



Classified Community College Employee Summer Assistance Program FAQ

(Revised on April 23, 2024: substantive changes/additions highlighted in yellow)

PROGRAM IMPLEMENTATION TIMELINE AND PROCESS

1. What is the timeline for implementing the program?

The Classified Community College Employee Summer Assistance Program was enacted with the Budget Act of 2022. Districts wishing to participate in the program must notify staff by January 1, 2023 of the district's intention to participate. The program will begin in the 2023-24 academic year. Withholdings will begin at the start of the 2023-24 academic year if the employee elects to participate in the program and allocations will be made during the summer of 2024. A complete timeline is available on the Chancellor's Office [Classified Community College Employee Summer Assistance Program webpage](#).

2. Will all districts need to notify the Chancellor's Office about their decision to participate in the program?

Districts that wish to participate must notify the Chancellor's Office by April 1 annually. Districts that do not inform the Chancellor's Office that they wish to participate in the program and later submit a request for payment will **not** receive matching funds.

3. When do districts need to pay the withheld amount and state matching funds to their employees?

Districts must pay participating employees the amounts withheld and state matching funds during the applicable academic year and **prior to claiming and receiving** state match funds. Districts should plan ahead to ensure that payroll obligations can be met.

4. Do districts need to keep the withheld funds in a separate account?

Yes, a separate account code for reporting purposes would suffice.

5. Does the district need to provide supporting documents to the Chancellor's Office when completing the Employee Report survey or Request for Payment form?

No, supporting documentation is not required to be submitted to the Chancellor's Office, however, we recommend districts keep records of all paperwork in case of an audit.

ELIGIBILITY

6. Based on the language in the statute, the program will not start deductions or withholdings until academic year 2023-24. To determine the qualifications for the program, districts would have to use the employee's regular annual pay received directly from the community college district at time of enrollment. Would this be academic year 2022-23 or 2023-24?

The regular annual pay of a classified employee must be equal to or less than sixty-two thousand four hundred dollars (\$62,400) for an entire school year "at the time of enrollment," pursuant to EC Section 88280 (4)(A). The district should use the annual pay applicable to the classified employee at the time of enrollment which falls between the period from January 1 through March 1 of each respective year. This period covers the time when the district first notifies their classified employees of the district's intention to participate in the program to the deadline for classified employees to notify the district of their election to participate. The income eligibility threshold is specific to the time of enrollment for purposes of determining eligibility and is not a condition for maintaining eligibility throughout the applicable school year in which withholdings are made.

7. What specific months should districts use when determining the annual income for classified employees?

Districts may use March through February when determining the annual income for classified employees to align with the time of enrollment.

8. Are substitutes and temporary help who do not have a regular fixed schedule and employed by the districts for 11 months or less eligible to participate in the program?

Substitutes and short-term employees employed and paid for less than 75% of the school year shall not be a part of classified services, and therefore are not eligible to participate in the program.

9. Is \$62,400 tied to the official minimum wage?

Minimum wage has no impact on the \$62,400 limit or the program and determination of the \$62,400 annual pay is determined at the time of enrollment.

10. Does the income limit of \$62,400 adjust every year with COLA or other measures at the state level?

The income limit of \$62,400 does not adjust with COLA, changes to minimum wage, or other measures.

11. What would happen if an employee were currently working for two separate districts, who would the employee submit the required form to? Would the district be required to apply the employee's income from the other district to the income limit of \$62,400 per year?

The employee can participate in one or both districts. The district should not use the income from other jobs to assess eligibility. The district should use only the employee's wage at their district to assess eligibility.

12. How does a district determine the total annual income eligibility if an employee's regular assignment is to work for two different colleges under the same district?

The district will need to add up the employee's total earnings from both colleges to determine the total annual income.

13. Should a district include professional development, longevity or bilingual pay when determining the classified employee's income eligibility?

Yes. Districts must include all forms of direct pay including professional development, longevity, or bilingual pay in the classified employee's annual income when determining their eligibility if they are not outside the employee's regular assignment. For example, if the employee was working out of class in addition to their regular assignment at the district, that would not be included in the compensation.

14. Will the participating employee be ineligible if they receive a salary increase that takes them above the income threshold during the 12 months of the program? Will it still be dollar for dollar, or a cap would come into effect?

The participating employee will still be eligible because their income met the income threshold during the time of enrollment regardless of the salary increase that came after the employee enrolled in the program. The reimbursement will still be dollar for dollar even if the amount requested is over what was estimated in the last year as long as the total amount requested by participating community college districts does not exceed the amount appropriated for the program. The Chancellor's Office will reach out to districts if the request for payment amounts is extremely different from what was estimated.

15. The legislation defines eligibility based on a regular assignment for 11 months or less within a 12-month period. With a month being defined specifically as 20 days or 4 weeks of 5 days each, including holidays. Does that mean if they have non-duty days that take them under the 20 days, that month would be considered a "non-month" and would not count towards eligibility?

A month when the employee has non-duty days that take them under 20 days of work would not count towards eligibility.

16. What happens if an employee withdraws from the program mid-academic year due to a hardship? Would they receive matching funds?

If the employee withdraws from the program, and withdraws all withheld funds, they cannot receive a match. However, if the employee withdraws from the program, and elects to continue to withhold funds through the end of the program, they are entitled to the match.

17. When is the last day employees can modify their request to participate in the program?

Education Code (EC) Section 82880 requires that a participating classified employee notify his or her employing community college district **no later than 30 days** after the start the academic year in the fall, for each applicable academic year, to reduce the amount to be withheld or to withdraw from the program.

However, the employee may request from the employing community college district the return of any pay withheld from their paycheck after 30 days after the start of the academic year in the fall due to:

- economic or personal hardship, or
- separation from employment.

Statute does not provide for any other exception after the 30 days has expired.

18. What is considered an “economic or personal hardship” to request return of the pay withheld from their paycheck due to this program? Do employees need to show proof of their specific economic or personal hardship?

Statute does not require employees to show proof. Each community college district may have different policies and procedures for assessing employee economic or personal hardship. Therefore, a participating classified employee should refer to their employer for guidance as this is a local decision.

PROGRAM

19. What defines a classified employee? Are substitute and short-term employees eligible for the program?

ED Code 88003 defines classified employees as follows:

“The governing board of a community college district shall employ persons for positions that are not academic positions. The governing board of a community college district, except where Article 3 (commencing with Section 88060) or Section 88137 applies, shall classify all those employees and positions. The employees and positions shall be known as the classified service. Substitute and short-term employees, employed and paid for less than 75 percent of a college year, shall not be a part of the classified service.”

Per the above statute, a substitute, and short-term employees, employed and paid for less than 75% of a college year, shall not be a part of the classified service. Therefore, short term temporary employees would not qualify for the program.

20. Can an employee participate in this program if the district currently allows funds to be set aside for a different program?

Yes. These employees would still be eligible to participate and receive matching state funds. However, this program requires employees to enroll in the program. This is a voluntarily program. If the employee opts into the program, they can elect

to set aside up to 10% of their monthly pay. Statute does not prohibit employees from participating in two programs.

21. Is the state match creditable towards the CalPERS pension system?

No. The state match funding received by participating classified employees pursuant to this program shall not be considered compensation for purposes of determining retirement benefits for the California Public Employees' Retirement System or the California State Teachers' Retirement System.

22. How much will the state provide in matching funds?

The state will provide matching funds of up to one dollar (\$1) for each dollar (\$1) withheld from participating classified employees' monthly paychecks. This amount may be prorated if the funds appropriated each year is insufficient to fully fund a dollar (\$1) for dollar (\$1) match. The Chancellor's Office may use unexpended balances from a prior fiscal year to fully fund the match.

The Chancellor's Office will notify participating districts by May 1st of each fiscal year in which funds are appropriated, of the estimated amount of state match funds that a participating classified employee can expect to receive.

23. Can a district charge participating classified employees an administrative fee to cover the costs of administering the program?

It was not the intent of the Legislature that an administrative fee be charged to participating classified employees.

24. Are the funds matched by the state taxable?

Withholdings and state matching funds should not be double taxed. Districts and employees should consult their Human Resources payroll specialist, legal counsel, and tax advisors to determine whether state matching funds are taxable.

25. How do districts set-up account codes for the program?

- a) Transfer the withheld amounts from the normal salary account (2000s Classified Salaries and Other Nonacademic Salaries) into a separate account as required by Ed Code 88280.
- b) The separate account should be a restricted liability account (e.g. payroll clearance fund) to track the liability until it is paid out or cleared.
- c) Revenue received by the state should be recorded as restricted state revenue.