

Jolley, Kate

From: Jolley, Kate
Sent: Wednesday, July 15, 2020 6:24 PM
To: Jolley, Kate
Cc: Hunnemeder-Bergfelt, Lily; Avila, Pedro; Bell, Paulette; Close, Linda; Crowell, Edward; Davis, Brad; De Lap, Jackie; Frindell Teuscher, K.; Long, Matthew; Schultz, Whitney; Sigala, Sandy; Thompson, Eric; Wagner, Leonard; Thompson, Julie; Hopkins, Sarah; Furukawa-Schlereth, Karen; Saldana-Talley, Jane; Chong, Frank; Bricker, Erin; St. Clair, Susan; Metzger, Warren
Subject: Governor's State 2020/21 Budget Update and BAC Office Hour

Bcc: DL.STAFF.ALL

Dear Colleague,

The Governor and Legislature reached an agreement and on June 30, the Governor signed the 2020 Budget Act. As discussed in my last update, the Governor's May Revise contained some pretty devastating reductions. The enacted budget is a remarkable improvement, and we are very grateful for all of the work everyone did to advocate on behalf of the District, our budget, and our students.

The following figures are for the California Community College system. Highlights of the 2020/21 State budget include:

- Deferrals of apportionment payments to the future. There are no direct reductions to our apportionment funding; this means that the State will pay us what they owe us at a future date.
 - \$332M deferred for 2019/20 and \$1.5B deferred for 2020/21
 - \$791M will not be deferred if the State receives sufficient additional funds from the next federal stimulus package
 - To have the cash flow to pay our expenses, the District will need to borrow funds to cover the deferred cash until there is payment.
- No COLA or growth funding for 2020/21
- No major reductions to categorical programs
 - Some changes in requirements—for example, Student Equity and Achievement (SEA) is now required to create or support food programs (NOTE: SRJC's SEA program already supports our food pantry.)
- Two-year extension, to 2023/24, of the hold-harmless provision under the Student-Centered Funding Formula (SCFF)
- Funds capital outlay projects under Prop 51 (PSTC/Tauzer renovation for SRJC)
- Relief from expected increases for pension costs in 2020/21 and 2021/22 (PERS/STRS)
- Provides \$120M for a COVID response block grant
 - Intended to prioritize services for underrepresented students
 - Eligible for expenses such as mental health services, housing / food insecurity, student reengagement, technology / development of online courses, and student supports
- Provides an ongoing \$10M in immigrant legal support services
- Prohibits districts from laying off, for lack of work, any permanent or probationary classified employees that hold classifications or positions in nutrition, transportation, or custodial services
- Provides \$11M in one-time support for emergency financial aid for undocumented students (through Cal Grant program)
- Provides \$700K one-time support for a working group to review current rules governing the use of athletes' names, images and likenesses per the Fair Pay to Play Act
- The budget was based on realistic projections of the State's economic future, so the State is hopeful they will not need to do a new budget bill in the fall with additional major changes.

We are still learning the details of how all of this will be implemented and will affect SRJC. We are receiving additional information regularly, and once we have informed projections on the specific impacts for SRJC or if anything changes dramatically, I will provide another update to you.

On August 3, 1-2:30 PM, the Budget Advisory Committee (BAC) will be holding a [virtual Office Hour](#) where anyone can drop in and ask us your budget-related questions (Zoom information below).

Join Zoom Meeting

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Please join us or feel free to reach out to me directly with any questions. I am grateful to be able to bring you this great news of budget relief for our District and thank everyone again for all the advocacy done on our behalf.

Kate

Kate Jolley

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