Adopted Budget

2026-2027

GAVILAN COLLEGE

Gilroy • Hollister • Morgan Hill • San Juan Bautista • San Martin

GAVILAN COLLEGE

2026/2027
ADOPTED
BUDGET REPORT

Presented to the Board of Trustees

September 8, 2026

Marilyn Morikang, Vice President, Administrative Services

Michelle Anaya, Director Fiscal Services

Prepared in collaboration with Business Services Staff

ADOPTED BUDGET

FISCAL YEAR 2026 - 2027
JULY 1, 2026 THROUGH JUNE 30, 2027

Gavilan Joint Community College District
5055 Santa Teresa Boulevard
Gilroy, CA 95020

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JULY 1, 2026 – JUNE 30, 2027

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Dr. Moaty Fayek	Ex Officio (Resource)
Michelle Anaya	Resource
Dr. Hazel De Ausen	Resource
Miressa Lira	Resource

2026-2027
ADOPTED BUDGET

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I. INTRODUCTION

The 2026-27 Budget of the Gavilan Joint Community College District is both a reflection of our mission and a comprehensive financial plan. It embodies the District's commitment to providing accessible, high-quality education while also serving as a management tool that connects resources to institutional goals and priorities, guides decision-making, and ensures fiscal sustainability. In this way, the budget translates vision into action, aligns immediate priorities with long-term planning, and upholds the budget principles established by the Board of Trustees.

This budget strikes a careful balance between academic excellence, operational effectiveness, and fiscal responsibility. It provides the financial framework necessary to advance the District's educational objectives and support students, faculty, and staff while remaining accountable to the broader community. Through intentional alignment of resources with institutional priorities, including priorities identified through planning and Program Review, the District sustains essential programs, strengthens student support, and invests in initiatives that promote access, equity, and success.

Equally important, the budget reflects the District's commitment to transparency and prudent financial stewardship. It emphasizes the importance of maintaining adequate reserves consistent with Board policy, funding ongoing costs with ongoing revenues, and avoiding reliance on one-time funds for permanent commitments. These principles not only safeguard the District's long-term financial health but also reinforce public confidence in how resources are managed.

The following tables provide a summary of FY2025-26 unaudited actuals by fund type, along with the total appropriations for FY2026-27. Together, they demonstrate Gavilan's continued commitment to fiscal sustainability, responsible planning, and student-centered decision-making. The Final Budget reflects the District's ongoing commitments while also providing resources for strategic institutional priorities and one-time investments identified through planning, Program Review, and Board direction. To further ground this document in accountability, the Board-approved Budget Guidelines are included in the appendix, serving as the foundation for all financial planning and resource allocation decisions.

Gavilan Joint Community College District
TOTAL APPROPRIATION - ALL FUNDS
FY2025-2026 Unaudited Actuals

	Governmental Funds Group						Proprietary Funds Group		Fiduciary Funds Group			
	Unrestricted General Ongoing	Unrestricted General One-Time	Restricted General	Capital Outlay	G.O. Bond	Debt Service	Enterprise Fund	Self Insurance	Student Financial Aid	Associated Students	Student Center Fee	TOTAL ALL FUNDS
Revenues:												
8100 - Federal Revenues	$ -	$ -	$ 2,219,503	$ 5,900,292	$ -	$ -	$ -	$ -	$ 7,655,911	$ -	$ -	$ 15,775,706
8600 - State Revenues	27,481,553	-	16,958,212	-	-	45,160	-	-	1,037,379	-	-	$ 45,522,303
8800 - Local Revenues	29,837,933	-	556,477	1,271,221	3,207,430	20,169,347	1,264,601	(446)	-	99,435	50,593	$ 56,456,591
8900 - Other Revenues	-	-	-	4,000,000	-	-	-	-	-	-	-	$ 4,000,000
8900 - Transfers In	-	-	1,537,639	-	-	-	-	444,672	-	-	57,914	$ 2,040,225
Total Revenues	**$ 57,319,486**	**$ -**	**$ 21,271,830**	**$ 11,171,514**	**$ 3,207,430**	**$ 20,214,507**	**$ 1,264,601**	**$ 444,226**	**$ 8,693,290**	**$ 99,435**	**$ 108,507**	**$ 123,794,826**
Expenditures:												
1000: Academic Salaries	$ 17,831,844	$ 1,179,900	$ 3,523,236	$ -	$ -	$ -	$ 4,000	$ -		$ -	$ -	$ 22,538,980
2000: Non-Instructional Salaries	10,130,286	443,140	5,343,418	-	$247,892	-	161,622	-	-	9,886	38,192	$ 16,374,436
3000: Employee Benefits	12,183,363	179,400	3,338,955	-	105,850	-	57,414	-	-	91	19,455	$ 15,884,528
4000: Books and Supplies	793,734	-	726,139	20,975	-	-	30,408	-	-	18,118	-	$ 1,589,375
5000: Other Operating Expenses	9,182,988	1,381,569	1,525,851	1,520,357	-	25,003	101,063	444,226	-	36,380	50,860	$ 14,268,297
6000: Capital Outlay	2,326,340	-	1,505,096	5,126,042	47,482,903	-	23,122	-	-	-	-	$ 56,463,504
7000: Other Outgo	-	-	5,152,786	-	-	21,386,802	18,663	-	8,693,290	15,570	-	$ 35,267,111
7000: Transfers Out	2,040,225	-	-	-	-	-	-	-	-	-	-	$ 2,040,225
Total Expenditures & Transfers	**$ 54,488,780**	**$ 3,184,009**	**$ 21,115,481**	**$ 6,667,375**	**$ 47,836,645**	**$ 21,411,805**	**$ 396,293**	**$ 444,226**	**$ 8,693,290**	**$ 80,045**	**$ 108,507**	**$ 164,426,456**
Net Change to Fund Balance	**2,830,706**	**(3,184,009)**	**156,349**	**4,504,138**	**(44,629,215)**	**(1,197,298)**	**868,308**	**-**	**-**	**19,390**	**-**	**(40,631,630)**
Beginning Fund Balance	**17,119,216**	**3,740,028**	**1,718,329**	**12,316,940**	**86,423,089**	**24,700,144**	**711,381**	**(0)**	**-**	**312,141**	**57,261**	**147,098,529**
Adjustment to Beg. Fund Balance			-	-	-	-	-	-	-	-	-	-
One-Time Transfer to/(from) Fund I	**(5,256,100)**	**1,256,100**										
Ending Fund Balance	**$ 14,693,823**	**$ 1,812,119**	**$ 1,874,678**	**$ 16,821,078**	**$ 41,793,875**	**$ 23,502,846**	**$ 1,579,689**	**$ (0)**	**$ -**	**$ 331,531**	**$ 57,261**	**$ 106,466,899**

Gavilan Joint Community College District
TOTAL APPROPRIATION - ALL FUNDS
FY2026-2027 Final Budget

	Governmental Funds Group						Proprietary Funds Group		Fiduciary Funds Group			
	Unrestricted General Ongoing	Unrestricted General One-Time	Restricted General	Capital Outlay	G.O Bond	Debt Service	Enterprise Fund	Self Insurance	Student Financial Aid	Associated Students	Student Center Fee	TOTAL ALL FUNDS
Revenues:												
8100 - Federal Revenues	$ -	$ -	$ 1,287,697	$ -	$ -	$ -	$ -	$ -	$ 7,820,000	$ -	$ -	$ 9,107,697
8600 - State Revenues	33,463,685	-	23,979,040	-	-	50,000	-	-	1,100,000	-	-	$ 58,592,725
8800 - Local Revenues	24,129,895	-	1,387,242	915,940	600,000	21,300,000	750,000	-	-	81,000	48,000	$ 49,212,077
8900 - Other Revenues	-	-	-	-	45,000,000	-	-	-	-	-	-	$ 45,000,000
8900 - Transfers In	-	-	1,554,706	-	-	-	-	511,372	-	-	30,191	$ 2,096,269
Total Revenues	**$ 57,593,580**	**$ -**	**$ 28,208,685**	**$ 915,940**	**$ 45,600,000**	**$ 21,350,000**	**$ 750,000**	**$ 511,372**	**$ 8,920,000**	**$ 81,000**	**$ 78,191**	**$ 164,008,768**
Expenditures:												
1000: Academic Salaries	$ 17,365,246	$ 1,328,000	$ 4,563,442	$ -	$ -	$ -	$ 80,000	$ -	$ -	$ -	$ -	$ 23,336,688
2000: Non-Instructional Salaries	12,765,683	688,000	5,852,651	-	451,234	-	136,185	-	-	12,000	39,338	$ 19,945,091
3000: Employee Benefits	12,449,023	395,828	3,690,360	-	234,902	-	57,155	-	-	180	20,039	$ 16,847,487
4000: Books and Supplies	720,534	-	2,526,619	-	-	-	108,541	-	-	9,150	-	$ 3,364,844
5000: Other Operating Expenses	9,316,347	794,619	3,935,176	-	-	27,000	254,100	511,372	-	39,670	18,814	$ 14,897,098
6000: Capital Outlay	2,199,043	-	3,016,759	17,237,018	82,881,477	-	500,000	-	-	-	-	$ 105,834,297
7000: Other Outgo	577,063	1,017,500	6,498,356	-	-	22,000,000	-	-	8,920,000	20,000	-	$ 39,032,919
7000: Transfers	2,096,269	-	-	-	-	-	-	-	-	-	-	$ 2,096,269
Total Expenditures & Transfers	**$ 57,489,208**	**$ 4,223,947**	**$ 30,083,363**	**$ 17,237,018**	**$ 83,567,613**	**$ 22,027,000**	**$ 1,135,981**	**$ 511,372**	**$ 8,920,000**	**$ 81,000**	**$ 78,191**	**$ 225,354,693**
Net Change to Fund Balance	**104,372**	**(4,223,947)**	**(1,874,678)**	**(16,321,078)**	**(37,967,613)**	**(677,000)**	**(385,981)**	**-**	**-**	**-**	**-**	**(61,345,925)**
Beginning Fund Balance	**14,693,823**	**1,812,119**	**1,874,678**	**16,821,078**	**41,793,875**	**25,443,844**	**1,579,689**	**(0)**	**-**	**331,531**	**57,261**	**104,407,898**
Adjustment to Beg. Fund Balance			-	-	-	-	-	-	-	-	-	-
One-Time Transfer to/(from) Fund Ba	**(2,411,828)**	**2,411,828**										
Ending Fund Balance	**$ 12,386,367**	**$ 0**	**$ (0)**	**$ 500,000**	**$ 3,826,261**	**$ 24,766,844**	**$ 1,193,708**	**$ (0)**	**$ -**	**$ 331,531**	**$ 57,261**	**$ 43,061,973**

II. GENERAL INFORMATION ABOUT GAVILAN COLLEGE

Gavilan Joint Community College District has a rich history in Santa Clara and San Benito Counties. Gavilan College was originally established in 1919 as San Benito County Junior College. It operated under this title until 1963, when a new community college district was formed that included both San Benito and southern Santa Clara Counties. The successful passage of a local bond in 1966 provided the needed funds to construct the present campus at Santa Teresa Boulevard and Castro Valley Road in Gilroy, California. In the fall of 2019, Gavilan College celebrated its 100th year of service as a community college.

Gavilan College is one of 116 California Community Colleges organized into 73 districts with district boundaries that are political subdivisions authorized by the Constitution of the State of California. A seven-member board of trustees governs the Gavilan Joint Community College District. The voters of the communities served by the district elect board members to office. The Board of Trustees is responsible for the overall direction and control of the district to best meet the needs of the community it serves.

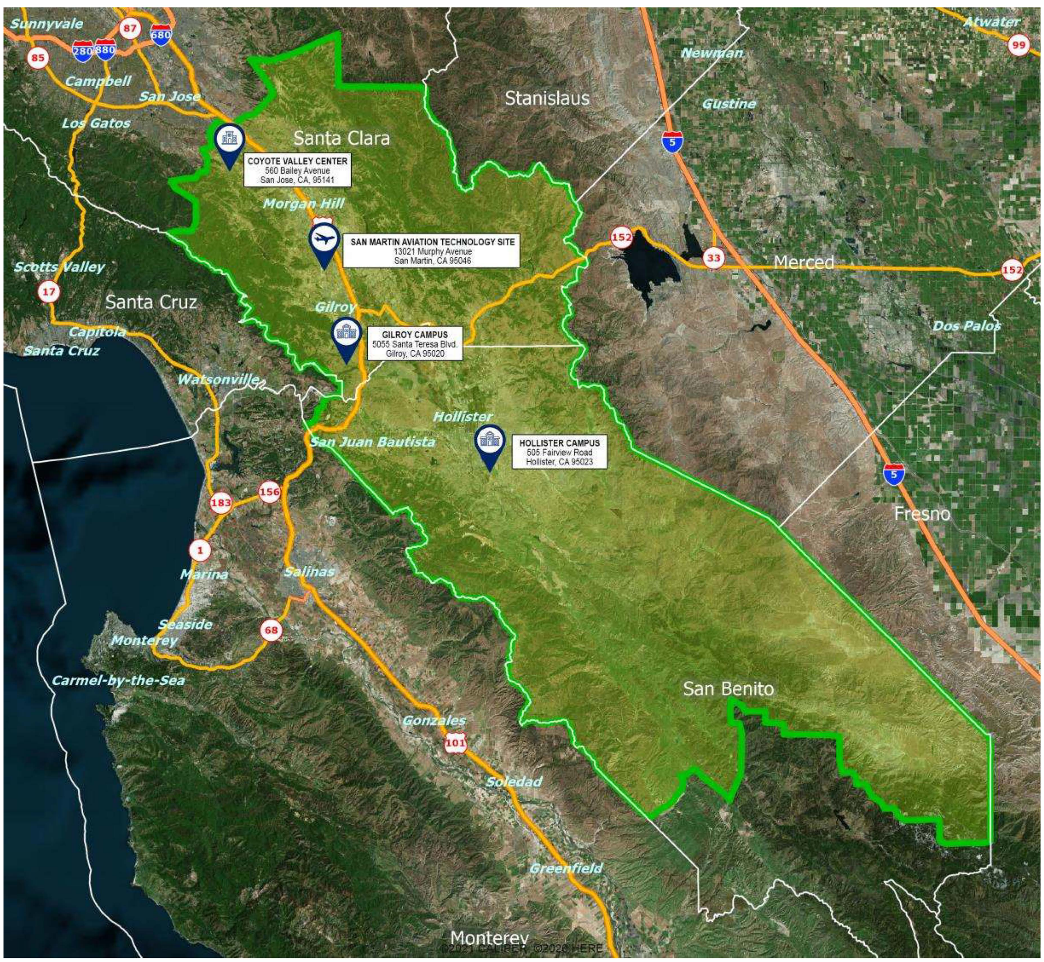
The district operates a campus in Hollister and instructional sites in San Martin, and Coyote Valley to augment their course offerings at the main (Gilroy) campus. Gavilan College is a comprehensive public community college offering a wide range of services, including programs in liberal arts, pre-professional, business, vocational and technical fields, dual enrollment, and adult education. Courses are offered in the day, evening, weekends, and online. In FY2025-26, Gavilan College served 10,801 un-duplicated students. Gavilan College employs 205 full time permanent employees and approximately 273 part time faculty and staff employees each semester.

The main campus in Gilroy rests against the foothills that form the western boundary of the Santa Clara Valley. The district is 35 miles south of San Jose, 80 miles south of San Francisco, and 40 miles northeast of the Monterey

Coast. The main campus was initially master-planned to accommodate an enrollment of 5,000 students and rests on a 150-acre site that has been carefully planned to take advantage of the beautiful, natural and tranquil setting.

Gavilan College offers a lower division college program that prepares students for transfer to a four-year college or university. The college also offers a variety of technical, occupational and pre- professional courses of study that lead to employment. As of May 2026, students can choose among 152 degrees and certificates, including 29 Associate Degrees for Transfer (ADTs) which provides a direct pathway for students to transfer with junior standing into the California State University system.

Gavilan Joint Community College District serves residents of the Gilroy Unified, Morgan Hill Unified, Aromas-San Juan Unified, and San Benito Joint Union High School Districts. The district comprises of approximately 2,700 square miles in southern Santa Clara County and a large portion of San Benito County (see map).



*Provided by Public Information Office

San Benito County

San Benito County is located at the southern end of Santa Clara Valley between the Gavilan and Diablo Mountain Ranges. San Benito County is a 1,396 square mile section bordered by Fresno, Merced, Monterey, and Santa Clara Counties. San Benito County's population has been increasing steadily.
San Benito has a varied economic base dominated by government, retail trade, and manufacturing industries. Agriculture, by acreage, is San Benito County's most prominent industry with fertile valley soil supporting some of the most productive farmland in the state. The total population of San Benito County in 2022 is 66,831, with approximately 43,710 residents residing in the Hollister limits.

Gilroy

Gilroy is located in southern Santa Clara County and is comprised of 9,376 acres of land located 30 miles south of San Jose and 15 miles northwest of Hollister. Gilroy developed from a rural, agricultural community to a community composed of agriculture, manufacturing, and service industries, along with many commuters to Silicon Valley. Growth in Gilroy has centered on high tech software and support industries as well as several manufacturing and production industries. Gilroy's industrial base includes sophisticated food processing, high tech software and semiconductors, wood, paper and metal fabrication and wine production. Gilroy's estimated population in 2025 is 62,205.

Morgan Hill

Morgan Hill is located at the southern end of Santa Clara Valley and is 13 miles north of the College. Morgan Hill is 10 miles south of San Jose and 70 miles south of San Francisco. The city limits of Morgan Hill cover approximately 12 square miles. Morgan Hill's desirable location has made the city one of the fastest growing communities in Santa Clara County. Morgan Hill's population was estimated at 48,556 for 2022. There are approximately 7,280 residents in San Martin, Morgan Hill's Southern neighbor.

Coyote Valley

Coyote Valley is north of Morgan Hill and South of Bernal Road in San Jose. Coyote Valley resides within the Gavilan College service area. Classes were held for the first time at this location in the spring of 2017. This site is currently the home of the South Bay Regional Police Academy and JPA.

Accreditation

Gavilan College is accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges. Gavilan College went through the accreditation process in March 2019. The Commission has affirmed the district's accreditation for seven years.

Programs and Services

Gavilan College offers an associate of arts degree, an associate of science degree, certificate programs, and comprehensive student support services. Transfer agreements exist between the University of California and California State systems, and the college has completed associate degrees for Transfer (ADTs) per state requirements. These agreements allow students to complete the first two years of a four-year college program at Gavilan. Certificate and career programs are also offered to provide instruction in the skills and knowledge needed to enter a skilled or semi-professional occupation.

III. BUDGET DEVELOPMENT AT GAVILAN COLLEGE

Introduction

Gavilan College operates under the provisions of the California Code of Regulations and other laws governing California public agencies. The governing board is required to adopt a Tentative Budget on or before July 1 and a Final Budget no later than September 15 of each year.

The District's annual budget serves as both a financial plan and a management tool for the fiscal year. Revenue and expenditure projections are developed using information from the Governor's enacted State Budget, guidance from the California Community Colleges Chancellor's Office, enrollment and apportionment projections, local revenue estimates, expenditure trends, contractual and regulatory obligations, and other information available to the District during budget development.

Budget development is also informed by the District's mission, Strategic Plan, Educational Master Plan, Strategic Enrollment Management Plan, Board-approved Budget Guidelines, institutional priorities, and needs identified through Program Review. Together, these elements provide the framework for aligning available resources with the College's educational, enrollment, and operational priorities.

The Board of Trustees establishes the District's overall fiscal direction through its policies, annual Budget Guidelines, and adoption of the Tentative and Final Budgets. District administration is responsible for developing budget recommendations consistent with that direction while maintaining the long-term fiscal stability of the District.

College Planning, Program Review, and Resource Allocation

Institutional planning and resource allocation are closely connected at Gavilan College. The District's planning processes provide a structured means for departments and programs to evaluate performance, establish goals, identify emerging needs, and determine the resources necessary to support student success and effective College operations. Strategic and enrollment planning provide institution-level direction, while Program Review allows departments and programs to translate those priorities into specific goals and resource needs.

Program Review is an important component of this planning framework. Comprehensive Program Reviews and Annual Updates provide departments with an opportunity to evaluate progress toward established goals, analyze relevant institutional and program-level data, identify challenges and opportunities, and assess future resource needs.

Resource Requests developed through Program Review may include personnel, technology and equipment, facilities improvements, professional development, operational support, and other resources necessary to achieve departmental and institutional objectives. Requests are expected to demonstrate a clear connection to identified program needs, College priorities, and the mission of the District.

Program Review therefore serves not only as an assessment and planning process, but also as an important mechanism for communicating institutional resource needs and informing annual budget development.

Resource Request Review and Prioritization

Following submission of Program Review Resource Requests, Deans and Directors review requests within their respective areas in consultation with their area Vice Presidents. This review considers the demonstrated need for the resource, alignment with institutional priorities, operational impact, feasibility, and the urgency of the request.

Resource Requests are prioritized using the following general framework:

- Tier 1 – Critical: Requests necessary to address compliance, health and safety, essential operational needs, or other conditions requiring immediate or high-priority attention.
- Tier 2 – Strategic: Requests that advance institutional priorities, strengthen programs and services, improve organizational effectiveness, support innovation or growth, or otherwise provide significant strategic benefit to the College.
- Tier 3 – Deferred: Valid resource needs that are not recommended for immediate funding based on current priorities, available resources, or implementation readiness and that may be reconsidered in a future budget cycle.

Area-level prioritization provides an initial assessment of relative need but does not, by itself, constitute a funding decision. Requests are subsequently considered within the broader District budget and resource-allocation process.

Executive Review and Funding Recommendations

Executive Cabinet reviews prioritized Program Review Resource Requests as part of the District's annual budget development process. This review allows requests from across the institution to be considered collectively and in relation to the District's overall financial position, institutional priorities, operational requirements, and available funding sources.

In evaluating requests, Executive Cabinet considers factors such as:

- the priority assigned through the area-level review process;
- the relationship of the request to institutional goals and strategic priorities;

- health, safety, legal, regulatory, or compliance requirements;
- operational necessity and potential impact on students and College services;
- whether the expenditure represents an ongoing or one-time commitment;
- the availability and appropriate use of unrestricted, restricted, categorical, grant, or other funding sources; and
- the District's ability to sustain the commitment within projected revenues and established reserve requirements.

Through this process, Executive Cabinet identifies requests that will be funded, requests requiring additional analysis or future consideration, and requests that will not advance in the current budget cycle. For funded requests, the approved amount and appropriate funding source are identified as part of the budget development process.

Integration with the Annual Budget

Program Review Resource Requests are considered within the broader context of the District's annual financial plan. They are evaluated alongside departmental operating requirements, existing commitments, compensation obligations, facilities and technology needs, institutional initiatives, and other priorities competing for available resources.

This integrated approach allows the District to consider individual resource requests within the context of the College's overall financial capacity rather than as isolated funding decisions.

An important consideration in this process is the distinction between ongoing and one-time resources. Ongoing expenditures create continuing financial obligations and therefore must be supported by sustainable ongoing revenues. One-time resources may be used for strategic investments, equipment, facilities improvements, limited-duration initiatives, or other expenditures that do not create permanent commitments.

The District also evaluates whether restricted, categorical, grant, capital, or other funding sources are available and appropriate before committing unrestricted General Fund resources.

Funding recommendations developed through this process are incorporated into the Tentative and/or Final Budget, as appropriate. The Board of Trustees ultimately authorizes District expenditures through adoption of the annual budget and subsequent Board actions.

Participatory Governance and Communication

Participatory governance provides an important forum for communicating institutional priorities, resource needs, budget assumptions, and resource-allocation decisions.

The Program Review Committee supports the development and continuous improvement of the Program Review process and provides opportunities for faculty, classified professionals, administrators, and other College constituencies to participate in institutional planning discussions. Program Review outcomes and resource-allocation information are also shared through appropriate participatory governance bodies to promote transparency and institutional understanding.

The District's participatory governance processes complement, but do not replace, the fiscal and administrative responsibilities assigned to District management and the Board of Trustees.

Implementation and Accountability

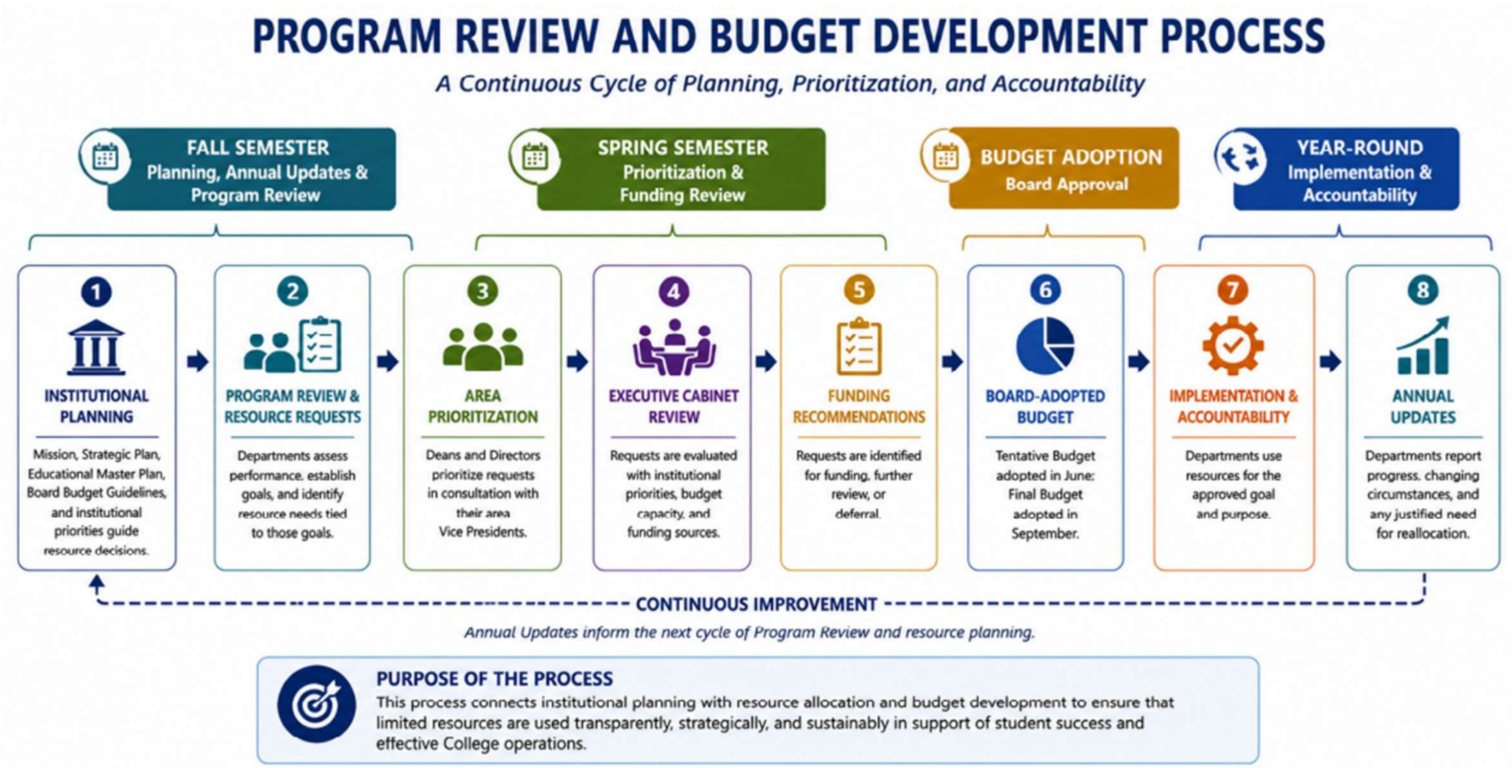
Resources approved through Program Review are allocated to support the specific goal and purpose identified in the approved Resource Request. Because the funding decision is based on that demonstrated need and its alignment with institutional priorities, the allocation should remain tied to the approved goal unless circumstances have changed.

Program Review allocations should not be redirected through budget transfers to unrelated departmental priorities. If the underlying goal, need, or circumstances have changed, the department may use its Annual Update to document the change, provide an update on progress toward the original goal, and justify a proposed reallocation of the approved resources. Any such reallocation should be reviewed and approved through the appropriate administrative and budget process before the funds are used for a different purpose.

This approach maintains accountability for the original funding decision while allowing departments to respond to changing conditions through the established Program Review process.

Departments receiving resources are expected to report progress through subsequent Annual Updates and Program Review cycles. This provides an opportunity to evaluate whether funded resources addressed the identified need, document accomplishments, identify changing circumstances, and determine whether additional resources may be necessary.

This linkage between planning, resource allocation, implementation, and subsequent review strengthens accountability and allows the District to continually assess the effectiveness of its investments.



Conclusion

The District's budget development process integrates fiscal planning, institutional priorities, Program Review, and resource allocation into a coordinated framework for decision-making. As illustrated in the process above, planning, prioritization, budget development, implementation, and annual review operate as a continuous cycle. By considering resource needs within the context of available revenues, ongoing commitments, strategic priorities, and long-term fiscal sustainability, Gavilan College seeks to allocate its resources transparently and responsibly in support of student success and effective College operations.

IV. ADOPTED BUDGET ASSUMPTIONS

Budget Planning Framework

The District develops its annual budget and multiyear financial projections using the most current information available from the California Community Colleges Chancellor's Office, the enacted State Budget, Advance Apportionment reports, local revenue estimates, collective bargaining agreements, enrollment projections, and internal planning assumptions. Together, these sources provide the framework for estimating revenues, expenditures, and the District's capacity to support ongoing commitments, strategic priorities, and long-term fiscal sustainability. Enrollment assumptions are also considered within the context of the College's Strategic Enrollment Management Plan, which connects enrollment goals, course planning, student success, and institutional capacity.

Because the Tentative Budget is approved by the Board of Trustees before the State budget process is complete, it reflects the best information available at that time, including assumptions from the Governor's May Revision. The Final Budget incorporates changes resulting from the enacted State Budget, updated apportionment information, year-end financial results, and other information received after approval of the Tentative Budget. As a result, the Final Budget provides the District's most current financial plan for the fiscal year and also establishes the assumptions used in the multiyear projections presented in Section V.

For 2026–27, the most significant updates between Tentative and Final Budget development involved statewide enrollment growth funding, clarification of the components of the State cost-of-living adjustment, changes to the Student Centered Funding Formula, and updated local assumptions regarding enrollment, compensation, and operating costs. These changes form the basis of the District's Final Budget assumptions described below.

State Budget and SCFF Assumptions

The District's Tentative Budget was developed using the Governor's May Revision released in May 2026. The May Revision proposed a total 4.31% adjustment to community college apportionments, consisting of the 2.87% statutory cost-of-living adjustment and an additional discretionary COLA associated with implementation of paid pregnancy disability leave. It also proposed 0.5% statewide enrollment growth funding for 2026–27, in addition to 1.0% growth funding for 2025–26.

The enacted 2026 Budget Act retained the total 4.31% adjustment to the Student Centered Funding Formula and increased 2026–27 statewide enrollment growth funding from 0.5% to 1.5%, providing $97.8 million for growth in the budget year. The enacted budget also funded a policy change to the SCFF so that, beginning in 2026–27, funded credit FTES are based on the greater of current-year credit FTES or the existing three-year average calculation. These changes are reflected in the District's Final Budget assumptions.

The distinction between the statutory and discretionary portions of the COLA is important to understanding the Final Budget. Of the total 4.31% SCFF adjustment, 2.87% represents the statutory COLA and 1.44% represents an additional discretionary COLA provided by the State to help offset costs associated with the new paid pregnancy disability leave requirement effective January 1, 2027. The Chancellor's Office has clarified that this discretionary COLA is embedded in general apportionment and remains unrestricted revenue, rather than being provided as a separate restricted allocation.

These State funding provisions establish the framework for the District's revenue assumptions. However, Gavilan's actual budget is determined by how those statewide factors interact with the College's enrollment, SCFF metrics, local revenues, compensation commitments, operating costs, and other District-specific assumptions.

Revenue Assumptions

The Student Centered Funding Formula (SCFF) remains the District's primary source of unrestricted General Fund revenue. The SCFF is composed of three principal components: the Base Allocation, Supplemental Allocation, and Student Success Allocation. The Base Allocation includes the basic allocation associated with college and center size and an FTES-based allocation; the Supplemental Allocation is based on qualifying student headcounts; and the Student Success Allocation recognizes specified student outcomes, including additional equity-based funding for Pell Grant and California College Promise Grant recipients.

Because each component relies on different data and calculation methodologies, the District has used the most current confirmed information available to estimate 2026–27 SCFF revenue. Where final data are not yet available, the District has applied conservative planning assumptions rather than recognizing revenue that has not yet been supported by confirmed data.

2026–27 ESTIMATED TOTAL COMPUTATIONAL REVENUE (TCR)	
SCFF COMPONENT	**2026–27 ESTIMATED REVENUE**
Base Allocation – Basic + FTES	$40,580,560
Supplemental Allocation	$6,005,127
Student Success Allocation	$5,389,573
ESTIMATED TOTAL COMPUTATIONAL REVENUE (TCR)	**$51,975,260**

For 2026–27, the District estimates Total Computational Revenue of approximately $51.98 million, consisting of $40.58 million from the Base Allocation, $6.01 million from the Supplemental Allocation, and $5.39 million from the Student Success Allocation

Base Allocation and FTES

For 2026–27, the District is projecting 5,605.42 FTES based on current enrollment projections and the SCFF planning methodology. However, the District's estimated funded FTES for revenue purposes is 5,297.58, leaving approximately 307.84 FTES projected but not funded in the current revenue estimate. This distinction is important because the District is planning operationally for the projected enrollment level while recognizing revenue only for FTES currently estimated to generate funding under the SCFF. This conservative approach avoids building the budget on anticipated enrollment revenue that may not ultimately be funded. The distinction between projected and funded FTES also reinforces the importance of coordinated enrollment and financial planning. The Strategic Enrollment Management Plan guides the College's efforts to align course offerings, student demand, instructional capacity, and enrollment goals. These efforts help the District support enrollment growth while considering the instructional and operating resources necessary to serve students within a financially sustainable framework.

Base Allocation / FTES	2024–25 Actual FTES	2025–26 Actual FTES	2026–27 Projected FTES	2026–27 Funded FTES Used for Revenue	2026–27 Rate	2026–27 Estimated Revenue
Basic Allocation	—	—	—	—	—	$9,154,083
Credit	4,173.49	4,328.96	4,415.54	4,198.94	$5,649.63	$23,722,457
Incarcerated Credit	2.82	6.71	6.84	3.72	$7,922.65	$29,472
Special Admit Credit	398.58	398.23	406.19	398.23	$7,922.65	$3,155,037
CDCP	358.07	384.68	392.37	380.05	$7,922.65	$3,011,003
Noncredit	362.87	376.94	384.48	316.64	$4,764.11	$1,508,508
FTES Allocation	**5,295.83**	**5,495.52**	**5,605.42**	**5,297.58**	**$0.00**	**$31,426,477**
Total Base Allocation						**$40,580,560**

The resulting 2026–27 Base Allocation is estimated at approximately $40.58 million, including $31.43 million generated through funded FTES and $9.15 million from the basic allocation.

Supplemental Allocation

For the Supplemental Allocation, the most recent confirmed student headcount data available to the District are for 2024–25. Because confirmed 2025–26 headcounts are not yet available, the District has carried forward the 2024–25 counts for purposes of estimating 2026–27 revenue.

This approach assumes no growth in the qualifying student populations and therefore provides a conservative basis for the Final Budget estimate. The calculation uses the most recent confirmed counts for AB 540 students, Pell Grant recipients, and California College Promise Grant recipients.

Supplemental Measure	2023–24 Confirmed Headcount	2024–25 Confirmed Headcount	2025–26 Planning Headcount	2026–27 Rate	2026–27 Estimated Revenue
AB 540	149	129	129	$1,335.96	$172,338
Pell Grant Recipients	1,608	1,591	1,591	$1,335.96	$2,125,508
College Promise Grant Recipients	2,733	2,775	2,775	$1,335.96	$3,707,281
Total Supplemental Allocation	**4,490**	**4,495**	**4,495**	**0**	**$6,005,127**

Based on these assumptions, the District estimates approximately $6.01 million in Supplemental Allocation revenue for 2026–27.

Student Success Allocation

The Student Success Allocation is based on a three-year average of specified student outcome measures. At the time the Final Budget was prepared, confirmed outcome data were available for 2023–24 and 2024–25, but not yet for 2025–26.

To develop the 2026–27 revenue estimate, the District used the 2024–25 results as a proxy for 2025–26 and calculated the three-year average using the available confirmed data and that conservative planning assumption. This methodology does not assume improvement in student outcomes that has not yet been confirmed and therefore provides a prudent estimate of Student Success Allocation revenue.

The Student Success Allocation includes funding generated from outcomes for all students, with additional equity-based funding associated with Pell Grant and California College Promise Grant recipients.

ALL STUDENTS			
MEASURE	3-YEAR AVG. USED FOR 2026–27	2026–27 RATE	2026–27 ESTIMATED REVENUE
Associate Degrees for Transfer	255	$3,151.06	$803,519
Associate Degrees	311	$2,363.29	$735,771
Baccalaureate Degrees	0	$2,363.29	–
Credit Certificates	193	$1,575.53	$303,552
Transfer-Level Math and English	215	$1,575.53	$338,213
Transfer to a Four-Year University	239	$1,181.65	$282,019
Nine or More CTE Units	829	$787.76	$652,794
Regional Living Wage	1,443	$787.76	$1,136,481
All Students Subtotal			**$4,252,349**

PELL GRANT RECIPIENTS			
MEASURE	3-YEAR AVG. USED FOR 2026–27	2026–27 RATE	2026–27 ESTIMATED REVENUE
Associate Degrees for Transfers	134	$1,192.21	$160,154
Associate Degrees	163	$894.16	$146,046
Baccalaureate Degrees	0	$894.16	–
Credit Certificates	93	$596.11	$55,438
Transfer Level Math and English	89	$596.11	$53,252
Transfer to a Four Year University	93	$447.08	$41,578
Nine or More CTE Units	311	$298.05	$92,695
Regional Living Wage	166	$298.05	$49,477
Pell Grant Recipients Subtotal			**$598,641**

PROMISE GRANT RECIPIENTS			
MEASURE	3-YEAR AVG. USED FOR 2026–27	2026–27 RATE	2026–27 ESTIMATED REVENUE
Associate Degrees for Transfers	178	$794.81	$141,211
Associate Degrees	217	$596.11	$129,355
Baccalaureate Degrees	0	$596.11	–
Credit Certificates	118	$397.40	$46,894
Transfer Level Math and English	115	$397.40	$45,569
Transfer to a Four Year University	122	$298.05	$36,462
Nine or More CTE Units	434	$198.70	$86,237
Regional Living Wage	266	$198.70	$52,855
Promise Grant Recipients Subtotal			**$538,583**

TOTAL STUDENT SUCCESS ALLOCATION	**$5,389,573**

Based on these assumptions, the District estimates approximately $5.39 million in Student Success Allocation revenue for 2026–27. Although the Final Budget uses conservative historical data to estimate this revenue, the measures used in the Student Success Allocation are closely connected to the College's broader strategic and enrollment priorities. Efforts to improve degree and certificate completion, transfer pathways, course sequencing, and other student outcomes support the College's educational mission while also influencing future SCFF revenue. The Strategic Plan and Strategic Enrollment Management Plan therefore provide an important connection between academic planning, student success, and long-term financial planning.

Taken together, the District's estimates for the Base, Supplemental, and Student Success Allocations result in projected 2026–27 Total Computational Revenue of approximately **$51.98 million**. The assumptions used in each component are intentionally conservative and will be updated as additional confirmed SCFF data become available during the fiscal year.
Additional detail supporting the District's 2026–27 SCFF revenue assumptions is included in the appendix. The California Community Colleges SCFF Resource Estimator Detailed Report for Gavilan College provides the underlying calculations for the Base, Supplemental, and Student Success Allocations, funded FTES, and estimated Total Computational Revenue. This supporting schedule provides additional detail regarding the data and methodology underlying the conservative revenue estimates presented in this section.

Other State and Local Revenues
In addition to SCFF revenue, the Unrestricted General Fund receives other State and local revenues that support District operations. For 2026-27, other State revenues are estimated at approximately $3.84 million and include full-time and part-time faculty funding, lottery proceeds, mandated cost reimbursements, and the accounting recognition of State Teachers' Retirement System (STRS) on-behalf contributions.

Local revenues are estimated at approximately $1.78 million and include rental revenue from the South Bay Regional Public Safety Training Consortium, interest earnings, nonresident tuition, and other locally generated revenue. These estimates are based on the most current information available and, where appropriate, prior-year actual experience and known contractual or enrollment assumptions.

Taken together with projected SCFF revenue, these State and local resources result in approximately $57.59 million in total Unrestricted General Fund revenue for 2026–27.

Expenditure Assumptions

The expenditure assumptions incorporated into the 2026–27 Final Budget reflect the District's known and anticipated costs for personnel, employee benefits, instructional and operational support, contractual obligations, and other expenditures necessary to sustain College operations. Because personnel-related costs represent the largest share of the District's ongoing budget, compensation and benefit assumptions are a significant component of the District's financial planning.

The District's expenditure assumptions are based on current collective bargaining agreements, Board-approved positions, statutory benefit rates, known contractual obligations, and prudent estimates for inflationary and operating cost increases. These assumptions are intended to provide a realistic estimate of the resources necessary to maintain existing services while preserving the District's ability to respond to changing financial conditions.

Personnel and Compensation

For 2026–27, the Final Budget includes a 3.31% ongoing negotiated salary increase for full-time faculty, CSEA, and management/supervisory/confidential employees and a 3.81% increase for part-time faculty. The budget also includes a $4,000 one-time salary payment per employee and an annual 1.00% allowance for step, column, and longevity movement.

These compensation assumptions reflect the District's current negotiated commitments and are incorporated into both the Final Budget and the multiyear financial projections. Ongoing salary adjustments are treated as permanent expenditure obligations and therefore must be supported by ongoing revenues, while the one-time salary payment is funded as one-time cost and does not create an ongoing commitment.

In addition to negotiated compensation, the personnel budget reflects the continuation of Board-approved positions, new positions pending board approval and other known staffing commitments. Salary projections may also be affected during the year by employee separations, vacancies, hiring timelines, and position changes. Because these factors can create differences between budgeted and actual personnel expenditures, the District continues to monitor salary and benefit costs throughout the year and adjusts projections as necessary.

Employee Benefits

Employee benefits are a significant component of total personnel costs and are incorporated into the Final Budget using the most current employer contribution rates and other known benefit assumptions.

For 2026–27, the District assumes a CalSTRS employer contribution rate of 19.10%, a

CalPERS employer contribution rate of 26.40%, and an unemployment insurance rate of 0.05%.

The budget also includes projected costs for health, dental, vision, and other employee benefits. The District's contribution toward health benefits is limited to established contribution caps, which have remained unchanged. As a result, increases in health plan premiums above the District's contribution cap generally increase the employee-paid portion rather than the District's ongoing cost. The District continues to budget for its current contractual contribution levels, while recognizing that benefit costs and contribution structures remain subjects of collective bargaining.

Together, salary and benefit costs represent the District's largest ongoing expenditure commitment. As a result, changes in compensation, staffing, statutory benefit rates, or negotiated benefit contributions can have a material effect on the District's multiyear financial position and are monitored closely as part of the annual budget process.

Operating and Other Costs

In addition to personnel costs, the Final Budget includes the ongoing operating expenditures necessary to support instruction, student services, facilities, technology, insurance, contractual services, supplies, and other District operations.

For 2026–27, the District assumes a 3.30% increase in general operating costs and a 7.00% increase in utility costs. These assumptions are intended to account for inflationary pressures and the increasing cost of maintaining College operations.

Operating expenditures are not expected to increase uniformly across all categories. Certain costs, such as utilities, insurance, software licensing, maintenance, and contractual services, may increase at rates that differ from general inflation. The District therefore uses the inflation assumptions as a planning baseline while incorporating known contractual or vendor-specific cost changes where available.

The budget also provides for ongoing expenditures associated with facilities maintenance, instructional and administrative technology, equipment replacement, and other operational needs. Technology investments increasingly support student planning, pathway navigation, enrollment management, institutional research, and data-informed decision-making and are therefore considered within the context of the District's broader strategic and enrollment priorities. These costs are evaluated within the context of available unrestricted, restricted, categorical, capital, and other funding sources to ensure that expenditures are charged to the most appropriate resource.

Restricted and Categorical Expenditures

Restricted and categorical expenditures are budgeted in accordance with grant terms, allocation requirements, and applicable State and federal regulations. These expenditures may include personnel, supplies, services, equipment, and other costs that are specifically tied to the purpose of the funding source.

Because restricted allocations may change as final award amounts and allocation notices are received, restricted expenditure budgets may also be revised during the fiscal year. The District updates these budgets through the normal budget revision process to maintain alignment between restricted revenues and the expenditures authorized under each program.

Ongoing and One-Time Expenditures

An important component of the District's expenditure planning is the distinction between ongoing and one-time costs. Ongoing expenditures, including permanent salaries, benefits, and recurring operating obligations, must be supported by sustainable ongoing revenue. One-time resources are used for expenditures that do not create permanent financial commitments, such as one-time compensation, equipment purchases, facilities improvements, technology investments, and other limited-duration priorities.

This distinction allows the District to address current institutional priorities while protecting long-term structural balance. It also supports the Board's budget guidelines by reducing the risk that temporary or nonrecurring resources will be used to support expenditures that continue beyond the period in which the funding is available.

Expenditure Planning and Multiyear Sustainability

Taken together, these expenditure assumptions provide the basis for the District's 2026–27 spending plan and multiyear financial projections. By incorporating negotiated compensation, benefit rates, inflationary pressures, operating requirements, and the distinction between ongoing and one-time commitments, the District is able to evaluate the affordability of current obligations and future financial decisions within the context of projected revenues.

The effect of these expenditure assumptions on the District's operating balance, fund balance, reserve levels, and long-term financial position is presented in greater detail in Section V, Five-Year Financial Outlook.

V. FIVE-YEAR FINANCIAL OUTLOOK

The District prepares multi-year financial projections to evaluate the longer-term effect of current budget decisions and to assess its ability to maintain fiscal stability beyond the current year. The projections incorporate the revenue and expenditure assumptions described in Section IV, including Student Centered Funding Formula revenue, enrollment projections, negotiated compensation, employee benefit costs, inflationary pressures, and other known or anticipated commitments.

Operating Revenues and Expenditures

For 2026–27, the Final Budget reflects approximately $57.59 million in unrestricted General Fund revenues and $57.49 million in ongoing expenditures and transfers, resulting in a modest positive operating balance of approximately $104,000 before planned one-time uses of fund balance.

This near-balanced operating position is significant because the budget incorporates the District's ongoing commitments, including negotiated compensation, step and column movement, employee benefits, operating cost increases, and other recurring obligations. The projection therefore demonstrates that ongoing expenditures are being supported primarily by ongoing revenues rather than by one-time resources.

Over the multiyear period, revenues and expenditures are projected to increase as the District incorporates anticipated SCFF growth, future COLAs, compensation commitments, inflation, and other cost pressures. The detailed projection by major account code provides the underlying expenditure assumptions for academic salaries, non-instructional salaries, employee benefits, supplies, operating costs, capital outlay, and transfers.

Compensation and Personnel Costs

Personnel costs remain the District's largest ongoing expenditure commitment and represent approximately three-quarters of unrestricted General Fund expenditures and ongoing transfers throughout the multiyear projection. For 2026–27, the projection reflects the negotiated compensation assumptions described in Section IV, including the 3.31% ongoing increase for full-time faculty, CSEA, and management/supervisory/confidential employees, the 3.81% increase for part-time faculty, annual step, column, and longevity costs, and the $4,000 one-time salary payment. Compensation and related benefit costs are projected at approximately 76% of unrestricted General Fund expenditures and ongoing transfers for 2026–27.

The personnel projection also reflects the continuing financial effects of the Supplemental Early Retirement Plan (SERP) approved by the Board of Trustees in 2024–25, with retirements occurring across the 2024–25 and 2025–26 fiscal years. Although the District committed to filling the positions vacated through the SERP, salary savings generated during the transition period are being set aside to help partially fund the results of the District's Classification and Compensation Study. The study is currently underway and is expected to be completed in fall 2026. The 2026–27 Final Budget includes funding to partially support implementation of the study results once finalized.

In addition, the Final Budget incorporates estimated personnel costs associated with the new statutory requirement to provide up to 14 weeks of paid pregnancy disability leave beginning January 1, 2027. The State provided an additional 1.44% discretionary SCFF COLA in connection with this requirement; however, the District has also recognized the anticipated expenditure obligation in its personnel planning rather than treating the additional State revenue as entirely available for other ongoing commitments.

Because personnel expenditures create significant ongoing obligations, the District evaluates compensation and staffing decisions within the context of sustainable ongoing revenues and their effect on future-year operating balances. The 2027–28, 2028–29, and 2029–30 projections do not include assumptions for future negotiated salary increases that have not yet been determined. Accordingly, the out-year personnel projections should be viewed as a planning baseline and will be updated as future compensation agreements, Classification and Compensation Study implementation decisions, staffing changes, benefit costs, and other personnel commitments become known.

One-Time Resources and Planned Uses of Fund Balance

In addition to ongoing operating activity, the Final Budget includes planned uses of accumulated one-time resources. These expenditures are intentionally separated from ongoing operating commitments because they do not represent recurring costs that must be supported in future years.

For 2026–27, approximately $2.41 million of fund balance is committed to Board-approved one-time initiatives. These planned uses reduce the year-end fund balance but do not create an ongoing structural deficit because the underlying expenditures are one-time commitments.

This distinction between ongoing operations and one-time investments is an important element of the District's financial strategy. Accumulated fund balance may be used strategically for one-time compensation, facilities and maintenance needs, technology and equipment, Program Review priorities, and other Board-approved initiatives, while ongoing revenues remain available to support permanent salaries, benefits, and recurring operating costs.

Fund Balance and Reserve

The fund balance provides an important measure of the District's ability to respond to unexpected revenue reductions, expenditure increases, emergencies, and other financial uncertainties. The District's Board-approved Budget Guidelines require the maintenance of unrestricted reserves equal to at least 17% of total General Fund expenditures and ongoing transfers.

After accounting for the planned 2026–27 one-time uses of fund balance, the District projects an ending fund balance of approximately $12.39 million, which maintains the District at approximately the Board-approved 17% reserve level.

The movement toward the 17% reserve level reflects the intentional use of previously accumulated one-time resources rather than an operating imbalance. The District's ongoing revenues and expenditures remain essentially balanced, while a portion of accumulated reserves are being deployed for one-time priorities approved by the Board of Trustees.

This distinction is particularly important when evaluating changes in fund balance. A reduction in fund balance resulting from an intentional one-time investment has a different fiscal impact than a recurring operating deficit in which ongoing expenditures consistently exceed ongoing revenues.

Multiyear Outlook

The multiyear projection indicates that the District is positioned to maintain a positive operating balance and reserves at or above the Board-required level over the forecast period, based on current assumptions. The projection anticipates modest positive changes in fund balance in the out-years and reserve levels of approximately 18% after 2026–27.

These projections should not be interpreted as guaranteed outcomes. SCFF revenue, enrollment, State COLAs, deficit factors, compensation, benefit costs, inflation, utilities, and other assumptions may change over the course of the forecast period. For this reason, the District incorporates conservative assumptions where appropriate and updates the multiyear projection as new information becomes available.

In particular, the District has incorporated a 0.50% SCFF deficit factor beginning in 2027–28 as a planning assumption, even though no deficit is reflected in the 2026–27 Advance Apportionment. Similarly, projected revenues associated with enrollment and other SCFF metrics are updated as confirmed data become available rather than relying on unsupported future growth.

Fiscal Sustainability

The five-year projection provides an important tool for evaluating whether current financial decisions can be sustained beyond the year in which they are made. Maintaining structural balance requires that ongoing expenditures remain aligned with sustainable ongoing revenues, while one-time resources are reserved for expenditures that do not create permanent financial obligations.

The current projection demonstrates that the District can fund its ongoing commitments, strategically use accumulated one-time resources, and maintain the Board-approved reserve requirement based on the assumptions currently available. Continued monitoring of enrollment, SCFF performance, compensation, operating costs, and State funding conditions will remain essential to maintaining that position over the multi-year period.

The District's Strategic Enrollment Management Plan provides an important framework for aligning enrollment growth, instructional capacity, student success, and resource requirements with the financial assumptions incorporated into future budget projections

Taken together, the five-year projection and the detailed budget schedules provide the Board of Trustees and the College community with both a summary and a detailed view of the District’s financial outlook and support informed decisions regarding future commitments, strategic investments, and long-term fiscal sustainability.

The five-year projection focuses primarily on the Unrestricted General Fund because it supports the District’s core ongoing operations and provides the greatest degree of local budget discretion. Restricted General Fund expenditures are also incorporated when evaluating the District’s overall reserve position, consistent with the Board-approved reserve requirement.

Gavilan Joint Community College District

5 - YEAR BUDGET PROJECTIONS

11 – Unrestricted General Fund | Fund 100 – Ongoing Operations

	Unaudited Actuals 2025-26	Final Budget 2026-27	Projected Budget 2027-28	Projected Budget 2028-29	Projected Budget 2029-30
Revenues:					
SCFF Calculated Revenue	$ 49,125,655	$ 51,975,245	$ 53,937,552	$ 55,604,223	$ 57,333,514
Other State Revenues	6,389,956	3,840,340	3,938,401	4,040,726	4,147,515
Other Local Revenues	1,803,874	1,777,995	1,821,805	1,867,805	1,916,105
Total Revenues & Transfers	**$ 57,319,485**	**$ 57,593,580**	**$ 59,697,758**	**$ 61,512,754**	**$ 63,397,134**
Expenditures:					
1000: Academic Salaries	$ 17,831,844	$ 17,365,246	$ 17,791,693	$ 18,214,324	$ 18,486,537
2000: Non-Instructional Salaries	10,130,286	12,765,683	13,167,692	13,582,055	13,783,774
3000: Employee Benefits	12,183,363	12,449,023	12,998,080	13,231,602	13,389,977
4000: Books and Supplies	793,734	720,534	742,150	762,931	783,531
5000: Other Operating Expenses	9,182,988	9,316,347	9,708,797	10,159,133	10,968,976
6000: Capital Outlay	2,326,340	2,199,043	2,090,015	2,283,436	2,491,304
7000: Other Outgo	-	577,063	594,375	612,206	630,572
7000: Transfers Out	2,040,225	2,096,269	2,188,824	2,297,045	2,422,800
Total Expenditures &Transfers	**$ 54,488,780**	**$ 57,489,208**	**$ 59,281,626**	**$ 61,142,732**	**$ 62,957,471**
Compensation as a % of Unrestricted General Fund Expenditures & Ongoing Transfers	*77%*	*76%*	*76%*	*76%*	*75%*
Net Change to Fund Balance	**2,830,705**	**104,372**	**416,132**	**370,022**	**439,663**
Beginning Fund Balance	**17,119,216**	**14,693,823**	**12,386,367**	**12,802,499**	**13,172,521**
One-Time Transfer from Fund Balance	***(5,256,100)***	***(2,411,828)***	***0***	***0***	***0***
Ending Fund Balance	**$ 14,693,821**	**$ 12,386,367**	**$ 12,802,499**	**$ 13,172,521**	**$ 13,612,184**
Unrestricted General Fund Expenditures & Transfers	*59,744,880*	*59,901,036*	*59,281,626*	*61,142,732*	*62,957,471*
Restricted General Fund Expenditures &Transfers	*11,956,296*	*12,571,612*	*12,596,328*	*12,722,291*	*12,849,514*
Total General Fund Expenditures & Transfers	*71,701,176*	*72,472,648*	*71,877,954*	*73,865,023*	*75,806,985*
Ending Fund Balance as a % of General Fund Expenditures & Transfers	*20%*	*17%*	*18%*	*18%*	*18%*
Board Approved 17% Requirement	***12,189,200***	***12,320,350***	***12,219,252***	***12,557,054***	***12,887,187***
Committed Fund Balance	***2,411,828***				
Uncommitted Fund Balance	***92,793***	***66,017***	***583,246***	***615,467***	***724,996***

VI. UNRESTRICTED GENERAL FUND

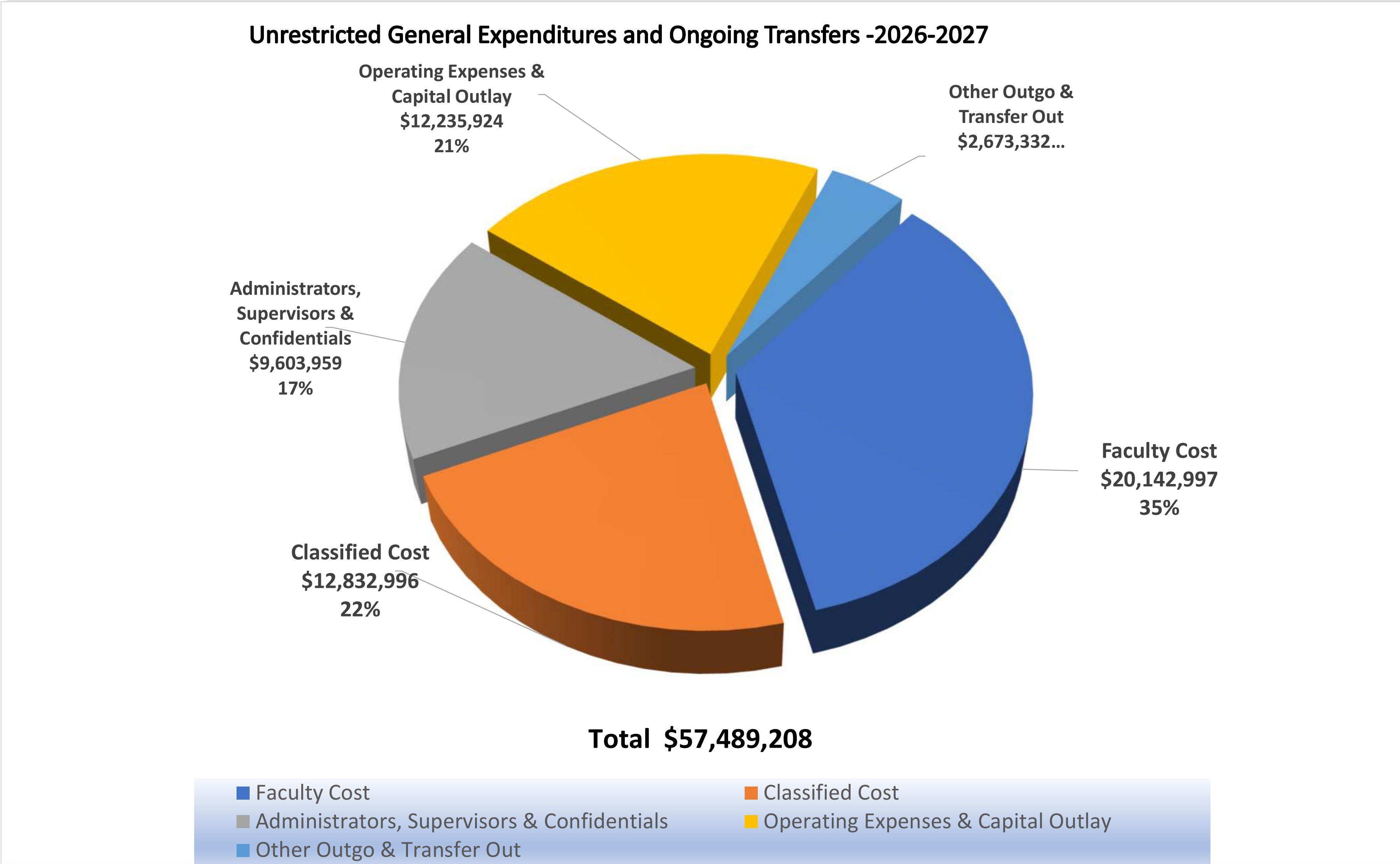
The Unrestricted General Fund accounts for resources available to support the general operations of the District and its educational programs. These resources provide the primary funding for instruction, student services, administrative and operational support, facilities, technology, and other activities necessary to carry out the District's mission.

As discussed in Section IV, the Student Centered Funding Formula (SCFF) is the District's primary source of unrestricted revenue. The 2026–27 Final Budget also includes other State and local revenues, including lottery proceeds, mandated cost reimbursements, nonresident tuition, interest earnings, rental income, and other locally generated resources. For Fund 100, the District projects approximately $57.59 million in total revenues and transfers for 2026–27.

These resources support approximately $57.49 million in ongoing expenditures and transfers, resulting in an essentially balanced ongoing operating budget. Academic salaries, classified and management salaries, and employee benefits continue to represent the largest share of unrestricted expenditures, reflecting the personnel-intensive nature of the College's educational and support services. The remaining budget supports supplies, utilities, contractual and professional services, maintenance, equipment, and other operating requirements.

In addition to the ongoing operating budget, the 2026–27 Final Budget includes approximately $4.22 million in one-time expenditures in Unrestricted General Subfunds 111 and 115. These resources support the $2.41 million negotiated one-time salary compensation, previously approved one-time initiatives carried forward into 2026–27, and new one-time allocations approved through the Program Review resource-allocation process. Because these expenditures are supported by accumulated one-time resources, they do not create permanent ongoing commitments.

As described in Section III, Program Review Resource Requests are evaluated through the District's established review and prioritization process and incorporated into annual budget development. Approved 2025–26 Program Review requests supported with unrestricted one-time resources are reflected in Unrestricted General Subfund 111, while other approved requests are funded from applicable restricted or categorical sources. A detailed listing of the approved requests, funding amounts, and funding sources is included in the appendix.


Unrestricted General Expenditures and Ongoing Transfers -2026-2027
Operating Expenses & Capital Outlay $12,235,924 21%
Other Outgo & Transfer Out $2,673,332...
Administrators, Supervisors & Confidentials $9,603,959 17%
Faculty Cost $20,142,997 35%
Classified Cost $12,832,996 22%
Total $57,489,208
Faculty Cost
Classified Cost
Administrators, Supervisors & Confidentials
Operating Expenses & Capital Outlay
Other Outgo & Transfer Out

The expenditure chart above provides a summary of the major uses of the District's ongoing unrestricted resources. The detailed schedules that follow provide additional information by major object code and allow comparison of the 2026–27 Final Budget with prior-year actuals and the Tentative Budget.

In addition to the ongoing Fund 100 operating budget, the District separately accounts for accumulated one-time unrestricted resources. This separation allows the District to distinguish recurring operating commitments from expenditures supported by nonrecurring resources and reinforces the principle that one-time funds should not be relied upon to support permanent ongoing obligations.

For 2026–27, Funds 111 and 115 include approximately $4.22 million in planned one-time expenditures. These expenditures are supported by approximately $1.81 million in beginning fund balance and a $2.41 million transfer from Fund 100 representing resources committed to Board-approved one-time initiatives. The one-time subfunds are projected to be fully utilized by the end of the fiscal year.

Fund 110, previously used to account for one-time Emergency Condition Allowance resources, does not contain budgeted revenues or expenditures for 2026–27. On February 10, 2026, the Board of Trustees approved the use of the remaining $2.0 million balance for one-time capital and infrastructure needs as part of a broader allocation of one-time resources.

The schedules on the following pages present the detailed 2026–27 Unrestricted General Fund budget, including the ongoing Fund 100 operating budget, expenditures by object category, and the District's unrestricted one-time subfunds.

Gavilan Joint Community College District
FY2026-2027 Final Budget

11 – Unrestricted General Fund | Consolidated (Ongoing and One-Time)

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8100 - Federal Revenues	$ -	$ -	$ -	$ -
8600 - State Revenues	$ 20,067,290	$ 27,481,553	$ 24,738,978	$ 33,463,685
8800 - Local Revenues	34,325,577	29,837,933	31,877,083	24,129,895
8900 - Transfers In	-	-	-	-
Total Revenues & Transfers	**$ 54,392,868**	**$ 57,319,486**	**$ 56,616,061**	**$ 57,593,580**
Expenditures:				
1000: Academic Salaries	$ 16,793,640	$ 19,011,744	$ 19,305,340	$ 18,693,246
2000: Non-Instructional Salaries	8,876,117	10,573,426	13,260,441	13,453,683
3000: Employee Benefits	11,291,541	12,362,763	13,070,616	12,844,851
4000: Books and Supplies	578,150	793,734	584,586	720,534
5000: Other Operating Expenses	8,433,400	10,564,557	10,605,169	10,110,966
6000: Capital Outlay	1,953,952	2,326,340	1,492,034	2,199,043
7000: Other Outgo	-	-	149,864	1,594,563
7000: Transfers Out	1,969,485	2,040,225	2,322,214	2,096,269
Total Expenditures &Transfers	**$ 49,896,286**	**$ 57,672,789**	**$ 60,790,264**	**$ 61,713,155**
Net Change to Fund Balance	**4,496,581**	**(353,303)**	**(4,174,203)**	**(4,119,575)**
Beginning Fund Balance	**20,262,663**	**20,859,244**	**16,734,331**	**16,505,942**
Adjustment	-	-	-	-
One-Time Transfer from Fund Balance	***(3,900,000)***	***(4,000,000)***	***0***	***0***
Ending Fund Balance	**$ 20,859,244**	**$ 16,505,942**	**$ 12,560,128**	**$ 12,386,367**

Ending Fund Balance	**2025-26**		**2026-27**
Board Approved 17% Requirement	**12,189,200**		**12,320,350**
Committed for 26/27 One-time Salary	**2,411,828**		
Committed for Board Approved Initiatives	**1,812,119**		**0**
Total Reserves	**16,413,147**		**12,320,350**
Uncommitted Fund Balance	**$ 92,795**		**$ 66,017**

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11 – Unrestricted General Fund | Fund 100 – Ongoing Operations

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8100 - Federal Revenues	$ -	$ -	$ -	$ -
8600 - State Revenues	$ 20,067,290	$ 27,481,553	$ 24,738,978	$ 33,463,685
8800 - Local Revenues	34,325,577	29,837,933	31,877,083	24,129,895
8900 - Transfers In	-	-	-	-
Total Revenues & Transfers	**$ 54,392,868**	**$ 57,319,486**	**$ 56,616,061**	**$ 57,593,580**
Expenditures:				
1000: Academic Salaries	$ 16,278,800	$ 17,831,844	$ 17,977,340	$ 17,365,246
2000: Non-Instructional Salaries	8,651,170	10,130,286	12,572,441	$12,765,683
3000: Employee Benefits	11,213,776	12,183,363	12,670,156	12,449,023
4000: Books and Supplies	571,204	793,734	584,586	720,534
5000: Other Operating Expenses	8,433,400	9,182,988	9,062,029	9,316,347
6000: Capital Outlay	1,933,579	2,326,340	1,492,034	2,199,043
7000: Other Outgo	-	-	-	577,063
7000: Other Outgo & Transfers Out	1,969,485	2,040,225	2,172,350	2,096,269
Total Expenditures &Transfers	**$ 49,051,414**	**$ 54,488,780**	**$ 56,530,936**	**$ 57,489,208**
Net Change to Fund Balance	**5,341,453**	**2,830,706**	**85,125**	**104,372**
Beginning Fund Balance	**17,177,763**	**17,119,216**	**15,041,327**	**14,693,823**
Adjustment to Beginning Fund Balance	-	-	-	-
One-Time Transfer from Fund Balance	***(5,400,000)***	***(5,256,100)***	***(2,416,460)***	***(2,411,828)***
Ending Fund Balance	**$ 17,119,216**	**$ 14,693,823**	**$ 12,709,992**	**$ 12,386,367**

Gavilan Joint Community College District
FY2026-2027 Final Budget

11 – Unrestricted General Fund | Fund 100 – Ongoing Operations | Detail by Object

Expenditures & Transfers by Object Category		Final Budget 2026-27	% of Total
1100 - Instructional Salaries, Contract or Regular Status		6,675,240	
1200 - Noninstructional Salaries, Contract or Regular Status		3,350,509	
1300 - Instructional Salaries, Other		6,365,427	
1400 - Noninstructional Salaries, Other		974,070	
1000 - Academic Salaries Total	**$**	**17,365,246**	**29%**
2100 - Noninstructional Salaries, Regular Status		11,244,000	
2200 - Instructional Aides, Regular Status		697,241	
2300 - Noninstructional Salaries, Other		536,614	
2400 - Instructional Aides, Other		287,828	
2000 - Classified Salaries Total	**$**	**12,765,683**	**21%**
3100 - Retirement Benefits		6,858,598	
3300 - Medicare & Social Security		1,335,089	
3400 - Health and Welfare Benefits		3,675,775	
3500 - State Unemployment Insurance (UI)		15,131	
3600 - Workers' Compensation Insurance (WC)		453,937	
3700 - Local/Alternative Retirement Systems		110,493	
3000 - Employee Benefits Total	**$**	**12,449,023**	**21%**
4300 - Instructional Supplies and Materials		75,000	
4400 - Noninstructional Supplies and Materials		645,534	
4000 - Supplies & Materials Total	**$**	**720,534**	**1%**
5100 - Utilities and Housekeeping Services		2,351,420	
5200 - Professional, Contract and Consulting Services		4,878,726	
5300 - Repairs and Maintenance		300,000	
5400 - Dues and Membership		145,000	
5500 - Travel and Conference Expenses		336,528	
5600 - Rents and Leases		333,139	
5700 - Software Licenses		45,000	
5800 - Audit, Insurance and Legal Services		696,793	
5900 - Other Operating Expenses		229,741	
5000 - Other Operating Expenses Total	**$**	**9,316,347**	**16%**

Gavilan Joint Community College District
FY2026-2027 Final Budget

11 – Unrestricted General Fund | Fund 100 – Ongoing Operations | Detail by Object

Expenditures & Transfers by Object Category		Final Budget 2026-27	% of Total
6400 - Equipment		2,199,043	
6000 - Capital Outlay Total	**$**	**2,199,043**	**4%**
7910 - Contingencies		577,063	
7215 - Intrafund Transfers to Unrestricted General Subfund		2,411,828	
7226 - Intrafund Transfers to Restricted General Fund		1,554,706	
7361 - Interfund Transfers to Self Insurance Fund		511,372	
7366 - Interfund Transfers to Student Center Fund		30,191	
7000 - Other Outgo & Transfers	**$**	**5,085,160**	**8%**
Grand Total - Total Expenditures & Transfers	**$**	**59,901,036**	**100%**

Gavilan Joint Community College District
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11 – Unrestricted General Fund | Fund 110 – Emergency Condition Allowance

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8900 - Transfers In	$ -	$ -	$ -	$ -
Total Revenues & Transfers	**$ -**	**$ -**	**$ -**	**$ -**
Expenditures:				
Total Expenditures &Transfers	**$ -**	**$ -**	**$ -**	**$ -**
Net Change to Fund Balance	**0**	**0**	**0**	**0**
Beginning Fund Balance	**2,000,000**	**2,000,000**	**-**	**-**
One-Time Transfer from Fund Balance	***0***	***(2,000,000)***	***-***	***-***
Ending Fund Balance	**$ 2,000,000**	**$ -**	**$ -**	**$ -**

Gavilan Joint Community College District
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11 – Unrestricted General Fund | Funds 111 & 115 – One-Time Funds

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8900 - Transfers In	$ -	$ -	$ -	$ -
Total Revenues & Transfers	**$ -**	**$ -**	**$ -**	**$ -**
Expenditures:				
1000: Academic Salaries	$ 514,840	$ 1,179,900	$ 1,328,000	$ 1,328,000
2000: Non-Instructional Salaries	224,948	443,140	688,000	688,000
3000: Employee Benefits	77,766	179,400	400,460	395,828
4000: Books and Supplies	6,945	-	-	-
5000: Other Operating Expenses	-	1,381,569	1,543,140	794,619
6000: Capital Outlay	20,373	-	-	-
7000: Other Outgo	-	-	149,864	1,017,500
Total Expenditures &Transfers	**$ 844,872**	**$ 3,184,009**	**$ 4,109,464**	**$ 4,223,947**
Net Change to Fund Balance	**(844,872)**	**(3,184,009)**	**(4,109,464)**	**(4,223,947)**
Beginning Fund Balance	**1,084,900**	**1,740,028**	**1,693,004**	**1,812,119**
One-Time Transfer from Fund Balance	***1,500,000***	***3,256,100***	***2,416,460***	***2,411,828***
Ending Fund Balance	**$ 1,740,028**	**$ 1,812,119**	**$ -**	**$ 0**

VII. RESTRICTED GENERAL FUND

The Restricted General Fund accounts for resources that are legally or contractually limited to specific purposes. These funds support programs and services that supplement the District's core operations and are generally provided through federal, State, local, or other external funding sources. Expenditures must comply with applicable laws, regulations, grant terms, and other restrictions associated with each funding source.

Restricted resources support a broad range of instructional, student support, workforce development, equity, and operational programs. Examples include Extended Opportunity Programs and Services (EOPS), Disabled Student Programs and Services (DSPS), Student Equity and Achievement, Strong Workforce, Adult Education, Basic Needs, financial aid administration, nursing support, workforce and apprenticeship programs, and other categorical or grant-funded initiatives.

These resources also support the College's strategic and enrollment priorities by expanding access, strengthening student retention and completion, addressing equity gaps, and providing coordinated academic and student support services. Because many of the populations served through categorical programs are also reflected in the Supplemental and Student Success components of the SCFF, effective coordination of these services supports both student outcomes and the District's broader financial planning.

For 2026–27, the Restricted General Fund includes approximately $29.79 million in revenues and transfers and an equal amount in planned expenditures and transfers, reflecting the requirement that restricted resources be used for their designated purposes. State funding represents the largest share of restricted revenues, followed by local and federal sources.
The District accounts for restricted activity by individual grant or program to ensure that revenues and expenditures remain aligned with the requirements of each funding source. Because many categorical and grant allocations are revised during the year, budgeted amounts may change as final allocation notices, carryover balances, new awards, and program guidance are received.

Beginning with the 2026–27 Final Budget presentation, Parking is no longer presented as a separate restricted-fund schedule. Parking revenues and expenditures are incorporated within the Restricted General Fund detail and

reported as part of the local funding section. For 2026–27, the Parking program is budgeted at approximately $1.08 million within local restricted resources.
The detailed schedules that follow identify restricted revenues and expenditures by grant and funding source and provide the supporting detail for the Restricted General Fund budget

Gavilan Joint Community College District
FY2026-2027 Final Budget

12 – Restricted General Fund

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8100 - Federal Revenues	$ 3,588,667	$ 2,219,503	$ 1,172,245	$ 1,287,697
8600 - State Revenues	15,521,692	16,958,212	23,175,480	23,979,040
8800 - Local Revenues	776,050	556,477	966,638	1,387,242
8900 - Other Revenues	1,090,469	-	1,115,550	-
8900 - Transfers In	1,600,370	1,537,639	1,447,421	1,554,706
Total Revenues & Transfers	**$ 22,577,248**	**$ 21,271,830**	**$ 27,877,334**	**$ 28,208,685**
Expenditures:				
1000: Academic Salaries	$ 3,425,104	$ 3,523,236	$ 4,362,229	$ 4,563,442
2000: Non-Instructional Salaries	4,763,170	5,343,418	5,939,573	5,852,651
3000: Employee Benefits	3,628,445	3,338,955	4,458,854	3,690,360
4000: Books and Supplies	787,432	726,139	1,849,164	2,526,619
5000: Other Operating Expenses	2,023,999	1,525,851	3,657,096	3,935,176
6000: Capital Outlay	1,097,273	1,505,096	3,303,631	3,016,759
7000: Other Outgo	6,352,351	5,152,786	5,708,929	6,498,356
7000: Transfers Out	-	-		
Total Expenditures &Transfers	**$ 22,077,774**	**$ 21,115,481**	**$ 29,279,476**	**$ 30,083,363**
Net Change to Fund Balance	**499,474**	**156,349**	**(1,402,142)**	**(1,874,678)**
Beginning Fund Balance	**1,218,855**	**1,718,329**	**1,402,142**	**1,874,678**
Ending Fund Balance	**$ 1,718,329**	**$ 1,874,678**	**$ -**	**$ (0)**

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12 – Restricted General Fund | Detail by Fund

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Feredal			
121007 Federal College Work Study	$ 154,660	$ 161,371	$ 161,371
121011 Fresh Success	321,926	331,902	356,556
121022 Fresh Success PY	750	-	-
121050 National Science Foundation FY25	82,428	-	95,669
121014 Perkins Title 1C	198,220	165,645	181,929
121051 Perkins Non-Traditional Careers	84,649	100,000	100,000
121041 PELL Grant Admin Allowance 25/26	1,557	-	-
121016 Title III HIS STEM 24-25	206,551	-	-
121017 Title III HIS STEM 25-26	116,424	-	-
121009 Temporary Assistance for Needy Families	50,775	50,112	51,305
121021 Title V- INICIO 24-25	426,006	65,197	44,270
121029 Title V - Juntos Avanzamos	235,320	-	-
121030 Workability	261,145	288,687	288,687
121031 Workability Reallottment	84,507	-	-
121034 VA Admin Allowance 23/24	1,816	5,222	3,406
121035 VA Admin Allowance 24/25	-	1,504	1,504
121036 VA Admin Allowance 25/26	-	1,500	1,500
121034 VA Admin Allowance 26/27	-	1,500	1,500
Total Federal	**$ 2,226,734**	**$ 1,172,640**	**$ 1,287,697**
State			
122006 Adult Education Program Prior Year	216,564	165,273	122,734
122005 Adult Education Program Current Year	1,706,035	1,847,057	1,881,254
122007 Basic Needs Center - FY23/24	37,386	-	-
122007 Basic Needs Center- FY26/27	-	252,639	241,984
122008 Basic Needs Center - FY24/25	238,341	-	-
122009 Basic Needs Center - FY25/26	209,240	83,694	43,399
122044 Board Financial Aid Program 2%	895	132,938	133,315

Gavilan Joint Community College District
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12 – Restricted General Fund | Detail by Fund

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
122001 California College Promise Grant FY23/24	211,631	-	-
122001 California College Promise Grant FY26/27	-	520,155	488,439
122002 California College Promise Grant FY24/25	25,240	477,852	468,180
122003 California College Promise Grant FY25/26	-	502,155	502,155
122010 CalWorks Santa Clara County	4,637	34,000	34,000
122011 CAlWorks State FY26/27	-	331,645	334,028
122012 CalWorks State FY24/25	286,110	-	-
122013 CalWorks State FY25/26	158,219	239,836	175,809
122015 CARE Current Year	266,024	291,262	270,495
122016 CARE Prior Year	12,612	52,419	25,238
122062 Classified EE Summer Assistance Prgoram	-	-	8,757
122047 Classified Professional Development FY18/19	-	23,537	23,537
122059 Common Course Numbering Implementation	-	913,043	913,043
122050 Covid-19 Recovery Block Grant FY22/23	(4,260)	270,617	270,617
122004 Culturally Competent Faculty PD	-	49,385	49,385
122017 Dream Resource Liaison Support FY25/26	77,514	-	-
122017 Dream Resource Liaison Support CY (FY26/27)	-	99,135	76,589
122018 Dream Resource Liason Support FY24/25	46,337	-	-
122018 Dream Resource Liason Support PY (FY25/26)		36,056	1,522
122040 DSPS Current Year	919,422	1,107,370	1,149,482
122041 DSPS Prior Year	321,954	278,357	171,323
122049 - English Language Learner Healthcare Pathways	153,005	-	115,624
122020 EOPS Current Year	1,227,046	1,249,507	1,222,893
122021 EOPS Prior Year	4,613	93,127	22,461
122023 Equal Employment Opportunity 22/23	68,316	-	-
122024 Equal Employment Opportunity 23/24	111,241	114,352	27,647
122025 Equal Employment Opportunity 24/25	-	136,986	149,253
122026 Equal Employment Opportunity 25/26	-	138,888	138,888

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12 – Restricted General Fund | Detail by Fund

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
122023 Equal Employment Opportunity 26/27	-	138,888	138,888
122051 Equal Employment Opportunity Best Practices	2,627	-	-
122027 Equitable Placement & Completion	183,136	133,402	113,035
122028 Financial Aid Technology FY23/24	14,812	11,134	11,134
122029 Financial Aid Technology FY24/25	(42,500)	86,427	86,427
122030 Financial Aid Technology FY25/26	-	44,862	44,862
122031 Greater Avenues for Independence (GAIN)	147,000	147,000	147,000
122032 Guided Pathways FY22/23	32,502	-	-
122014 IEPI Partnership Resource Teams	47,073	18,203	-
122063 Instructional Equipment Allocation	119,927	335,610	335,739
122074 Juvenile Justice Program PY	375,100	726,297	690,157
122073 Juvenile Justice Program CY	-	420,614	385,140
122034 LGBTQ+ Support Funding PY	32,928	158,194	130,159
122035 LGBTQ+ Support Funding	13,895	50,093	53,949
122033 Local/Systemwide Technology & Data Security PY	338,238	964,118	683,574
122036 Local/Systemwide Technolgy & Data Security CY	30,859	175,000	175,000
122064 Lottery Prop 20 FY23	74,680	-	-
122064 Lottery Prop 20 FY24	377,190	315,560	211,070
122065 Lottery Prop 20 FY25	-	144,164	396,417
122066 Lottery Prop 20 FY26	-	414,688	539,464
122067 Lottery Prop 20 FY27	-	322,688	450,000
122037 Mental Health Support - CY	87,993	114,953	191,561
122038 Mental Health Support - PY	112,153	-	109,068
122039 Mental Health Support- FY26/27	-	197,061	-
122042 MESA Grant FY25/26	-	410,656	-
122042 Mesa Grant CY	-	280,000	280,000
122043 MESA Grant FY24/25 PY	-	381,388	-
122043 MESA Grant - PY	649,271	381,388	689,654

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12 – Restricted General Fund | Detail by Fund

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
122060 Next Up Grant CY	155,897	203,000	264,595
122061 Next Up Grant PY	31,858	92,818	47,852
122053 Nursing Enrollment & Retention Grant PY	65,456	52,118	33,775
122052 Nursing Enrollment & Retention Grant CY	56,843	90,618	77,025
122100 Puente Project	4,091	96,057	191,967
122058 Rapid Rehousing Prior Year	248,684	253,173	165,050
122057 Rapid Rehousing Current Year	299,709	464,759	460,858
122088 Regional Equity & Recovery Partnerships	8,594	20,000	11,406
122090 Regional K-16 EducationCollabrative C1	-	42,959	54,500
122091 Regional K-16 EducationCollabrative C2	5,161	64,216	64,382
122054 Retention and Enrollment Outreach FY22/23	71,258	222,550	302,213
122055 Retention and Enrollment Outreach FY23/24	-	282,752	282,752
122070 Rising Scholars Network CY	145,839	156,657	140,073
122071 Rising Scholars Network PY	-	-	11,247
122099 Seamless Transfer of Ethnic Studies	19,959	1,337	1,337
122075 Strong Workforce Program Local R9 FY24/25	696,036	207,542	-
122076 Strong Workforce Program Local R10 FY25/26	169,361	748,917	579,556
122077 Strong Wrorkforce Program Local R11 FY26/27	-	748,917	774,337
122079 Strong Workforce Program Regional R8 FY23/24	141,596	-	-
122080 Strong Workforce Program Regional R9 FY24/25	401,620	114,068	-
122081 Strong Workforce Program Regional R10 FY25/26	2,862	449,754	446,892
122082 Strong Workforce Program Regional R11 FY26/27	-	449,754	420,885
122086 Student Equity & Achievement PY	841,629	245,000	407,225
122085 Student Equity & Achievement CY	1,713,637	1,292,394	2,120,862
122045 Student Financial Aid Administration CY	237,512	102,104	244,465
122046 Student Financial Aid Administration PY	3,062	244,152	6,640
122092 Student Food and Housing Support FY23/24	138,629	-	-
122094 Student Success Completion Grant CY	640,246	1,177,232	1,414,929

Gavilan Joint Community College District
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12 – Restricted General Fund | Detail by Fund

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
122095 Student Success Completion Grant PY	637,907	591,070	536,986
122096 Student Transfer Achievement Reform Grant	467,954	172,639	3,987
122093 Veteran Resource Center	53,943	73,440	78,881
122097 Water Mgmt Apprenticeship Grant	88,176	75,732	31,286
122098 Zero Textbook Cost Program	289,865	157,523	165,519
122102 Program Pathways Mapper	-	40,000	40,000
122103 Dream Resource Cntr Emergency Fund (One-Time)	12,143	99,135	86,992
122104 Emergency Aid for CADAA (One-Time)	100,684	-	-
122105 Student Support Block Grant (One-Time)	31,761	297,987	299,467
122106 Credit for Prior Learning	-	50,000	50,000
122110 Rebuilding Nursing Infrastructure	-	-	645,921
Other State	-	-	73,519
999927 STRS On-behalf	-	340,000	-
Total State	**$ 16,676,980**	**$ 25,534,047**	**$ 25,461,730**
Local			
123015 EOPS - District Contribution	$ 144,006	$ 169,140	169,140
123002 Medi-Cal Admin Activities (MAA)	20,760	70,183	132,808
123006 MESA Grant - District Contribution	207,001	173,561	207,001
123009 San Benito County Jail	69,829	72,558	36,639
123004 San Jose State STEM Grant	182,018	118,219	256,802
123010 Silicon Valley Higher Education	-	7,134	-
123011 Step Up Innovation Mini Grant	2,125	-	-
123001 Health Fee Services	325,194	280,000	718,116
123013 Water Pathway Grant 16/17	7,695	27,533	25,829
123014 Water Pathway Grant 17/18	-	74,799	74,799
123007 Substance Use Prevention Stipend	5,091	3,511	3,268
123016 Equity Forward Anchor Network	-		30,000
123022 Bend the Arc	5,000	-	-

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12 – Restricted General Fund | Detail by Fund

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
123023 SCC Emergency Intervention	50,000	-	-
123024 AEC FTE Revenue	134,267	-	130,144
123012 The Puente Project	10,000	-	-
123005 Trustee Fellowship Grant	-	-	39,232
123025 Parking	1,047,575	1,576,151	1,510,056
Other Local	1,206	-	69,749
Total Local	**$ 2,211,767**	**$ 2,572,789**	**$ 3,403,583**
Total Restricted General Fund Expenditures	**$ 21,115,481**	**$ 29,279,476**	**$ 30,153,010**

VIII. CAPITAL OUTLAY FUND

The Capital Outlay Fund accounts for resources designated for major facilities, infrastructure, technology, equipment, and other capital projects that are generally nonrecurring in nature. Capital projects may be supported by State allocations, federal or local revenues, transfers from other District funds, grants, and accumulated one-time resources.

For 2026–27, the District is presenting Capital Outlay activity by individual project rather than only by funding source. This format is intended to provide greater transparency regarding the specific projects supported by capital resources and the amount budgeted for each project. The consolidated project schedule will include both continuing projects carried forward from prior years and new projects incorporated into the 2026–27 Final Budget.

The Capital Outlay Fund currently includes approximately $17.25 million in planned 2026–27 project expenditures, supported primarily by accumulated fund balance and other designated capital resources. Projects reflected in the current working schedule include the Student Center HVAC project, campuswide HVAC and lighting improvements, roadway and boiler projects, the CDC remodel, solar energy improvements, classroom technology upgrades, athletic facilities improvements, and other capital and infrastructure needs. Capital planning is also informed by the College's long-term instructional, enrollment, and operational needs. Facilities and technology investments support the District's ability to accommodate changing enrollment patterns, improve utilization of existing space, expand access across College locations, and provide appropriate learning environments for current and future programs.

The 2026–27 capital plan also incorporates one-time resources approved by the Board of Trustees on February 10, 2026. Through Resolution No. 2026-01, the Board authorized the allocation of one-time Employee Retention Tax Credit and Emergency Condition Allowance funds for nonrecurring capital and infrastructure needs, including facilities improvements and deferred or scheduled maintenance. These resources were approved as part of the District's broader strategy to use one-time funds for one-time investments rather than for ongoing operating commitments.

Because capital projects often span multiple fiscal years, budgeted amounts represent the resources expected to be available or expended during the current planning period and may be revised as project schedules, contracts, construction costs, grant reimbursements, and other funding sources are updated. Projects may also be rephased between fiscal years based on implementation timelines and project readiness.

Beginning with the 2026–27 Final Budget, the detailed Capital Outlay schedules will therefore provide both a consolidated project-level view and supporting schedules by funding source. This approach allows the Board of Trustees and College community to see not only the total resources committed to capital improvements, but also the specific projects those resources are intended to support.

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41 – Capital Outlay Projects Fund | Consolidated by Project

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:			
8100 - Federal Revenues	$ 5,900,292	$ -	$ -
8800 - Local Revenues	1,271,221	1,769,983	915,940
8900 - Transfers In	4,000,000	-	-
Total Revenues & Transfers	**$ 11,171,514**	**$ 1,769,983**	**$ 915,940**
Expenditures:			
6010 - Site Improvements	518,070	77,571	131,930
6020 - Building Renovations & Improvements	825,068	1,245,014	500,000
6030 - Student Center Improvements	-	3,000,000	3,000,000
6040 - Utility & Central Plant Infrastructure	360,901	1,087,367	1,444,557
6050 - Campuswide HVAC Improvements	1,588,530	461,170	1,547,986
6060 - Theater Improvements	897,485	308,905	373,790
6070 - Classroom Technology Improvements	71,193	95,485	1,328,807
6080 - Athletic Facilities Improvements	183,864	2,839,273	2,700,000
6090 - Child Development Center Improvements	1,926,826	1,279,953	858,337
6110 - Solar Energy Project	148,388	186,006	2,351,612
6800 - Project & Construction Management	147,050	-	1,000,000
6900 - Capital Project Contingency / Unallocatec	-	235,771	2,000,000
Total Expenditures &Transfers	**$ 6,667,375**	**$ 10,816,515**	**$ 17,237,018**
Net Change to Fund Balance	**4,504,139**	**(9,046,532)**	**(16,321,078)**
Beginning Fund Balance	**11,816,940**	**13,582,901**	**16,321,079**
Adjustment	-	-	-
Ending Fund Balance	**$ 16,321,079**	**$ 4,536,369**	**0**

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41 – Capital Outlay Projects Fund | Fund 342002 - 2022 State Allocation

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:			
Total Revenues & Transfers	**$ -**	**$ -**	**$ -**
Expenditures:			
6010 - Site Improvements	518,070	77,571	131,930
6040 - Utility & Central Plant Infrastructure	66,880	399,096	394,916
6050 - Campuswide HVAC Improvements	17,000	-	-
6060 - Theater Improvements	259,111	145,068	163,460
6090 - Child Development Center Improvements	43,306	-	-
Total Expenditures &Transfers	**$ 904,367**	**$ 621,735**	**$ 690,306**
Net Change to Fund Balance	**(904,367)**	**(621,735)**	**(690,306)**
Beginning Fund Balance	**1,594,673**	**621,736**	**690,306**
Ending Fund Balance	**$ 690,306**	**$ 1**	**-**

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41 – Capital Outlay Projects Fund | Fund 342003 - 2023 State Allocation

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:			
Total Revenues & Transfers	**$ -**	**$ -**	**$ -**
Expenditures:			
6050 - Campuswide HVAC Improvements	325,410	-	-
6060 - Theater Improvements	169,079	-	-
6090 - Child Development Center Improvements	196,328	-	-
Total Expenditures &Transfers	**$ 690,817**	**$ -**	**$ -**
Net Change to Fund Balance	**(690,817)**	**0**	**0**
Beginning Fund Balance	**690,817**	**-**	**0**
Adjustment	-	-	-
Ending Fund Balance	**$ 0**	**$ -**	**0**

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41 – Capital Outlay Projects Fund | Fund 343000 - Local Revenue

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:			
8100 - Federal Revenues	$ 5,900,292	$ -	$ -
8800 - Local Revenues	387,361	645,183	300,000
8900 - Transfers In	4,000,000	-	-
Total Revenues & Transfers	**$ 10,287,654**	**$ 645,183**	**$ 300,000**
Expenditures:			
6020 - Building Renovations & Improvements	825,068	1,245,014	500,000
6030 - Student Center Improvements	-	3,000,000	3,000,000
6040 - Utility & Central Plant Infrastructure	294,021	688,271	1,049,641
6050 - Campuswide HVAC Improvements	1,246,120	461,170	1,547,986
6060 - Theater Improvements	469,295	163,837	210,330
6070 - Classroom Technology Improvements	71,193	95,485	1,328,807
6080 - Athletic Facilities Improvements	183,864	2,839,273	2,700,000
6090 - Child Development Center Improvements	818,149	155,153	242,397
6110 - Solar Energy Project	148,388	186,006	2,351,612
6800 - Project & Construction Management	147,050	-	1,000,000
6900 - Capital Project Contingency / Unallocated	-	235,771	2,000,000
Total Expenditures &Transfers	**$ 4,203,149**	**$ 9,069,980**	**$ 15,930,772**
Net Change to Fund Balance	**6,084,505**	**(8,424,797)**	**(15,630,772)**
Beginning Fund Balance	**9,546,267**	**12,961,165**	**15,630,772**
Ending Fund Balance	**$ 15,630,772**	**$ 4,536,368**	**(0)**

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41 – Capital Outlay Projects Fund | Fund 343002 - Valley Health Foundation Grant

	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:			
8800 - Local Revenues	883,860	1,124,800	615,940
Total Revenues & Transfers	**$ 883,860**	**$ 1,124,800**	**$ 615,940**
Expenditures:			
6090 - Child Development Center Improvements	869,043	1,124,800	615,940
Total Expenditures &Transfers	**$ 869,043**	**$ 1,124,800**	**$ 615,940**
Net Change to Fund Balance	**14,817**	**0**	**0**
Beginning Fund Balance	**(14,817)**	**-**	**0**
Ending Fund Balance	**$ 0**	**$ -**	**0**

IX. GENERAL OBLIGATION BOND FUND

In November 2018, voters approved Measure X, authorizing the District to issue up to $248 million in general obligation bonds for the construction, modernization, renovation, and equipping of District facilities. Measure X proceeds are restricted to voter-approved capital purposes.

Measure X bonds have been issued in multiple series as project needs and construction schedules have progressed. Series A, A-1, B, and B-1 have been fully expended, while current activity is reflected in the remaining issued series and approved Measure X projects. The 2026–27 budget includes significant investments in the STEM Center, Theater Modernization, site and infrastructure improvements, the Library and Student Resource Center, and other approved projects.

Measure X activity is presented both by project and by bond series. Series D, which remains unsold, is included for informational purposes only so the schedules reflect the full Measure X authorization and the remaining bond resources available after expenditures from inception through June 30, 2026. Unsold authorization does not represent cash currently available for expenditure and becomes available only after the bonds are issued.

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43 – General Obligation Bond Fund | Measure X – Consolidated by Project

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
Interest and Investment Income	$ 6,322,265	$ 3,207,430	$ 660,000	$ 600,000
Sales of Bond Proceeds	-	-	45,000,000	45,000,000
Total Revenues & Transfers	**$ 6,322,265**	**$ 3,207,430**	**$ 45,660,000**	**$ 45,600,000**
Expenditures:				
3101 - San Benito County Campus	$ 22,916,779	$ (7,098)	$ 1,359,596	$ -
3102 - Hollister Site Improvements	$ -	$ 101,820	$ 194,997	$ 91,069
3201 - Site Improvement, Security and Infr	6,679,248	3,125,239	8,507,785	7,197,260
3202 - Library and Student Resource Cent	10,527,472	41,349,179	16,266,994	6,443,992
3204 - STEM Center	88,214	1,646,645	36,026,412	34,796,340
3205 - Theater Modernization	-	241,305	20,106,754	19,938,111
3208 - Roofing Upgrade Project	2,326,919	122,756	165,664	72,959
3209 - Fire Alarm Panel Upgrade	-	42,834	3,490,402	3,449,356
3901 - IT Infrastructure	4,174,022	229,418	77,130	-
3995 - Debt Service	-	-	203,600	183,657
3997 - Program Contingency	(87,293)	-	6,400,571	6,400,570
3999 - Program Management, Planning an	1,165,513	984,546	1,781,050	4,994,300
Total Expenditures &Transfers	**$ 47,790,874**	**$ 47,836,645**	**$ 94,580,956**	**$ 83,567,614**
Net Change to Fund Balance	**(41,468,609)**	**(44,629,215)**	**(48,920,956)**	**(37,967,614)**
Beginning Fund Balance	**127,891,698**	**86,423,089**	**49,385,958**	**41,793,874**
Ending Fund Balance	**$ 86,423,089**	**$ 41,793,874**	**$ 465,002**	**$ 3,826,260**

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43 – General Obligation Bond Fund | Fund 800 – Measure X Series A

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
Interest and Investment Income	$ 93,201	$ -	$ -	$ -
Total Revenues & Transfers	**$ 93,201**	**$ -**	**$ -**	**$ -**
Expenditures:				
3101 - San Benito County Campus	$ -	$ -	$ -	$ -
3201 - Site Improvement, Security and Infrastru	(5,750)	-	-	-
3202 - Library and Student Resource Center	10,080	-	-	-
3204 - STEM Center	-	-	-	-
3208 - Roofing Upgrade Project	82,963	-	-	-
3995 - Debt Service	-	-	-	-
3997 - Program Contingency	(87,293)	-	-	-
3999 - Program Management, Planning and Su	58,754	-	-	-
Total Expenditures &Transfers	**$ 58,754**	**$ -**	**$ -**	**$ -**
Net Change to Fund Balance	**34,447**	**0**	**0**	**0**
Beginning Fund Balance	**(34,447)**	**-**	**-**	**-**
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

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43 – General Obligation Bond Fund | Fund 820 – Measure X Series B

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
Interest and Investment Income	$ 740,009	$ 262,000	$ 80,000	$ -
Total Revenues & Transfers	**$ 740,009**	**$ 262,000**	**$ 80,000**	**$ -**
Expenditures:				
3101 - San Benito County Campus	$ 2,061,207	$ (326)	$ 147,099	$ -
3102 - Hollister Site Improvements		$ 26,955		
3201 - Site Improvement, Security and Infrastru	$ 1,146,279	$ 381,899	$ 914,398	-
3202 - Library and Student Resource Center	$ 1,834,927	$ 4,809,696	$ 623,353	-
3208 - Roofing Upgrade Project	$ 2,243,956	$ 122,756	$ 165,664	-
3901 - IT Infrastructure	$ 1,431,776	$ 105,964	$ 34,970	-
3995 - Debt Service	$ -	$ -	$ 203,600	-
3997 - Program Contingency	$ -	$ -	$ 55,175	-
3999 - Program Management, Planning and Su	$ 747,759	$ 583,742	$ 464,293	-
Total Expenditures &Transfers	**$ 9,465,904**	**$ 6,030,685**	**$ 2,608,552**	**$ -**
Net Change to Fund Balance	**$ (8,725,895)**	**$ (5,768,685)**	**$ (2,528,552)**	**0**
Beginning Fund Balance	**$ 14,494,580**	**$ 5,768,685**	**$ 2,608,552**	**(0)**
Ending Fund Balance	**$ 5,768,685**	**$ (0)**	**$ 80,000**	**$ (0)**

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43 – General Obligation Bond Fund | Fund 830 – Measure X Series B-1

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
Interest and Investment Income	$ 2,365,439	$ 664,295	$ 180,000	$ -
Total Revenues & Transfers	**$ 2,365,439**	**$ 664,295**	**$ 180,000**	**$ -**
Expenditures:				
3101 - San Benito County Campus	$ 20,855,572	$ (6,772)	$ 1,212,497	$ -
3102 - Hollister Site Improvements	-	74,866	-	
3201 - Site Improvement, Security and Infrastru	5,538,719	2,299,486	2,572,213	-
3202 - Library and Student Resource Center	8,682,465	16,735,833	617,254	-
3204 - STEM Center	88,214	1,482,277	3,755,776	-
3901 - IT Infrastructure	1,446,103	-	8,186	-
3999 - Program Management, Planning and Su	-	246,705	44,575	-
Total Expenditures &Transfers	**$ 36,611,073**	**$ 20,832,395**	**$ 8,210,502**	**$ -**
Net Change to Fund Balance	**(34,245,634)**	**(20,168,100)**	**(8,030,502)**	**0**
Beginning Fund Balance	**54,413,734**	**20,168,100**	**8,210,502**	**0**
Ending Fund Balance	**$ 20,168,100**	**$ 0**	**$ 180,000**	**0**

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43 – General Obligation Bond Fund | Fund 840 – Measure X Series C

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
Interest and Investment Income	$ 3,123,616	$ 2,281,135	$ 400,000	$ 600,000
Total Revenues & Transfers	**$ 3,123,616**	**$ 2,281,135**	**$ 400,000**	**$ 600,000**
Expenditures:				
3102 - Hollister Site Improvements	$ -	$ -	$ 194,997	$ 91,069
3201 - Site Improvement, Security and Infrastru	-	443,854	3,138,942	5,315,028
3202 - Library and Student Resource Center	-	19,803,650	15,026,387	6,443,992
3204 - STEM Center	-	164,367	12,542,809	15,068,513
3205 - Theater Modernization	-	241,305	914,907	746,264
3208 - Roofing Upgrade Project	-	-	-	72,959
3209 - Fire Alarm Panel Upgrade	-	42,834	3,490,402	3,449,356
3901 - IT Infrastructure	1,296,143	123,455	33,974	-
3995 - Debt Service	-	-	-	183,657
3997 - Program Contingency	-	-	3,057,940	3,113,114
3999 - Program Management, Planning and Su	359,000	154,099	361,544	4,083,662
Total Expenditures &Transfers	**$ 1,655,143**	**$ 20,973,565**	**$ 38,761,902**	**$ 38,567,614**
Net Change to Fund Balance	**1,468,473**	**(18,692,430)**	**(38,361,902)**	**(37,967,614)**
Beginning Fund Balance	**59,017,832**	**60,486,305**	**38,566,905**	**41,793,875**
Ending Fund Balance	**$ 60,486,305**	**$ 41,793,875**	**$ 205,003**	**$ 3,826,261**

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43 – General Obligation Bond Fund | Fund 850 – Measure X Series D – Unsold

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
Interest and Investment Income	$ -	$ -	$ -	$ -
Sales of Bond Proceeds	-	-	45,000,000	45,000,000
FY2026-2027 Final Budget	**$ -**	**$ -**	**$ 45,000,000**	**$ 45,000,000**
Expenditures:				
3201 - Site Improvement, Security and Infrastru	-	-	$ 1,882,232	$ 1,882,232
3204 - STEM Center	-	-	19,727,827	19,727,827
3205 - Theater Modernization	-	-	19,191,847	19,191,847
3997 - Program Contingency	-	-	3,287,456	3,287,456
3999 - Program Management, Planning and Su	-	-	910,638	910,638
Total Expenditures &Transfers	**$ -**	**$ -**	**$ 45,000,000**	**$ 45,000,000**
Net Change to Fund Balance	**0**	**0**	**0**	**0**
Beginning Fund Balance	**-**	**-**	**-**	**-**
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

X. DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Revenues accounted for in Debt Service funds are primarily from special property tax levies, interest, or operational income from completed projects financed by revenue bonds, energy loans, or investments are generally maintained in the appropriate county treasury.

The District uses the Debt Service Fund to track the debt-service associated with Measure X general obligation bonds. Revenues are derived from interest earnings and real property tax assessments and are used exclusively for the retirement of the debt associated with the bonds.

In May 2025, the District refinanced the prepayable portion of the 2015 General Obligation Refunding Bonds, resulting in more than $3.6 million in total savings for local taxpayers. The remaining non-prepayable portion of these bonds matured on August 1, 2025. As a result, the 2015 General Obligation Refunding Bonds are no longer outstanding.

The District's Election of 2018 General Obligation Bonds, Series A-1, were issued as taxable bonds and carried a modestly higher interest cost compared to the concurrently issued Series A (Tax-Exempt). These bonds were intentionally structured with a shorter repayment term to reduce overall interest costs. The Series A-1 Bonds matured on August 1, 2025, and are no longer outstanding.

The next scheduled redemption will occur in August 2028 for the 2020 General Obligation Refunding Bonds.

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21 – Debt Service Fund | Consolidated

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8600 - State Revenues	$ 70,083	$ 45,160	$ 50,000.0	$ 50,000.0
8800 - Local Revenues	$ 20,118,904	$ 20,169,347	$ 21,250,000	$ 21,300,000
Total Revenues & Transfers	**$ 20,188,986**	**$ 20,214,507**	**$ 21,300,000**	**$ 21,350,000**
Expenditures:				
5000: Other Operating Expenses	$ 15,531	$ 25,003	$ 26,300	$ 27,000
7000: Other Outgo	20,752,528	21,386,802	20,530,000	22,000,000
Total Expenditures &Transfers	**$ 20,768,058**	**$ 21,411,805**	**$ 20,556,300**	**$ 22,027,000**
Net Change to Fund Balance	**(579,072)**	**(1,197,298)**	**743,700**	**(677,000)**
Beginning Fund Balance	**25,279,215**	**24,700,144**	**24,700,144**	**25,443,844**
Ending Fund Balance	**$ 24,700,144**	**$ 23,502,846**	**$ 25,443,844**	**$ 24,766,844**

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21 – Debt Service Fund | Fund 210 – Measure E & X Debt Service

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8600 - State Revenues	70,083	45,160	50,000	50,000
8800 - Local Revenues	19,372,912	19,207,897	20,500,000	20,500,000
Total Revenues & Transfers	**$ 19,442,994**	**$ 19,253,057**	**$ 20,550,000**	**$ 20,550,000**
Expenditures:				
5000: Other Operating Expenses	9,230	13,490	20,000	15,000
7000: Other Outgo	20,752,528	21,386,802	20,530,000	22,000,000
Total Expenditures &Transfers	**$ 20,761,758**	**$ 21,400,292**	**$ 20,550,000**	**$ 22,015,000**
Net Change to Fund Balance	**(1,318,763)**	**(2,147,235)**	**-**	**(1,465,000)**
Beginning Fund Balance	**19,592,679**	**18,273,916**	**18,273,916**	**16,126,681**
Ending Fund Balance	**$ 18,273,916**	**$ 16,126,681**	**$ 18,273,916**	**$ 14,661,681**

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21 – Debt Service Fund | Fund 920 – Other Debt Service

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8800 - Local Revenues	745,992	961,450	750,000	800,000
Total Revenues & Transfers	**$ 745,992**	**$ 961,450**	**$ 750,000**	**$ 800,000**
Expenditures:				
5000: Other Operating Expenses	6,301	11,513	$ 6,300	$ 12,000
Total Expenditures &Transfers	**$ 6,301**	**$ 11,513**	**$ 6,300**	**$ 12,000**
Net Change to Fund Balance	**739,692**	**949,937**	**743,700**	**788,000**
Beginning Fund Balance	**5,686,536**	**6,426,228**	**7,119,928**	**7,376,165**
Ending Fund Balance	**$ 6,426,228**	**$ 7,376,165**	**$ 7,863,628**	**$ 8,164,165**

XI. PROPRIETARY FUNDS

Proprietary funds are used to account for activities that operate in a manner similar to private-sector business activities or that provide services to other District operations. At Gavilan College, proprietary funds include the Enterprise Fund and the Self-Insurance Fund.

The Enterprise Fund accounts for self-supporting activities that generate revenue through fees, rentals, and other charges for services. These activities include Community Education, Contract Education, facility rentals, and other programs operated on a self-supporting basis.
For 2026–27, the Enterprise Fund includes approximately $750,000 in projected revenues and $1.14 million in planned expenditures, with the difference supported by accumulated fund balance. The projected ending fund balance is approximately $1.19 million.

The Self-Insurance Fund is used to account for the District's self-insurance activities and related costs. The fund receives transfers from District operating funds and is used to pay applicable insurance-related expenditures in accordance with the District's self-insurance arrangements.
For 2026–27, the Self-Insurance Fund includes approximately $511,000 in transfers in and an equal amount in projected expenditures, resulting in a balanced budget for the fiscal year.

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59 - Enterprise Fund

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8800 - Local Revenues	595,849	1,264,601	850,000	750,000
Total Revenues & Transfers	**$ 595,849**	**$ 1,264,601**	**$ 850,000**	**$ 750,000**
Expenditures:				
1000: Academic Salaries	$ 39,923	$ 4,000	$ 5,000	$ 80,000
2000: Non-Instructional Salaries	60,789	161,622	194,728	136,185
3000: Employee Benefits	36,448	57,414	86,850	57,155
4000: Books and Supplies	40,716	30,408	25,000	108,541
5000: Other Operating Expenses	151,509	101,063	20,000	254,100
6000: Capital Outlay	27,767	23,122	40,000	500,000
7000: Other Outgo	390	18,663	478,422	-
Total Expenditures &Transfers	**$ 357,542**	**$ 396,293**	**$ 850,000**	**$ 1,135,981**
Net Change to Fund Balance	**238,307**	**868,308**	**0**	**(385,981)**
Beginning Fund Balance	**473,074**	**711,381**	**1,144,735**	**1,579,689**
Ending Fund Balance	**$ 711,381**	**$ 1,579,689**	**$ 1,144,735**	**$ 1,193,708**

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61 - Self-Insurance Fund

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8800 - Local Revenues	$ 212	$ (446)	$ -	$ -
8900 - Transfers In	367,229	444,672	429,140	511,372
Total Revenues & Transfers	**$ 367,440**	**$ 444,226**	**$ 429,140**	**$ 511,372**
Expenditures:				
5000: Other Operating Expenses	$ 367,303	$ 444,226	$ 429,140	$ 511,372
Total Expenditures &Transfers	**$ 367,303**	**$ 444,226**	**$ 429,140**	**$ 511,372**
Net Change to Fund Balance	**138**	**-**	**-**	**-**
Beginning Fund Balance	**(138)**	**(0)**	**(0)**	**(0)**
Ending Fund Balance	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**

XII. STUDENT FINANCIAL ASSISTANCE FUND

The Student Financial Assistance Fund is used to account for federal and State financial aid resources that are received by the District and disbursed directly to eligible students. These funds are restricted to student financial aid purposes and do not support the District's general operating expenditures.

For 2026–27, the District anticipates approximately $8.92 million in student financial aid disbursements, including Pell Grants, Supplemental Educational Opportunity Grants, Direct Loans, and Cal Grants.

The largest component is the federal Pell Grant program, with approximately $7.5 million budgeted for 2026–27. State-funded Cal Grants account for approximately $1.1 million, with the remaining balance consisting of other federal student aid programs.

Because these funds are received and disbursed for specific student aid purposes, projected revenues and expenditures are equal and the fund does not maintain an operating fund balance.

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74 - Student Financial Aid Trust Fund

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8100 - Federal Revenues	$ 7,240,367	$ 7,655,911	$ 7,500,000	$ 7,820,000
8600: State Revenue	957,208	1,037,379	980,000	1,100,000
Total Revenues & Transfers	**$ 8,197,575**	**$ 8,693,290**	**$ 8,480,000**	**$ 8,920,000**
Expenditures:				
Pell Grants	$ 7,027,570	$ 7,345,694	$ 7,180,000	$ 7,500,000
Supplemental Educational Opportunity Grant	123,959	175,582	170,000	180,000
Direct Loans	88,838	134,635	150,000	140,000
Cal Grant	957,208	1,037,379	980,000	1,100,000
Other Federal/State Grants	-	-	-	-
Total Expenditures &Transfers	**$ 8,197,575**	**$ 8,693,290**	**$ 8,480,000**	**$ 8,920,000**
Net Change to Fund Balance	**-**	**-**	**-**	**-**
Beginning Fund Balance	**-**	**-**	**-**	**-**
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

XIII. ASSOCIATED STUDENTS OF GAVILAN COLLEGE (ASGC)

The ASGC Operating Fund is money held in trust by the district for organized student body association activities. The District has fiduciary responsibility for these funds. Revenues to the ASGC Operating fund are mostly generated by the sale of student activity fee. Gavilan College students pay a voluntary $6 fee upon registration during each term of the academic year. Other funds deposited to this account include vending machine commissions and contributions from the bookstore. The revenue supports student services, clubs, cultural events, speakers, college wide support grants, scholarships, textbook support programs and many other services and activities to enhance student life and create a sense of belonging.

Gavilan Joint Community College District
FY2026-2027 Final Budget

71 - Associated Students Trust Fund

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8800 - Local Revenues	$ 96,713	$ 99,435	$ 76,916	$ 81,000
Total Revenues & Transfers	**$ 96,713**	**$ 99,435**	**$ 76,916**	**$ 81,000**
Expenditures:				
2000: Non-Instructional Salaries	$ 5,077	$ 9,886	$ 13,200	$ 12,000
3000: Employee Benefits	649	91	100	180
4000: Books and Supplies	14,576	18,118	20,073	9,150
5000: Other Operating Expenses	33,411	36,380	23,543	39,670
7000: Other Outgo	25,791	15,570	20,000	20,000
Total Expenditures &Transfers	**$ 79,503**	**$ 80,045**	**$ 76,916**	**$ 81,000**
Net Change to Fund Balance	**17,210**	**19,390**	**-**	**-**
Beginning Fund Balance	**294,931**	**312,141**	**302,376**	**331,531**
Ending Fund Balance	**$ 312,141**	**$ 331,531**	**$ 302,376**	**$ 331,531**

XIV. STUDENT CENTER FEE FUND

Permitted by California Education Code, the Student Center Fee is charged to all students and is designated solely for the purpose of maintaining, operating and remodeling student activity centers throughout the District. The fee is $1 per unit for a maximum of $5 per semester and cannot exceed $10 per academic year. Some students receiving financial assistance may have the fee waived.

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73 - Student Body Center Fee Trust Fund

	Audited Actuals 2024-25	Unaudited Actuals 2025-26	Tentative Budget 2026-27	Final Budget 2026-27
Revenues:				
8800 - Local Revenues	$ 51,906	$ 50,593	$ 48,000	$ 48,000
8900 - Transfers In	1,886	57,914	20,200	30,191
Total Revenues & Transfers	**$ 53,792**	**$ 108,507**	**$ 68,200**	**$ 78,191**
Expenditures:				
2000: Non-Instructional Salaries	$ 30,748	$ 38,192	$ 33,566	$ 39,338
3000: Employee Benefits	16,294	19,455	18,634	20,039
5000: Other Operating Expenses	6,750	50,860	16,000	18,814
Total Expenditures &Transfers	**$ 53,792**	**$ 108,507**	**$ 68,200**	**$ 78,191**
Net Change to Fund Balance	**-**	**-**	**-**	**-**
Beginning Fund Balance	**57,261**	**57,261**	**57,261**	**57,261**
Ending Fund Balance	**$ 57,261**	**$ 57,261**	**$ 57,261**	**$ 57,261**

APPENDIX

Summary of Personnel FTE - All Funds

The following schedule reflects all personnel positions budgeted in the 2026–27 Final Budget, including both filled and vacant positions. Budgeted FTE is summarized by employee group, organizational area, and funding source. For purposes of this schedule, “Management” includes administrators, managers, supervisors, and confidential employees.

Personnel Type	Unrestricted General Fund	Restricted General Fund	Enterprise Fund	Student Center Fund	Measure X Fund	Total FTE
Faculty	67.50	18.50				86.00
Classified	92.01	44.07	1.60	0.50	2.40	140.58
Management	39.00	8.40	1.00		2.60	51.00
Grand Total	**198.51**	**70.97**	**2.60**	**0.50**	**5.00**	**277.58**

Division or Administrative Area	Faculty	Classified	Mgmt	Total FTE
Academic Affairs	8.00	11.00	5.00	24.00
Administrative Services		46.30	11.00	57.30
Allied Health, Nursing	6.00	2.00	1.00	9.00
Arts, Humanities and Social Sciences	24.00	3.63	1.00	28.63
Career Education & Workforce	16.00	8.88	2.00	26.88
Counseling, Student Success & Equity	8.00	7.00	2.00	17.00
Human Resources			8.00	8.00
President's Office		12.50	10.00	22.50
Science, Technology, Engineering and Math	12.00	7.63	1.00	20.63
Student Services		17.00	7.00	24.00
Student Support Programs	12.00	24.65	3.00	39.65
Grand Total	**86.00**	**140.58**	**51.00**	**277.58**

Personnel FTE - FACULTY

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Total FTE
Academic Affairs			
Athletics & Kinesiology	2.80	0.20	3.00
Athletics Counseling	0.50	0.50	1.00
Library, Learning Resources, Distance Education	4.00		4.00
Total Academic Affairs	**7.30**	**0.70**	**8.00**
Allied Health, Nursing & Athletics			
Nursing & Allied Health	4.00	2.00	6.00
Total Allied Health, Nursing	**4.00**		**6.00**
Arts, Humanities and Social Sciences			
Anthropology	1.00		1.00
Art	2.00		2.00
Communications	2.00		2.00
English	5.60	0.40	6.00
Ethnic Studies	1.00		1.00
Film & Television	2.00		2.00
History	2.00		2.00
Music	2.00		2.00
Philosophy	0.80	0.20	1.00
Political Science	1.00		1.00
Psychology	1.00		1.00
Sociology	1.00		1.00
Spanish	1.00		1.00
Theater	1.00		1.00
Total Arts, Humanities and Social Sciences	**23.40**	**0.60**	**24.00**
Career Education & Workforce			
Accounting	1.00		1.00
Administration of Justice	1.00		1.00
Adult Community and Non Credit Counseling		1.00	1.00
Aviation	3.00		3.00
Business	1.00		1.00
Career Education & Workforce Counseling		1.00	1.00
Child Development	2.00		2.00
Cosmetology	2.00		2.00
Economics	1.00		1.00
English as a Second Language (ESL)	2.00		2.00
Water Resources Management		1.00	1.00
Total Career Education & Workforce	**13.00**	**3.00**	**16.00**
Counseling, Student Success & Equity			
Counseling	4.00	3.00	7.00
Student Health Services Counseling		1.00	1.00
Student Health Services Counseling	**4.00**	**4.00**	**8.00**

Personnel FTE - FACULTY

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Total FTE
Science, Technology, Engineering and Math			
Biology	3.00		3.00
Chemistry	1.00		1.00
Computer Science	1.00		
Mathematics	4.00		4.00
Physics and Engineering	1.80	0.20	2.00
STEM Counseling		1.00	1.00
Total Science, Technology, Engineering and Math	**10.80**	**1.20**	**12.00**
Student Support Programs			
Accessible Education Center	5.00		5.00
Accessible Education Center Counseling		3.00	3.00
Basic Needs & Success Counseling		2.00	2.00
EOPS/CARE Counseling		2.00	2.00
Total Student Support Programs	**5.00**	**7.00**	**12.00**
Grand Total	**67.50**	**16.50**	**86.00**

Personnel FTE - CLASSIFIED PERSONNEL

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Enterprise Fund	Student Center Fund	Measure X Fund	Total FTE
Academic Affairs						
Academic Affairs	3.00					3.00
Athletics & Kinesiology	3.00					3.00
Library, Learning Resources, and Distance Educatio	3.75	1.25				5.00
Total Academic Affairs	**9.75**	**1.25**				**11.00**
Administrative Services						
Business Services	9.20				0.80	10.00
Facilities and Maintenance	21.00			0.50		21.50
General Services	4.20				0.80	5.00
Payroll	2.00					2.00
Safety & Security		7.20	0.60			7.80
Total Administrative Services	**36.40**	**7.20**	**0.60**	**0.50**	**1.60**	**46.30**
Allied Health, Nursing						
Nursing and Allied Health	2.00					2.00
Total Allied Health, Nursing	**2.00**					**2.00**
Arts, Humanities and Social Sciences						
Arts, Humanities and Social Science	2.00					2.00
Theater	1.63					1.63
Total Arts, Humanities and Social Sciences	**3.63**					**3.63**
Career Education & Workforce						
Adult Community and Non Credit	0.63	2.37				3.00
Aviation	0.63					0.63
Career Education & Workforce		3.00				3.00
Community Education			1.00			1.00
Cosmetology	0.50					0.50
English as a Second Language (ESL)	0.75					0.75
Total Career Education & Workforce	**2.51**	**5.37**	**1.00**			**8.88**
Counseling, Student Success & Equity						
Counseling, Student Success & Equity	0.50	6.50				7.00
Total Counseling, Student Success & Equity	**0.50**	**6.50**				**7.00**
Presidents Office						
Capital Projects	0.20				0.80	1.00
Information Technology	9.00					9.00
Institutional Effectiveness	1.00					1.00
Public Information	1.50					1.50
Total Presidents Office	**11.70**				**0.80**	**12.50**
Science, Technology, Engineering and Math						
Science, Technology, Engineering and Math	4.63	3.00				7.63
Total Science, Technology, Engineering and Math	**4.63**	**3.00**				**7.63**
Student Services						

Personnel FTE - CLASSIFIED PERSONNEL

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Enterprise Fund	Student Center Fund	Measure X Fund	Total FTE
Admissions & Records	5.90	0.10				6.00
Educational Partnerships	0.50	0.50				1.00
Financial Aid	5.45	0.55				6.00
Hollister Campus	2.00					2.00
Outreach and Recruitment	1.00	1.00				2.00
Total Student Services	**14.85**	**2.15**				**17.00**
Student Support Programs						
Accessible Education Center	4.35	8.40				12.75
Basic Needs & Success	1.20	5.60				6.80
EOPS/CARE		3.00				3.00
NextUp/Foster Youth		0.60				0.60
Special Programs		0.50				0.50
Veteran's Resource Center	0.50	0.50				1.00
Total Student Support Programs	**6.05**	**18.60**				**24.65**
Grand Total	**92.01**	**44.07**	**1.60**	**0.50**	**2.40**	**140.58**

Personnel FTE - MANAGEMENT

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Enterprise Fund	Measure X Fund	Total FTE
Academic Affairs					
Academic Affairs	2.00				2.00
Athletics & Kinesiology	2.00				2.00
Library, Learning Resources, and Distance Educ	1.00				1.00
Total Academic Affairs	**5.00**				**5.00**
Administrative Services					
Administrative Services	2.00				2.00
Business Services	2.00				2.00
Facilities and Maintenance	2.00			1.00	3.00
General Services	0.20			0.80	1.00
Payroll	1.00				1.00
Safety & Security		1.00			1.00
South Bay Regional			1.00		1.00
Total Administrative Services	**7.20**	**1.00**	**1.00**	**1.80**	**11.00**
Allied Health, Nursing					
Nursing and Allied Health	1.00				1.00
Total Allied Health, Nursing	**1.00**				**1.00**
Arts, Humanities and Social Sciences					
Arts, Humanities and Social Science	1.00				1.00
Total Arts, Humanities and Social Sciences	**1.00**				**1.00**
Career Education & Workforce					
Adult Community and Non Credit		1.00			1.00
Career Education & Workforce		1.00			1.00
Total Career Education & Workforce		**2.00**			**2.00**
Counseling, Student Success & Equity					
Counseling, Student Success & Equity	1.00				1.00
Student Health Services		1.00			1.00
Total Counseling, Student Success & Equity	**1.00**	**1.00**			**2.00**
Human Resources					
Human Resources	7.30	0.70			8.00
Total Human Resources	**7.30**	**0.70**			**8.00**
Presidents Office					
Capital Projects	0.20			0.80	1.00
Foundation	1.00				1.00
Information Technology	3.00				3.00
Institutional Effectiveness	1.00				1.00
Office of the President	3.00				3.00

Personnel FTE - MANAGEMENT

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Enterprise Fund	Measure X Fund	Total FTE
Public Information	1.00				1.00
Public Information	**9.20**			**0.80**	**10.00**
Science, Technology, Engineering and Math					
Science, Technology, Engineering and Math	1.00				1.00
Total Science, Technology, Engineering and Mat	**1.00**				**1.00**
Student Services					
Admissions & Records	1.00				1.00
Educational Partnerships	0.50	0.50			1.00
Financial Aid	1.00				1.00
Hollister Site	1.00				1.00
Student Services	2.80	0.20			3.00
Total Student Services	**6.30**	**0.70**			**7.00**
Student Support Programs					
Accessible Education Center		1.00			1.00
Basic Needs & Success		1.00			1.00
Special Programs		1.00			1.00
Total Student Support Programs		**3.00**			**3.00**
Grand Total	**39.00**	**8.40**	**1.00**	**2.60**	**51.00**

GAVILAN JOINT CCD

SCFF Resource Estimator Projections - 2026-08-30

SCFF Resource Estimator Detailed Report

Estimated Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)	
I. Base Allocation Basic + FTES	$40,580,547
II. Supplemental Allocation	$6,005,127
III. Student Success Allocation	$5,389,573
Student Centered Funding Formula (SCFF) Calculated Revenue (A)	$51,975,247
Prior Year SCFF Calculated Revenue + COLA (B)	$51,187,701
Hold Harmless Revenue (C)	$48,712,673
Stability Protection Adjustment	$0
Hold Harmless Protection Adjustments	$0
Estimated 2026-27 TCR (Max of A, B, or C)	**$51,975,247**

Supporting Sections

Section Ia: Estimated FTES Data and Calculations

variable	*a*	*b*	*c*	*d*	*e*	*f = b + c + d + e*	*g = f except credit = (a + b + f)/3*	*h*	*i = g + h*	effective_growth_target_pct
FTES Category	**24-25 Appl #3**	**25-26 Appl #3**	**Restoration**	**Decline**	**Adjustment**	**26-27 Appl #1**	**26-27 Appl #2**	**Growth**	**26-27 Funded**	
Credit	4,073.27	4,073.27	0.00	0.00	0.00	4,073.27	4,073.27	35.64	4,108.91	1.45
Incarcerated Credit	2.82	3.95	0.00	0.00	0.00	3.95	3.95	2.89	6.84	1.45
Special Admit Credit	389.87	389.87	0.00	0.00	0.00	389.87	389.87	16.32	406.19	1.45
CDCP	358.07	384.68	0.00	0.00	0.00	384.68	384.68	7.69	392.37	1.45
Noncredit	362.87	376.94	0.00	0.00	0.00	376.94	376.94	7.54	384.48	1.45
Total FTES	5,186.90	5,228.71	0.00	0.00	0.00	5,228.71	5,228.71	70.08	5,298.79	7.27
Total Value		$30,976,081	$0	$0	$0					

variable	*j = g x l*	*k = h x l*	*l*	*m = j + k*	*n*	*o = f + h*	*p = n - o*	*q = p x l*
FTES Category	**2026-27 Applied #2 Revenue**	**Growth Revenue**	**Rate**	**Estimated Total Revenue**	**26-27 Appl #0**	**26-27 Appl #3**	**26-27 Unfunded FTES**	**26-27 Unfunded FTES**
Credit	$23,012,468	$201,375	$5,649.63	$23,213,856	4,415.54	4,108.91	306.63	$1,732,325
Incarcerated Credit	31,294	22,886	7,922.65	54,191	6.84	6.84	0.00	0
Special Admit Credit	3,088,804	129,275	7,922.65	3,218,101	406.19	406.19	0.00	0
CDCP	3,047,685	60,925	7,922.65	3,108,610	392.37	392.37	0.00	0
Noncredit	1,795,784	35,921	4,764.11	1,831,706	384.48	384.48	0.00	0
Total FTES	$30,976,035	$450,383		$31,426,464	5,605.42	5,298.79	306.63	$1,732,325

Section Ic: Estimated FTES Restoration Authority

variable	*v*	*w*	*y*	*z = (v + w + y) x*
FTES Category	**23-24**	**24-25**	**25-26**	**Total Value**
Credit	0.00	0.00	0.00	$0
Incarcerated Credit	0.00	0.00	0.00	0
Special Admit Credit	0.00	0.00	0.00	0
CDCP	0.00	0.00	0.00	0
Noncredit	0.00	0.00	0.00	0
Total	0.00	0.00	0.00	$0

Section Id: Estimated FTES Growth Authority

variable	*aa*	*ab*	*ac = aa x ab*
FTES Category	**Target (%)**	**25-26 Appl #3**	**Growth FTES**
Credit	1.45%	4,073.27	59.22
Incarcerated Cre	1.45%	3.95	0.06
Special Admit Cr	1.45%	389.87	5.67
CDCP	1.45%	384.68	5.59
Noncredit	1.45%	376.94	5.48
Total	0	5,228.71	76.02

Section Ie: Basic Allocation

District Type/FTES	**Funding Rate**	**Number of Colleges**	**Basic Allocation**
Single College Districts			
>= 20,000	$11,575,188		
>=10,000 & < 20,000	$9,260,151		
<10,000	$6,945,110	1	$6,945,110
Multi-College Districts			
>= 20,000	$9,260,151		
>=10,000 & < 20,000	$8,102,631		
<10,000	$6,945,110		
Additional Rural $	$2,208,973	1	$2,208,973
		Subtotal	$6,945,110

FTES	**Funding Rate**	**Number of Centers**	**Basic Allocation**
State Approved Centers			
>=1,000	$2,315,037		
Grandparented Centers			
>=1,000	$2,315,037		
>=750 & < 1,000	$1,736,277		
>=500 & < 750	$1,157,518		
>=250 & < 500	$578,760		
>=100 & < 250	$289,382		
		Subtotal	
		Estimated Total Basic Allocation	$9,154,083
		Estimated Total FTES Allocation	$31,426,464
		Estimated Total Base Allocation	**$40,580,547**

Section II: Estimated Supplemental Allocation

GAVILAN JOINT CCD
SCFF Resource Estimator Projections - 2026-08-30
SCFF Resource Estimator Detailed Report

Supplemental Allocation	Points	2025-26 Headcount	Rate	Estimated Revenue
AB540	1	129	$1,335.96	$172,338
Supplemental Pell	1	1,591	1,335.96	2,125,508
Supplemental CCPG	1	2,775	1,335.96	3,707,281
Totals		4,495		$6,005,127

Section III: Estimated Student Success Allocation

All Students	Points	23-24	24-25	25-26	Three Year Average	Rate	Estimated Revenue
Associate Degrees for Transfers	4	233	266	266	255.00	$3,151.06	$803,519
Associate Degrees	3	318	308	308	311.33	2,363.29	$735,771
Baccalaureate Degrees	3	0	0	0	0.00	2,363.29	$0
Credit Certificates	2	178	200	200	192.67	1,575.53	$303,552
Transfer Level Math and English	2	210	217	217	214.67	1,575.53	$338,213
Transfer to a Four Year University	1.5	184	266	266	238.67	1,181.65	$282,019
Nine or More CTE Units	1	786	850	850	828.67	787.76	$652,794
Regional Living Wage	1	1,196	1,566	1,566	1,442.67	787.76	$1,136,481
All Students Subtotal		**3,105**	**3,673**	**3,673**	**3,483.67**		**$4,252,349**
Pell Grant Recipients							
Associate Degrees for Transfers	6	121	141	141	134.33	$1,192.21	$160,154
Associate Degrees	4.5	166	162	162	163.33	894.16	$146,046
Baccalaureate Degrees	4.5	0	0	0	0.00	894.16	$0
Credit Certificates	3	87	96	96	93.00	596.11	$55,438
Transfer Level Math and English	3	90	89	89	89.33	596.11	$53,252
Transfer to a Four Year University	2.25	75	102	102	93.00	447.08	$41,578
Nine or More CTE Units	1.5	293	320	320	311.00	298.05	$92,695
Regional Living Wage	1.5	136	181	181	166.00	298.05	$49,477
Pell Grant Recipients Subtotal		**968**	**1,091**	**1,091**	**1,050.00**		**$598,641**
Promise Grant Recipients							
Associate Degrees for Transfers	4	161	186	186	177.67	$794.81	$141,211
Associate Degrees	3	221	215	215	217.00	596.11	$129,355
Baccalaureate Degrees	3	0	0	0	0.00	596.11	$0
Credit Certificates	2	114	120	120	118.00	397.40	$46,894
Transfer Level Math and English	2	124	110	110	114.67	397.40	$45,569
Transfer to a Four Year University	1.5	91	138	138	122.33	298.05	$36,462
Nine or More CTE Units	1	424	439	439	434.00	198.70	$86,237
Regional Living Wage	1	210	294	294	266.00	198.70	$52,855
Promise Grant Recipients Subtotal		**1,345**	**1,502**	**1,502**	**1,449.67**		**$538,583**
Estimated Total Student Success Allocation							**$5,389,573**

2025–26 Program Review Requests & Funding Decision

The following schedule summarizes 2025–26 Program Review Resource Requests, including prioritization, approved funding amounts, and funding sources resulting from the District's review process and reflected in the 2026–27 Final Budget.

Primary	Division	Program Review Type	Request Name	Request Amount	One-Time/Ongoing	Prioritization	Approval/Amount	Funding Source(s)
Art, Studio / Visual Arts	Division 10 - Arts, Humanities, Social Sciences	Comprehensive	Increase Instructional Supply Budget by $2,000 Annually.	$2,000.00	Ongoing	Tier 1: Critical	$2,000	122067 - Lottery Prop20 FY26-27
Aviation	Division 50 - Career Technical Education	Comprehensive	Replacing broken Equipment and materials	$75,000.00	Ongoing	Tier 1: Critical	$50,000	Strong Workforce Program
Aviation	Division 50 - Career Technical Education	Comprehensive	CNC (Computer Numerical Control) router, Milling Project Kit, Aviation Mechanic Prepware (software), Millwright and utility hookups, Refrigerator for student's lunches	$35,000.00	One-Time	Tier 1: Critical	$14,500	Strong Workforce Program
Basic Needs & Succes (Food Pantry/ El Centro)	Division Student Support Programs	Annual Update	Direct services to students	$700,000.00	Ongoing	Tier 1: Critical	$200,000	122050 - COVID-19 Recovery Block Grant 122067 - Lottery Prop20 FY26-27
Chemistry	Division 20 - Science, Technology, Engineering, and Math	Comprehensive	Tabletop Nuclear Magnetic Resonance Instrument	$75,000.00	One-Time	Tier 2: Needed	$75,000	122063 - Instructional Equip Alloc FY23
Child Development Studies	Division 50 - Career Technical Education	Comprehensive	Materials	$15,000.00	Ongoing	Tier 1: Critical	$10,000	100 - Unrestricted General 121014 - Perkins Title 1C
Digital Media/Comp. Graphics	Division 10 - Arts, Humanities, Social Sciences	Comprehensive	Replace obsolete computers with new systems.	$90,000.00	One-Time	Tier 1: Critical	$95,000	122063 - Instructional Equip Alloc FY23
English as a Second Language (ESL)	Division 50 - Career Technical Education	Comprehensive	Fall Retreats	$9,000.00	Ongoing	Tier 1: Critical	$9,000	122005 - Adult Education Program Current Year
Facilities	Office of VP Administrative Services	Annual Update	Grounds' Vehicle	$70,000.00	One-Time	Tier 1: Critical	$70,000	100111 - Program Review
Facilities	Office of VP Administrative Services	Annual Update	Custodial Cart	$50,000.00	One-Time	Tier 1: Critical	$50,000	100111 - Program Review
Foundation	Office of The President	Comprehensive	Double the Donation (DTD) Matching Gift Platform	$999.00	Ongoing	Tier 1: Critical	$999	100 - Unrestricted General
Heating, Ventilation, and Air Conditioning	Division 50 - Career Technical Education	Comprehensive	HVAC Training Equipment Upgrade	$45,000.00	One-Time	Tier 1: Critical	$45,000	Strong Workforce Program
Heating, Ventilation, and Air Conditioning	Division 50 - Career Technical Education	Comprehensive	HVAC Instructional Supplies and Materials	$15,000.00	Ongoing	Tier 1: Critical	$15,000	Strong Workforce Program
Library	Office of VP Academic Affairs	Comprehensive	Request for additional chat service hours; after hours and weekends	$5,000.00	Ongoing	Tier 1: Critical	$3,000	122067 - Lottery Prop20 FY26-27
Music	Division 10 - Arts, Humanities, Social Sciences	Comprehensive	Provide sound proofing material for MUS 101 (Acoustic Panels)	$2,000.00		Tier 1: Critical	$2,000	100111 - Program Review
Office of Administrative Services	Office of VP Administrative Services	Comprehensive	Chart of Accounts Implementation Support	$90,000.00	One-Time	Tier 1: Critical	$90,000	100111 - Program Review
Office of Administrative Services	Office of VP Administrative Services	Comprehensive	Emergency Preparedness Training and Consulting Support	$80,000.00	One-Time	Tier 1: Critical	$80,000	100111 - Program Review
Office of Administrative Services	Office of VP Administrative Services	Comprehensive	Emergency Preparedness and Event Operations Support	$25,000.00	One-Time	Tier 2: Needed	$25,000	100111 - Program Review
Office of Administrative Services	Office of VP Administrative Services	Comprehensive	Workflow Automation and Smartsheet Expansion	$60,000.00	One-Time	Tier 1: Critical	$100,000	100111 - Program Review
Outreach / Recruitment	Office of VP Student Services	Annual Update	Outreach Transportation & Logistics Support	$40,000.00	Ongoing	Tier 1: Critical	$40,000	122054 - Retention and Enrollment Outreach FY22/23 122055 - Retention and Enrollment Outreach FY23/24
STEM Center/Math Lab	Division 20 - Science, Technology, Engineering, and Math	Comprehensive	Textbook Budget	$1000 annually	Ongoing	Tier 1: Critical	$1,000	122042 - MESA Grant Current Year
Theater	Division 10 - Arts, Humanities, Social Sciences	Comprehensive	Instructional Supplies – Scripts and Performance Rights	$2,500 Annually	Ongoing	Tier 1: Critical	$2,500	122067 - Lottery Prop20 FY26-27
Theater	Division 10 - Arts, Humanities, Social Sciences	Comprehensive	Instructional Equipment – Portable Lighting and Sound Kit	$5,000.00	One-Time	Tier 1: Critical	$5,000	122063 - Instructional Equip Alloc FY23
Theater	Division 10 - Arts, Humanities, Social Sciences	Comprehensive	Lift	$6,710.10	One-Time	Tier 1: Critical	$16,105	122063 - Instructional Equip Alloc FY23
Tutoring Center	Office of VP Academic Affairs	Annual Update	Tutor Trainer Certification (ACTP Institute)	$3,000.00	One-Time	Tier 1: Critical	$3,000	100111 - Program Review
Veteran's Resource Center	Division Student Support Programs	Annual Update	Operational funding for VRC student support activities	$12,000.00	Ongoing	Tier 1: Critical	$12,000	VA Admin Allowance Veteran Resource Center
Welcome Center	Division Counseling, Student Success & Equity	Annual Update	Increase technology budget to replace Chromebooks for the LSRC building	$18,000.00	One-Time	Tier 1: Critical	$18,000	100111 - Program Review
Writing Center	Division 10 - Arts, Humanities, Social Sciences	Annual Update	Laptops, Instructional supplies, office supplies, and memberships for Hollister LRC	$63,500.00	One-Time	Tier 1: Critical	$35,000	122063 - Instructional Equip Alloc FY23 122067 - Lottery Prop20 FY26-27

Gavilan Joint Community College District
Budget Guidelines

We will develop a budget that:

1. Meets all legal, financial, and statutory requirements and board policies.

2. Is based upon planning that reflects both current and long-term needs and goals, provided by a second-year budget projection that meets all budget guidelines.

3. Makes steady progress toward reducing or eliminating structural budget issues (e.g., structural deficit, declining revenue, rising costs, lack of ongoing dollars to cover ongoing expenses, etc.) through budget and enrollment strategies and collective bargaining.

4. Has had campus community involvement and consideration during preparation.

5. Includes all contractually negotiated costs and expenses.

6. Includes all known and projected increases in fixed costs; including step, column and longevity salary increases, medical rate increases and STRS & PERS pension rate increases.

7. Includes salaries and benefits with a goal not to exceed 85% of total unrestricted budgeted expenditures.

8. Identifies significant but unfunded items not included in the budget.

9. Highlights unusual items and/or provides information on substantive changes from previous budgets.

10. Limits annual non-trust transfer-in allocations to the unrestricted general fund of less than 2% per year of the total unrestricted expenditure budget from non-general fund sources.

11. Limits annual debt service payments by the unrestricted general fund to 5% of the total unrestricted expenditure budget where such funds do not have a matching revenue stream to offset such costs.

12. Creates time specific plans for the full funding of unfunded liabilities/obligations through specific trust funds and reserve accounts.

13. Is based on sound and well understood enrollment projections and trends.

14. Makes every reasonable attempt to avoid lay/offs and/or hold them to a minimum should layoffs be necessary.

15. Shall make no ongoing long-term commitments with one time money.

16. Will strive to reduce or eliminate any kind of structural deficit.

Budget Criteria

17. Maintain unrestricted reserves of two months of total operating expenditures for contingencies to any expenditure classification.

18. The Budget Guidelines will be reviewed semi-annually by the Board of Trustees and College Staff.

19. Commitment to equity in resource allocation (people, time, and money) to create student experiences that enable all students to succeed, including student populations that have been identified as having disproportionate student success outcomes and those that have been historically marginalize.

Joint Analysis

Enacted 2026-27 Budget

July 9, 2026

California Community Colleges

ACBO Association of Chief Business Officials

ACCCA Association of California Community College Administrators

Community College League of California

Table of Contents

Purpose of Report

This analysis was prepared by the California Community Colleges Chancellor's Office (Chancellor's Office) with support from the:

- Association of California Community College Administrators (ACCCA),
- Association of Chief Business Officials (ACBO), and
- Community College League of California (League).

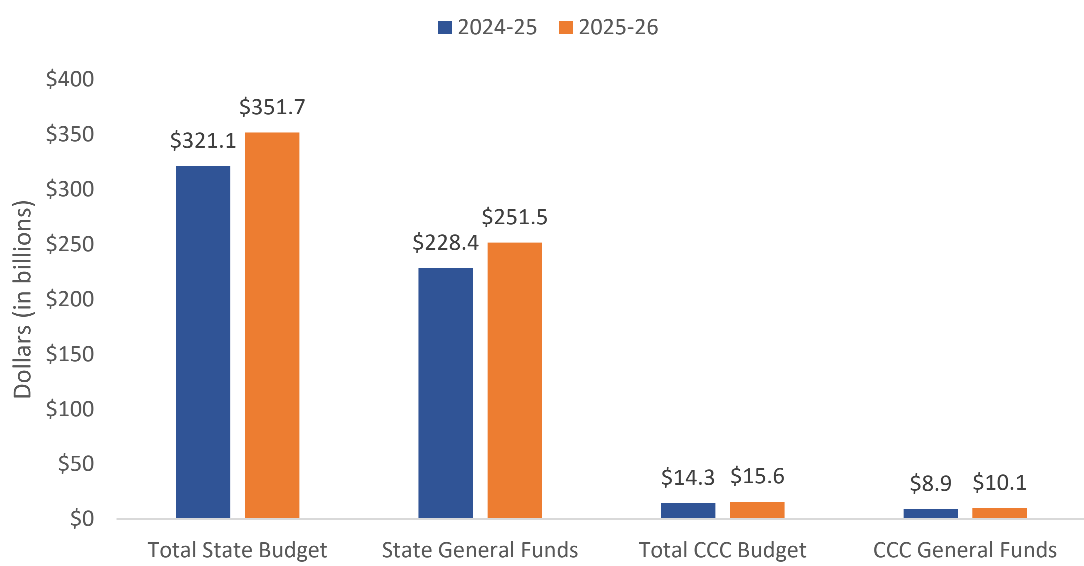
This analysis builds on the May 14, 2026, analysis of the Governor's May Revision budget proposal, and presents details about the 2026-27 budget as enacted by the Governor and Legislature. It focuses on appropriations and policy changes included in Assembly Bill 109, as amended by Senate Bill 111, collectively the Budget Act of 2026; Assembly Bill 126, the education trailer bill; and Senate Bill 135, the higher education trailer bill.

Key Features of the 2026-27 Budget

On June 29, 2026, Governor Newsom signed the Budget Act of 2026, which reflects state expenditures of nearly $352 billion. Below are some key features of the final budget, followed by more detailed discussions of budget adjustments for the community college system.

- The 2026 Budget Act reflects total state expenditures of approximately $351.7 billion, a 9.5% increase from the 2025-26 enacted budget. General Fund spending increases by 10.1% compared to the 2025-26 enacted budget, to $251.5 billion.

Figure 1: Enacted Budget for 2026-27 reflects increase of about $30 billion from 2025-26 (dollars in billions).



- The enacted budget for California Community Colleges focuses on maintaining base funding stability and continued investment in priorities aimed at achieving Vision 2030 and Roadmap goals.

- The enacted budget includes about $775 million in ongoing adjustments, including $292 million for a 2.87% cost-of-living adjustment (COLA) to the Student Centered Funding Formula (SCFF) and $31 million for the same COLA for selected categorical programs. It provides $159.7 million for an additional discretionary COLA of 1.44%, for all districts receiving general apportionment. The budget also includes $153.1 million to cover enrollment growth of 2.5% over two years ($55.3 million starting in 2025-26 and $97.8 million starting in 2026-27). It modifies the SCFF formula to fund credit FTES at the higher of the three-year average or the amount reported in the current year (rather than using the three-year average), providing $47.7 million to adopt that policy change.

- One-time funding in the enacted budget for 2026-27 of $1.1 billion is largely focused on implementation of efforts related to Vision 2030, supports for students, and collaborative pathways projects. One-time investments include an additional $147.2 million for the Student Support Block Grant, $120.7 million for deferred maintenance, $71.1 million for Dreamer Resource Liaisons, another $35 million to scale up Credit for Prior Learning, and $36 million to scale a systemwide Common Cloud Data Platform.

- The Budget Act includes $736.9 million for capital outlay from Proposition 2 to support 29 continuing projects and 10 new projects.

Budget Overview

The Budget Act includes components of the Governor's May Revision and additions or modifications adopted by the Legislature on June 15th, along with other agreed upon changes between the Legislature and Governor. The 2026-27 budget provides total additional resources of more than $2.1 billion to California Community Colleges apportionments and categorical programs as compared to the 2025 Budget Act (see Table 3).

BUDGET REFLECTS HIGHER REVENUES, CONCERNS ABOUT STRUCTURAL DEFICITS

In January, the Administration projected a shortfall of $2.9 billion for 2026-27 amid increasing costs for Medi-Cal and CalFresh related, in part, to federal policy changes. Since then, tax revenues have grown faster than projected related to investor enthusiasm surrounding artificial intelligence, and the enacted budget reflects no deficit in 2026-27 or 2027-28. While concerns about ongoing structural deficits continue, the budget includes some efforts to plan for the risks of revenue volatility and federal policy changes through new revenues, deposits to state reserves, and delayed spending. The 2026 Budget Act includes overall state General Fund spending of $251.5 billion, an increase of approximately 10% compared to the enacted budget for 2025-26. The budget is aimed at balancing the budgets for both 2026-27 and 2027-28, consistent with the Administration's commitment to two-year budget planning, and delays many of the planned healthcare cuts to 2027.

INVESTMENTS FOCUS ON PROTECTING CORE PROGRAMS AND ENSURING BUDGET RESILIENCE

The enacted budget reflects an estimated $28.7 billion in total reserves at the end of 2026-27, which includes:

- $15 billion in the Budget Stabilization Account (BSA, also known as the "rainy day fund", created in 2014 by Proposition 2). Over the last two years, the state has withdrawn $12.2 billion from the BSA and suspended required deposits in the fund, creating future constitutional "true-up" obligations. The 2026 Budget Act eliminates the first true-up for 2025-26, provides a $305 million second true-up for 2024-25, and makes a $3.6 billion constitutionally required deposit into the BSA for 2026-27. As agreed to following passage of the 2024 budget, Assembly Bill 179 (Chapter 997, Statutes of 2024) created a "temporary holding account" to preserve a portion of any projected surplus for use in future fiscal years (a provision designed as a pilot project scheduled to sunset after 2030, unless extended). The enacted budget includes a transfer of more than $6 billion into this account to support a positive operating balance in 2027-28. As another means of budget stabilization, the Legislature approved the Save for California's Future Act (ACA 20, Gabriel, Chapter 130, Statutes of 2026). This measure will place a constitutional amendment on the November 2026 ballot to increase the size of the BSA from 10% to 20% of the state budget, modify required transfer amounts, and exclude deposits from the state appropriations limit (Gann Limit).
- $9.2 billion in the Public School System Stabilization Account (PSSSA), a state reserve for schools and community colleges created by Proposition 2 in November 2014 that receives funding if several conditions are satisfied. Specifically, the state must have paid off all Proposition 98 debt created before 2014-15, the minimum guarantee must be growing more quickly than per capita personal income, and capital gains revenues must exceed 8% of total revenues. In tight fiscal times, the state must withdraw funding from the reserve to supplement the funding schools and community colleges receive under Proposition 98. Increased state revenues are reflected in a mandatory deposit of $8.7 billion and an additional discretionary deposit of $500 million for 2025-26.
- $4.5 billion in the Special Fund for Economic Uncertainties (SFEU); this discretionary reserve is equal to the difference between General Fund resources and General Fund spending and provides the state with flexibility to adapt to unexpected changes in revenues or spending needs during the year.

The enacted budget includes some new tax revenues, postpones some education spending, and delays some planned cuts to ongoing programs. Some major provisions of the budget include:

- Authorizes several tax measures, including applying a sales tax to computer software, capping business tax credits, and raising the tax rate on private health insurance providers;
- Enacts significant reforms to education governance, primarily affecting who is responsible for administering K-12 schools, transferring many duties to a new governor-appointed commissioner;
- Delays most cuts and changes to Medi-Cal until 2027, temporarily backfilling coverage for certain immigrant populations restricted by federal policy changes, and preserves funding for in-home care for low-income residents that had been targeted for cuts in previous budget proposals;
- Allocates funds to support designated public hospitals and to augment CalFresh administration to mitigate threats from federal cuts;
- Adds 22,700 state-funded child care slots and backfills additional spaces previously funded with federal dollars;
- Taps climate funding for electric vehicle incentives and to backfill state fire services; and
- Increases TK-12 special education funds by $2.4 billion (43%) and provides a $5 billion block grant equal to $937 per student.

California Community Colleges Funding

The Budget Act of 2026 reflects an increase in overall funding for community colleges over 2025-26 levels and includes many of the core priorities in the System Budget Request, as shown in Appendix B.

PROPOSITION 98 ESTIMATE HIGHER THAN LAST YEAR

Table 1 shows the budget's estimates of the minimum guarantee for 2024-25, 2025-26, and 2026-27. The minimum guarantee for 2026-27 of $128 billion is up about 6% from 2025-26, where the guarantee is now estimated at $121.3 billion. The enacted budget:

- Pays off the $1.9 billion "settle up" created in 2024-25;
- Creates a new settle-up obligation of $3.96 billion for 2025-26 related to ongoing fiscal uncertainty, but requires that one-third of non-Proposition 98/non-Proposition 2 General Fund tax revenues be used to pay off Proposition 98 obligations;
- Pays off the $408.4 million deferral from 2025-26, applying it toward the minimum funding requirement for the 2024-25 fiscal year rather than 2026-27;
- Shifts non-Proposition 98 General Fund state preschool programs under Proposition 98 and "rebenches" the guarantee;
- Excludes costs for transitional kindergarten after calculation of the TK-12/CCC "split", consistent with intent specified in the 2025 Budget Act;
- Adjusts the split percentage to be 88.9% for TK-12 and 11.1% for community colleges (from 89.1%/10.9%), providing an additional $217.7 million ongoing for community colleges to address a structural deficit that was created when the 2025 Budget Act shifted TK costs outside of the split.

Table 1: Estimates of the Proposition 98 Minimum Guarantee (In Millions)

Minimum Guarantee	2024-25	2025-26	2026-27	Change From 2025-26	Percent Change
General Fund	$93,316	$87,746	$92,931	$5,185	6%
Local property tax	32,614	33,574	35,140	1,566	5%
Totals	$125,930	$121,320	$128,071	$6,751	6%

California Community Colleges Funding Increases

Table 2 shows Proposition 98 funding for the California Community Colleges for 2024-25, 2025-26, and 2026-27. Proposition 98 funding for the California Community Colleges increases by 15% in 2026-27 compared to the prior year, related to the increase in tax revenues and other issues. The share of Proposition 98 funding for the system is 11.4% in 2026-27, reflecting the adjustment to the split.

Table 2: California Community Colleges Proposition 98 Funding by Source (In Millions)

Source	2024-25	2025-26	2026-27	Change From 2025-26	Percent Change
General Fund	$ 9,238	$ 8,288	$ 9,941	$ 1,653	20%
Local property tax	4,339	4,444	4,664	220	5%
Totals	$ 13,577	$ 12,732	$ 14,605	$ 1,873	15%

[a]CCC totals include resources that go to the K-12 system via the Adult Education, Apprenticeship, and K-12 Strong Workforce programs.

District Funding Floor Remains in Place

The SCFF's hold harmless provision enacted in the 2021 Budget Act expired at the end of 2024-25. As specified in the 2022 Budget Act, a modified form of revenue protections began in 2025-26, under which a district's 2024-25 funding level represents its new "floor." Districts will be funded at their SCFF generated amount for the year or their "floor" (2024-25 funding amount), whichever is higher. This funding protection does not include adjustments to reflect cumulative COLAs over time, as was the case with the hold harmless provision in effect through 2024-25, so a district's hold harmless amount does not grow.

Additional Resources Primarily for COLA

The Budget Act includes about $2.1 billion in policy adjustments compared with 2025-26 expenditure levels (after the impact of technical adjustments). Most notable among the ongoing adjustments, the budget includes $323 million for a 2.87% COLA for the SCFF and some categorical programs, and $159.7 million for an additional discretionary COLA for apportionments of 1.44%. The changes are summarized in Table 3.

Table 3: 2026-27 Changes in Proposition 98 Funding for the System (In Millions)

Program Areas	Adjustments
POLICY ADJUSTMENTS	
Ongoing (Proposition 98)	
SCFF statutory COLA (2.87%)	$280.8
SCFF discretionary COLA (1.44%)	$146.4
SCFF Hold Harmless discretionary COLA (1.44%)	$13.3
SCFF growth 2026-27 (1.5%)	$97.8
SCFF growth 2025-26 (1.0%)	$55.3
Adopt policy change for higher of actual enrollment or 3-year average	$47.7
Increase support for Calbright College	$38.1
Student Equity and Achievement Program COLA (5.74%)	$30.1
Adult Ed COLA (2.87%)	$19.2
California Healthy School Pathway Program (increase of $4.3 million compared to 2025)	$14.3
Student housing lease revenue debt service adjustments	$8.6
Reallocate funds to Basic Needs Centers	$8.0
Extended Opportunity Programs and Services (EOPS) COLA (2.87%)	$5.3
Disabled Student Programs and Services (DSPS) COLA (2.87%)	$5.1
Common Cloud Data Platform	$5.0
Credit for Prior Learning	$2.0
Mandates Block Grant COLA (2.87%) and enrollment-based adjustments	$1.7
CalWORKs Student Services COLA (2.87%)	$1.6
Apprenticeship (community college districts RSI) COLA (2.87%) and enrollment-based adjustments	$1.0
Cooperative Agencies Resources for Education (CARE) COLA (2.87%)	$1.0
Equal Employment Opportunity Program special fund increase.	$0.3
Childcare Tax Bailout COLA (2.87%)	$0.1
Lease revenue bond payments; debt service adjustments	$0.1
Reallocate funds from the Classified Employee Summer Assistance Program	-$8.0
Subtotal Ongoing Policy Adjustments	**$774.72**
One-Time (Proposition 98)	
Deferral repayment	$408.4
Student Support Block Grant	$147.2
Cover SCFF shortfall for 2025-26	$141.0
Deferred Maintenance	$120.7
Dreamer Resource Liaisons	$71.1
California Indian Nations College	$42.6
Common Cloud Data Platform	$36.0
Credit for Prior Learning	$35.0
LGBTQ+ Centers	$30.0
Backfill Apprenticeship funding shortfall	$16.0
Backfill Strong Workforce Program	$15.8
Future of Creative Industries Pilot Project	$15.0
California Early College Demonstration Initiative	$10.0
Financial Aid Administration Support	$10.0
Adult Learner Demonstration Project	$9.7
Pierce College Family Resource Centers	$5.0

Southwestern College (various purposes)	$3.0
Cal-Bridge First Academic Scholar Training Program	$1.2
One-Time (non-Proposition 98)	
English Language Learner Pathways	$20.1
Subtotal One-Time Policy Adjustments	**$1,137.74**
TECHNICAL ADJUSTMENTS	
Student Centered Funding Formula (SCFF) Technical Adjustments	$212.36
Subtotal Technical Adjustments	**$212.36**
TOTAL CHANGES	**$2,124.82**

[a]SCFF technical adjustments match estimated resources with DOF's estimates of workload measures including reported FTES, supplemental, and success metrics.

Appendix B compares the enacted budget to the 2026-27 Board of Governors' budget request. Below we update information on the administration's more significant policy decisions and related information.

MAJOR POLICY DECISIONS FOCUS ON STABILITY AND CONTINUED INVESTMENT IN RECENT PRIORITIES

The community college system's budget reflects interest in maintaining stability and ensuring continued focus on recent priorities. The budget provides a COLA, more substantial enrollment growth than typically funded, and some one-time investments.

Apportionments Receive 4.31% COLA and 2.5% Growth

The Budget Act includes $291.9 million **ongoing** to support a 2.87% COLA for apportionments, the same COLA provided for K-12. Another $31 million **ongoing** supports a COLA of 2.87% for selected categorical programs and the Adult Education program. It provides $159.7 million **ongoing** for an additional discretionary COLA for apportionments of 1.44%, to be used for offsetting districts for the cost of providing paid pregnancy disability leave for academic and classified employees (with $13.3 million allocated for hold harmless districts). Districts would be required to provide up to 14 weeks of paid pregnancy disability leave, not to be deducted from other leaves of absence, and to maintain group health coverage, retirement contributions, and service credit accumulation during this leave period, with the requirement to become operative on January 1, 2027. Any funding in excess of actual pregnancy leave costs is authorized for other purposes at the district's discretion.

The enacted budget provides a total of $153.1 million **ongoing** across the 2025-26 and 2026-27 budget years to support a combined enrollment growth of 2.5% ($55.3 million for an additional 1% growth in 2025-26 and $97.8 million for 1.5% growth in 2026-27). As requested by the Chancellor's Office in its system budget request, the 2026 Budget Act provides $47.7 million **ongoing** to modify the SCFF formula to fund credit FTES at the higher of actual enrollment or the three-year average beginning in 2026-27, rather than using the three-year average.

The estimated and proposed Total Computational Revenue (TCR) for the SCFF increases by $798 million from $10 billion at the 2025 Budget Act to $10.8 billion in the enacted budget. This reflects the COLA and growth funding and modified estimates for hold harmless and other underlying estimation factors.

Table 4 reflects the final SCFF rates for 2025-26 along with the projected rates for 2026-27, as modified by COLA and other base adjustments. SCFF rates for 2026-27 are estimates and final rates will be provided at the Advance Apportionment. The distribution of funds across the three allocations (base, supplemental, and student success) is determined by changes in the underlying factors. Table 5 shows the estimated rates for college types and centers.

Table 4: 2026-27 Student Centered Funding Formula Rates (rounded)

Allocations	2025-26 Rates	2026-27 Rates	Change from 2025-26 (Amount)	Change from 2025-26 (Percent)
Base Credit[a]	$ 5,416.20	$ 5,649.63	$ 233.44	4.31%
Incarcerated Credit[a]	$ 7,595.29	$ 7,922.65	$ 327.36	4.31%
Special Admit Credit[a]	$ 7,595.29	$ 7,922.65	$ 327.36	4.31%
CDCP	$ 7,595.29	$ 7,922.65	$ 327.36	4.31%
Noncredit	$ 4,567.26	$ 4,764.11	$ 196.85	4.31%
Supplemental Point Value	$ 1,280.76	$ 1,335.96	$ 55.20	4.31%
Student Success Main Point Value	$ 755.21	$ 787.76	$ 32.55	4.31%
Student Success Equity Point Value	$ 190.49	$ 198.70	$ 8.21	4.31%

[a] *Ten districts receive higher credit FTE rates, as specified in statute.*

Table 5: 2026-27 SCFF Rates for Colleges and Centers (rounded)

Basic Allocations	2025-26	2026-27	Change from 2025-26 (Amount)	Change from 2025-26 (Percent)
Single College District				
Small College	$ 6,658,143.47	$ 6,945,109.45	$ 286,965.98	4.31%
Medium College	8,877,528.70	9,260,150.18	382,621.49	4.31%
Large College	11,096,910.43	11,575,187.27	478,276.84	4.31%
Multi College District				
Small College	6,658,143.47	6,945,109.45	286,965.98	4.31%

Medium College	7,767,836.95	8,102,630.73	334,793.77	4.31%
Large College	8,877,528.70	9,260,150.18	382,621.49	4.31%
Designated Rural College	2,117,699.79	2,208,972.65	91,272.86	4.31%
State Approved Centers	2,219,381.74	2,315,037.09	95,655.35	4.31%
Grandparented Centers				
Small Center	277,424.68	289,381.68	11,957.00	4.31%
Small Medium Center	554,845.87	578,759.73	23,913.86	4.31%
Medium Center	1,109,690.00	1,157,517.63	47,827.64	4.31%
Medium Large Center	1,664,535.87	1,736,277.36	71,741.50	4.31%
Large Center	2,219,381.74	2,315,037.09	95,655.35	4.31%

Addresses Facilities Needs

While the enacted budget does not propose ongoing funds for deferred maintenance as requested by the system to begin tackling the estimated needs that exceed $2 billion, it does provide $120.7 million **one-time** for deferred maintenance needs and special repairs of facilities, largely through reappropriated funds. This is the first time the system has received funds for deferred maintenance since the 2022-23 Budget Act.

According to trailer bill language, the funds could be used until June 30, 2031 for scheduled maintenance and special repairs of facilities; hazardous substances abatement; projects related to seismic retrofit and Americans with Disabilities Act compliance; water conservation and energy efficiency projects; childcare facility repair and maintenance; and replacement of instructional equipment and library materials.

Provides Additional Funds for Common Data Platform

Responding to the system's budget request, the 2026 Budget Act includes an additional investment of $36 million **one-time** and $5 million **ongoing** to scale up the Common Cloud Data Platform that received one-time start-up funds in the 2025 Budget Act. The platform will address the fragmented data infrastructure across the colleges by integrating a suite of technology tools, including e-Transcripts, the Mapping Articulated Pathways (MAPS) platform, and Program Pathways Mapper. The system's goal is to enhance statewide reporting, data sharing, and analytical ability across districts and the Chancellor's Office. A shared technology infrastructure will improve institutional performance, strengthen accountability, and improve efficiency to enhance the public's return on investment in community colleges, and the system aims to onboard all districts to a shared infrastructure by 2030.

According to trailer bill language, the Common Cloud Data Platform will allow role-appropriate access to real-time data for administrators, faculty, staff, and students to support data driven decision-making and facilitate student success and transfer across institutions and systems. The Chancellor's Office must submit a progress report to the Legislature by March 31, 2027. A final report due January 31, 2029 must also summarize the impact on student outcomes and systemwide efficiencies.

Provides Additional Funds to Institutionalize Credit for Prior Learning

Also responding to the system's budget request and building on prior investments, the enacted budget provides $2 million **ongoing** and $35 million **one-time** to support the Credit for Prior Learning (CPL) Initiative. CPL received funding in the 2024 and 2025 state budgets, and is aimed at providing opportunities for veterans, working adults, and apprentices with a jumpstart of up to one year on completing a degree while reducing debt and preserving benefits for higher degree completion.

Under the initiative, colleges are required to evaluate prior learning of all incoming students as part of education planning, and to accept transcribed credit for prior learning from other campuses as transfer credit, including for general education and major preparation. The system's budget request emphasizes the goal of implementing CPL at every college district to ensure equitable access for students and to ensure that job training and college are not treated as mutually exclusive enterprises.

The Chancellor's Office must submit a report on the outcomes and impact of the initiative by January 31, 2028, including the numbers and characteristics of students awarded credit for prior learning and the impact of those credits on completion outcomes.

Extends Student Support Block Grant and Makes Other Investments in Student Support

The 2025 Budget Act included $60 million one-time to establish the Student Support Block Grant, allocated to districts according to a formula that provided each district with a base amount of $150,000 and distributed remaining funds based on student headcount and the number of students receiving fee waivers and exemptions from nonresident tuition. While the system requested ongoing funding for targeted support for certain learner populations, the 2026 Budget Act instead provides an additional $147.2 million **one-time** to enhance existing student support programs through this block grant, which emphasizes skills-based learning, career pathways, and student equity, as detailed in a recent guidance memo from the Chancellor's Office.

As specified in trailer bill language, districts can use block grant funds until June 30, 2030 to provide students help with food, housing, transportation, and other basic needs; childcare or other assistance for student parents; academic or financial aid advising; legal and other support services; mental health services; and/or job placement or other employment assistance. Districts are required to report annually on the use and impact of the funds (beginning December 31, 2026), with the Chancellor's Office reporting to the Legislature on December 31, 2028 and December 31, 2031. Expenditure and reporting deadlines for districts have not changed from those adopted in the 2025 budget, as specified in guidance provided by the Chancellor's Office.

The 2026 Budget Act also includes other targeted investments in student support programs, including:

- $71.1 million **one-time** for Dreamer Resource Liaisons, with $36.1 million eligible for up to 3% set aside for state administrative operations and technical assistance;

- $30.1 million **ongoing** for a 5.74% COLA for the Student Equity and Achievement Program;
- $30 million **one-time** for LGBTQ+ Centers;
- $10 million **one-time** to increase funding for financial aid administration; and
- $5 million **one-time** for the Pierce College Family Resource Centers.

Increases Funding for Calbright

The Governor had proposed an additional $38.1 million ongoing for California Statewide Community Colleges (Calbright College) with an ongoing COLA, intended to support and provide stable funding in base operations as it transitions out of its startup capacity. The college has been receiving $15 million per year to offer free online programs geared toward helping individuals acquire and improve skills for in-demand jobs.

The enacted budget maintains the Governor's proposal to provide $38.1 million **ongoing** for Calbright College. Trailer bill language indicates that future funding decisions will be determined following review of required data and reports. The budget requires the Chancellor's Office, by October 1, 2028, to develop recommendations for equating enrollment in competency-based education programs at all community college districts, including Calbright, to FTES for the purposes of generating funding, and to convene a workgroup of experts to support their development. It also requires the Chancellor's Office to develop standardized credit for prior learning recommendations for all districts, including Calbright, by July 1, 2027. Calbright must implement data reporting and public outcome dashboards using comparable data elements applicable to noncredit programs at other community college districts.

Supports Academic and Career Pathways and Programs

The 2026 Budget Act includes several investments that support academic and career pathways projects and programs:

- $42.6 million **one-time** for California Indian Nations College ($14.2 million per year for three years).
- $20.1 million **one-time** non-Proposition 98 funds to support the English Language Learner Pathways program.
- $16 million **one-time** to backfill Related and Supplemental Instruction (RSI) instruction hours for 2024-25 and 2025-26.
- $15 million **one-time** to support a Future of Creative Industries Pilot Project, a five-year initiative focused on AI-related job displacement and workforce adaptation in the creative economy sectors consistent with pending state legislation (AB 2504, Bauer-Kahan).
- $14.3 million **ongoing** for the California Healthy School Food Pathway Program, a workforce development program aimed at training food service workers to prepare healthy meals for K-12 students. This expands on the $10 million one-time provided for this program in the 2022 Budget Act, making the funding ongoing with a requirement that 80% of funds support direct program costs. The Chancellor's

Office will be required to submit a report to the Department of Finance and Legislature on program outcomes by February 1, 2027 and annually thereafter.
- $9.7 million **one-time** over three years to continue and expand an investment in the 2024 Budget Act, which earmarked $5 million of Strong Workforce Program funds to support a demonstration project creating statewide education pathways for low-income workers. These funds were used to support the United Domestic Workers (UDW) Education Pathways Project, a pilot project to create pathways to living wage careers for domestic workers, a population comprising largely low-income women of color. Unlike the 2024 investment, the current funding involves new money and does not reduce Strong Workforce funding.
- $3 million **one-time** to Southwestern College for pharmacy technician and transfer pathways.
- $1.2 million **one-time** to support the Cal-Bridge First Academic Scholar Training (FAST) Program, a statewide intersegmental partnership with California State University and University of California to increase diversity in the state's STEM faculty and workforce.

Continues Use of Strong Workforce Program Funds for Nursing

The enacted budget continues for a third year the earmarking of $60 million of Strong Workforce Program funds for nursing program expansion via the Rebuilding Nursing Infrastructure Grant Program, a provision of the 2024 Budget Act intended to be continued for five years. While the system requested one-time funds to fully restore the Strong Workforce Program to its base funding level, the 2026 Budget Act includes this provision for a third year, allocating $60 million from the Strong Workforce Program for the RNI Grant Program. The enacted budget does, however, include $15.8 million **one-time** to supplement the Strong Workforce Program, partially covering this allocation.

Shifts Funds to Support Classified Employee Basic Needs

The enacted budget temporarily shifts $8 million ongoing funds from the Classified Employee Summer Assistance Program to Basic Needs Centers for 2026-27 and 2027-28, to be used for providing classified employees with access to food pantry services. This allocation is consistent with legislative intent in Senate Bill 148 (Chapter 745, Statutes of 2025).

Modifies Part-Time Faculty Health Insurance

The Part-Time Faculty Health Insurance Program has defined "health insurance benefits" for purposes of the program to include medical benefits, excluding dental and vision benefits from coverage. The enacted budget authorizes reimbursement of dental and vision benefits under the program going forward.

Supports Dual Enrollment

The system requested one-time funds for the Chancellor's Office to support a California Community Colleges College and Career Access Pathways (CCAP) Grant Program that would provide a source of funding for all colleges to develop or expand dual enrollment partnerships with local education agencies. Instead, the enacted budget includes $10 million **one-time** to establish and support the California Early College Demonstration Initiative, a regional pilot focused on implementing and scaling comprehensive dual enrollment and early college systems through partnerships between local educational agencies and community college districts. The initiative will give priority to efforts serving the Counties of Kern, San Bernardino, San Diego, and Riverside.

The enacted budget also provides $100 million **one-time** for dual enrollment activities under the K-12 side of the budget, to expand grants to local educational agencies (LEAs) for middle/early college high schools or programs or CCAP partnerships. According to trailer bill language, LEAs are permitted to use grant funds to support professional development of educators to meet minimum standards to teach dual enrollment courses and to collaborate with partner community colleges to allow dual enrollment students to access advising and support services. The funds are particularly aimed at supporting grants for LEAs that do not have any dual enrollment programs as well as those that have higher than average populations of low-income, homeless, foster, or justice-involved students, higher dropout or suspension/expulsion rates, or lower A-G completion rates.

Specifies and/or Modifies Some Financial Aid Requirements

The 2026 Budget Act clarifies or modifies several policies related to financial aid:

- ***Federal Workforce Pell Grant Program:*** Budget language specifies that the California Student Aid Commission (CSAC) will consult with the California Workforce Development Board (CWDB) prior to approving short-term programs as meeting the requirements to award Workforce Pell Grants. Colleges seeking a determination from CSAC that a program meets the requirements must submit a Workforce Pell Grant program participation agreement and documentation to support that the program meets all federal requirements and regulations, meets the hiring requirements of employers in the relevant sectors or occupations, leads to a recognized postsecondary credential that is stackable and portable, and prepares students to pursue one or more certificates or degrees by ensuring the credits are accepted toward meeting program requirements. Colleges must also provide specified program-level and student-level data for the short-term programs to the Office of Cradle-to-Career Data. Short-term programs must have been offered by the college for at least one year before submitting a request for determination of eligibility for Workforce Pell. CSAC must make a determination of eligibility within 90 days.
- ***Cal Grant Community College Transfer Entitlement:*** Budget language temporarily increases the eligibility from age 28 to age 30 commencing with the 2026-27 award year through the 2030-31 award year.
- ***Middle Class Scholarship Program:*** Budget language prohibits scholarship displacement for current and former foster youth receiving a MCSP award.
- ***Nonresident Tuition Exemption:*** Budget language requires community college governing boards participating in the cross-border nonresident tuition exemption (AB 91) to jointly develop and implement a policy for administering a shared FTES

exemption cap. It limits the exemption to a total of 1,350 FTES in any academic year.

Consolidates Several Reporting Requirements

The enacted budget amends current law to require both the Higher Education Student Housing Grant Program and Campus-Owned Housing reports to be provided together by February 1 of each year, consolidating the timelines for these two reports. It also consolidates the Nursing Enrollment Growth and Retention, nursing multicriteria screening, allied health multicriteria screening, and allied health program outcomes legislative reports, and requires that all four reports be submitted by December 31, 2026, and triennially thereafter. Finally, it clarifies that the Chancellor's designee may satisfy the requirement to provide the Title IX budget public hearing presentation.

Makes Changes to Education Governance

The enacted budget moves oversight of the California Department of Education and ultimate responsibility for state oversight and support of local educational agencies under the State Board of Education, with a new Education Commissioner to be appointed by the Governor. The move is intended to reduce fragmentation and streamline accountability for TK-12 education. It redefines the State Superintendent of Public Instruction's (SPI) role toward fostering coordination and alignment of state education policies from early childhood through postsecondary education and engaging in advocacy and evaluation of programs. For the community colleges, this includes adding the SPI to the Board of Governors. Reforming education governance has long been recommended in legislative and independent reports and, along with Assembly Bill 1098 (Chapter 446, Statutes of 2025) that established the California Education Interagency Council, represents an effort to clarify accountability, better align policies and planning, and improve student pathways across the state's education and workforce systems.

LOCAL SUPPORT FUNDING IS LARGELY STABLE FOR ONGOING PROGRAMS

Table 6 shows ongoing local assistance funding by program for 2025-26 and 2026-27. As the table shows, some categorical programs receive cost-of-living adjustments while most others receive level or workload-based funding. Decreases in funding are related to removal of one-time funds or revised estimates of underlying factors.

Table 6: California Community Colleges Ongoing Funding by Program[a] (In Millions)

Program	2025-26 Enacted	2026-27 Enacted	Change Amount	Percent Change	Explanation of Change
Student Centered Funding Formula	10,004.89	10,803.24	798.35	7.98%	2026-27 adjusted for COLA, growth, Credit FTES policy change, and other base adjustments.

Adult Education Program – Main	674.16	693.34	19.18	2.87%	COLA
Student Equity and Achievement Program	523.98	554.08	30.10	5.74%	COLA
Student Success Completion Grant	412.60	412.60	-	0.00%	
Strong Workforce Program	290.40	290.40	-	0.00%	Of this funding, $60 million shall be available annually to support the Rebuilding Nursing Infrastructure Grant Program from 2024-25 through 2028-29. See table 7 for additional one-time funding for this program.
Part-time faculty health insurance	200.49	200.49	-	0.00%	
Extended Opportunity Programs and Services (EOPS)	189.30	194.73	5.43	2.87%	COLA
Disabled Students Programs and Services (DSPS)	178.69	183.81	5.13	2.87%	COLA
Full-time faculty hiring	150.00	150.00	-	0.00%	
California College Promise (AB 19)	91.21	91.21	-	0.00%	
Integrated technology	89.50	94.50	5.00	5.58%	Adds $5 million in ongoing funding for the Common Cloud Data Platform.See table 7 for additional one-time funding for this program.
Financial aid administration	83.73	85.41	1.68	2.01%	Waived fees and per unit adjustment. See table 7 for additional one-time funding for this program.
CalWORKs student services	56.92	58.56	1.63	2.87%	COLA
NextUp (foster youth program)	54.11	54.11	-	0.00%	
Basic needs centers	43.29	51.29	8.00	18.48%	$8 million reallocated from the Classified Employee Summer Assistance Program to Basic Needs Centers for FY 2026-27 and FY 2027- 28.

Mathematics, Engineering, Science Achievement (MESA)	39.42	39.42	-	0.00%	
Mandates Block Grant and reimbursements	39.16	40.90	1.74	4.44%	COLA and enrollment-based adjustment
Apprenticeship (community college districts RSI)	35.62	36.62	1.00	2.87%	COLA
Rising Scholars Network	35.00	35.00	-	0.00%	
Cooperative Agencies Resources for Education (CARE)	34.61	35.61	0.99	2.87%	COLA
Student mental health services	32.47	32.47	-	0.00%	
CA Apprenticeship Initiative	30.00	30.00	-	0.00%	
Institutional effectiveness initiative	27.50	27.50	-	0.00%	
Part-time faculty compensation	26.54	26.54	-	0.00%	
Part-time faculty office hours	23.63	23.63	-	0.00%	
Economic and Workforce Development	22.93	22.93	-	0.00%	
Homeless and Housing Insecurity Program 'Rapid Rehousing'	20.56	20.56	-	0.00%	
California Virtual Campus	20.00	20.00	-	0.00%	
California Online Community College (Calbright College)	15.00	53.10	38.10	254.00%	Ongoing increase of $38.1 million.
California Healthy School Food Pathway Program	10.00	14.34	4.34	43.37%	New funding is ongoing; prior years, including 2025, were one-time.
Nursing Program Support	13.38	13.38	-	0.00%	

Puente Project	13.33	13.33	-	0.00%	
Equal Employment Opportunity Program	12.77	13.04	0.28	2.17%	Increase in available Equal Opportunity Fund.
Lease revenue bond payments	12.77	12.86	0.09	0.69%	Lease Revenue Debt Service Adjustments
Dreamer Resource Liaisons	11.60	11.60	-	0.00%	See table 7 for additional funding for this program.
Veterans Resource Centers	10.82	10.82	-	0.00%	
Classified Employee Summer Assistance Program	10.00	2.00	(8.00)	-80.00%	$8 million reallocated from the Classified Employee Summer Assistance Program to Basic Needs Centers for FY 2026-27 and FY 2027- 28.
Immigrant legal services through CDSS	10.00	10.00	-	0.00%	
Umoja	9.18	9.18	-	0.00%	
AANHPI Student Achievement Program	8.00	8.00	-	0.00%	
Foster Care Education Program	6.15	6.15	-	0.00%	
Credit for Prior Learning Policies	5.00	7.00	2.00	40.00%	Ongoing increase of $2 million
Childcare tax bailout	4.42	4.55	0.13	2.87%	COLA
Rising Scholars Network - Textbooks/Digital Course Content	3.00	3.00	-	0.00%	
Student housing lease revenue bond payments	2.47	11.06	8.59	348.04%	Lease Revenue Debt Service Adjustments
Middle College High School Program	1.84	1.84	-	0.00%	
Academic Senate	1.80	1.80	-	0.00%	

Historically Black Colleges and Universities (HBCU) Transfer Pathway project	1.38	1.38	-	0.00%	
African American Male Education Network and Development (A2MEND)	1.10	1.10	-	0.00%	
Transfer education and articulation (excluding HBCU Transfer Pathway project)	0.70	0.70	-	0.00%	
FCMAT	0.77	0.77	-	0.00%	
Total	$ 13,596.17	$ 14,519.92	$ 923.76	6.79%	

[a]*Table reflects total programmatic funding for the system, including amounts from prior years available for use in the years displayed.*

[b]*The Adult Education program total includes resources that go to the K-12 system but are included in the CCC budget. The K-12 Strong Workforce program and K-12 Apprenticeship programs are not listed above but are also included in the CCC budget.*

Table 7 shows one-time local assistance funding by program for 2025-26 and 2026-27. New one-time investments for the community colleges are primarily related to initiating key provisions of the Master Plan for Career Education, initiating academic and workforce pathway efforts, and increasing student supports.

Table 7: California Community Colleges One-Time Funding by Program[a] (In Millions)

Program	2025-26 Revised	2026-27 Enacted	Explanation of Change
Deferral Repayment	0.0	408.4	Adds one-time funds
Student Support Block Grant	60.0	147.2	Additional one-time funds added
Cover SCFF shortfall for 2025-26	0.0	141.0	Adds one-time funds
Deferred Maintenance	0.0	120.7	Adds one-time funds
Dreamer Resource Liaisons	15.0	71.1	Additional one-time funds added. See table 4 for additional funding for this program.
California Indian Nations College	0.0	42.6	Adds one-time funds
Common Cloud Data Platform	12.0	36.0	Additional one-time funds added. See table 4 for additional funding for this program.
Credit for Prior Learning	15.0	35.0	Additional one-time funds added
LGBTQ+ Centers	10.0	30.0	Additional one-time funds added
English Language Learner Pathways	0.0	20.1	Adds one-time funds (non-Proposition 98)

Backfill Apprenticeship Funding Shortfall	6.3	16.0	Adds one-time funds
Strong Workforce Program Backfill	0.0	15.8	Adds one-time funds to supplement ongoing Strong Workforce Program. See table 4 for additional funding for this program.
Future of Creative Industries Pilot Project	0.0	15.0	Adds one-time funds
California Early College Demonstration Initiative	0.0	10.0	Adds one-time funds
Financial Aid Administration Support	0.0	10.0	Adds one-time funds to supplement ongoing Financial Aid Administration. See table 4 for additional funding for this program.
Adult Learner Demonstration Project	0.0	9.7	Adds one-time funds
Pierce College Family Resource Centers	0.0	5.0	Adds one-time funds
Southwestern College (various purposes)	0.0	3.0	Adds one-time funds
Cal-Bridge First Academic Scholar Training Program	0.0	1.2	Adds one-time funds
Total	$ 118.33	$ 1,137.7	

[a] Table reflects total programmatic funding for the system, including amounts from prior years available for use in the years displayed.

CAPITAL OUTLAY INVESTMENTS HIGHER THAN LAST YEAR

The Budget Act includes $736.9 million **one-time** in capital outlay funding from Proposition 2, a considerable increase over the $68.5 million provided in the 2025 Budget Act. The funding would support the construction phase for 29 projects and the preliminary plans and working drawings for 10 additional projects, as listed in Table 8. The lease revenue debt service for selected community college housing projects will be covered by non-Proposition 98 resources.

Table 8: Capital Outlay Projects in the California Community Colleges (In Millions)

District, College	Project	2026-27 State Cost	2026-27 Total Cost	All Years State Cost	All Years Total Cost
NEW PROJECTS - Proposition 2					
Chaffey, Chaffey College	Theater Building Renovation	$1,489,000	$2,143,000	$17,848,000	$25,040,000
Coast, Golden West College	Performing Arts Replacement	$1,542,000	$3,146,000	$21,782,000	$42,824,000
El Camino, El Camino College	New Interdisciplinary	$4,259,000	$9,883,000	$64,089,000	$146,927,000

	Science Center (Replacement)				
Kern, Bakersfield College	BC Fine Arts Replacement	$1,861,000	$3,722,000	$40,278,000	$52,925,000
Kern, Porterville College	PC Career Technology Building	$2,250,000	$3,541,000	$26,067,000	$50,944,000
Los Angeles, LA City College	Communications Building Replacement	$2,441,000	$5,566,000	$36,570,000	$81,231,000
Merced, Merced College	Gym Complex Replacement	$2,461,000	$3,757,000	$35,626,000	$50,571,000
Riverside, Riverside City College	Advanced Technology (Applied Technology)	$4,677,000	$12,044,000	$71,925,000	$178,825,000
Sequoias, Hanford Educational Center	Science Building	$4,182,000	$4,182,000	$51,137,000	$67,082,000
State Center, Reedley College	Modernize Voc-Tech Complex: Aero, Auto, Welding	$2,647,000	$4,073,000	$34,106,000	$51,316,000
CONTINUING PROJECTS - Proposition 2					
Antelope Valley, Antelope Valley College	Gymnasium Replacement	$22,562,000	$42,553,000	$24,184,000	$45,927,000
Citrus, Citrus College	New Career Technical Education Building	$43,784,000	$106,862,000	$47,010,000	$114,887,000
Coast, Golden West College	PE - Rec (Gym) Replacement	$26,907,000	$52,673,000	$28,909,000	$56,801,000
Coast, Orange Coast College	Skills Lab Replacement	$12,086,000	$23,980,000	$13,196,000	$25,998,000
El Camino, El Camino College	Hydronic Line Replacement	$8,530,000	$11,373,000	$9,343,000	$12,457,000
Foothill-DeAnza, De Anza College	Physical Education Complex Renovation	$36,999,000	$49,002,000	$40,385,000	$53,487,000
Hartnell, Hartnell College	Building F, G, H (Gymnasium) Renovation	$17,501,000	$34,471,000	$19,265,000	$37,648,000
Imperial Valley, Imperial Valley College	Gym Modernization	$11,736,000	$23,295,000	$12,775,000	$25,373,000
Kern, Bakersfield College	BC Center for Student Success	$26,363,000	$51,467,000	$28,297,000	$55,336,000
Long Beach, Liberal Arts Campus	Building B Replacement	$24,400,000	$50,765,000	$24,782,000	$51,639,000

Los Angeles, LA City College	Kinesiology South Replacement	$16,008,000	$38,201,000	$17,302,000	$41,270,000
Los Angeles, LA Pierce College	Sewer Utility Infrastructure Replacement	$6,576,000	$8,769,000	$7,268,000	$9,692,000
Los Angeles, LA Trade-Tech College	Advanced Transportation & Manufacturing Replacement	$83,567,000	$200,960,000	$89,614,000	$215,809,000
Los Angeles, LA Valley College	Sewer Utility Infrastructure Replacement	$5,203,000	$6,938,000	$5,794,000	$7,726,000
Los Rios, American River College	Davies Hall Replacement Health and Safety	$55,655,000	$73,977,000	$59,984,000	$79,749,000
Mendocino-Lake, Willits Center	Willits Center Phase II	$13,022,000	$26,115,000	$14,365,000	$28,181,000
Merced, Merced College	Music Art Theater Complex	$22,604,000	$43,291,000	$24,073,000	$47,206,000
Mt. San Antonio, Mt. San Antonio College	Library Replacement	$53,066,000	$146,638,000	$56,962,000	$157,509,000
North Orange County, Fullerton College	STEM Vocational Center	$25,092,000	$51,627,000	$27,014,000	$55,471,000
Peralta, Merritt College	Replace Bldgs E and F - Kinesiology and Physical Training	$20,769,000	$49,880,000	$22,445,000	$53,877,000
Rio Hondo, Rio Hondo College	Business and Art Building Replacement	$21,133,000	$41,829,000	$22,727,000	$45,016,000
Riverside, Ben Clark Training Center	Education Center Building 2 at Ben Clark Training Center	$14,634,000	$35,659,000	$15,969,000	$38,844,000
Riverside, Moreno Valley College	Library Learning Resource Center (LLRC)	$40,665,000	$97,285,000	$43,662,000	$104,628,000
Riverside, Norco College	Library/Learning Resource (LLRC) and Student Services (SS)	$31,247,000	$75,351,000	$33,759,000	$81,389,000
Riverside, Riverside City College	Cosmetology Building	$18,240,000	$44,145,000	$19,857,000	$47,989,000
San Mateo, Skyline College	Boiler Plant Replacement	$5,519,000	$7,320,000	$5,973,000	$7,925,000
Shasta-Tehama-Trinity Jt., Shasta College	Life Sciences (Building 1600) Renovation	$7,757,000	$15,127,000	$8,437,000	$16,560,000

State Center, Clovis Community College	Kinesiology and Wellness Center	$22,251,000	$44,388,000	$23,933,000	$47,752,000
State Center, Reedley College	Modernization of Agriculture Instruction Complex	$15,204,000	$29,235,000	$16,499,000	$31,825,000
Total		**$736,889,000**	**$1,535,233,000**	**$1,163,211,000**	**$2,345,656,000**

State Operations Receives Some New Capacity

While the system requested $5 million ongoing to increase its staff capacity with 27 new positions, the final budget continues to include the proposal put forth in the Governor's Budget for $614,000 **ongoing** General Fund to support four new positions and a new unit within the Chancellor's Office. The funds support an attorney to monitor changes to federal laws, regulations, and policies to discern the impacts of federal policy adjustments on the system. They also support a supervisor and two analysts for a Contracts Oversight Unit to prepare, review, and oversee contracting and grant policies and procedures. The enacted budget keeps level the $12.2 million in special funds and reimbursements for Chancellor's Office operations.

Conclusion

The Appendices contain additional information as follows:

- Appendix A: Overview of the State Budget Process
- Appendix B: Board of Governors' Budget and Legislative Request Compared to Enacted Budget
- Appendix C: Local Budgets and State Requirements
- Appendix D: Districts' Fiscal Health
- Appendix E: Glossary

Although the budget has been enacted, the Governor and Legislature could make changes to the budget in "clean-up" legislation over the summer or later this year. The Chancellor's Office will post updates concerning any changes made to the budget on the Budget News section of the website.

Appendix A: Overview of the State Budget Process

The Governor and the Legislature adopt a new budget every year. The Constitution requires a balanced budget such that, if proposed expenditures exceed estimated revenues, the Governor is required to recommend changes in the budget. The fiscal year runs from July 1 through June 30.

Governor's Budget Proposal. The California Constitution requires that the Governor submit a budget to the Legislature by January 10 of each year. The Director of Finance, who functions as the chief financial advisor to the Governor, directs the preparation of the Governor's Budget. The state's basic approach is incremental budgeting, estimating first the costs of existing programs and then adjusting those program levels. By law, the chairs of the budget committees in each house of the Legislature—the Senate Budget and Fiscal Review Committee and the Assembly Budget Committee—introduce bills reflecting the Governor's proposal. These are called budget bills, and the two budget bills are identical at the time they are introduced.

Related Legislation. Some budget changes require that changes be made to existing law. In these cases, separate bills—called "trailer bills"—are considered with the budget. By law, all proposed statutory changes necessary to implement the Governor's Budget are due to the Legislature by February 1.

Legislative Analyses. Following the release of the Governor's Budget in January, the Legislative Analyst's Office (LAO) begins its analyses of and recommendations on the Governor's proposals. These analyses, each specific to a budget area (such as higher education) or set of budget proposals (such as transportation proposals), typically are released beginning in mid-January and continuing into March.

Governor's Revised Proposals. Finance proposes adjustments to the January budget through "spring letters." Existing law requires Finance to submit most changes to the Legislature by April 1. Existing law requires Finance to submit, by May 14, revised revenue estimates, changes to Proposition 98, and changes to programs budgeted based on enrollment, caseload, and population. For that reason, the May Revision typically includes significant changes for the California Community Colleges budget. Following release of the May Revision, the LAO publishes additional analyses evaluating new and amended proposals.

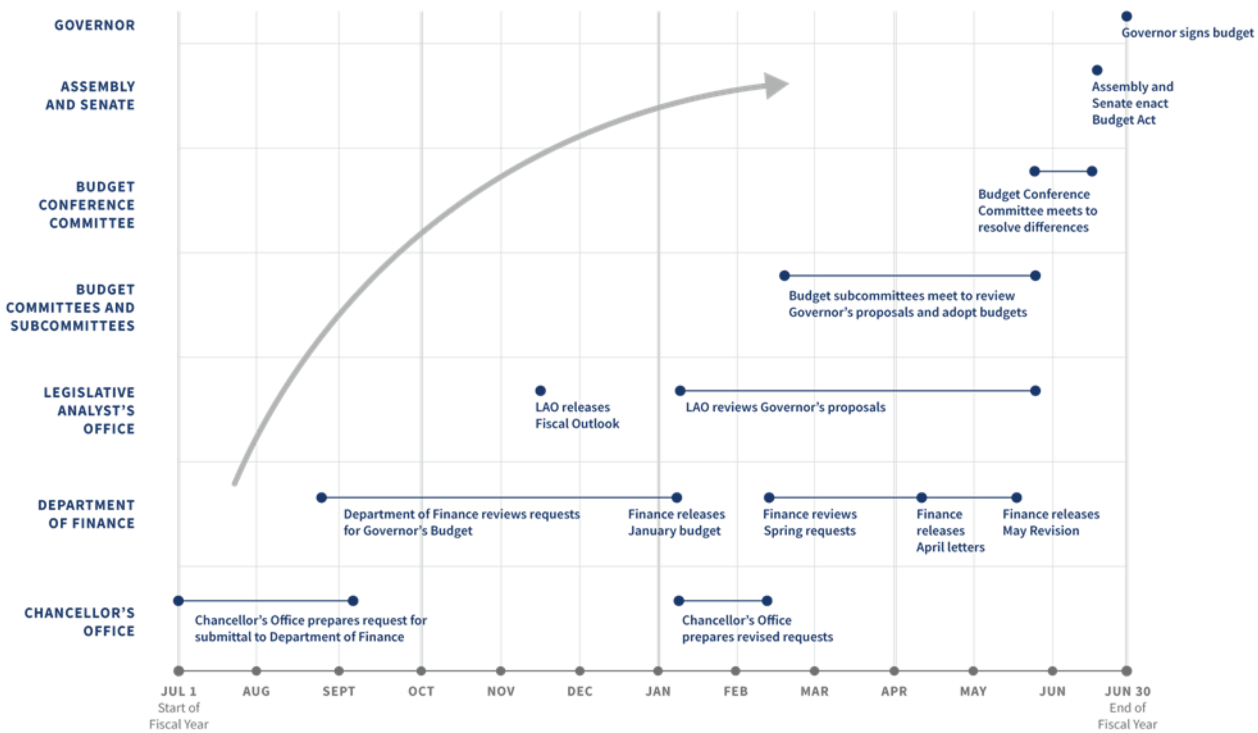
Legislative Review. The budget committees assign the items in the budget to subcommittees, which are organized by areas of state government (e.g., education). Many subcommittees rely heavily on the LAO analyses in developing their hearing agendas. For each January budget proposal, a subcommittee can adopt, reject, or modify the proposal. Any January proposals not acted on remain in the budget by default. May proposals, in contrast, must be acted on to be included in the budget. In addition to acting on the Governor's budget proposals, subcommittees also can add their own proposals to the budget.

When a subcommittee completes its actions, it reports its recommendations back to the full committee for approval. Through this process, each house develops a version of the budget that is a modification of the Governor's January budget proposal.

A budget conference committee is then appointed to resolve differences between the Senate and Assembly versions of the budget. The administration commonly engages with legislative leaders during this time to influence conference committee negotiations. The committee's report reflecting the budget deal between the houses is then sent to the full houses for approval.

Budget Enactment. Typically, the Governor has 12 days to sign or veto the budget bill. The Governor also has the authority to reduce or eliminate any appropriation included in the budget. Because the budget bill is an urgency measure, the bill takes effect as soon as it is signed.

SEQUENCE OF THE ANNUAL STATE BUDGET PROCESS



Appendix B: Board of Governors' Budget and Legislative Request Compared to Enacted Budget

The system budget request included investments needed to ensure that system programs and activities work together to achieve *Vision 2030* goals and support students' economic mobility.

Board of Governor's Request	Enacted Budget
Ongoing Investments	
Core Resources. Funds to ensure operational resources keep pace with evolving demands • Expeditious repayment of deferrals to ensure fiscal stability • $62.9 million to fund 1% enrollment growth and full funding of all enrollment growth in current year • $60 million to reestablish an ongoing Deferred Maintenance and Instructional Materials Program • $25.3 million to enact policy change eliminating the 10% cap on funded FTES growth • $24.3 million to enact policy change to modify SCFF formula to fund credit FTES at the higher of the three-year average or the amount reported in the current year (rather than the current policy of using the three-year average)	• Fully repays the $408.4 million deferral from 2025-26 State Budget • Provides $291.9 million for a COLA of 2.87% to general apportionments and $36.7 million for the same COLA to selected categorical programs; also provides $159.7 million for an additional discretionary COLA of 1.44% (for a total apportionments COLA of 4.31%) • Provides $97.8 million for 1.5% enrollment growth in 2026-27 and $55.3 million for 1% growth in 2025-26 (for a total of $153.1 million for 2.5% growth across the two years) • Provides $47.7 million to fund the higher of the three-year average or the amount reported in the current year • Includes $38.1 million ongoing to increase funding for Calbright College • See one-time investment in deferred maintenance
Pathways and Student Supports. Funds to provide supports for students, including specific learner populations • $62.3 million for Student Equity and Achievement Program to meet growing demand and offset inflationary cost pressures • $15 million increase for Dreamer Resource Liaisons • $14.2 million for Veterans Resource Centers • $10 million increase for Immigrant Legal Services • $10 million increase for Student Financial Aid Administration • $7.5 million to sustain and scale the United Domestic Workers (UDW) Education Pathways Project • $2.5 million for African American Male Education Network and Development (A2MEND) Program • $1 million to launch 10 new Umoja programs	• Provides $30.1 million for a COLA of 5.74% to the Student Equity and Achievement Program • See one-time investments for the Student Support Block Grant, Dreamer Resource Liaisons, Adult Learner Demonstration Project, financial aid administration, and several other pathway and student support programs

Partnerships and Coordination. Funds to strengthen cross-sector partnerships and coordination • $60 million to expand California Apprenticeship Initiative and $9 million for Related and Supplemental Instruction (RSI) Program • $41.1 million to support collaboration to expand sector-based workforce training and connect targeted populations to career education pathways • $2 million to institutionalize Credit for Prior Learning through outcomes-based funding model	• Provides $2 million for Credit for Prior Learning Initiative (and additional one-time) • See one-time investments for RSI and other partnership efforts
Capacity to Support the System. $14.3 million through a 1% set-aside from selected categorical programs to establish the Vision 2030 Innovation Catalyst Fund to allow Chancellor's Office more capacity to evaluate models, seed and scale effective practices, and align resources and policy	Not included
Faculty and Staff Supports. • $55 million to fully fund 90% reimbursement rate for Part-Time Faculty Office Hours Program • $25 million to ensure faculty and staff have access to professional development that strengthens their capacity to improve student outcomes under Vision 2030 • $5 million to sustain and scale AI training for educators and partners	Not included
Technology and Data Sharing. • $10.6 million for COLA for Integrated Technology categorial program • $9 million to expand the Common Cloud Data Platform (CCDP) • $3.9 million to support California Virtual Campus (CVC)	Provides $5 million to scale the CCDP
One-Time Investments	
Pathways and Student Supports. Funds to provide supports for students, including specific learner populations • $60 million over three fiscal years to restore Strong Workforce Program to its base level from 2023-24 State Budget prior to Rebuilding Nursing Infrastructure grant program carve-out • $24.2 million to support a dual enrollment grant program • $2.5 million for the College of Adaptive Arts for adults with intellectual and developmental disabilities at West Valley College	• Provides $10 million for Student Financial Aid Administration • Includes $147.2 million for the Student Support Block Grant • Provides $100 million ***to K-12*** for dual enrollment initiatives • Provides $71.1 million for Dreamer Resource Liaisons • Provides $30 million for LGBTQ+ Center • Includes $15.8 million to supplement the Strong Workforce Program • Provides $9.7 million over three years to support Adult Learner Demonstration Project

	• Includes $5 million for Pierce College Family Resource Centers
Partnerships and Coordination. Funds to strengthen cross-sector partnerships and coordination • $35 million to scale Credit for Prior Learning • $20 million to create pipeline of skilled workers through the Los Angeles Recovery and Rebuild Initiative • $15 million to address projected RSI shortfalls in 2024-25 and 2025-26 • $3 million to establish Native American Graves Protection and Repatriation Act Compliance Grant Program • $1.5 million to strengthen Beyond Barriers Demonstration Project partnership with state social services agencies • $1.2 million for a Rural College Transfer Collaborative to improve access to Associate Degrees for Transfer in high-demand fields	• Provides $42.6 million for California Indian Nations College • Provides $35 million for Credit for Prior Learning Initiative • Includes $16 million to address RSI funding shortfalls • Provides $15 million for the Future of Creative Industries Pilot Project • Includes $10 million for California Early College Demonstration Initiative • Provides $3 million to Southwestern College for transfer pathways and other efforts • Includes $1.2 million for the Cal-Bridge First Academic Scholar Training (FAST) Program
Faculty and Staff Supports. $10 million to launch AI professional development and literacy efforts	Not included
Technology and Data Sharing. $36 million to expand the CCDP	Includes $36 million to fully scale the CCDP
Deferred Maintenance.	Provides $120.7 million to address deferred maintenance and special repairs of facilities
Non-Proposition 98 Investments	
Capacity to Support the System. Funds to support 27 new positions to support implementation of legislative mandates and Vision 2030 priorities. • $813,000 to establish Contracts Oversight Unit with 6 new positions. • $793,000 for 4 new positions in Educational Service and Support Division. • $693,000 for 3 new positions to support building out the systems, policies, and practices to advance Vision 2030. • $692,000 for 3 new positions to assist in building out the technology infrastructure critical to achieving Vision 2030 goals. • $670,000 for 4 new positions to strengthen the Workforce and Economic Development Division's support of local programs and grants. • $607,000 for 4 new positions to establish Office of Civil Rights to ensure compliance with Title IX. • $551,000 for 2 new attorneys to support colleges with federal policy changes.	Provides $614,000 to establish Contracts Oversight Unit with 3 staff and to add one attorney to monitor and support changes to federal laws and regulations

• $150,000 for 1 new position to monitor and support compliance with the 50% Law.	
Pathways and Student Supports.	Includes $20.1 million for English Language Learner pathways
Climate and Energy. $45 million from Proposition 4 to establish a grant program to support microgrids on college campuses	Not included
Student Housing. $1.1 billion in additional support for the statewide lease revenue bond approach to allowing construction of affordable student housing projects	Not included

Appendix C: Local Budgets and State Requirements

BUDGET PLANNING AND FORECASTING

Based on the information used in developing the 2024 enacted budget, it would be reasonable for districts to plan their budgets using information shown in Table C-1 below.

Factor	2024-25	2025-26	2026-27
Cost-of-living adjustment (COLA)	1.07%	2.43%	2.87%
State Lottery funding per FTES	$273	$272	TBD
Mandated Costs Block Grant funding per FTES	$35.64	$36.46	$37.51
RSI reimbursement per hour	$10.05	$10.32	$10.61
Financial aid administration per College Promise Grant	$0.91	$0.91	$0.91
Public Employees' Retirement System (CalPERS) employer contribution rates	27.05%	26.81%	26.40%
State Teachers' Retirement System (CalSTRS) employer contribution rates	19.10%	19.10%	19.10%

STATE REQUIREMENTS FOR DISTRICT BUDGET APPROVAL

Existing law requires the governing board of each district to adopt an annual budget and financial report that shows proposed expenditures and estimated revenues by specified deadlines. Financial reporting deadlines are shown in Table C-2.

Table C-2: Financial Reporting Deadlines for 2026-27

Activity	Regulatory Due Date	Title 5 Section
Submit tentative budget to county officer.	July 1, 2026	58305(a)
Make available for public inspection a statement of prior year receipts and expenditures and current year expenses.	September 15, 2026	58300
Hold a public hearing on the proposed budget. Adopt a final budget.	September 15, 2026	58301
Complete the adopted annual financial and budget report and make public.	September 30, 2026	58305(d)
Submit an annual financial and budget report to Chancellor's Office.	October 10, 2026	58305(d)
Submit an audit report to the Chancellor's Office.	December 31, 2026	59106

If the governing board of any district fails to develop a budget as described, the chancellor may withhold any apportionment of state or local money to the district for the current fiscal year until the district makes a proper budget. These penalties are not imposed on a district if the chancellor determines that unique circumstances made it impossible for the district to comply with the provisions or if there were delays in the adoption of the annual state budget.

The total amount proposed for each major classification of expenditures is the maximum amount that may be expended for that classification for the fiscal year. Through a resolution, the governing board may make budget adjustments or authorize transfers from the reserve for contingencies to any classification (with a two-thirds vote) or between classifications (with a majority vote).

STATE REQUIREMENTS RELATED TO EXPENDITURES

State law includes two main requirements for districts' use of apportionments. The Chancellor's Office monitors district compliance with both requirements and annually updates the Board of Governors.

Full-Time Faculty Obligation

Education Code Section 87482.6 recognizes the goal of the Board of Governors that 75% of the hours of credit instruction in the California Community Colleges should be taught by full-time faculty. Each district has a baseline reflecting the number of full-time faculty in 1988-89. Each year, if the Board of Governors determines that adequate funds exist in the budget, districts are required to increase their base number of full-time faculty over the prior year in proportion to the amount of growth in funded credit full-time equivalent students. Funded credit FTES includes emergency conditions allowance protections, such as those approved for fires and for the COVID-19 pandemic. Districts with emergency conditions allowances approved per regulation will not have their full-time faculty obligation reduced for actual reported FTES declines while the protection is in place. The target number of faculty is called the Faculty Obligation Number (FON). An additional increase to the FON is required when the budget includes funds specifically for the purpose of increasing the full-time faculty percentage. The chancellor is required to assess a penalty for a district that does not meet its FON for a given year.

Fifty Percent Law

A second requirement related to budget levels is a statutory requirement that each district spend at least half of its Current Expense of Education each fiscal year for salaries and benefits of classroom instructors. Under existing law, a district may apply for an exemption under limited circumstances.

Appendix D: Districts' Fiscal Health

The Board of Governors has established standards for sound fiscal management and a process to monitor and evaluate the financial health of community college districts. These standards are intended to be progressive, with the focus on prevention and assistance at the initial level and more direct intervention at the highest level.

Under that process, each district is required to regularly report to its governing board the status of the district's financial condition and to submit quarterly reports to the Chancellor's Office three times a year in November, February, and May. Based on these reports, the Chancellor is required to determine if intervention is needed. Specifically, intervention may be necessary if a district's report indicates a high probability that, if trends continue unabated, the district will need an emergency apportionment from the state within three years or that the district is not in compliance with principles of sound fiscal management. The Chancellor's Office's intervention could include, but is not limited to, requiring the submission of additional reports, requiring the district to respond to specific concerns, or directing the district to prepare and adopt a plan for achieving fiscal stability. The Chancellor also could assign a fiscal monitor or special trustee.

The Chancellor's Office believes that the evaluation of fiscal health should not be limited to times of crisis. Accordingly, the Fiscal Forward Portfolio has been implemented to support best practices in governance and continued accreditation, and to provide training and technical assistance to new chief executive officers and chief business officers through personalized desk sessions with Chancellor's Office staff.

The Chancellor's Office's ongoing fiscal health analysis includes review of key financial indicators, results of annual audit reports, and other factors. A primary financial health indicator is the district's unrestricted reserves balance. **The Chancellor's Office recommends that districts adopt policies to maintain sufficient unrestricted reserves with a suggested minimum of two months of general fund operating expenditures or revenues, consistent with Budgeting Best Practices published by the Government Finance Officers Association.**

Districts are strongly encouraged to regularly assess risks to their fiscal health. The Fiscal Crisis and Management Assistance Team has developed a Fiscal Health Risk Analysis for districts as a management tool to evaluate key fiscal indicators that may help measure a district's risk of insolvency in the current and two subsequent fiscal years.

Appendix E: Glossary

Appropriation: Money set apart by legislation for a specific use, with limits in the amount and period during which the expenditure is to be recognized.

Augmentation: An increase to a previously authorized appropriation or allotment.

Bond Funds: Funds used to account for the receipt and disbursement of non-self-liquidating general obligation bond proceeds.

Budget: A plan of operation expressed in terms of financial or other resource requirements for a specific period.

Budget Act (BA): An annual statute authorizing state departments to expend appropriated funds for the purposes stated in the Governor's Budget, amended by the Legislature, and signed by the Governor.

Budget Year (BY): The next state fiscal year, beginning July 1 and ending June 30, for which the Governor's Budget is submitted (i.e., the year following the current fiscal year).

Capital Outlay: Expenditures that result in acquisition or addition of land, planning and construction of new buildings, expansion or modification of existing buildings, or purchase of equipment related to such construction, or a combination of these.

Cost of Living Adjustment (COLA): Increases provided in state-funded programs intended to offset the effects of inflation.

Current Year (CY): The present state fiscal year, beginning July 1 and ending June 30 (in contrast to past or future periods).

Deferrals: Late payments to districts when the state cannot meet its funding obligations. Deferrals allow districts to budget for more money than the state will provide in a given year. A district is permitted to spend as if there is no deferral. Districts typically rely on local reserves or short-term loans (e.g., TRANS) to cover spending for the fiscal year.

Department of Finance (DOF or Finance): A state fiscal control agency. The Director of Finance is appointed by the Governor and serves as the chief fiscal policy advisor.

Education Protection Account (EPA): The Education Protection Account (EPA) was created in November 2012 by Proposition 30, the Schools and Local Public Safety Protection Act of 2012, and amended by Proposition 55 in November 2016. Of the funds in the account, 89 percent is provided to K-12 education and 11 percent to community colleges. These funds are set to expire on December 31, 2030.

Expenditure: Amount of an appropriation spent or used.

Fiscal Year (FY): A 12-month budgeting and accounting period. In California state government, the fiscal year begins July 1 and ends the following June 30.

Fund: A legal budgeting and accounting entity that provides for the segregation of moneys or other resources in the State Treasury for obligations in accordance with specific restrictions or limitations.

General Fund (GF): The predominant fund for financing state operations; used to account for revenues that are not specifically designated by any other fund.

Governor's Budget: The publication the Governor presents to the Legislature by January 10 each year, which includes recommended expenditures and estimates of revenues.

Lease Revenue Bond: Lease-revenue bonds are used in the state's capital outlay program to finance projects. The revenue stream paying the debt service on the bond is created from lease payments made by the occupying entity to the governmental financing entity which constructs the facility or causes it to be constructed.

Legislative Analyst's Office (LAO): A nonpartisan office that provides fiscal and policy advice to the Legislature.

Local Assistance: Expenditures made for the support of local government or other locally administered activities.

May Revision: An update to the Governor's Budget presented by Finance to the Legislature by May 14 of each year.

Past Year or Prior Year (PY): The most recently completed state fiscal year, beginning July 1 and ending June 30.

Proposition 98: A section of the California Constitution that, among other provisions, specifies a minimum funding guarantee for schools and community colleges. California Community Colleges typically receive 10.93% of the funds.

Related and Supplemental Instruction (RSI): An organized and systematic form of instruction designed to provide apprentices with knowledge including the theoretical and technical subjects related and supplemental to the skill(s) involved.

Reserve: An amount set aside in a fund to provide for an unanticipated decline in revenue or increase in expenditures.

Revenue: Government income, generally derived from taxes, licenses and fees, and investment earnings, which are appropriated for the payment of public expenses.

State Operations: Expenditures for the support of state government.

Statute: A law enacted by the Legislature.

Workload Budget: The level of funding needed to support the current cost of already-authorized services.