahead.

After the legislative votes occur and as our college communities implement the very tough decisions that this budget requires, we will be gearing up for the battle ahead. There are likely future rounds of cuts, reductions that will only be made deeper in the long run if we continue to divest from systems of California's higher education. I hope that you will join the League in that fight.

We will also be engaging the candidates running for governor next year and for offices across the state to encourage them to talk about their plans for community colleges and higher education. We will need your help as local community members that bring the political, demographic and geographic diversity that is reflective of our colleges.

Finally, I'd like to extend a special thank you to the League's Director of Fiscal Policy **Theresa Tena** and Vice Chancellor **Erik Skinner** for doing a heroic job advocating for us inside the Capitol. Additionally, **Bonnie Slosson**, the League's Director of Governmental Relations, **Kristine Schilpp**, Asst. Director of Governmental Relations, **Rita Mize**, Director of Fiscal Policy and **Richael Young**, intern, have all been an important part of the fight, as have the rest of

the League's staff. Finally, **Jonathan Lightman**, Executive Director of the Faculty Association of California Community Colleges has done a great job coordinating an outstanding group of advocates from across the California.

Let's keep up the fight,



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

Anticipated Cuts to Community Colleges

(district-specific)

2008-09 General Cuts

Unallocated Reduction:	-\$85,000,000
Est. 2008-09 general apportionment shortfall:	-\$41,000,000
Est. 2008-09 property tax shortfall:	-\$42,100,000
Total general cut:	-\$168,100,000

2009-10 General Cut

Enrollment growth:	-\$175,213,000
Est. general apportionment shortfall:	-\$41,000,000 ^(b)
Unallocated 2009-10 apportionment reduction:	\$120,000,000 ^(c)
Est. 2009-10 enrollment fee shortfall:	-\$21,200,000 ^(d)
Est. 2009-10 property tax shortfall:	-\$53,400,000
Subtotal cuts	-\$410,800,000
Est. student enrollment fee revenue (from \$20/unit to \$26/unit), beginning fall 2009:	\$70,000,000 ^(d)
Total general cut:	-\$340,800,000

2009-10 Selected Categorical Cuts: \$343,000,000

The budget makes deep cuts to categorical programs, which are expected to be partially backfilled by federal state fiscal stabilization funds. Below are some of the largest categorical cuts.

Item	Program reduction	Anticipated
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	(ongoing)	federal backfill (one-time)
Basic Skills:	-\$10,592,000 (-32%)	5,296,000
Career Technical Education:	-\$20,000,000 (-100%) ^(e)	none
Cooperative Agencies Resources for Education (CARE):	-\$5,110,400 (32%)	2,555,000
Counseling, Placement and Assessment (Matriculation):	-\$64,776,000 (-62%)	31,222,000
Disabled Students Programs and Services:	-\$37,908,000 (-32%)	18,953,800
Economic Development:	-\$28,905,000 (-62%)	13,932,000
Extended Opportunities Programs and Services:	-\$35,197,000 (-32%)	17,598,000
Instructional Equipment & Scheduled Maintenance:	-\$27,345,000 (-100%) ^(e)	None
Nursing:	-\$7,072,000 (-62%)	3,536,000
Part-time Faculty Compensation:	-\$31,400,000 (-62%)	15,135,000
Special Services for CalWORKs Recipients:	-\$13,100,000 (-30%)	6,537,000
Telecommunications and Technology:	-\$9,377,000 (-19%)	4,397,000

Notes: All numbers are estimated based on the most recent available data and will vary based on final budget language and ending funding numbers for specific districts. Additional categoricals (Career Technical Education, Economic Development, Nursing, Telecommunications and Technology) are also being cut, but district projections can not be provided at this time.

(a) Reduced enrollment numbers are the district's proportionate share of the reduction in projected funded students in 2009-10. Actual enrollment change will depend on local district and community factors.

(b) The amount of general revenue to support per student funding is below that needed to fund all districts' funded FTES.

(c) The budget reduces general funding by \$120,000,000, and encourages districts to reduce workload in areas other than basic skills, transfer and career technical education.

(d) The "base" projections for student enrollment fees assume enrollment will increase by 3%, although the funding for growth has been removed. Meanwhile, an additional \$80 million (\$70 million to support apportionments) is available from the increase of fees from \$20/unit to \$26/unit.

(e) A separate stream of \$38 million for career-technical education and \$10 million for physical plan and instructional support is available for the next several years under the SB 1133/QIA settlement.

Community College League of California
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