

Dr. Jose Fierro
President's Message
June 18, 2018

Good afternoon Colleagues,

On Friday, the legislature approved the proposed budget. The budget largely supports the Governor's proposal phased in over a three-year period.

- **Online Community College** – provides \$100 million in one-time funding and \$20 million in ongoing funding for the creation of a new online community college, administered by the California Community Colleges Board of Governors. The new online college is tasked with developing courses and programs leading to short-term credentials and certifications with labor market value which are not duplicative of programs offered at existing colleges and lead into pathways offered at existing colleges. In addition, they have provided \$35 million in one-time funds for competitive grants to existing community college districts to develop the online programs, courses and content.
- **New Funding Formula** – creates a new funding formula that will be phased in over three years.

Phase-In – The funding formula will be phased in over three years as follows:

- a. **2018-2019:** Base = 70%, Supplemental = 20% and Student Success = 10%.

Rates: Base = \$3,727/FTES, Supplemental = \$919/point, Success = \$440/point plus \$111/point for Equity.

- b. **2019-2020:** Base = 65%, Supplemental = 20%, and Student Success = 15%

Rates: Base = \$3,387/FTES, Supplemental = \$919/point, Success = \$660/point plus \$167/point for Equity. These rates will be adjusted by COLA.

- c. **2020-2021:** Base = 60%, Supplemental = 20% and Student Success = 20%

Rates: Base = \$3,046/FTES, Supplemental = \$919/point, Success = \$880/point plus \$222/point for Equity. These rates will be adjusted by COLA.

- **Hold Harmless** – Provides districts with guaranteed cost-of-living increases in each of the next three years ensuring that districts receive the higher of the amount received in 2017-18 plus COLA or the amount calculated under the new formula and restoration of FTES declines over a three-year period.

The Tentative Budget being presented to the Board of Trustees on June 20, 2018 **does not** contain any of the provisions listed above. Once approved by the Legislature and Governor, we will incorporate them into our Adopted Budget, which will come to the Board in September for review and approval.

I would like to thank you for your patience during this period of change at the state level and I thank everyone who called and sent letters to the legislature supporting this budget. Once we understand all the implications of the final budget, I will send an update with the details.

Best,
Jose Fierro, D.V.M., Ph.D.
President/Superintendent