

Jolley, Kate

From: Jolley, Kate
Sent: Monday, January 24, 2022 4:30 PM
To: Jolley, Kate
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



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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.

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