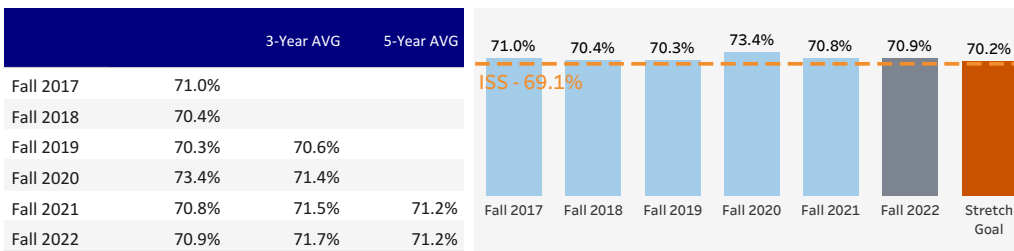


STRATEGIC PLANNING COMMITTEE BUDGET COMMITTEE		WEDNESDAY, 22 MARCH 2023 VIA ZOOM 2:30 PM – 4:00 PM
<p>TYPE OF MEETING: SPC & BC Joint Meeting NOTE TAKERS: Jerene Kelly / Amanda Khatib PLEASE REVIEW/BRING: Agenda, Minutes, and Supporting Documents</p>		
<p><u>Strategic Planning Committee Members:</u></p> <ol style="list-style-type: none"> 1. Meeta Goel, Co-Chair (Dean, IERP/Library) 2. Tamira Despain, Co-Chair (AS: President) 3. Svetlana Deplazes (Director, IR) 4. Michael Dioquino ((Exec. Director or Designee-IT) 5. Michelle Hernandez (CMS: Director of FYE/SYE) 6. Jim Landreth (Classified Union: CTE) 7. Marc Ledezma (Director, Maintenance & Operations) 8. Desiree Lee (Classified Union) 9. James Nasipak (Director, Business Services) 10. Jenell Paul (Classified: Student Services) 11. Rodney Schilling (AS: Counseling Faculty) 12. Casey Scudmore (CMS Staff) 13. Kim Sennett (AS: CTE/Vocational Faculty) 14. Veronica Sirotzki (Classified Union) 15. Jill Zimmerman (Dean, Student Services) 16. Gem DeJesus (ASO: Student Rep) <p><u>Vacant</u> Faculty Union Enrollment Mgmt, Co-Chair At Large Faculty Library Faculty Adjunct Faculty</p>		<p><u>Budget Committee Members:</u></p> <ol style="list-style-type: none"> 1. Sarah Johnston, Co-Chair (Exec. Dir., Fiscal & Fin. Services) 2. Tamira Despain, Co-Chair (AS: President) 3. Gem DeJesus (ASO: Student Rep.) 4. Suzanne Olson (Classified Staff) 5. Angela Musial (CMS Staff) 6. Thomas Gang (Dean, Athletics & Kinesiology) 7. LaDonna Trimble (Dean, Student Services) 8. Svetlana Deplazes (Enrollment Management) 9. Marvin Guzman (Facilities) 10. Karen Heinzman (Faculty) 11. James Firth (Human Resources) 12. Daniel Conner (ITS) 13. Richard Fleishman (Program Review Committee) 14. Pamela Ford (Classified Union) 15. Kent Moser (Faculty Union) <p><u>Vacant</u> Adjunct Faculty Staff Outcomes Committee</p>
<p><u>Ex-Officio's</u> Jennifer Zellet (Superintendent/President) Shami Brar (VP, Administrative Services) Howard Davis (VP, Academic Affairs-<i>Interim</i>) Idania Padron (VP, Student Services) Victoria Simmons (VP, Human Resources-<i>Interim</i>) Alejandro Guzman (Exec. Director, Marketing)</p>		
AGENDA ITEMS	PERSON(S) RESPONSIBLE	ISSUES DISCUSSED / ACTION ITEMS
INFORMATION/DISCUSSION ITEMS:		
I. Opening Comments from Co-Chairs	M. Goel, T. Despain S. Johnston	
II. Planning Update	Meeta	<p><u>Issues Discussed:</u></p> <p><u>Action Item:</u></p>

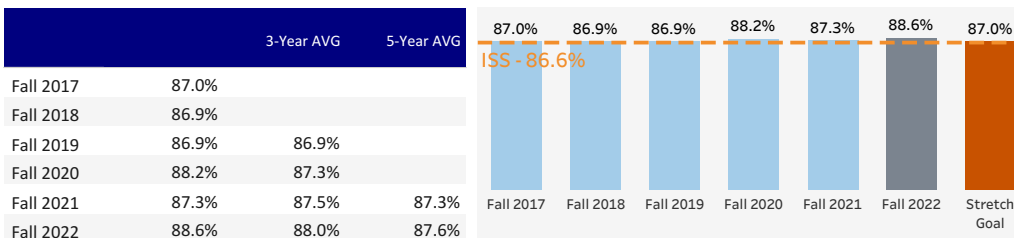
III. Review of Some Key Data (attachment)	Meeta & Svetlana	<u>Issues Discussed:</u> <u>Action Item:</u>
IV. Program Review Template	Meeta & Svetlana	<u>Issues Discussed:</u> <u>Action Item:</u>
V. FY 23-24 Budget Development Timeline (attachment)	Shami	<u>Issues Discussed:</u> <u>Action Item:</u>
VI. Governor's Proposed Budget Update (attachment)	Shami	<u>Issues Discussed:</u> <u>Action Item:</u>
NEXT SPC & BC JOINT MEETING: TBD		



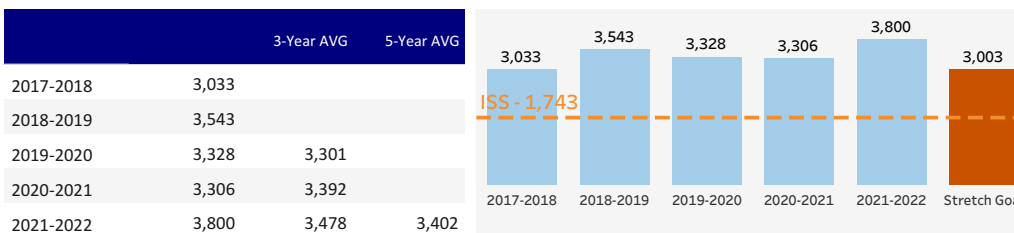
Course Completion - Number of students who receive a successful grade (A, B, C, or P) over the number of students enrolled at census



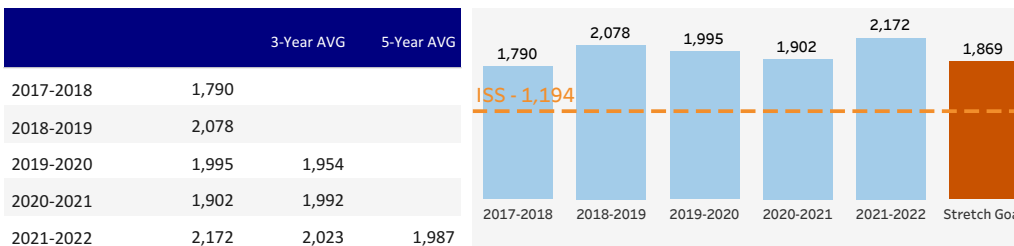
Retention - Number of students remaining in the course after the no-penalty drop divided by the number of students enrolled at census



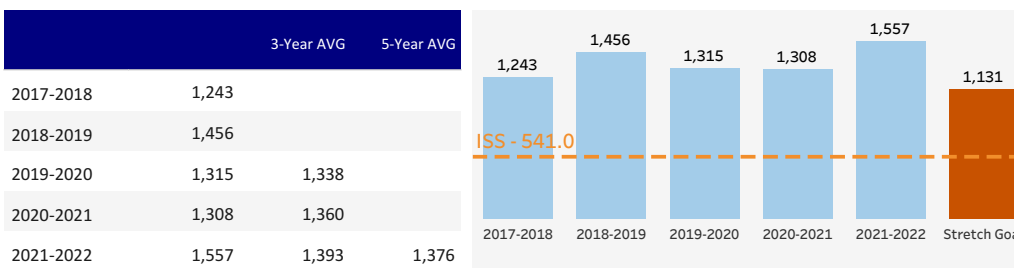
Degrees and Certificates Awarded



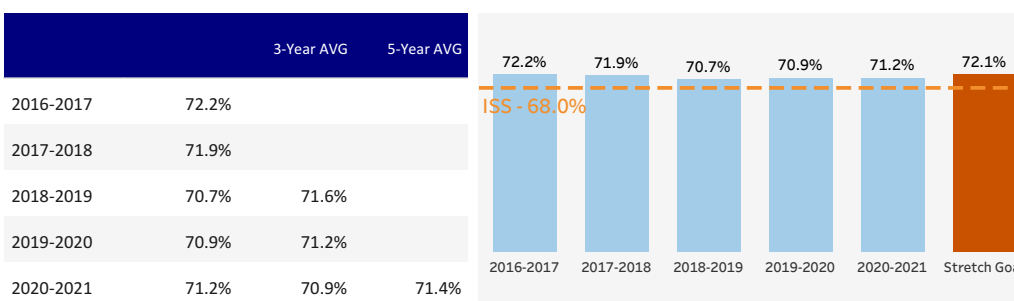
Degrees Awarded



Certificates Awarded



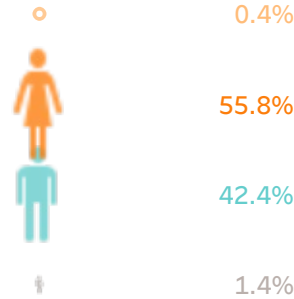
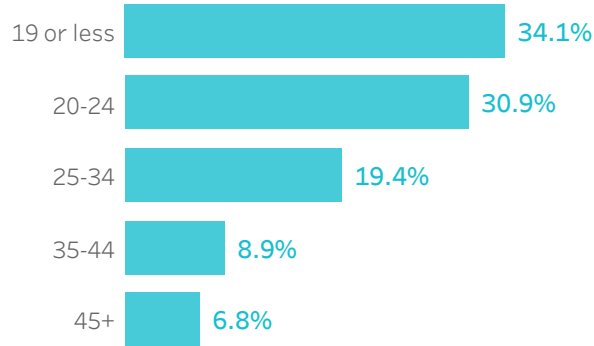
Fall to Spring Persistence - proportion of students who retained from fall to spring at AVC in the selected year, excluding students who completed an award or transferred to a postsecondary institution.



Age Groups

Gender/Sex

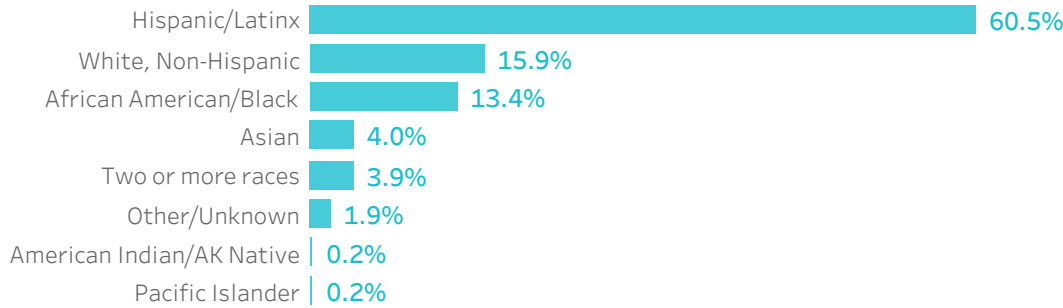
Metrics



Avg. # of Terms	3.9
Avg. GPA	2.74
Avg. AVC Earned Hours	34
Completion Rate	77.9%
Avg. Enrolled Units	8.6
Number of Students	11,644

Race/Ethnicity

Top Majors (if more than 10)

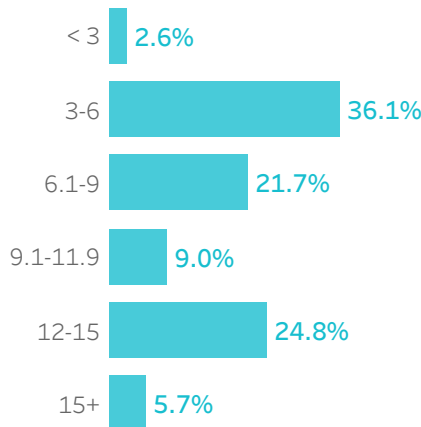
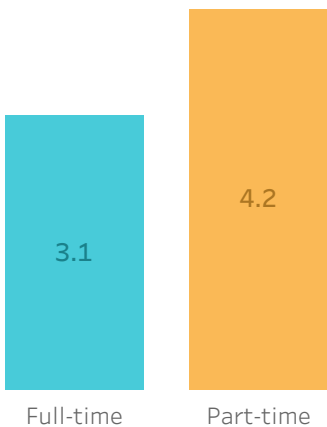
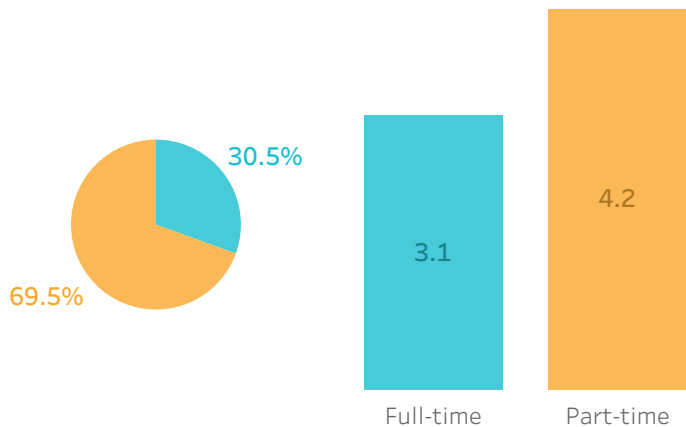


1	Registered Nursing	11.7%
2	AS-T Business Admin 2.0, AS-T Business Admini..	5.2%
3	AA-T Psychology	4.7%
4	LAS: Arts and Humanities	4.7%
5	AS-T Biology & Biological Sciences	4.7%
6	Administration of Justice & AS-T Administration..	3.9%
7	Undeclared	3.5%
8	Aircraft Fabrication&Assembly	3.0%
9	Radiologic Technology	2.8%
10	General Business	2.5%
11	AS-T Early Childhood Education	2.3%
12	Mechanical Engineering	2.1%
13	Aircraft Fab & Assem Cert	2.1%
14	AA-T Kinesiology	2.1%
15	LAS: Social/Behavioral Science	2.0%
16	Child & Family Education	2.0%
17	AA-T Sociology	1.9%
18	AS-T Computer Science	1.9%
19	AA-T Communication Studies	1.4%
20	AA-T English, English - Non Transfe r& Transfer	1.3%

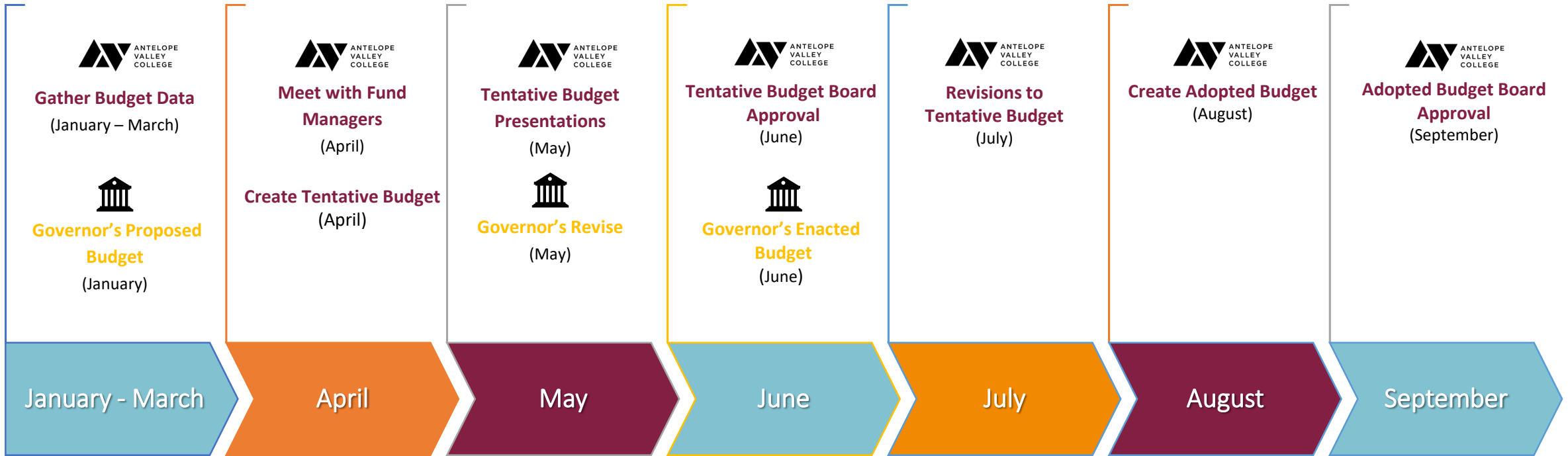
Part-Time | Full-Time

AVG.# of Terms

Enrolled Units



FY 2023-2024 Budget Development Timeline





2023-2024 Budget Development Governor's Proposed Budget

March 22, 2023

Big Three Tax Revenues
(in millions)

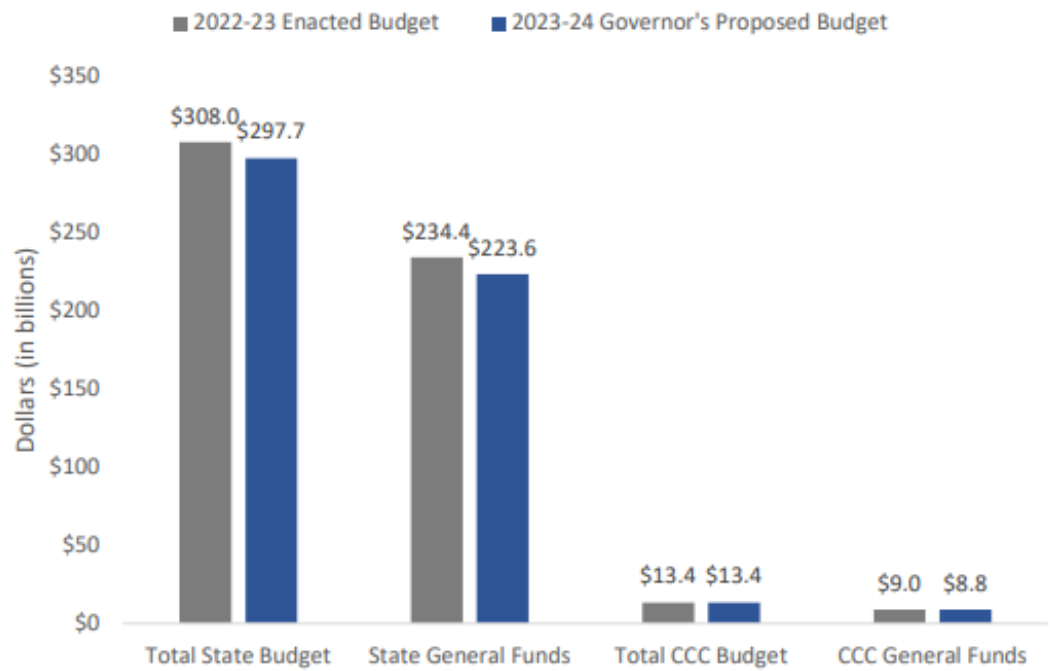
	2021-22		2022-23		2023-24	
	2022-23 Enacted Budget	Governor's Budget	2022-23 Enacted Budget	Governor's Budget	2022-23 Enacted Budget	Governor's Budget
Personal Income Tax	\$136,497	\$136,762	\$137,506	\$128,905	\$143,755	\$126,695
Corporation Tax	\$46,395	\$45,298	\$38,464	\$38,482	\$42,013	\$39,308
Sales and Use Tax	\$32,750	\$32,915	\$33,992	\$32,851	\$35,145	\$33,599

The 2023-24 Governor's Budget assumes that tax revenues from all three main taxes (personal income corporation tax, and sales and use tax) will decrease from 2022-23 although the revenue estimates do not forecast a recession.

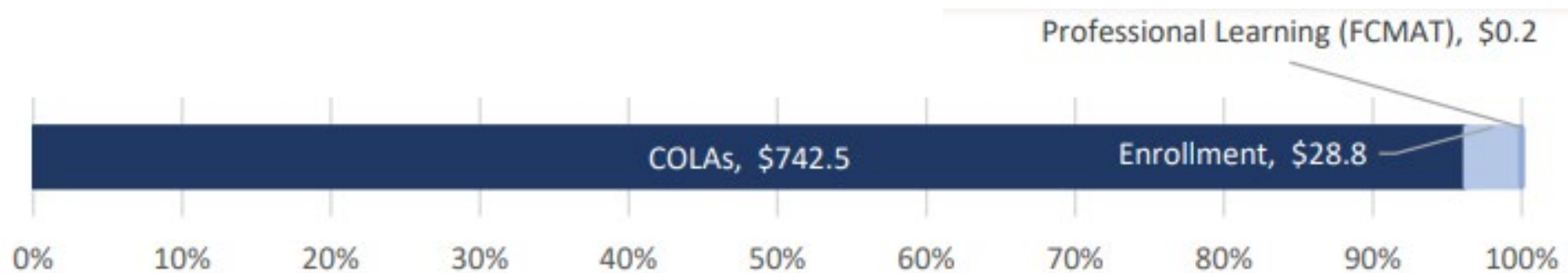


- Under the proposal, the overall state budget would be lower than in 2022-23, decreasing by about 3% to \$297.7 billion, affected by a substantial decline in the share of personal income tax revenues from capital gains.
- General Fund spending would decrease by over \$10 billion (4.6%) to \$223.6 billion

Figure 1: Proposed 2023-24 budget reflects projected deficit of \$22.5 billion (dollars in billions).



- The proposed budget for 2023-24 provides about \$778 million in Proposition 98 augmentations over the prior year, nearly all of it as ongoing spending.
- The proposal for additional ongoing spending includes \$652.6 million for an 8.13% COLA for community college apportionments, about \$90 million for COLAs and adjustments to certain categorical programs, and \$28.8 million for systemwide enrollment growth of 0.5%.



- One-time funding in the proposal is largely dedicated to student retention and enrollment efforts in the context of enrollment that has dropped by over 16% since the beginning of the pandemic.
- The \$200 million proposed for that purpose is offset by a proposal to reduce that approximate amount of one-time funding for deferred maintenance included in the 2022-23 budget.



Table 2: Proposed 2023-24 Changes in Proposition 98 Funding for the System (In Millions)

POLICY ADJUSTMENTS	
Ongoing (Proposition 98)	
Provide 8.13% COLA for SCFF	\$652.6
Provide 8.13% COLA for Adult Education Program	\$48.5
Provide 0.5% for SCFF growth	\$28.8
Provide 8.13% COLA for Extended Opportunity Programs and Services (EOPS)	\$13.8
Provide 8.13% COLA for Disabled Students Programs and Services (DSPS)	\$13.0
Provide COLA and a technical adjustment for Apprenticeship (community college districts)	\$4.7
Provide 8.13% COLA for CalWORKs student services	\$4.1
Provide 8.13% COLA and an enrollment-based adjustment for Mandates Block Grant and reimbursements	\$3.0
Provide 8.13% COLA for Cooperative Agencies Resources for Education (CARE)	\$2.5
Provide 8.13% COLA for Childcare tax bailout	\$0.3
Increase FCMAT funding for Professional Learning Opportunities	\$0.2
Subtotal Ongoing (Proposition 98) Policy Adjustments	\$771.5
One-Time (Proposition 98)	
Support retention and enrollment strategies	\$200.0
Workforce Training Grants	\$14.0
Prior year SCFF funding	\$5.7
FCMAT Professional Learning Opportunities	\$0.1
Reduce prior year deferred maintenance funding	-\$213.0
Subtotal One-Time Policy Adjustments	\$6.8
TECHNICAL ADJUSTMENTS	
Student Centered Funding Formula (SCFF) other base adjustments (aside from COLA and Growth)	-\$314.4
Subtotal Technical Adjustments	-\$314.4
TOTAL CHANGES	\$463.9

California Community Colleges Funding

The Governor's Budget includes \$771 million in ongoing policy adjustments for the community college system, compared to 2022-23 expenditure levels, as reflected in Table 2.

Considering technical adjustments along with changes to funding, the system would receive approximately \$461 million in additional funding.

Source: Joint Analysis: Governor's January Budget, January 10, 2023

STUDENT CENTERED FUNDING FORMULA

Table 3: Proposed 2023-24 Student Centered Funding Formula Rates (rounded)

Allocations	2022-23 Advance Rates	Estimated Proposed 2023-24 Rates**	Estimated Change from 2022-23 Advance	Estimated Change from 2022-23 (Percent)
Base Credit*	\$ 4,840	\$ 5,234	\$ 394	8.13%
Incarcerated Credit*	6,788	7,340	552	8.13%
Special Admit Credit*	6,788	7,340	552	8.13%
CDCP	6,788	7,340	552	8.13%
Noncredit	4,082	4,414	332	8.13%
Supplemental Point Value	1,145	1,238	93	8.13%
Student Success Main Point Value	675	730	55	8.13%
Student Success Equity Point Value	170	184	14	8.13%
Single College District				
Small College	5,950,421	6,434,191	483,769	8.13%
Medium College	7,933,899	8,578,925	645,026	8.13%
Large College	9,917,373	10,723,656	806,282	8.13%

CALIFORNIA COMMUNITY COLLEGES ONGOING FUNDING BY PROGRAM (MILLIONS)

Table 4: California Community Colleges Ongoing Funding by Program^a (In Millions)

Program	2022-23 Revised	2023-24 Proposed	Change Amount	Percent Change	Explanation of Change
Student Centered Funding Formula	\$8,734.0	\$9,101.0	\$367.0	4.2%	COLA, growth, and other base adjustments (estimated based on available info)
Adult Education Program – Main ^b	603.1	651.7	48.5	8.0%	COLA
Student Equity and Achievement Program	524.0	524.0	0.0	0.0%	
Student Success Completion Grant	412.6	412.6	0.0	0.0%	
Strong Workforce Program	290.4	290.4	0.0	0.0%	
Part-time faculty health insurance	200.5	200.5	0.0	0.0%	
Extended Opportunity Programs and Services (EOPS)	169.2	182.9	13.8	8.13%	COLA
Disabled Students Programs and Services (DSPS)	159.7	172.7	13.0	8.13%	COLA
Full-time faculty hiring	150.0	150.0	0.0	0.0%	
California College Promise (AB 19)	91.2	91.2	0.0	0.0%	
Integrated technology	89.5	89.5	0.0	0.0%	
Financial aid administration	81.6	81.6	0.0	0.0%	
Apprenticeship (community college districts)	69.2	73.9	4.7	6.7%	COLA and technical adjustment
CalWORKs student services	50.9	55.0	4.1	8.13%	COLA
NextUp (foster youth program)	50.0	50.0	0.0	0.0%	
Basic needs centers	40.0	40.0	0.0	0.0%	



Program	2022-23 Revised	2023-24 Proposed	Change Amount	Percent Change	Explanation of Change
Student Centered Funding Formula	\$8,734.0	\$9,101.0	\$367.0	4.2%	COLA, growth, and other base adjustments (estimated based on available info)

The 2021 Budget Act extended the Student-Centered Funding Formula's (SCFF) hold harmless provision through 2024-25, under which districts will earn at least their 2017-18 total computational revenue (adjusted by COLA each year). The 2022 Budget Act extended the revenue protections in a modified form beginning in 2025-26, with a district's 2024-25 funding representing its new "floor." Starting in 2025-26, districts will be funded at their SCFF generated amount that year or their "floor" (2024-25 funding amount), whichever is higher. This revised hold harmless provision will no longer include adjustments to reflect cumulative COLAs over time, as is the case with the provision in effect through 2024-25, so a district's hold harmless amount would not grow.



RETIREMENT SYSTEMS

Governor Newsom does not propose additional funding the California State Teachers' Retirement System (CalSTRS) or the California Public Employees' Retirement System (CalPERS) employer contribution rate relief. Based on current assumptions, CalSTRS employer contributions would not increase, however, CalPERS employer contribution rates would increase from 25.37% in FY 2022-23 to 27.00% in FY 2023-24 and are projected to reach 29.20 in FY 2026-27

OTHER PLANNING FACTORS						
Factors		2022-23	2023-24	2024-25	2025-26	2026-27
California CPI		6.00%	3.44%	2.77%	2.49%	2.74%
California Lottery	Unrestricted per FTES**	\$170	\$170	\$170	\$170	\$170
	Restricted per FTES	\$67	\$67	\$67	\$67	\$67
Mandate Block Grant		\$32.68	\$35.34	\$36.59	\$37.80	\$39.02
Interest Rate for Ten-Year Treasuries		3.78%	3.23%	2.79%	2.70%	2.80%
CalSTRS Employer Rate ²		19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate ²		25.37%	27.00%	28.10%	28.80%	29.20%
Unemployment Insurance Rate ³		0.50%	0.20%	0.20%	0.20%	0.20%
Minimum Wage ⁴		\$15.50	\$16.00	\$16.40	\$16.80	\$17.20

*Career development and college preparation

**Full-time equivalent student

Source: School Services of California Community College Financial Projection Dartboard 2023-24 Governor's Budget