



FROM: Lizette Navarette, Vice Chancellor, College Finance and Facilities Planning

RE: 2021-22 Budget Agreement: At- A-Glance Summary

Background

Late Friday evening, June 25, the Governor and Legislature reached an agreement on the 2021-22 State Budget. Aided by the American Rescue Plan and higher than expected revenues, the Proposition 98 guarantee has increase by \$17.7 billion. Several implementation details are yet to be released but the overall framework for the California Community Colleges budget is confirmed. AB/SB 129 is the 2021-22 State Budget Bill junior. AB/SB 129 will amend the Budget Bill, AB/SB 128, which was passed on June 14. Governor Newsom is expected to sign the budget bill junior before July 1. This memo provides a high-level summary of proposed components of the California Community Colleges budget. A comprehensive *Joint Analysis* will be released in early July with greater details and answer to many remaining questions.

A Plan for an Equitable Recovery

The California Community Colleges crafted its 2021-22 System Budget Request to position itself as the state's plan for an equitable recovery. It recognized that California faced the dichotomy of an economic recovery that exacerbates inequalities for our most vulnerable residents and that more needed to be done to support affected populations.

A key takeaway – the 2021-22 budget is positive for California Community Colleges and reflects alignment with many of the System Budget priorities. Many of the investment are one-time – challenging us to focus on lasting results with one-time resources.

2021-22 Budget Agreement Summary

COLA and SCFF Apportionments

- COLA of 5.07% (\$371.2 million) ongoing to provide a 5% cost-of-living adjustment (COLA) to the Student Centered Funding Formula
- Extends the hold harmless provision by one year
- 0.5% Growth (\$23.1 million) to support growth in all three components of the SCFF

Eliminating Budget Year Deferrals

- Deferrals of \$1.5 billion paid in full (one-time funds)
- Deferrals will now be paid back earlier, in July and August of 2021

Diversity, Equity & Inclusion

- \$24 million ongoing for the Student Equity and Achievement Program
- \$600,000 for planning to advance antiracism in curriculum
- \$5 million to implement the ethnic studies general education requirement

2021-22 Budget Agreement

- \$1 million to update and modernize the CCC Registry
- \$20 million one-time for culturally competent professional development
- \$20 million one-time for Equal Employment Opportunity (EEO) best practices

Faculty Supports

- \$10 million ongoing and \$90 million one-time to increase part-time faculty office hours
- \$100 million ongoing to increase the number of full-time faculty at CCCs
 - It's the intent of the Legislature that the funding be used to increase a district's hiring of full-time faculty above the level the district would have otherwise employed each year.
 - No later than August 15, 2021, a community college district seeking to receive an allocation of funds shall notify the Chancellor's Office and include a report of the district's current number of full-time faculty as of July 1, 2021, and the number of replacement or additional full-time faculty it was already planning to hire during fiscal year 2021–22.

Basic Needs & Affordability

- \$250 million one-time in emergency financial aid
- \$30 million ongoing and \$100 million onetime to support basic needs
- \$30 million ongoing to support student mental health
- Includes language allowing federal stimulus funds to be used to cover unpaid fees for students affected by the pandemic

Workforce

- \$42.4 million ongoing increase for the Strong Workforce Program
 - For the 2021–22 fiscal year only, a college may also use up to 10% of funding to integrate the development or expansion of work-based learning models. Building upon the Chancellor's Office efforts to develop work-based learning in the following sectors, colleges may also utilize their Strong Workforce Program funds to develop work-based learning models and programs in the following sectors:
 - The cloud computing sector, which may include: 1) the development of cloud computing skills certificate and degree programs; 2) collaboration with employer partners; and 2) a focus on serving students who are underrepresented in cloud computing and the technology sector.
 - Sectors impacted by the Los Angeles and Long Beach Ports' goal for zero emissions by 2035, including the transportation industries investing in zero emissions technologies and the supply chain management sector.
- \$15 million ongoing increase to support the California Apprenticeship Initiative
- \$12.5 million ongoing increase for a COLA on adult education

Deferred Maintenance

- \$511 million one-time Proposition 98 to address deferred maintenance needs

Online Infrastructure

- \$10.6 million ongoing to provide a systemwide and integrated online infrastructure that supports the continuity of education and quality distance learning across the community college system.

2021-22 Budget Agreement

Enrollment

- \$100 million one-time to support student recruitment and retention strategies

Categorical Programs to Support Disproportionately Affected Student Populations

- 1.7% COLA for categoricals
- \$4.9 million ongoing increase for Umoja
- \$8 million ongoing increase for MESA
- \$7 million ongoing increase for Puente Program
- \$20 million ongoing increase for EOPS
- \$10 million ongoing to support the Rising Scholars
- \$1.3 million ongoing increase for Historically Black Colleges and Universities (HBCU) Pathways
- \$5.8 million ongoing increase for dreamer resource liaisons to allow every campus to have a full-time position

Pathways

- \$10 million one-time for common course numbering
- \$10 million one-time to establish a workgroup for a competency-based education pilot program.
- \$50 million to continue Guided Pathways implementation

Calbright

- Continues implementation of Calbright College
- Includes language stating that AB 1432 (Low) or another policy bill is enacted concerning the repeal of Calbright, its provisions shall control the provisions in the budget.

Non-Proposition 98 General Funds

Cal Grants

- Implement several reforms to the state Cal Grant program
- Remove age limitations and time-out-of-school restrictions for CCC students
- Cal Grants will follow CCC student to UC and CSU upon transfer (not privates)

Student Housing

- \$2 billion one-time for affordable student housing
 - Split over three years: \$500 million in 2021-22, then \$750 million the next two years.
 - There will be discussion this summer about the structure of the program.

Other Provisions

In-Person Instruction

The legislature included language declaring that in-person instruction is educationally beneficial to students and could assist in increasing enrollment at community college districts, and as a result included the following reporting requirements:

2021-22 Budget Agreement

- By October 1, 2021, community college districts shall submit to the Chancellor's Office the following data for fall 2019, fall 2020, and fall 2021:
 - the total number of course sections offered, broken out by lecture and laboratory courses; and
 - the percentage of lecture and laboratory course sections offered 1) in-person, 2) fully online, or 3) in a hybrid format.
- Districts shall also report:
 - on their plans for levels of in-person instruction in spring 2022;
 - data on student demand for the various instructional modalities, to the extent this data is readily available, and actions they are taking to meet student demand;
 - on their near-term and long-term plans for resuming in-person instruction; and
 - on measures taken to support student-aligned improvements they have made to instructional modalities resulting from the pandemic.

Next Steps

Once signed, the 2021-22 State Budget will go into effect on July 1. The Legislature will release trailer bills language soon which will provide additional details and parameters on the California Community Colleges budget. Several other items will be discussed further following the summer Legislative recess.

A comprehensive *Joint Analysis of the Enacted Budget* with more detailed explanations and analysis will be released in early July. For more information, please visit the **Budget News** section of the Chancellor's Office website: www.cccco.edu/About-Us/Chancellors-Office/Divisions/College-Finance-and-Facilities-Planning/Budget-News, or contact me at lnavarette@ccco.edu.