



2018-19 State Budget Position

The Association of California Community College Administrators (ACCCA) takes an active role in the development and advocacy of the State Budget, public policy, and legislation for the benefit of the California Community College system, our students, and the system's administrative leadership.

We appreciate Governor Jerry Brown's continued investment in the education of California's students, and many of our State Budget priorities align with those outlined in the Governor's 2018-19 State Budget proposal.

Proposition 98 Minimum Guarantee and California Community College Allocation

ACCCA calls on the state government to provide funds in a manner that builds excellence in public postsecondary education. Proposition 98 was established in the State Constitution by voters to set a *minimum* funding level for California's public schools. ACCCA supports full funding obligated under Proposition 98 without manipulation.

ACCCA's highest priority for allocation of Proposition 98 funds is full funding of the community college portion of the guarantee. We appreciate and support Governor Jerry Brown's proposal to provide CCCs with their historical 10.93% portion of Proposition 98.

New Funding Formula

ACCCA supports discussions to create a funding model that reflects the actual costs of educating students and allows both growing and sustaining districts to meet their financial requirements and successfully educate their students. While some Community Colleges are experiencing significant student growth, many others are suffering from flat or even declining enrollment. During good economic times, more people are employed and fewer are seeking postsecondary education, which is straining districts in many regions of California.

All districts are experiencing increasing costs for the continuing operation of their Colleges. California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) employer contribution rates, step and column increases, health and welfare benefits cost increases, and even utility costs are all increasing. A new funding formula should acknowledge that 85-90% of district costs are related to personnel, minimize funding volatility, and include sufficient base funding for college operations.

ACCCA holds steadfast to the principle that local control is fundamental to establishing and operating sound programs for students. Because districts are accountable to their local community, they must have the agility to meet local needs. Providing funds to districts in the most flexible way possible and as ongoing resources is a top priority of ACCCA.

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It is critically important to get a new funding system right. To that end, ACCCA supports a multiyear discussion before transitioning to a new funding formula over several years. This will give the system time to consider all factors, simulate out-year scenarios, and avoid unintended consequences.

Online College

ACCCA supports increasing access to quality community college programs to as many Californians as can benefit. The Governor's Online College proposal aims to bring education to 2.5 million working Californians. While ACCCA is supportive of the concept, significant attention needs to be paid to ensure quality programs are offered and that existing community colleges are not harmed in the creation of an Online College, especially by directly competing in offering associate degrees and transfer preparation, which are high priority missions of existing community colleges.

Aligning Financial Aid and Student Success

Governor Brown has proposed to fund the California College Promise program, which would allow colleges to use this funding to waive some or all of the \$46 per unit fee for all first-time resident students enrolled in 12 units or more per semester during their first year, or use the funding for other innovative purposes to advance specific student success goals. The Administration also proposes to consolidate the Full-Time Student Success Grant and the Completion Grant programs and base the grant amounts on the number of units a qualifying student takes each semester or each year. ACCCA supports both of these financial aid proposals.

Facilities Funding

With the successful passage of Proposition 51, voters approved \$2 billion in facilities funding for the California Community Colleges. ACCCA calls on the state to continue its commitment to provide financial support for California's Community College facilities. Unfortunately, Governor Brown proposes to fund only five new Proposition 51 bond funded projects and 15 continuing projects. ACCCA calls on the Governor to sell the Proposition 51 bonds as quickly as practicable and fund all 18 new projects approved for funding in 2018-19 by the Board of Governors.

For questions regarding this position paper, please contact:
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