

## **Budget Principles (April 13 draft #4)**

California's community colleges are located strategically throughout the state, provide comprehensive educational programs, and represent the state's investment in a robust and sustainable economy, and a vibrant democracy. Our colleges are the primary source for a broad education, professional and skills development, job placement, and personal growth for millions of Californians. The state's commitment to provide access is matched by the individual colleges' obligation to assure student success. Stability and predictability in funding, enrollment autonomy, fees, and regulations are vital to maximize the state's investment in higher education and the concomitant aspirations students bring to each of California's community colleges.

In recognition of a significant continuing mismatch between state resources and the need for California to provide high quality community college education to meet the economic and civic needs of the state, we support the following budget principles.

### **Budget Priorities and Student Success**

- As new Proposition 98 funding is restored over the next five years, funding above cost-of-living adjustment should be balanced between enrollment and categorical program restoration.
- An additive, categorical incentive funding system, as called for in the *A 2020 Vision for Student Success* report, should be implemented, but only supplementary to COLA, enrollment restoration and categorical restoration.

### **Enrollment Prioritization**

- The Chancellor's Office should develop guidelines or a framework for establishing enrollment priorities at the local colleges. It should be general, and result in guidelines, rather than hard-and-fast rules. (Concomitantly, the Legislature should not be mandating enrollment priorities.)
- Districts should use the system guidelines and annually report how the guidelines are being implemented.
- Although we believe that the State should refrain from policy decisions that dictate local college curriculum, if the state provides limits on curriculum or makes other policy determinations that could lead to significant enrollment decline at individual districts, stabilization funding should be provided.
- The system should convene a group to look at whether a differential funding and fees model will protect high cost, high placement, high wage career-technical programs. The group should also consider the implementation of an enhanced basic skills funding model to promote acceleration and contextualization, as called for in the *Vision 2020* report.

### **Fees and Financial Aid**

- Fees should be adjusted annually at the rate of change in per capita personal income, with the funds used to restore enrollment access and student success support programs.
- Board of Governors fee waiver recipients should be required to make satisfactory academic progress (determined at each college) and should be required to fill out a FAFSA.
- A task force should be assembled to look at financial aid, including whether the BOG Fee Waiver best promotes access, contributes to student success and maximizes available aid and services to students.
- With reasonable limitations, districts should be able to offer credit for courses offered as extension courses (AB 515).

### **Consolidation and Coordination**

- The state should not force community college districts to consolidate, although barriers to consolidation should be removed and incentives to consolidate should be considered.
- Services that can be operated on a statewide or regional basis to yield cost savings, such as data centers, should be expanded, on a voluntary basis.

### **Regulatory Relief**

- Given the significant budget uncertainty, a 60-day window should be provided following budget enactment of the budget for districts to provide non-assignment notices. Further, the “March 15” date should be changed to a “180-day notice” provision to provide both certainty for full-time academic employees and reasonable flexibility for colleges.
- Penalties under the Fifty Percent Law should be suspended until enrollment funding and categorical funding is restored.
- The Faculty Obligation Number should be rebenched to accommodate the true lost funding (deficit factor), and not just workload reduction. “High FON” districts should be reduced by an additional factor.
- Categorical mandates should be reviewed for contributions to student success and true utility for statewide monitoring.
- Community colleges should have the same facilities construction requirements as the public four-year institutions (Field Act).