



California Community Colleges

Advancing Access and Success with Equity for all Californians

2024-25 System Budget Proposal

September 2023

**California Community Colleges
Chancellor's Office
1102 Q Street
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CALIFORNIA COMMUNITY COLLEGE 2024-25 SYSTEM BUDGET & LEGISLATIVE REQUEST

Introduction

This document presents the California Community Colleges' System Budget Request for fiscal year 2024-24. The proposal describes the funding needed for the 116-community college system to meet the wide variety of student educational needs that exist in this diverse state.

The California Community College (CCC) system is the largest higher education system in the country and the largest workforce provider in California. Nearly two million students attend California Community Colleges each year to receive educational services including general education courses toward a degree, certificate, or transfer to a 4-year institution, career training, basic skills and remedial education, and adult education. The state's community colleges support Californians' social and economic mobility, with students seeking to build career-related skills to enter or advance in their careers, or earn a degree or transfer to a four-year university.

In 2022, California Community Colleges were met with a new opportunity. As part of the state budget framework, Governor Newsom unveiled a bold goal - that by 2030, 70% of working age Californians would have a degree or credential. To advance this goal, the California Community Colleges are adopting Vision 2030: A Roadmap for California Community Colleges (Vision 2030), a framework for action to advance access and success with equity for all Californians. Vision 2030 builds on the 2017 Vision for Success goals and core commitments, which served as a North Star to guide the California Community Colleges' collective reform efforts. The system's vision to improve completion, transfer, efficiency, and employment and, most importantly, close equity gaps and regional attainment gaps has not changed. Vision 2030 incorporates critical data-informed updates to equitably improve student success and meet the needs of today's students and tomorrow's workforce.

California Community Colleges' commitment to equity is at the core of Vision 2030. It is embodied in Vision 2030's three goals: Equity in Success, Equity in Access and Equity in Support, and the outcomes we seek to materialize.

- Goal 1: Equity in Success - Ensure the academic and career success of all Californians who attend California community colleges.
- Goal 2: Equity in Access - Broaden the opportunities for all Californians to participate in higher education by starting or continuing their higher education at California community colleges.
- Goal 3: Equity in Support - In partnership with other support agencies and institutions, provide all Californians the academic, financial and other social supports necessary to thrive by taking education opportunities and the accompanying support to Californians where they are.

2024-25 Budget Request Overview

Existing law requires the Board of Governors, in consultation with institutional representatives of the California Community Colleges and statewide students, faculty and staff organizations, to develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature.

In July, the Chancellor’s Office began the process to develop the Board of Governors’ budget and legislative request for the 2024-25 fiscal year, with a working session of members of the Consultation Council about concepts for inclusion in the proposal. During those discussions, members engaged in a review of priorities and opportunities to advance the Vision 2030 through investments in the 2024-25 budget. In addition to discussions at Consultation Council meetings, Chancellor’s Office staff sought written feedback and a priority ranking of all potential Budget and Legislative Request items. In light of forecasted economic uncertainty, this Request presents an approach that focuses on previously approved multi-year requests, fundamental needs for the system, and investments to advance Vision 2030.

The Chancellor’s Office has incorporated feedback from that consultative process into the 2024-25 System Request titled “Advancing Access and Success with Equity for all Californians.”

Advancing Access and Success with Equity for all Californians

The Board of Governors’ Budget and Legislative Request for 2024-25 furthers Vision 2030 and the goals set forth by the Governor in the Roadmap for the Future by proposing budget adjustments and policy changes that advance the outcomes necessary to support the state’s

future. As such, the 2024-25 requests centers students and the scaffolding needed to support our students' educational success, paths out of poverty, and limiting the number of new programs and initiatives districts and colleges implement.

The request is organized within the three strategic directions in Vision 2030:

- **Equitable Baccalaureate Attainment,**
- **Equitable Workforce and Economic Development, and**
- **The Future of Learning.**

The requested investments focus on a students' full journey – from enrollment, persistence, and supports along the journey, to student success and economic mobility.

Overall, the 2024-25 system budget request, *Advancing Access and Success with Equity for all Californians*, which totals \$711 million in ongoing and \$310 million in one-time resources, represents a crucial step in a multi-year framework to equitably reach the state's goals and support our students' economic mobility.

2024-25 SYSTEM BUDGET

Advancing Access and Success with Equity for all Californians

The California Community Colleges (CCC) budget request identifies funding necessary to meet the core goals within Vision 2030 and the resources for colleges to remove structural barriers that inhibit equity in student access, persistence, and completion. As a system, we maintain our commitment to dismantling systemic inequities so that millions of Californians gain economic mobility and colleges can meet the state's 21st century workforce needs.

This *2024-25 System Budget Proposal* was developed by the Chancellor's Office to ensure colleges have the resources necessary to effectively support the equitable success of all students in meeting their educational goals. Details of the request are provided below and organized within the Vision 2030 strategic direction each investment will advance.

Equitable Baccalaureate Attainment

Cost of Living Adjustment and Funding Rate Increases to Support District Implementation of Vision 2030

(\$500 million ongoing)

Community colleges are an essential partner in meeting the bold and necessary goal of supporting 70% of working age Californians in earning a degree or credential. Ongoing operational resources that reflect growing cost and provide inflationary adjustments are critical to advancing the community college mission, serving the diverse needs of each community throughout the state, and to achieving the student success goals outlined in Vision 2030.

California's community colleges serve a diverse and growing population of students, including those from disadvantaged backgrounds. Increased funding allows for more seats in classes, additional support services, such as counseling, tutoring, and career guidance, expanded online offerings, making higher education accessible to a broader range of individuals. Importantly, adequate funding supports the hiring of qualified faculty and staff, and administrators. Increased funding enables colleges to provide these essential services, with the goal of improving student retention and success rates.

This request seeks an ongoing funding rate increase to address districts' growing inflationary cost-drivers, such as salaries and wages, pensions, energy, and healthcare, in ways that compliment districts efforts to support student learning, campus experiences, and equitable success. As such, California Community Colleges request \$500 million in ongoing resources to increase Student Centered Funding Formula rates, cost-of-living adjustments, and to support districts' important local actions in alignment with Vision 2030. Such an investment, and the accountability to make progress on Vision goals, supports further implementation of institutional structures students demand and provides resources to improve the outcomes of our most underserved students.

Robust Faculty Supports

(\$50 million ongoing)

Structured investments in an array of faculty supports, including full-time faculty, part-time office hours, and professional growth, create the conditions for student success, student unconditional belonging, and increasing diversity among our faculty so that they may reflect the rich diversity of our students. As such, for 2024-25, to support this effort, we are requesting a comprehensive block grant of \$50 million to support faculty. Specifically, the grant would support full-time faculty hiring, professional development, curriculum development, and office hours. Resources dedicated for professional development would specifically support efforts to implement Vision 2030, including:

- apprenticeship technical assistance for faculty,
- credit for prior learning curricular mapping, and
- professional learning to keep pace with changing technology and the impacts of artificial intelligence in the classroom.

The proposed investment in full-service faculty supports will help create the institutional capacity for progress in closing equity gaps and improving student outcomes. These resources can also create opportunities for improving curriculum to make sure it is culturally responsive and up to date. Our goal is to transform our colleges to be institutions where faculty can fully participate in creating the conditions for the equitable academic success of their students.

Disabled Student Programs and Services (DSPS) Formula Update

(\$60 million ongoing)

Funding is necessary to increase colleges' capacity to increase access to critical instructional and support services for students with disabilities, including Deaf and Hard of Hearing, and to support innovations in teaching and learning in alignment with the system equity priorities.

This proposal requests an ongoing increase of \$60 million to the Disabled Student Programs and Services (DSPS) Program to strengthen the support infrastructure for students with disabilities. With an increase in ongoing funding, DSPS programs could reach students that could benefit from their services but are not currently being served. A \$60 million increase would allow colleges to receive at least their 2022-23 funding level under the new DSPS allocation model and allow increased support for programs that are currently underfunded.

Equitable Workforce and Economic Development

Supporting Students with Dependent Children

(\$40 million ongoing)

At the core of our efforts to support adult learners is a recognition of the barriers students with dependent children face in securing dependable, affordable, accessible childcare. Recent [Strata Education](#) research and national surveys reinforce these points - many students are interested in enrolling, but require financial and other resources, such as child care, to help them prioritize education. For students with informal childcare, breakdowns in plans are a common cause of students dropping out of classes or college altogether. While many community colleges provide some access to childcare already, but these programs are often much too small and inflexible to meet the needs of our students. Expanding childcare options for community college students could help increase degree and certificate attainment, increase transfers to four-year institutions, and close equity gaps.

The current child development reimbursement rate model, set to 2016 costs, is outdated, and has not kept pace with the estimated 28% inflationary increase in expenses. This has put great financial pressure on child-care providers, a sector already strained by capacity and workforce shortages. Research suggests California currently pays some child-care providers as little as a quarter of the service costs.

This proposal would establish a Childcare Expansion Fund with a \$40 million ongoing investment to: 1) increase capacity at existing centers, and 2) to develop community-based partnerships for on-campus childcare on college campuses. Drop-in daycare centers with afterschool programming could help increase enrollment, not only by supporting working parents to attend afternoon, evening, and/or weekend classes but also by connecting students to their local community colleges in a positive way.

Credit for Prior Learning Mapping Expansion

(\$6 million ongoing)

Across California's community colleges, over 61% of students are working learners, many of whom arrive at colleges with extensive experience and training. The California Community Colleges seeks to expand its efforts to provide credit for prior learning to students who have gained skills and knowledge outside the classroom. Credit for prior learning gives students a jumpstart on completing their degree and entering the workforce, with some students saving an average of 6 to 10 months.

California Community Colleges seek to expand on investment made in the Military Articulation Platform (MAP) so that efforts to award credit from prior experience in the armed forces is credited to students. MAP is a cloud-based system that matches college courses to credit recommendations from credit for prior learning (CPL) recommending agencies. MAP uses a 4-step approval process to create articulations based on discipline faculty approval. Articulations are stored in MAP and offered as college credit to incoming and regional veterans. The MAP collaborators include the Academic Senate of the California Community Colleges (ASCCC), the CCC Chancellor's Office (CCCCO), American Council on Education, and CalVet. The 2024-25 request for \$6 million ongoing would allow expansion to all 116 colleges.

California Apprenticeship Initiative Expansion

(\$30 million ongoing)

To accomplish the goals in Vision 2030 and meet the Governor's call to action to create 500,000 apprentices in California by 2030, California's community colleges seek to expand the infrastructure of the California Apprenticeship Initiative (CAI), Statutes of 2018, Chapter 33 (AB 1809), to create new and innovative apprenticeship programs in new and emerging industry sectors or areas where apprenticeship training is not fully established or does not exist. Specifically, the Chancellor's Office is requesting a \$30 million ongoing increase, including a 5 percent administrative set aside. This increase will support the creation of new opportunities at roughly \$7,300 per opportunity, allowing the CAI Program to go from supporting the creation of roughly 1,100 new opportunities annually to a five-year average of 7,800 new opportunities annually by awarding additional grants each year and establishing a technical assistance provider (TAP) to support the field in further decreasing the cost per new opportunity, delivering intensive regional economic workshops on setting up new and innovative apprenticeship programs and providing extensive professional development and technical assistance to the state's 116 community colleges and to over a thousand local education agencies (LEAs). Administrative set-aside resources would fund intensive

community college and local education agency (K12 LEA) technical assistance and professional development to help scale the program. Partnering closely with the California Division of Apprenticeship Standards (DAS) and the California Department of Education (CDE), the CCCCO sees these new and innovative apprenticeship programs as the ultimate form of financial aid by: 1) removing barrier between learning and work; 2) targeting new and emerging industries in California’s economy that increasingly are in-demand of highly-skilled employees; and 3) giving students on-the-job training while paying a living wage in an emerging industry.

As our system seeks to advance equitable economic mobility, it is worth noting that the, according to [National Apprenticeship’s evaluation of U.S. Department of Commerce data](#), every \$1 invested in apprenticeships leads to a public return of approximately \$28 in benefits.

The Future of Learning

Phase 1 | Common Enterprise Resource Planning (Common ERP)

(Phase 1: \$310.1 million one-time and \$24.9 million ongoing)

The California Community Colleges need a transformative shift in its technology infrastructure to support a robust and unified approach to managing resources, data flows, and operations across all colleges. Vision 2030 emphasizes that it will take interconnected reforms to achieve bold student-centered goals, yet across California’s 73 districts, there are vast inefficiencies in data and operations because of outdated or disconnected enterprise resource planning (ERP) system. The California Community Colleges seek an investment to transition from isolated systems with thousands of potential vulnerability points to a common systemwide ERP.

ERP (Enterprise Resource Planning) Definition: An integrated suite of business applications. ERP tools share a common process and data model, covering broad and deep operational end-to-end processes, such as those found in finance, HR, distribution, manufacturing, service, and the supply chain.

Core functionality of a typical government ERP system includes:

- “Accounting and finance management: general ledger, budget planning and management, accounts payable, accounts receivable, payments, annual reporting, capital management, revenue forecasting” (*Mendonsa, 2022*).

- “Human capital management: recruitment, onboarding, benefits administration, scheduling, time, and attendance, payroll, and performance management” (ibid).
- “Procurement: Contract Management, Vendor Management, E-Catalog, Vendor Registration, Procure or Source to Pay, Bid/RFP Notification” (ibid).

ERP systems in higher education also include student information systems (which track student information, grades, attendance, outcomes, and more) as well as financial aid management, academic advising, student communication, and, in many cases, alumni management/tracking software. Across the 116 colleges, there are currently three major ERP systems in use (with different versions implemented at different institutions), with a wide and diverse array of customizations, integrations, and kluges. The share of the ERP systems across colleges are approximately:

- 38% of colleges using Colleague
- 36% using Banner
- 22% using PeopleSoft
- 4% are on home-grown systems.

A Common ERP would instead provide an integrated and holistic technological foundation for the system, including streamlined and vastly more efficient processes, consistent systemwide data management, real-time reporting, efficiencies of scale and uniformity, and a robust data platform for advanced analytics, AI-enhanced student support, and a uniform robust technology strategy across institutions.

In 2022, the Board of Governors include the initial framework for a Common ERP as part of its 2023-24 Multi-Year System Budget Request. Since then, there has been a concerted effort to engage a wide range of system stakeholders, seeking their feedback and insights. This broad and ongoing involvement ensures that a transition to a Common ERP considers all perspectives, addresses specific challenges, and garners the support required for such a monumental shift. From this ongoing engagement, the currently fragmented ERP systems across California’s community college districts are resulting in unnecessary challenges for student experiences and district operations, among them:

1. **Cybersecurity Vulnerabilities:** The haphazard and piecemeal adoption of up to date modern technology that occurs introduces security vulnerabilities, jeopardizing the safety of student and institutional information and finances, particularly at our most vulnerable institutions. System stakeholders repeatedly highlighted that current systems are vulnerable to cyber threats, with 116

different timelines for completing security updates, putting sensitive data at risk. A modernized Common ERP would enhance security measures, ensuring consistent data protection across all 116 colleges, including smaller colleges and rural colleges that experience challenges recruiting and maintaining information security personnel.

2. **Inconsistent and Ineffective Data and Reporting:** Absence of a standardized data management interferes with data management, quality, and reporting of outcome to the Chancellor's Office, state and federal leaders and the public. The current data management structure also leads to substantial inefficiencies in reporting, creating enormous and completely unnecessary burdens for informational technology, institutional research, admissions and records, financial aid, and wide variety of academic services and student support services staff. An ERP would streamline this, enabling staff to focus on better serving students, more meaningful data analysis and more strategic application of data results for program improvement. Further, existing inefficiencies create real barriers for community college students, delaying the use of data from other colleges in the system in educational planning as well as receipt of awards, increasing students' time to degree and decreasing their likelihood of completion.
3. **Inconsistent Student and Staff Experience:** Technological experiences vary drastically across colleges and are highly inequitable for students, faculty, and staff across different institutions. Misaligned ERP platforms across colleges lead to user frustration due to non-standardized interfaces, often artificially creating barriers to students. A unified ERP would guarantee a consistent user experience for students, faculty, and staff enhancing confidence in the system and reducing inequity in experiences because of the institution where one attends or works.
4. **Hiring and Retention Challenges:** Legacy ERP systems consume staff time and are deterrents for potential employees seeking modern work environments. Transitioning would promote better staff retention and recruitment and allow for creating far greater systemwide cooperation in far more effective communities of practice throughout the staff and faculty of the system.
5. **Outdated Hardware and/or Software:** Outdated, piecemeal information technology hinders system performance and integration with newer tools (including machine learning/advanced analytics, AI-enhanced students support services, real-time adaptive instruction), significantly impacting user experience and greatly impacting staff workload by bogging down IT and other staff unnecessarily with routine hardware maintenance and software patching. Modern

tools, made available through a unified software as a service ERP, can greatly enhance services, and attract and maintain higher quality staff, with skills that translate easily systemwide and can be more easily supplemented with remote staff or contract work.

The current disparate technology landscape inhibits the system’s capacity to function cohesively and securely. To address these identified challenges, a seven-year, multi-phase transition to a Common ERP is a necessary and important investment. A Common ERP would: 1) enhance systemwide information security; 2) provide real-time, actionable data to drive continuous improvement and information-based intervention; and 3) create tremendous district and system level efficiencies. This project would standardize technology applications and administrative systems that handle student enrollments, human resources, finance, and financial aid by moving the system in its entirety from a collection of aging and unconnected systems to a singular cloud-based software as a service (SaaS) system that is locally configurable yet centrally managed. For districts, systemwide integration would provide real opportunities to improve outcomes and completion, supporting fiscal health and resilience.

Phase 1 Request: This proposed 2024-25 request would seek \$310 million one-time and \$24.9 ongoing funding to launch Phase 1 of the California Community College Common ERP transition. Phase 1 is the first of a two-phased project to systematically collect requirements, design and build a cloud-based common enterprise system across 116 colleges. To achieve the complex tasks for a system as large as the California Community Colleges, Phase 1 is a three-year process. The below table describes the primary tasks and cost drivers within Phase 1.

Implementation Summary and Costs

| PHASE 1 | | | | |
|-----------------------------------|---------------|---------------|---------------|--------------|
| Stage | Year 1 | Year 2 | Year 3 | TOTAL |
| Project Management | \$6.7 M | \$6.7 M | \$6.7 M | \$20.1 M |
| Plan Solution & Initiate | \$21 M | \$21 M | | \$42 M |
| Iterate (Design, Build, Validate) | \$60 M | \$60 M | \$60 M | \$180 M |
| Test | \$5.3 M | \$5.3 M | \$20 M | \$30.6 M |

| | | | | |
|-----------------------------|-----------------|-----------------|------------------|------------------|
| Deploy | | | \$11.5 M | \$11.5 M |
| Change/ Training | \$5.3 M | \$5.3 M | \$5.3 M | \$15.9 M |
| Design/ Build Iteration | | | \$10 M | \$10 M |
| Total One-Time Costs | \$98.3 M | \$98.3 M | \$113.5 M | \$310.1 M |
| Live Support | | \$8.4 M | \$8.4 M | \$16.8 M |
| License | | \$16.5 M | \$16.5 M | \$33 M |
| Total Ongoing Costs | | \$24.9 M | \$24.9 M | \$49.8 M |

Non-Proposition 98 General Fund

Continue Investments in Affordable Student Housing

Request: A state-issued lease revenue bonds for 19 continuing affordable student housing projects and up to five new proposals.

Housing is the largest cost of attending a post-secondary institution and, for many students, it exceeds the cost of tuition. In a 2018 Student Expenses and Resource Survey, students reporting experiencing housing insecurity were most likely to be Black or Latinx, with Black students most disproportionately impacted by houselessness and Latinx students being the largest population of houseless students. In fact, the students most likely to experience housing insecurity are Black or Latinx women, over the age of 22, with dependents. Housing insecurity is most dire for community college students where over 60% of students reported experiencing housing insecurity and 19% reported being homeless—more than any other segment.

The 2021 and 2022 Budget Acts set into motion historic investments in student housing, changing the paradigm of seeing student housing as college and university enterprise services to basic needs, affordability, and completion strategies. In support of these efforts, the California Community Colleges launched the affordable student housing program to assist colleges’ successful implementation. This program provides community colleges the opportunity to apply for student housing construction grants. In rounds one and two, the projects will yield over 5,400 affordable beds for low-income, at-risk, and disproportionately impacted students.

The 2023 Budget Act shifted the funding mechanism for community college affordable student housing from General Fund grants to lease revenue bonds issued by community colleges. The 2023 Budget Act was later amended to provide an ongoing funding commitment to maintain affordable rental rates. In addition, the higher education budget trailer bill, was amended to include legislative intent language to secure a state financing solution in the 2024 Budget Act. To protect the viability of these projects, it is critical for state leaders to follow-through with the commitment to enact a state-issued revenue bond in the 2024 Budget Act.

California Community Colleges request a state-issued lease revenue bonds to support 19 approved projects and up to 5 new affordable student housing proposals. Under this structure, community college districts would enter into agreements with the state to secure lease revenue bonds. This mechanism was previously used for community college capital outlay projects, prior to the routine use of state General Obligation bonds. The approach leverages state expertise in revenue bonds and economies of scale. More importantly, this approach would provide a streamlined mechanism for the state to pay all debt service and below-market rent revenues would cover operating costs, preserving the program's goal of affordability.

Chancellor's Office General Operations

(\$550,000 ongoing)

Vice Chancellor of Information Security and Digital Transformations
(Information Technology Manager I)

The Chancellor's Office Digital Innovation and Infrastructure division plays a key role in supporting California Community Colleges access to technology, research, data, and effective implementation of information security measures in place to protect and prevent risks to those technologies and data.

In October 2021, the California Department of Technology (CDT) and its Office of Information Security (OIS) released the Governor's multi-year Cyber Information Security Maturity Roadmap called Cal-Secure. Cal-Secure has 29 required capabilities to strengthen the state's security and preparedness across Cyberspace. Of the 29 capabilities, the Chancellor's Office has only been able to fully implement four. At the close of each fiscal year, state departments and agencies will be required to attest that they have achieved the required capabilities.

A proactive and robust information security program which meets Cal-Secure's required capabilities can be implemented and managed following a strategy known as SecOps – Security Operations. SecOps provides a method to bridge the gap between Information Security and IT operations to effectively meet both objectives. The Chancellor's Office is seeking SecOps implementation to expand its organizational structure and allow the agency to mitigate risks, safeguard critical student and employee data, and manage the confidentiality, integrity, and availability of information systems to support the Vision more effectively. To accomplish this important transition, a Vice Chancellor of Information Security and Digital Transformations.

The Chancellor's Office requests a Vice Chancellor of Information Security and Digital Transformations position (Information Technology Manager I) who would be responsible for day-to-day management for the agency's information security and operations infrastructure.

The position will be crucial in developing a robust and collaborative security risk reduction strategy and implementation of the Cal-Secure roadmap. They will be responsible for implementation and management of security and infrastructure systems necessary to maintain IT operations and capabilities outlined in the Cal-Secure roadmap. The position will implement information security program policies, procedures, and standards as outlined in Government Code 11549.3, and manage technologies necessary to increase the Chancellor's Office information security program compliance. They will serve as primary liaisons for Independent Security Assessment (ISA) activities of the Cal-Secure Oversight LifeCycle.

Assistant Vice Chancellor of Workforce Development

Under Vision 2023, workforce and economic development are at the heart of the system's efforts to provide Californians with pathways to socio-economic mobility. The Chancellor's Office serves as administrator for important workforce programs and streams of state and federal funds, including the Carl D. Perkins Technical Education Act of 2018, Proposition 98 dollars for Apprenticeship, Nursing Program Support, Strong Workforce, K-12 Strong Workforce, Economic and Workforce Development, among others. The system also collaborates closely with employers, labor, local communities, community colleges, California Department of Education and other educational agencies through programing supported by these funds to close the skills gap, enable wage gains, and foster student success and completion. The Assistant Vice Chancellor of Workforce Development will

collaborate across divisions and our state to align and implement new efforts proposed in the Freedom to Succeed Executive Order by Governor Newsom.

The Chancellor’s Office requests an Assistance Vice Chancellor of Workforce Development to support the implementation of Vision 2030. The position will play a key role in leading apprenticeship program expansion, and implementing the Carl D. Perkins Technical Education Act of 2018, nursing program support, Strong Workforce, and economic and workforce development. The role will be essential for the coordination of career education program activities with other educational segments, and maintaining liaison with educational, governmental, and private officials and organizations. They will help lead compliance with related standards, state and federal laws, rules, regulations, Board of Governors actions, and Agency policies and procedures. Importantly, they will be key to taking to scale proven field practices and demonstration projects to ensure systems change.

Director of Operations and Special Initiatives

The Chancellor’s Office requests a Director of Operations and Special Initiatives to support the implementation of Vision 2030. The position will play a critical role in coordinating the actions and goals of Vision 2030, and specifically support the systems preparation to address the impacts of artificial intelligence. The Director will support the system to have the tools, resources and policies necessary to benefit from artificial intelligence, but also help to protect against its potential harms. Ongoing workload to shape the future of ethical, transparent, and trustworthy AI, while remaining the world’s AI leader, is critical to the implementation of Vision 2030 and the future of higher education in California.

2024-25 Request Summary

| Proposal | Total Request |
|---|-----------------------|
| Proposition 98 | |
| ONGOING | |
| Cost of Living Adjustment and Funding Rate Increases to Support Implementation of Vision 2030 | \$500 million ongoing |
| Robust Faculty Supports | \$50 million ongoing |
| Supporting Students with Dependent Children | \$40 million ongoing |
| MAP Credit for Prior Learning Expansion | \$6 million ongoing |
| California Apprenticeship Initiative Expansion | \$30 million ongoing |

| | |
|--|------------------------------|
| Disabled Student Programs and Services (DSPS) Formula Update | \$60 million ongoing |
| Phase 1 Common Enterprise Resource Planning (Common ERP) | \$24.9 million ongoing |
| ONE-TIME | |
| Phase 1 Common Enterprise Resource Planning (Common ERP) | \$310.1 million one-time |
| Non-Proposition 98 General Fund | |
| Continue Investments in Affordable Student Housing | State-issued ongoing funding |
| Chancellor’s Office General Operations | \$ 750,000 ongoing |

MULTI-YEAR REQUEST

The California Community Colleges multi-year request sets the foundation for key funding priorities in 2025-26 and beyond. The proposed out-year investments allow state leaders to gain insight into the forward-thinking and planning of colleges and presents an opportunity to partner around future priorities.

Phase 2 | Common Enterprise Resource Planning (Common ERP)

(\$214 million one-time, \$24.9 million ongoing)

In fiscal year 2027-28, the California Community Colleges request funding for Phase 2 of the Common ERP transition. With a Common ERP and data governance model, colleges can easily track and share data, whether sharing student information for students attending classes across multiple colleges or tracking faculty that teach in multiple colleges. Additionally, standardizing and streamlining data collection would lead to fewer errors, consistent reports, and reduce data knowledge gaps. A common ERP levels the playing field for all colleges to have a shared, standard, robust technology experience across the state. Smaller colleges gain more access to new modules they either could not afford or used a manual process to meet their needs. The student and faculty experience would improve because they only need to learn and interact with one system rather than multiple systems used across the colleges. The impact is more profound with low-income students and students of color as they continue to have unequal access to technology and the inequity is exacerbated by having to navigate multiple systems and logins.

Phase 2 Request: This proposed request would seek \$214 million one-time and \$24.9 million ongoing funding to complete the California Community College Common ERP transition. Phase 2 is the second of a two-phased project to build, test, implement and train staff statewide on cloud-based common enterprise system across 116 colleges to complete full implementation systemwide. The below table describes the primary deliverables in Phase 2.

| PHASE 1 | | | | PHASE 2 | | | | Total |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|--------|
| Stage | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | |
| One-Time Costs | | | | | | | | |
| Project Management | \$6.7 M | \$47 M |

| | | | | | | | | |
|-----------------------------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Plan Solution & Initiate | \$21 M | \$21 M | | | | | | \$42 M |
| Iterate (Design, Build, Validate) | \$60 M | \$60 M | \$60 M | | | | | \$180 M |
| Test | \$5.3 M | \$5.3 M | \$20 M | \$20 M | \$20 M | \$20 M | \$20 M | \$99 M |
| Deploy | | | \$11.5 M | \$11.5 M | \$11.5 M | \$11.5 M | \$11.5 M | \$57 M |
| Change/ Training | \$5.3 M | \$5.3 M | \$5.3 M | \$5.3 M | \$5.3 M | \$5.3 M | \$5.3 M | \$37.1 M |
| Design/ Build Iteration | | | \$10 M | \$10 M | \$10 M | \$10 M | \$10 M | \$50 M |
| Total One-Time Costs | \$98.3 M | \$98.3 M | \$113.5 M | \$53.5 M | \$53.5 M | \$53.5 M | \$53.5 M | \$512.1 M |
| Ongoing Costs | | | | | | | | |
| Live Support | | \$8.4 M | \$8.4 M | \$8.4 M | \$8.4 M | \$8.4 M | \$8.4 M | \$49.4 M |
| License | | \$16.5 M | \$16.5 M | \$16.5 M | \$16.5 M | \$16.5 M | \$16.5 M | \$99 M |
| Total Ongoing Costs | | \$24.9 M | \$24.9 M | \$24.9 M | \$24.9 M | \$24.9 M | \$24.9 M | \$148.4 M |

Effective Local Financial Aid Support Services

(\$10 million ongoing and policy changes)

Maximizing access to financial aid requires high-engagement strategies and the support of financial aid professionals. Currently, the formula used by the Department of Finance for Student Financial Aid Administration (SFAA) is based on the 108 community colleges in existence in 2003, creating a 10% deficit in funding statewide over the past 18 years. Additionally, the funding formula used only considers California College Promise Grant (CCPG) fee waiver data. Many of the legislative and budget changes in the last 7-10 years provided funding for additional student awards and payments but provided little or no resources to colleges for the required additional financial aid administration. Included below are unfunded/underfunded, recent, and significant addition or changes to state programs administration:

- Change to the need determination for the Fee Waiver to \$1104
- Loss Of Fee Waiver Regulation for the CCPG
- Full Time Student Success Grant (FTSSG)
- Community College Completion Grant (CCCG)

- Student Success Completion Grant (SSCG)
- Chaffee and CAFYES/Next up
- Direct Aid to students from Equity and Student Success Dollars (SEA)
- Dreamer Funding
- Promise Program (AB 19 & AB 2)
- Requiring Loan Program Participation
- State Emergency aid funding

While the 2022-23 state budget provided a modest increase to begin to close existing gaps in the financial aid administration programs, structural changes to the Student Financial Aid Administration and Board Financial Aid Programs formula are still needed. To address this problem, we are proposing three solutions:

- A revision to the Student Financial Aid Administration and Board Financial Aid Programs (SFAA-BFAP) allocation funding formula used by the Department of Finance to include additional data points such as total headcount and counts of low-income students (Pell Grant recipients);
- A cost-of-living adjustment (COLA) to the Student Financial Aid Administration base and capacity funding; and
- Ensuring the BFAP 2% allocation is directed to support financial aid administration.

Of the resources provided, 5% will be utilized by districts and colleges for professional development focused on strategies to braid supports together for students, advancement of culturally competent practices, and holistic student onboarding. Our goal is to leverage the talent and skills contained in financial aid offices to actively in reaching out to students that can benefit from financial and basic needs supports. Professional development can also bring attention to student populations that face exceptional barriers and the role financial aid can play in preventing student from stopping-out. Financial aid plays a significant role in successfully closing educational and equity gaps, and it is critical that the funding needs of the administration of financial aid programs be prioritized at both the state and institutional level.

Intersegmental Transfer Success Collaborative

(\$1 million one-time)

Much progress has been made on smoothing the transfer process among the segments, with the Associate Degree for Transfers between the CCC and CSU systems and the UC Transfer Pathways between the CCC and UC systems serving as two primary examples. However, further collaboration and work is necessary to assess and coordinate the transfer pathways

across all three segments of higher education, particularly within disciplines where there are currently differences in preparatory lower division pathway curriculum. Coordination and closer alignment is possible and worthy of further exploration. Effective communication of this information to CCC students is also a priority that merits close examination by disciplinary faculty and their respective admissions teams. The California Community Colleges seek funding to support the creation of an Intersegmental Academic Senate Task Force on Transfer to improve the transfer process by: 1) identifying the 20 most popular majors among transfer students and determine the degree of alignment in these majors across the CSU and UC systems; and 2) determining how best to communicate this information to CCC students.

Specifically, the request seeks \$1 million to be spent primarily over two fiscal years (2025-26 and 2026-27). Each segment would receive \$500,000 per year to fund 15-20 disciplinary faculty from their segment and jointly fund any necessary travel, facilitation, or convening costs, including instructional release time and summer stipends.

One-Time Funding Requests | Proposition 98

Restoration of Deferred Maintenance & Instructional Equipment Funds

(\$500 million one-time)

The 2022 Budget Act included approximately \$840 million in one-time funds for 2022-23 to address deferred maintenance and energy efficiency projects across the system. However, the 2023 Budget Act reduced that appropriation for by \$500 million to approximately \$346.4 million. For California's community colleges, the need to maintain and upgrade our facilities and equipment continues to grow, particularly as we seek to reengage broader populations through welcoming campus experiences for students is paramount to both campus operations and student success. As such, the California Community Colleges seek a one-time restoration of \$500 million in deferred maintenance and instructional equipment.

Non-Proposition 98 General Fund

Chancellor's Office General Operations

To continue progress towards meeting Cal-Secure's required capabilities, the Chancellor's Office is seeking the following positions in a future request to expand the agency's capacity to

to mitigate risks, safeguard critical student and employee data, and manage the confidentiality, integrity, and availability of information systems:

Security and Infrastructure Engineers (IT Specialist II) – The position would serve as security, infrastructure, and cloud architects. Responsible for implementation and management of security and infrastructure systems necessary to maintain IT operations and capabilities outlined in the Cal-Secure roadmap. The position would support Independent Security Assessment (ISA) activities of the Cal-Secure Oversight LifeCycle. The position analyzes incident-related data and determine the appropriate response; design new architectures, and solutions that will support security requirements; develop change management standards or requirements; create backup and recovery strategies; conduct disaster and recovery analysis, planning, implementation, and administration for systems.

Risk Management (1.0 IT Specialist II) – The position would be responsible for identifying cybersecurity threats and privacy-related issues and implementation of the information security program policies, procedures, and standards as outlined in Government Code 11549.3. The positions manage technologies necessary to increase the Chancellor’s Office information security program compliance.

Operations Helpdesk (1.0 IT Associate) – The position would be responsible for day-to-day management of helpdesk to support the Chancellor’s Office employees and our partners. Serve as primary end-user support for the agency and escalate to Engineers when required.

2024-25 LEGISLATIVE REQUEST

The legislative portion of the 2024-25 System Budget and Legislative Request is focused on policies that advance *Vision 2030*, with a particular focus on closing equity gaps and ensuring that students can afford the total cost of attending and succeeding in college. The 2024-25 budget and legislative cycle ushers in a decisive year for the Cal Grant Equity Framework, a student-centered overhaul of the State's largest financial aid program, which was championed by student associations such as the Student Senate for California Community Colleges, as well as social and racial justice leaders. If fully funded in the 2024-25 State Budget, the policy will provide equitable access to State financial aid for all community college students for the first time. The Cal Grant Equity Framework remains a priority for students and our prospects of meeting the *Vision 2030* goals of equity in access, equity in supports, and equity in success. In 2024-25, California Community Colleges will seek policy solutions in the following areas:

Equitable Access to Dual Enrollment Pathways

Ensuring that every California high school student has equitable access to community college courses through dual enrollment is a core component of *Vision 2030*. It is no longer sufficient to rely on the philosophy of "If you build it, they will come." We must bring college to our state's most marginalized and underrepresented communities. Governor Newsom has set a bold goal that every graduating high school senior graduate with at least twelve (12) semester-equivalent college credits, and *Vision 2030* will help bring this goal to fruition. In order to do so, we must eliminate arbitrary and unnecessary barriers to students accessing dual enrollment. The Chancellor's Office 2021 College and Career Access Pathways (CCAP) program report identified several such barriers and recommended them for modification or repeal, such as a longstanding statutory requirement that students receive the recommendation of their high school principal before taking dual enrollment courses. Requirements such as this, while once well-intended, are subject to implicit cultural and social biases that may lead to fewer students of color, low-income students, or students from first-generation backgrounds participating in dual enrollment programs such as CCAP.

EWD Program Alignment

A critical part of the Chancellor's Office's Workforce and Economic Development Division, the [Economic and Workforce Development](#) (EWD) Program provides grants to colleges for

education, training, and services that contribute to continuous workforce improvement. A recent bill (AB 1370, Tan) would:

- Revise some provisions of the EWD program to be **more responsive to the needs of employers, workers, and students.**
- Develop **partnerships with the private sector** on program planning and evaluation.
- Adopt **continuous improvement processes** to improve oversight funding and implement accountability outcome measures.
- Remove the sunset date for the program, currently set for January 1, 2025.

One goal of the bill is to better align the EWD program with the CCC's [Strong Workforce](#) program (SWP), which aims to develop more workforce opportunity and lift low-wage workers into living-wage jobs. The SWP already focuses on data-driven outcomes and innovations to be more responsive to labor market conditions, key goals for EWD outlined in AB 1370. Recent changes allow SWP funding to be used to enhance services for career education programs and provide students with opportunities for work-based learning experiences. Extending EWD funding and better aligning the program to SWP would enhance the CCC's efforts to work closely with labor and industry and ensure that career education programs effectively connect students to promising career pathways.

Extend the Use of Multi-Criteria Screening Factors for Limited Enrollment Healthcare Program Admissions

Existing law allows community college nursing programs the ability to utilize multi-criteria screening (MCS) to evaluate applicant eligibility. This has been a critical tool in the admissions process for programs that receive more eligible applicants than there is capacity for. While MCS has been in place since 2007, it was created as a pilot method, and it is set to sunset in 2025. This proposal would permanently remove the sunset provision and make the use of multi-criteria screening an allowable practice in perpetuity. Additionally, nursing programs are not the only programs that need this tool. Most community college allied health care programs are limited enrollment, and their annual applications far exceed capacity. The use of MCS can benefit their application process greatly, but legislation must allow them to use this practice. This proposal strengthens existing provisions in the Education Code statute to allow impacted allied health care programs in community colleges to also use MCS in admissions.

Effective Implementation of Common Course Numbering

In 2021, Governor Newsom signed Assembly Bill 1111 (Berman), mandating that the California Community Colleges adopt a system of common course numbering (CCN) across all general education and transfer pathway courses. Accompanying budget bill language that year charged the Chancellor's Office with leading a task force of system stakeholders to begin this process and provided funding for this significant work. The original legislation contained an implementation date of July 1, 2024 to align not just course numbers but learning objectives and course content across approximately 500,000 individual course sections covering 116 colleges and 73 districts. While the work of the task force is underway, it is already clear that a system-level change of this magnitude will require additional time. This proposal would extend the work of the CCN task force and provide an adjusted implementation deadline of the fall 2027 semester for the new course numbering system to be in effect.

Expand Access to Financial Aid for Students with Disabilities

The Student Success Completion Grant (SSCG) is a state-funded financial aid award for community college students that attend full time (12 units or more). Cal Grant B recipient students who take 12-14 units receive a supplemental grant of \$1,298 per semester (\$2,596 per year); if they take 15 or more units, the award grows to \$4,000 per semester (\$8,000 per year). While this program serves most students who are able to attend full-time well, the eligibility requirement disproportionately excludes some students with disabilities, especially those with brain injury, learning disability, developmental delays, and vision impairments. Currently, to address the limitations posed by their disabilities, a sub-set of Disability Services and Programs for Students (DSPS) students (about one-third of the total DSPS population statewide) are provided with accommodations that enable them to be classified as full-time to receive support services locally (such as Promise programs, EOPS, priority enrollment, etc.). This proposal would provide the same type of flexibility for the SSCG program, by creating a narrow exception that expands equitable access to students with a documented accommodation on their DSPS Academic Accommodation Plan for a full-time equivalency.

Eliminate Structural Barriers to Residency

We seek to explore a multi-year study that reviews nonresidency statutes and structures that may be impeding college access for nonresident students. Over the last two decades, California legislators have enacted historic policies that increase access to higher education for nonresident students. However, the increase of legislation and regulations has created an unfortunate unintended consequence. It is harder to determine residency eligibility and yet, we know that nonresidency tuition exemption continues to be out of

reach for many. This effort will help us uncover structural challenges and help us determine the best course of action.

Consolidate and Streamline Legislative Reporting Requirements

The Chancellor’s Office is responsible for issuing more than 50 reports to the Legislature on an ongoing basis, most of them annually. The preparation, review, and submission of these reports is often very time-consuming for staff and detracts from time that could be spent overseeing and leading the multitude of new programs and mandates enacted via legislation and the State Budget every year. Having performed a comprehensive inventory of these reports, the Chancellor’s Office has concluded that many of them are either duplicative or at least address substantially similar topics. For example, there are four different reports on basic needs issues such as food insecurity; four separate reports concerning student housing and homelessness; and three reports each on community college nursing programs and programs serving justice-involved students (such as Rising Scholars).

This proposal would consolidate over 16 reports into five, covering the same content and data mandated by statute but with reporting dates and deadlines that are aligned and allow this information to be reported all at once, rather than at various times throughout the year or across multiple years.

The below table shows which reports address similar issues or request redundant metrics.

| Issue/Topic | Report(s) With Redundancies | Statute/Bill Mandate | Frequency/Due Date(s) | Rationale |
|--------------------|-----------------------------|--------------------------------|--|--|
| Basic Needs | Basic Needs Coordinators | Education Code Section 66023.5 | Annually, due May 1 | These reports all address programs designed to address students’ basic needs, such as food insecurity and mental health. They could be combined into |
| | County Liaisons | Education Code Section 66027.9 | One-time, due January 1, 2025 | |
| | Mental Health Resources | SB 129 (2021) | Triennially, beginning January 1, 2025 | |

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| | Wellness Vending Machine Pilot Program | Education Code Section 66023.8 | Annually, beginning July 1, 2025 | a single Basic Needs Report. |
| Housing Insecurity | Higher Education Student Housing Grant Program | Education Code Section 17201 | Annually, due July 1 | These reports all address state-funded efforts to alleviate housing insecurity among students. They could be combined into a single Student Housing Report. |
| | Homeless and Housing Insecurity Pilot Program | AB 74 (2019) | Annually, due July 15 | |
| | On Campus Housing Report | Education Code Section 66014.6 | Annually, starting October 15, 2023 | |
| Nursing Programs | Allied Health Professionals | Education Code Section 88826.5 | Annually, due July 1 | These reports all address nursing and allied health programs in community colleges. They could be combined into a single Nursing and Allied Health Report. |
| | Nursing | Education Code Section 78261 | Annually, due July 1 | |
| | Part-Time Nursing Faculty | Education Code Section 87482 | Annually, due September 1 | |
| System Accountability | Annual Accountability Report | Education Code Section 84754.5 | Annually, due March 31 | These reports all address accountability around major systemwide planning and coordination efforts. They could be combined into a single annual System Accountability Report. |
| | Statewide Pupil Identifier | Education Code Section 10803 | Annually, due April 1 | |
| | Governor’s Roadmap Report | Roadmap for the Future | Annually, beginning August 30, 2023 | |
| | State of the System Report | Education Code Section 84754.6 | Annually | |
| Workforce and Economic Development | Economic and Workforce Development Program | Education Code Section 88650 | Annually, due March 1 | These reports both address two major |

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| | Strong Workforce Program | Education Code Section 88826 | Annually, due January 1 | components of career education overseen by the Chancellor’s Office. They could be combined into a single Workforce Education Report. |
| Disproportionately Impacted Populations | A comprehensive analysis of all categorical programs that support disproportionately impacted populations, including Student Equity and Achievement Program (SEA). | Education Code Section 78221 and 78222 | Seven separate deadlines, in addition to an annually SEA report deadline of March 15 and April 1. | These reports all address historically underserved student populations, most of whom receive supports and services through budget-funded categorical programs. A comprehensive report with details on all programs that support disproportionately impacted populations would provide a holistic view of opportunities and gaps. |