



OFFICE OF THE CHANCELLOR

May 14, 2021

Dear LACCD Colleagues,

I hope that this message finds you and your families healthy and safe.

Earlier today, Governor Gavin Newsom released his State Budget May Revision proposal for next year's State Budget, which officially begins on July 1, 2021. What a difference a year makes. Exactly one year ago today, I sent a message on the Administration's May 2020 Revision that depicted a bleak outlook of a \$54 billion State Budget shortfall that would require us to prepare for the rough economic times ahead. Despite what appears to be California's record economic recovery, and much is still unknown, here's what I can share with you today.

STATE BUDGET MAY REVISION

The May Revision summary may be downloaded [here](#).

This year, the Administration is projecting a budget surplus of over \$70 billion. The State Budget this year will hit its spending limit which, by law, requires a tax refund and requires more funding to go to Proposition 98, our major source of revenue for K12 schools and community colleges. The prudent approach the Administration is taking includes avoiding future unfunded liabilities, so many of the Governor's proposals focus on one-time spending.

For California Community Colleges, the Governor's May Revision includes close to \$400 million in new ongoing funding and over \$1 billion in one-time funds for programs and initiatives, which enable California Community Colleges to support the post-pandemic recovery. Proposition 98 is slated to receive approximately \$17.7 billion in additional funding, with about \$3.6 billion going to community colleges.

Here are some additional highlights from the May Revision that align with our District's priorities and interests:

Apportionments

- \$326.5 million one-time to eliminate all of the community college deferrals
- 4.05% COLA or \$185.4 million ongoing increase
- \$75 million to one-time for expansion of dual enrollment programs with high schools

Broadband Access

- \$7 billion investment over three years (various Federal and state sources) to expand broadband infrastructure, increase affordability, and enhance access to broadband for all Californians

Deferred Maintenance

- \$314.1 million increase (one-time Proposition 98 General Fund) and \$250 million (one-time American Rescue Plan Act of 2021) to address deferred maintenance at community colleges.

COVID-19 Response Block Grant

- 50 million increase (one-time Proposition 98 General Fund) to support grants to assist community colleges with responding to the COVID-19 pandemic and transitioning back toward in-person education

Vocational Training and ESL: \$50 million to expand vocational training opportunities and English as a second language programs for ESL students

Student Equity Achievement Program (SEAP): \$23.8 million and increase funding by 5%

Student Basic Needs: \$30 million to establish basic needs centers and hire basic needs coordinators

Student Success and Completion Grant: \$27.2 million to support increased workload

Strong Workforce Program: \$12.4 million or 5% increase

Program Pathways Technology: \$10 million for the systemwide acquisition of pathway software

Library Services Platform: \$4 million to support the library services platform

Other One-Time Proposed Investments

Student Housing: \$4 billion (one-time General Fund), split evenly between FY 2021-22 and 2022-23, to establish a low-cost affordable student housing program and provide grants to UC, CSU and community colleges to build new student housing or to acquire commercial properties that would be transformed into student housing.

Guided Pathways: \$150 million for implementing Guided Pathways.

Zero-Textbook-Cost Degree: \$115 million for development of open education resources

COVID-19 Response Block Grant: \$50 million to help transition to in-person education

Retention and Enrollment Strategies: Additional \$100 million to address retention and enrollment efforts

Equal Employment Opportunity Programs: \$20 million to support EEO best practices

High Road Training Partnerships and Regional Partnerships: \$20 million to support CCC participation in High Road Training Partnerships and regional partnerships developed by the California Workforce Development Board

Work-Based Learning: \$10 million to develop work-based learning opportunities in (1) cloud computing, and (2) zero emissions and supply chain fields

Common Course Numbering: \$10 million to plan for and begin developing a common course numbering system throughout the community college system

Competency-Based Education Pilot: \$10 million to pilot implementation of competency-based education at select community colleges

CCC Registry Modernization: \$1 million to support the modernization of the CCC Registry

These are just some of the highlights. Please join us via Zoom at the Board's Budget Committee meeting on Wednesday, May 19 at 1:00 pm to hear additional details about the May Revise. The agenda and link will be posted this weekend.

Thank all of you for staying the course and I look forward to seeing you in person soon.

With admiration and respect,

A handwritten signature in black ink, appearing to be 'Francisco C. Rodriguez', written in a cursive style.

Francisco C. Rodriguez, Ph.D.
Chancellor
Los Angeles Community College District