

ACCE WORKSHOP

May 17, 2005

Sacramento

COMMUNITY COLLEGE BUDGET

□ January Highlights

- COLA 3.93%
 - Growth 3%
 - \$31.4 million base restoration
 - \$20 million-vocational course articulation
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May Revise

- \$54 million increase
 - COLA to 4.23%
 - Credit equalization \$40 million

 - One-time monies
 - \$10 million in nursing start up and equipment
 - \$17.4 million added to voc ed articulation
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PER STUDENT FUNDING

- Proposed 05-06
 - Community Colleges \$4465
 - K-12 \$7402
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ISSUES

- Current year

 - \$33 million property tax shortfall

 - AB 1402 fixes problem for future

 - \$31.4 million in base not backfilled

ISSUES

Budget year

- \$54.4 million property tax shortfall

- Fixed in May Revise

- \$12.9 million student fees overestimate

- Fixed in May Revise

Proposition 98

□ Shortfall

- Current year \$3.4 billion
 - Budget year \$3.8 billion
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Retirement

- Governor proposes to shift 2% to locals
 - \$40 million impact on community colleges
 - Senate budget subcommittee rejects
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Democratic Proposal

- Add \$2 billion to 98
 - Governor's promise

Community College Strategy

- Advocate for System Budget Proposal
 - \$215,688,000 ongoing
 - 10.75% of \$2 billion
 - \$86,666,000 one-time
 - Includes \$33 million backfill
 - \$31.4 million hole in current year
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Labor Day of Action

□ May 25
