

## **Budget Workgroup: Proposed 2010-11 CCC System Budget Request**

The Budget Workgroup, comprised of a broad cross-section of community college stakeholders, met on July 28 to develop recommendations for the California Community Colleges budget request for 2010-11. These recommendations, along with input from Consultation Council, will be considered as the system budget request is prepared for presentation to the Board of Governors at the September meeting. Below is a synopsis of the Budget Workgroup's recommendation.

Given that the state's fiscal condition in the 2010-11 fiscal year is likely to be at least as challenging as in 2009-10, the Budget Workgroup agreed that it would be futile to put forth our traditional System Budget Request that proposes significant increased funding in multiple areas. Instead the Budget Workgroup recommended concentrating the 2010-11 System Budget Request on three primary areas of greatest concern: COLA; restoring funding for the categorical programs; and enrollment growth.

### **COLA**

For community college districts, the cumulative effect of not receiving a Cost of Living Adjustment (COLA) for the two prior years is substantial. The statutory COLA for 2008-09 was 4.94%, and for 2009-10 was 4.25%. Not receiving these adjustments has eroded district funding as mandatory expenses continued to rise. Given this, the Budget Workgroup determined that a high priority should be placed on COLA in the 2010-11 fiscal year.

### **Restoration of Categorical Funding**

The Budget Workgroup agreed that the system should request restoration of categorical funding that was cut dramatically in the 2009-10 State Budget. The consensus of the group was that the request should include full restoration of all categorical programs to 2008-09 funding levels, not to prioritize some over others.

### **Enrollment Growth**

Education Code section 84750.5 states that the annual statewide enrollment growth request shall be based on, at a *minimum*, the sum of the statewide change in the adult population and the percent of statewide unemployment above five percent (with the unemployment factor capped at 2 percent). In 2010-11, California's adult population is expected to grow by 1.4%, and the unemployment rate is currently over 11%. Thus a minimum rate of enrollment growth we can request 2010-11 is 3.4%. The group recommended requesting this minimum level of growth funds for 2010-11.