



CULTIVATING
STUDENT
SUCCESS

THROUGH FACULTY ENGAGEMENT, PRACTICE, AND COMMUNITY

2024 ASCCC FALL
PLENARY SESSION

Harvesting Every Penny: Academic
Senate Roles in Budget Development

Presenters

- Stephanie Curry, ASCCC Secretary
- Ric Epps, Imperial Valley College, ASCCC Education Policies Committee
- Matthew Goldstein, College of Alameda, ASCCC Curriculum Committee
- Erik D. Reese, ASCCC Area C Representative



Breakout Description

Join us for an insightful breakout designed for those seeking to deepen their understanding of community college budgeting processes and the crucial role of the Academic Senates in shaping policies on budget development. This session will provide a comprehensive overview of how budget decisions are made within the California Community Colleges (CCC) system, types of funding sources, impact of the 50% law and how faculty can actively participate in local discussions.



Money, Money, Money

- Macro to Micro
- State Funding to Local Funding
- Funding to District not each college
- Empowering Senate Role in Budgeting Processes



How Colleges/Districts are Funded

Funded through a mix of state allocations, local revenues, federal aid, and other sources.

- Student Centered Funding Formula (SCFF) is the central funding formula
 - Base allocation reflecting enrollment
 - Supplemental allocation based on the numbers of students receiving a College Promise Grant, students receiving a Pell Grant and students covered by AB 540.
 - Student success allocation for achieving successful student outcomes
- Local and federal contributions further support specific programs, facilities, and overall college operations.



Statewide Budgeting Process and Timelines

Statewide Budgeting Process

- **Governor's Budget Proposal (January)**
 - Governor releases the initial budget proposal by January 10.
 - Sets funding priorities for the upcoming fiscal year, including community colleges.
- **Legislative Review (Spring)**
 - Budget committees in the State Assembly and Senate review and hold hearings on the proposal.
 - Adjustments and revisions are suggested based on priorities and revenue projections.
- **May Revision (May)**
 - Governor releases a revised budget, reflecting updated revenue estimates by May 14
 - Adjustments are made to align with changes in economic conditions and enrollment data.
- **Final Budget Approval (June)**
 - Legislature must pass the final state budget by June 15.
 - Governor signs the budget into law by June 30, starting the fiscal year on July 1.
- **Budget Implementation (July)**
 - Community colleges receive allocations and begin the new fiscal year with the approved budget.
 - Funds are distributed based on the Student-Centered Funding Formula (SCFF) and other allocations.



Budget Act and Trailer Bills

- **The Budget Act is the primary source for appropriations**
- **Trailer bills introduced to implement proposed budget changes that necessitate changes to existing law**



Student Centered Funding Formula (SCFF)

1. Base Allocation reflecting enrollment

- Full time equivalent student (FTES)

2. Supplemental allocation and equity

- This allocation provides additional funding based on factors such as:
 - Students receiving Pell Grants
 - Students receiving California College Promise Grants (formerly BOG Fee Waivers)
 - AB 540 students (undocumented students eligible for in-state tuition)

3. Student Success Allocation with performance metrics

- ADTs, local degrees, 9 semester units of CTE, ...



Hold Harmless

The 2022 Budget Act extends the Hold Harmless protection in a modified form. Starting in 2025-26, the Hold Harmless provision will no longer reflect cumulative COLAs over time. A district's 2024-25 TCR will represent its new "funding floor", below which it cannot drop.

- After 2024-2025 locked in to new formula
- No automatic COLAs if not meet growth



Standardized Attendance Accounting Method (2024) - For CREDIT COURSES



On July 22, 2024, the Department of Finance approved new regulations that alter how districts calculate FTES for credit courses, the regulations were filed with the Office of Administrative Law and the California Secretary of State, and became effective on August 21, 2024



The updates introduce the new Standardized Attendance Accounting Method, which will replace some existing attendance accounting methods for credit courses.



Once implemented, the Standardized Attendance Accounting Method will be used for all credit courses regardless of modality or course length. The only exception is those credit courses required to use the Positive Attendance Method which includes open entry/open exit credit courses and in-service training courses pursuant to title 5 section 58051(g)*.



Noncredit Funding

Student Centered Funding Formula SCFF

Funding in three areas

- Base Allocation- Aligned to Full Time Equivalent Student (FTES)
- Supplemental Allocation- Aligned to identified special populations
- Student Success Allocation- Aligned to identified outcomes

Base Allocation (2024-2025)

- Credit Rate \$5,294
- Noncredit Rate \$ 4,465
- Noncredit (CDCP) Rate \$ 7,425 (higher because not eligible for enhanced funding with supplemental allocation)

Colleges do not get allocation for Not for Credit courses. They must be self sustaining



The 50% Law

California Education Code (EDC) §84362(d):

There shall be expended during each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's current expense of education.



The 50% Law

[California Code of Regulations Title 5 §59204\(a\)](#):

(a) “Salaries of classroom instructors” as used in Education Code Section 84362 means:

(1) that portion of salaries paid for purposes of instruction of students by full-time and part-time instructors employed by the district, and

(2) all salaries paid to district classified employees who are

(A) assigned the basic title of “Instructional Aide” or other appropriate title designated by the governing board which denotes that the employees’ duties include instructional tasks, and

(B) employed to assist instructors in the performance of their duties, in the supervision of students, and in the performance of instructional tasks. Instructional aides who perform instructional and non instructional tasks shall have their salaries and benefits prorated. An employee shall be deemed to be under the supervision of an instructor for the purpose of Education Code Section 84362 if the employee performs duties under the general direction of an instructor.

In addition, salaries of classroom instructors shall include the cost of all benefits provided such instructors and instructional aides (Object of Expenditure code 3000 as defined in the California Community Colleges Budget and Accounting Manual).



Proposition 98 (1988)

- Establishes minimum funding level for schools and community colleges
 - Often called the minimum guarantee
- Combination of state General Fund and local property tax revenue
- State can fund at or above the guarantee



Carl D. Perkins– Career Technical Education for the 21st Century Act

The **Strengthening Career and Technical Education for the 21st Century Act (Perkins V)** was signed into law on July 31, 2018. The law reauthorizes and updates the Carl D. Perkins Career and Technical Education Act of 2006 to ensure career and technical education (CTE) programs meet the demands of the twenty-first-century economy. Perkins V represents an important opportunity to expand opportunities for every student to explore, choose, and follow career and technical education programs of study and career pathways to earn credentials of value.

Districts receive Perkins funds based on the number of economically disadvantaged students enrolled in a SAMS A-D course.

SAMS CODES

- A - Apprenticeship (offered to apprentices only)
- B - Advanced Occupational (not limited to apprentices)
- C - Clearly Occupational (but not advanced)
- D - Possibly Occupational
- E - Non-Occupational



Strong Workforce

Grouped into seven areas targeting student success, career pathways, workforce data and outcomes, curriculum, CTE faculty, regional coordination and funding, this leading-edge state economic development program is driven by “more and better” CTE. The “more” is increasing the number of students enrolled in programs leading to high-demand, high-wage jobs. The “better” is improving program quality, as evidenced by more students completing or transferring programs, getting employed or improving their earnings.

This new ongoing funding is structured as a 60 percent Local Share allocation for each community college district and a 40 percent Regional Share determined by a regional consortia of colleges to focus on the state’s seven macro-economic regions.

[Regional Consortiums](#)



SEA and Special Programs

It is the intent of the Legislature that funds for the Student Equity and Achievement (SEA) Program support the California Community Colleges in implementing activities and practices pursuant to the California Community Colleges Guided Pathways Grant Program and activities and practices that advance the systemwide goal to eliminate achievement gaps for students from traditionally underrepresented groups.

Sample Programs (2024)

- Disabled Student Programs and Services (DSPS)
- Extended Opportunity Programs and Services (EOPS)
- Foster and Kinship Care Education (FKCE)
- California Apprenticeship Initiative (CAI)
- California Adult Education Program (CAEP)
- Mathematics, Engineering, and Science Achievement (MESA)
- African American Male Education Network Development (A2MEND)
- Puente
- Nursing Enrollment and Retention



Cost of Living Adjustment (COLA)

- SCFF incorporates COLA
- Hold harmless will no longer include COLA starting 2025-2026
- Categorical funds may receive different COLA levels
- **Budget Proposals and Revisions:** The Governor's budget proposals often include COLA adjustments. For instance, the 2024-25 budget proposed a 0.76% COLA for CCC apportionments, directly impacting the funding allocated to community colleges



Cost of Living Adjustment (COLA)

COLA significantly influence the budgeting process for California Community Colleges (CCC) by affecting both revenue projections and expenditure planning. Here's an overview of COLA's impact:

Impact on Funding and Revenues

- **State Funding Formulas:** The Student-Centered Funding Formula (SCFF), which determines state funding for CCCs, incorporates COLA to adjust base funding amounts annually. A higher COLA results in increased state funding, enhancing the financial stability of the institutions.
- **Budget Proposals and Revisions:** The Governor's budget proposals often include COLA adjustments. For instance, the 2024-25 budget proposed a 0.76% COLA for CCC apportionments, directly impacting the funding allocated to community colleges



Budget Development in the 10+1

No. 10 among “academic and professional matters” set out in Title 5:

“Processes for institutional planning and budget development” (Title 5 §53200)



Oddly, in ASCCC circles, 10+1 doesn't make Eleven



Roles of Local Senates in Budget Development

Local academic senates play a crucial role in budget development for community colleges, focusing on ensuring transparency, alignment with academic priorities, and broad faculty involvement. Here's a breakdown of their role:

1. Participatory Governance

- Local academic senates are key stakeholders in the participatory governance structure of colleges, meaning they provide faculty with a voice in budget planning and development.
- By collaborating with administration and other stakeholders, they help ensure the budget reflects the institution's mission, strategic goals, and educational priorities.

2. Alignment with the "10+1" Responsibilities

- Budget development falls under the "10+1" areas of academic and professional matters, as outlined in Title 5 §53200.
- Specifically, the "processes for institutional planning and budget development" ensure that faculty perspectives influence how budget decisions are made, prioritizing resources for instruction, student support, and academic programs.



Budget Committees (College and/or District)

College or district budget committees play an integral role in financial planning and resource allocation within community colleges or districts. Their responsibilities are aimed at promoting transparency, alignment with institutional goals, and effective use of resources. Here's an overview of their key roles:

1. Budget Planning and Development

- **Analyzing Budget Needs:** Budget committees are responsible for reviewing and analyzing budgetary needs, ensuring that financial planning aligns with the institution's mission, strategic priorities, and operational goals.
- **Developing Budget Recommendations:** They develop recommendations for budget allocations based on institutional needs, program reviews, enrollment trends, and other critical factors.
- **Establishing Funding Priorities:** The committees work to establish funding priorities that support academic programs, student services, infrastructure, and administrative functions.

2. Providing Transparency and Oversight

- **Ensuring Open Communication:** Budget committees are tasked with ensuring that budget development is transparent and inclusive. They facilitate clear communication about budget decisions, timelines, and financial constraints across the institution.
- **Monitoring Expenditures:** They review financial reports, monitor expenditures, and ensure that funds are being utilized according to the approved budget.
- **Evaluating Budget Requests:** Committees review budget requests from departments or divisions, ensuring that proposals are justified, aligned with strategic goals, and within financial constraints.



Program Review and Budget Processes

Processes for program review is No. 9 in the [10+1](#)

Per Slide 20, above: “planning precedes budget development”; program review, an essential component of college planning, is the foundation of budget development generally.



Accountability and Transparency

Accountability and transparency are essential principles in the budget process, ensuring that funds are used effectively, fairly, and in alignment with institutional goals. Here's how they play a role:

Accountability in the Budget Process

- **Clear Roles and Responsibilities:**
 - Establish clear roles for those involved in budget development, including faculty, administration, budget committees, and governing boards.
 - Ensure that decision-makers are held responsible for budget choices and resource allocations.
- **Alignment with Goals:**
 - Budgets should align with strategic plans, educational objectives, and student success outcomes, making it clear how funds support the institution's mission.
 - Regular performance metrics and outcomes are used to assess whether budget allocations achieve intended results, emphasizing a results-driven approach.
- **Regular Monitoring and Evaluation:**
 - Ongoing monitoring of expenditures and financial performance ensures funds are used as intended.
 - Audits, financial reviews, and reporting mechanisms help verify that funds are being managed responsibly and efficiently.
- **Compliance with Regulations:**
 - Adherence to state, federal, and institutional financial policies is critical to maintain accountability.
 - Colleges must meet legal requirements, such as the Student-Centered Funding Formula (SCFF) metrics, program guidelines, and other financial regulations.



Accountability and Transparency (Cont.)

Transparency in the Budget Process

- **Open Communication:**
 - Sharing budget information with all stakeholders, including faculty, staff, students, and the community, promotes transparency.
 - Regular updates on the budget status, changes, and outcomes foster trust and collaboration.
- **Inclusive Participation:**
 - A participatory governance approach invites input from all stakeholders during budget planning and development, ensuring that diverse perspectives are considered.
 - Budget committees and public meetings are forums where financial plans and decisions are discussed openly.
- **Access to Information:**
 - Budget documents, financial reports, and meeting minutes should be publicly accessible, enabling stakeholders to review budget decisions and expenditures.
 - Detailed reporting on revenues, expenses, and changes ensures that the community understands how funds are being used.
- **Rationale for Decisions:**
 - Clearly communicating the reasoning behind budget priorities, allocations, and cuts helps stakeholders understand and support financial decisions.
 - Transparency also involves explaining how funds align with educational priorities, student needs, and institutional goals.



Professional Development

ASCCC Webinars- Save the Dates

- Wednesday, January 15, 2025, 6:00pm-7:00pm- January Budget Overview
- Wednesday, February 19, 2025, 6:00pm-7:00pm - Introduced Bill Overview
- Monday, May 19, 2025, 6:00pm-7:00pm - May Revise Overview

CCCCO Webinar/Resources

[2024 Budget Workshop \(Part 1\) August 7, 2024](#)

[CCCCO Joint Analysis of Enacted 2024-2025 Budget](#)



Resources

- [Budget Considerations- A Primer for Senate Leaders \(2009\)](#)
- [Budget Processes and the Faculty Role \(2019\)](#)
- [Budget 101- Principles of Budget Processes \(2019\)-PPT](#)
- [Understanding State Requirements that Shape Faculty Hiring and the Budget: The 50% Law, the FON, and Others \(2024\) PPT](#)
- [State and Local Budgets, Budget Cycles, and Planning \(2024\) PPT](#)
- [Navigating Student Attendance Accounting for Credit and Noncredit \(2024\) PPT](#)
- [CCCCO Budget News](#)
- [Proposition 98 Primer \(2005\)](#)
- [CCCCO 2024-20205 California Community College Compendium of Allocations and Resources \(PDF\)](#)
- [Joint Analysis of Enacted 2024-2025 Budget \(PDF\)](#)
- [Student Centered Funding Formula \(SCFF\) Dashboard](#)
- [CCCCO Student Centered Funding Formula](#)
- [CCCCO Fiscal Memos](#)
- [CCCCO Strong Workforce](#)
- [California State Budget](#)



Questions

