



October 24, 2019

Keely Bosler  
Director, Department of Finance  
State Capitol, Room 1145  
Sacramento, California 95814

Dear Ms. Bosler:

Thank you for the support that the Department of Finance and the Governor Newsom administration continues to extend to the California Community Colleges. On behalf of the organizations listed below, we are pleased to present the 2020-21 Legislative and Budget Request (Request) for the California Community Colleges. The Request was developed in consultation with educators, advocates, students, and other interested parties and represents a thorough and honest outlook on the multifaceted needs of our 115 colleges and 2.1 million students. The Board of Governors of the California Community Colleges approved this request on September 17, 2019.

In its entirety, the Request represents the new and ongoing investments that are necessary for the California Community Colleges to do our part to deliver on the promise of a *California for All*. California has made important investments in community colleges in recent years. Yet, funding for our system remains inadequate; on a per-pupil basis, California Community Colleges receive the least amount of funding of California's educational systems. Given the populations community colleges serve, we find these trends troubling. About half of our students are from the lowest-income families (incomes of less than \$30,000 a year), and community colleges enroll more Pell Grant recipients than the California State University (CSU), University of California (UC), and California's nonprofit colleges combined.

Costs such as information technology, instructional equipment, and employer benefits have escalated faster than inflation, making it difficult for colleges to both maintain existing programs and expand services and support to students to achieve the goals of the California Community Colleges' [\*Vision for Success\*](#). When colleges have insufficient funds to fulfill core missions, they face difficult choices. In a 2019 report, [\*Recommendations for Providing Community Colleges the Resources They Need\*](#), the Century Foundation called attention to the inequitable funding provided to community colleges:

“Today, higher education tends to shower the greatest resources on wealthy and high-achieving students with the fewest educational needs, and devotes the fewest resources to economically disadvantaged students with the greatest educational needs. At the most selective four-year colleges, students from the wealthiest socioeconomic quartile outnumber those from the poorest quartile by 14 to 1, yet at community colleges disadvantaged students outnumber those from the richest quarter by 2 to 1...”

The report continues with an important caution, based on a large body of evidence on education finance, which should inform policy and funding discussions moving forward:

“The current approach—inequitable investments in low-income and low-achieving students—creates powerful inefficiencies, in that it leads far too many students to drop out before completion. It simply is inefficient to enroll students in programs that are not adequately supported with institutional resources.”

The funding structure for California financial aid programs, those programs that ensure low-income students have access to the resources they need to cover the total cost of college, is equally concerning for the population of students that begin their journey at a California community college. According to The Institute for College Access and Success publication [What College Costs for Low-Income Californians](#), it is often more expensive for a low-income student to attend the California Community Colleges than to attend the University of California:

“Students pay more at community colleges despite lower published tuition – called the “sticker price” –because tuition and fees only tell part of the story when it comes to college costs. Books, meals, housing, and other costs add to the overall price tag. More importantly, grant aid to help students cover costs varies widely across the three California college systems. Despite paying less in tuition, community college students face similar living expenses and receive substantially less financial aid.”

The undersigned organizations express our full support for each of the investments proposed in the Request and believe funding the full request is necessary to begin to address current inequities for our students and to make a strong down payment toward funding adequacy for our system. Specifically, we call attention to three areas:

1. **Funding should fully cover current obligations and provide cost adjustments.** While we recognize that state revenues are expected to be relatively modest moving forward, we note that there is near-universal recognition of the insufficient level of funding provided to California Community Colleges. The Request appropriately calls for expanded funding for foundational resources, including full apportionment resources, cost of living adjustments, and automatic appropriations increases if offsetting revenues are lower than budgeted. Further, the Request would expand support for programs that have historically been funded outside of the Proposition 98 minimum guarantee, including districts’ retirement costs and infrastructure. These investments are necessary to provide community college districts greater stability, certainty, and flexibility to develop and sustain programs and services that improve student outcomes.
2. **Community college students should have equitable access to financial aid programs.** A student who cannot afford to cover non-tuition costs of education, such as textbooks, transportation, food, and housing, must make choices that often undermine their ability to complete their education. While California policymakers have worked hard to ensure that tuition is not a barrier, many students who arrive at the California Community Colleges live below the poverty line and some struggle with exceptional challenges like homelessness, mental illness, and food insecurity. The Request continues to support and advocate for changes in California’s financial aid program as proposed by SB 291 (Leyva) to ensure community college students persist to their educational goals. We also continue to call for additional investments in the Cal Grant program that increase both the number of grants available to community college students and the amount of those grant awards to offset the total cost of attendance.
3. **The budget should support the faculty and staff that are on the front lines of serving students.** Faculty and staff provide critical services beyond direct teaching and support duties, such as performing counseling and advising, carrying out curriculum development and non-academic program planning, and participating in institutional shared governance. However, in a

system where 73 percent of students are students of color, immigrants, or both, the majority of faculty are white. To ensure faculty and staff are representative of the students they serve, the Request calls for funding to implement the recommendations of the Faculty and Staff Diversity Taskforce, which includes full-time faculty hiring, equal employment opportunity (EEO) implementation, and professional development for faculty and staff. Further, the Request calls for increased resources to provide pay equity, office hours, and health care for part-time faculty.

Finally, we note that the ability of our system to deliver on the goals of the *Vision for Success* is directly impacted by the capacity of the Chancellor's Office to provide prompt guidance and resources to the field. We support the Request proposals to increase funding and the number of positions for the Chancellor's Office so that it can fulfill its mission and meet legislative expectations.

In closing, we believe that the Request aligns with the Administration's budget priorities to preserve critical state services, promote affordability and economic opportunity, and pay down state debts and obligations. We urge you to provide funding and enact policy changes consistent with the Request.

Sincerely,



Ann-Marie Gabel  
President  
Association of Chief Business Officers



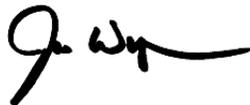
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