GAVILAN COLLEGE

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

TENTATIVE BUDGET

2024 - 2025

GAVILAN COLLEGE

2024/2025
TENTATIVE
BUDGET REPORT

Presented to the Board of Trustees

June 11, 2024

Marilyn Morikang, Vice President, Administrative Services

Michelle Anaya, Director Fiscal Services

Gianno Lucas, Supervisor, Budget & Accounting

Prepared in collaboration with Business Services Staff

TENTATIVE BUDGET

FISCAL YEAR 2024 - 2025
JULY 1, 2024 THROUGH JUNE 30, 2025

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

GAVILAN COLLEGE EXECUTIVE CABINET
JULY 1, 2024 – JUNE 30, 2025

Dr. Pedro Avila	Superintendent/President
Dr. Renee Craig-Marius	Assistant Superintendent/ Vice President of Student Services
Marilyn Morikang	Vice President of Administrative Services
Dr. Moaty Fayek	Vice President of Academic Affairs
Lucy Alvarez	Director, Human Resources and Labor Relations

PIPR/RAP COMMITTEE

Marilyn Morikang	Co-Chairperson
Dr. Lorraine Levy	Co-Chairperson
Noah Lystrup	Administration
Renee Craig-Marius	Administration
Jane Maringer	Academic Senate
Veronica Andrade	Academic Senate
JoLynda Gonzales	Academic Senate
Vacant	Academic Senate
Vacant	Directors/Confidential
Laura Montes	Directors/Confidential
Vacant	Professional Support Staff
Vacant	Professional Support Staff
Michelle Anaya	Ex Officio (Resource)
Dr. Moaty Fayek	Ex Officio (Resource)

2024-2025
TENTATIVE BUDGET

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I. INTRODUCTION

The essential purpose of the Tentative Budget is to establish spending authority for the District from July 1st until such time as the Final Budget is adopted by the Board of Trustees on September 10, 2024. This budget process has two stages because of unknown factors related to 1) the State's pending budget for the next fiscal year; 2) the State's unissued "Second Principal Apportionment (P2)" report for the present fiscal year and 3) the District's year-end closing process which will be done in August 2024.

The Tentative Budget is derived from revenue projections based upon the latest information available from the State Chancellor's Office and estimates for local revenue. Expenditure projections are based upon data currently available relating to District obligations. The projected ending fund balance for the Unrestricted General Funds for the 2023-24 fiscal year is estimated to be $16,942,793, 41% of total estimated expenditures. This ending fund balance now becomes the beginning fund balance for the 2024-25 fiscal year. The projected revenues for the 2024-5 fiscal year is $48,398,740 and the expenditures are projected at $46,624,297, 81% of which is salaries and benefits, leaving a projected ended balance of $17,038,674.

The Tentative Budget Report includes the components of the 2024-25 State budget as of the May Revise and the District's budget planning information. It focuses primarily on the Unrestricted General Fund; however, preliminary information is also included about other District funds. The following table illustrates the Total Appropriation for all funds by Fund Type.

Gavilan Joint Community College District
TOTAL APPROPRIATION - ALL FUNDS
FY2024-2025 TENTATIVE BUDGET

	Governmental Funds Group							Proprietary Funds Group		Fiduciary Funds Group			
	General Unrestricted F100	ECA One-Time F110	Grants & Categoricals F270	Parking Fund F260	Capital Outlay F340	Bond Funds F800, 820,830	Debt Services F210/920	Enterprise Fund F59	Self Insurance F610	Student Financial Aid F480	Associated Students F470	Student Center Fee F660	TOTAL ALL FUNDS
Revenues:													
8100 - Federal Revenues	0	0	3,282,263	0	0	0	0	0	0	6,222,000	0	0	9,504,263
8600 - State Revenues	19,355,447	0	24,387,799	0	0	0	0	0	0	1,009,060	0	0	44,752,306
8800 - Local Revenues	29,043,293	0	1,393,788	0	202,525	106,315,608	76,000	800,000	0	0	73,388	33,580	137,938,182
8900 - Other Revenues	0	0	0	0	0	0	17,950,000	0	0	0	0	0	17,950,000
8900 - Transfers In	0	0	391,914	1,009,847	0	0	0	0	255,009	0	0	21,792	1,678,562
Total Revenues	**48,398,740**	**0**	**29,455,764**	**1,009,847**	**202,525**	**106,315,608**	**18,026,000**	**800,000**	**255,009**	**7,231,060**	**73,388**	**55,372**	**211,823,314**
Expenditures:													
1000: Academic Salaries	16,162,801	0	5,792,884	0	0	0	0	38,859	0	0	0	0	21,994,543
2000: Non-Instructional Salaries	9,320,707	0	4,055,019	561,434	0	244,802	0	253,295	0	0	0	31,409	14,466,666
3000: Employee Benefits	12,290,129	0	2,896,442	370,035	0	126,402	0	160,861	0	0	0	17,984	15,861,853
4000: Books and Supplies	415,000	0	868,933	1,700	20,000	0	0	35,000	0	0	13,675	0	1,354,308
5000: Other Operating Expenses	6,891,661	0	6,082,528	479,210	560,000	1,694,870	27,020	250,000	255,009	0	95,886	36,750	16,372,933
6000: Capital Outlay	1,544,000	0	868,933	0	1,554,239	175,010,737	0	5,000	0	0	0	0	178,982,909
7000: Other Outgo	0	0	8,891,027	0	0	0	6,241,350	500,000	0	7,256,536	36,190	0	22,925,103
7000: Transfers Out	1,678,562	0	0	0	0	0	0	0	0	0	0	0	1,678,562
Total Expenditures	**48,302,859**	**0**	**29,455,764**	**1,412,380**	**2,134,239**	**177,076,811**	**6,268,370**	**1,243,015**	**255,009**	**7,256,536**	**145,751**	**86,143**	**273,636,878**
Net Change to Fund Balance	**95,881**	**0**	**0**	**(402,533)**	**(1,931,714)**	**(70,761,203)**	**11,757,630**	**(443,015)**	**0**	**(25,476)**	**(72,363)**	**(30,771)**	**(61,813,564)**
Beginning Fund Balance	**16,942,794**	**2,000,000**	**0**	**570,390**	**5,557,715**	**70,761,203**	**13,198,634**	**923,711**	**0**	**25,476**	**298,428**	**30,771**	**110,309,122**
Adjustment	0	0	0	0	0	0	0		0	0	0	0	0
Ending Fund Balance	**17,038,674**	**2,000,000**	**0**	**167,858**	**3,626,001**	**0**	**24,956,264**	**480,696**	**0**	**0**	**226,065**	**0**	**48,495,558**

II. GENERAL INFORMATION ABOUT GAVILAN COLLEGE

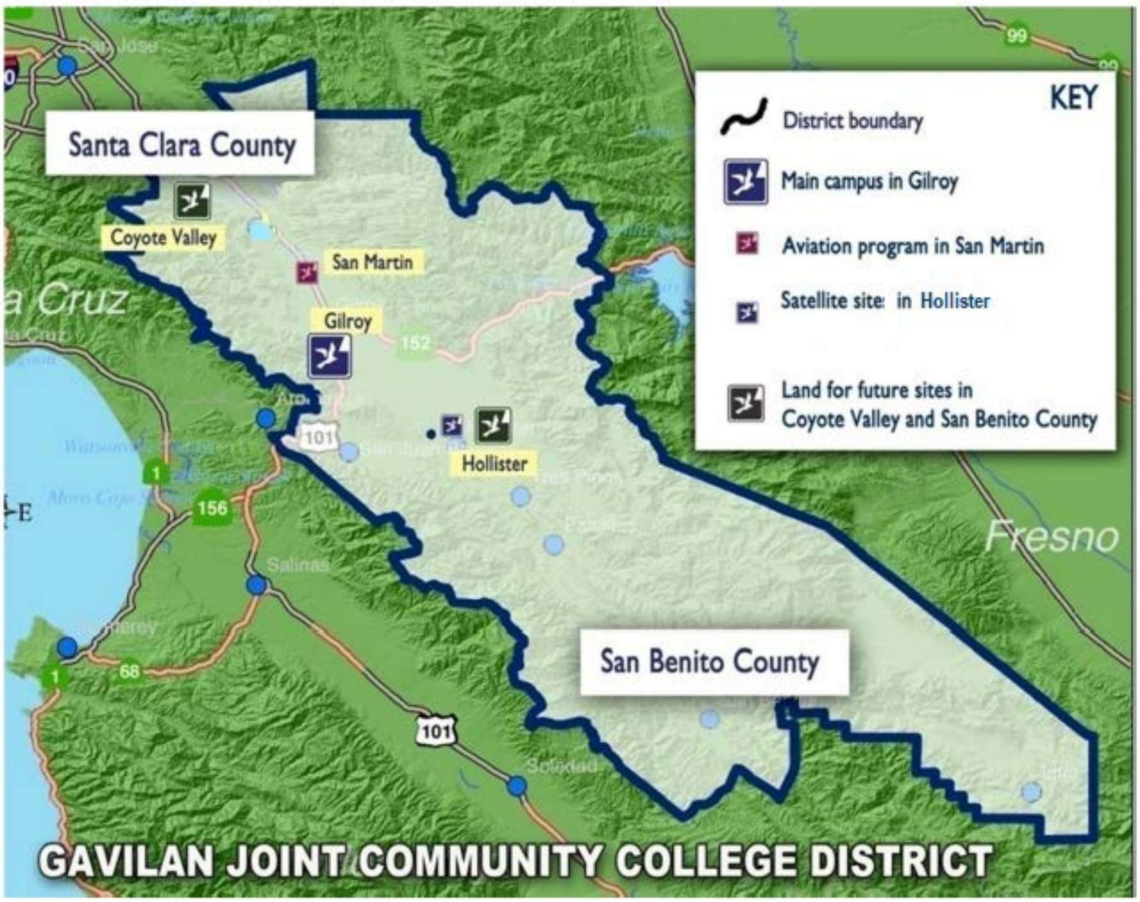
Gavilan Joint Community College District has a rich history in Santa Clara and San Benito Counties. Gavilan College was originally established in 1919 as San Benito County Junior College. It operated under this title until 1963, when a new community college district was formed that included both San 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 instructional sites in Hollister, 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 and on weekends. In FY 2023-24, Gavilan College served an estimated 12,656 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 2024, students can choose among 147 degrees and certificates, including 27 Associate Degrees for Transfer (ADTs) which provides a direct pathway for students to transfer 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 for sophisticated food processing, high tech software and semiconductors, wood, paper and metal fabrication and wine production. Gilroy's estimated population in 2022 is 60,364.

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 is subject to the provisions of the California Code of Regulations and other laws that regulate the operations of public agencies. The California Code of Regulations requires that the governing board of a public agency adopt a Tentative Budget on or before July 1 and an Adopted Budget no later than September 15 of each year.

This Budget is prepared to comply with the California Code of Regulations. The governing board and district administration uses it in planning for the district's operations for the fiscal year period July 1, 2024, through June 30, 2025. This budget uses assumptions to develop revenue and expenditure projections. The assumptions are based upon information from the May Revise, California Community Colleges Chancellor’s Office, and judgments made by district staff and The Planning Integrated Program Review and Resource Allocation Process (PIPR-RAP) Committee as to the financial implications of anticipated district operations.

The Board of Trustees provides budget guidance to the Superintendent/President who in turn formulates goals and objectives for the operating divisions. The board communicates its goals and objectives to the Superintendent/President. The three-year Strategic Plan and the Educational Master Plan are used to implement actions necessary to accomplish the board’s goals and the goals identified during the annual planning process at the college. The Board of Trustees adopts a Budget Calendar each year. Budget guidelines are also adopted annually and are used to provide specific directions regarding the allocation of resources to ensure the objectives of the Strategic Plan are achieved. In addition to the governing board’s actions, the district’s internal participatory governance process operates concurrently to inform all members of the district constituencies about resources expected and allocations of resources consistent with the Strategic Plan, goals, mission, and the Board’s Budget Guidelines. The PIPR-RAP Committee is provided full information about the district’s operations and financial position.

Impact of College Planning

The Strategic Plan states broad values that allow the administration to define implementation activities. The Strategic Planning Committee reviews new initiatives (such as the Vision for Success and Guided Pathways). It provides direction to the administration in identifying programs and activities that it feels will support strategic planning initiatives. The inclusive budget process is used to allocate available resources in a manner that will ensure funds required to implement action plans are provided.

As part of the strategic plan update process, the Educational Master Plan was assessed for completion of activities. In spring 2017 the Plan was updated. It consists of the program plans developed by the departments, programs, and services at the district, along with the activities that support the Strategic Plan. Program reviews are updated yearly for budget development, every three years when reviewed by the PIPR-RAP (Planning Integrated Program Review and Resource Allocation Process), and every seven years for accreditation. This process meets accreditation standards that require integrated resource planning. The Educational Master Plan focuses on the district's instructional and student services programs and the support services and facilities that will be necessary to provide the instruction and student service programs.

IV. BUDGET ASSUMPTIONS: Unrestricted General Funds

The fiscal office has prepared this Tentative Budget and a 5-year budget projection using the latest information State Chancellor's Office, School Services of California, and estimates for local revenue.

The Unrestricted General Fund revenue is based primarily on the Student-Centered Funding Formula (SCFF) and other State and Local revenues. And expenditure projections are based upon data currently available relating to District obligations.

Description	2023-24	2024-25	2025-26	2026-27	2027-28
Cost-of-living adjustment (COLA)	8.22%	1.07%	2.73%	3.11%	3.17%
Deficit Factor	3.55%	2.50%	2.50%	2.50%	2.50%
FTES Projections	5,111	5,161	5,161	5,161	5,161
CalSTRS Employer Contribution	19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Contribution	26.68%	27.05%	27.60%	28.00%	29.20%
Employee Compensation Step/Column/Longevity Increase	1%	1%	1%	1%	1%
Employee Compensation Increases – Negotiated Increase	7.22%	0.07%	TBD	TBD	TBD
Increase Operating Cost by California Price Index (CPI)	3.36%	2.83%	2.70%	2.72%	2.72%
Increase Utilities	5%	5%	5%	5%	5%

On May 21, 2024, the Board of Trustees held a budget session to review the financial outlook for the District over the next five years. During this session, the Board examined three different State COLA (Cost of Living Adjustment) scenarios to create a comprehensive set of 5-year budget projections. These projections encompass a range of possible outcomes, ensuring that the college is prepared for various financial circumstances.

The first scenario, Scenario A, represents the best-case scenario. It includes the COLA approved for the current fiscal year 2023/24 at 8.22% and the Governor's proposal for the next fiscal year 2024/25 at 1.07%. For the fiscal years 2025/26, 2026/27, and 2027/28, this scenario uses the projections provided by the School Services of California, which estimate COLAs of 2.73%, 3.11%, and 3.17%, respectively.

Scenario B presents a middle-ground projection. In this scenario, the District is assuming State COLA for the fiscal years 2025/26, 2026/27, and 2027/28 to be 1% each year. This scenario provides a middle ground outlook, falling between the best and worst-case projections.

Scenario C outlines the worst-case scenario, with no COLA for the fiscal years 2025/26, 2026/27, and 2027/28. Assuming 0% across all years, reflecting the most conservative financial outlook.

These scenarios are designed to guide the District's strategic planning and ensure fiscal responsibility, enabling us to navigate potential challenges and opportunities over the coming years. The following table illustrates Scenario A with State COLA for future years provided by School Services of California.

Gavilan Joint Community College District
5 - YEAR BUDGET PROJECTIONS

Fund 100 - General Unrestricted Fund

	Estimated Actuals 2023-24	Tentative Budget 2024-25	Projected Budget 2025-26	Projected Budget 2026-27	Projected Budget 2027-28
Revenues:					
SCFF TCR	$ 45,624,480	$ 46,026,119	$ 46,994,897	$ 48,243,363	$ 49,802,774
Deficit Factor Assumptions	(1,620,217)	(1,150,653)	(1,174,872)	(1,206,084)	(1,245,069)
Other State Revenues	2,749,788	2,791,478	2,826,498	2,826,498	2,826,498
Other Local Revenues	731,796	731,796	731,796	731,796	731,796
Total Revenues	**$ 47,485,847**	**$ 48,398,740**	**$ 49,378,319**	**$ 50,595,573**	**$ 52,115,999**
Expenditures:					
1000: Academic Salaries	$ 15,484,661	$ 16,162,801	$ 16,601,467	$ 16,820,247	$ 17,041,214
2000: Non-Instructional Salaries	8,435,594	9,320,707	9,498,914	9,593,903	9,689,842
3000: Employee Benefits	9,856,067	12,290,129	12,588,338	12,732,533	12,946,244
4000: Books and Supplies	515,615	415,000	426,205	437,798	449,706
5000: Other Operating Expenses	6,009,975	6,891,661	7,270,419	7,632,506	8,014,131
6000: Capital Outlay	1,477,072	1,544,000	1,585,688	1,628,819	1,673,123
7000: Transfers Out	3,670,882	1,678,562	1,704,319	1,730,781	1,757,979
Total Expenditures	**$ 45,449,866**	**$ 48,302,859**	**$ 49,675,351**	**$ 50,576,586**	**$ 51,572,238**
Net Change to Fund Balance	**2,035,982**	**95,881**	**(297,032)**	**18,987**	**543,760**
Beginning Fund Balance	**14,906,812**	**16,942,793**	**17,038,674**	**16,741,642**	**16,760,629**
Ending Fund Balance	**$ 16,942,793**	**$ 17,038,674**	**$ 16,741,642**	**$ 16,760,629**	**$ 17,304,390**
Reserve % of UGF Exp.	*41%*	*37%*	*35%*	*34%*	*35%*
Reserve % of Total GF Exp.	*31%*	*28%*	*26%*	*26%*	*26%*
Compensation as a % of Expenditures	*81%*	*81%*	*80%*	*80%*	*79%*
GFOA 17% requirement	*9,369,343*	*10,455,952*	*10,757,970*	*10,954,146*	*11,171,416*

V. UNRESTRICTED GENERAL FUND

The Unrestricted General Fund is designated to account for resources available for the general purposes of District operations and support of its education programs. The primary revenue source for the Unrestricted General Fund budget is apportionment revenue. It is a combination of student enrollment fees, local property taxes and state apportionment revenue.

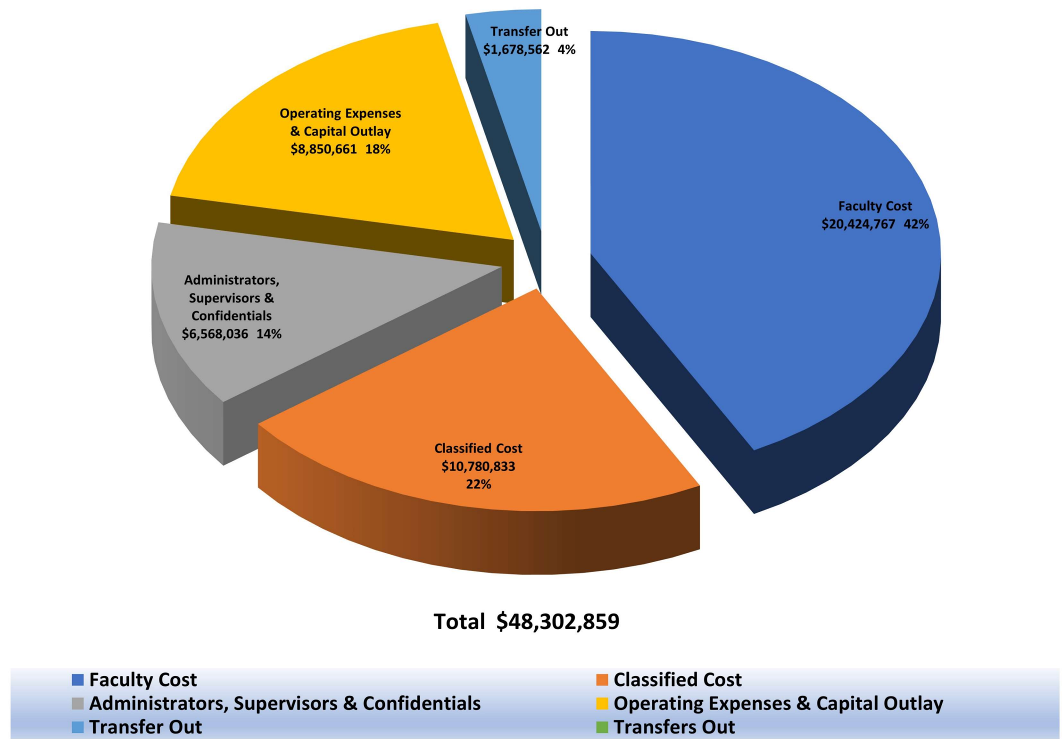
The revenue budget for apportionment under the Student - Centered Funding Formula is based on a combination of

1) Base Allocation, which primarily factors Credit FTES (70% statewide). The base allocation is based on Credit FTES funded on a 3 - year average FTES.
2) Supplemental Allocation, which counts low - income students (20%). The Student Success Allocation is also funded on a 3 - year average. In addition, Non - Credit and Special Admit FTES are funded at higher rates and the counts are funded based on the current year.
3) Student Success Allocation, which counts outcomes related to the Vision for Success, with allocations for outcomes of low - income students (10%).

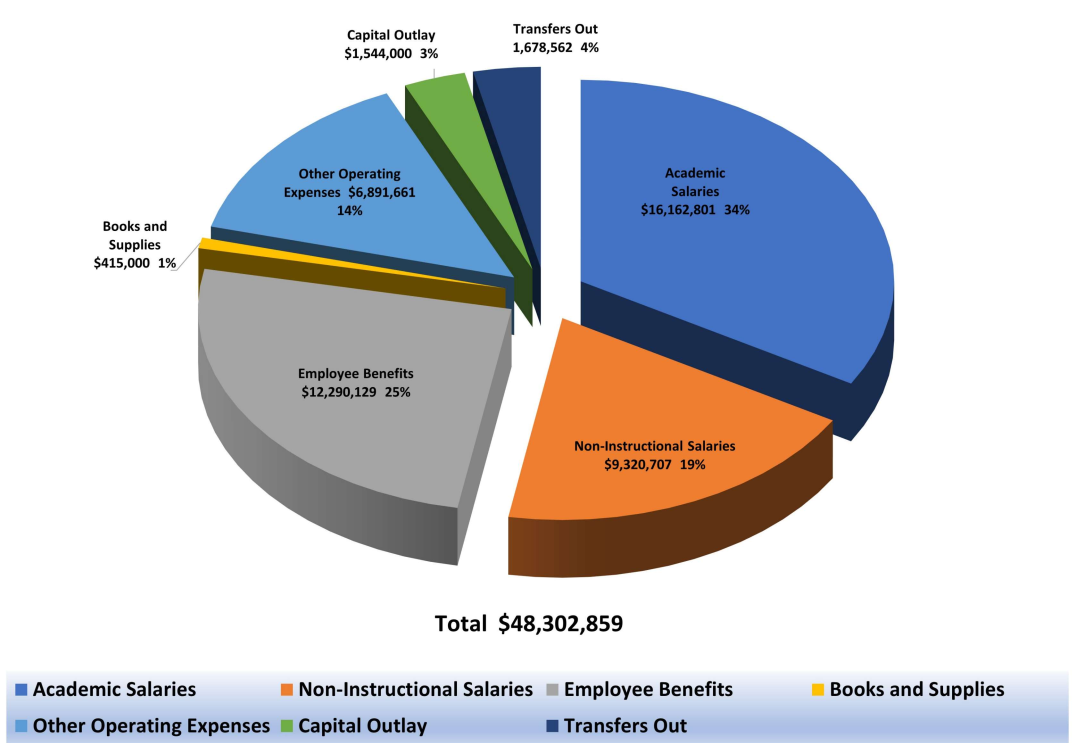
The unrestricted general fund revenue when compared to last fiscal year increased by the State COLA of 1.07%. Other revenues include full-time and part-time faculty allocations, Lottery and Mandated costs, rents from the use of the Cayote Campus by South Bay Regional Public Safety, non-resident tuition and other revenues.
Embedded within the budget is an allocation of $983,568 in pass - through revenue designated for STRS on - behalf payments, which the state disburses due to a change in accounting methods. Historically, the state has been responsible for making a portion of the payments to STRS on behalf of local employers. However, in light of a recent accounting advisory issued by the California Community Colleges Chancellor's Office on July 29, 2016, GJCCD is now mandated to document the revenue and expenditures in its financial records, even though the revenue is never actually received by the district, and the payments are not made by the district.
The unrestricted general fund expenditure are based upon data currently available relating to District obligations.

The following pie charts present a graphic picture of the Unrestricted General Fund expenditures broken out by the major account groups.

General Unrestricted Expenditures 2024-2025



General Unrestricted Expenditures 2024-2025



Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 100 - General Unrestricted Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8600 - State Revenues	$ 16,446,626	$ 21,383,994	$ 17,018,351	$ 19,355,447
8800 - Local Revenues	28,966,607	26,787,808	30,467,496	29,043,293
8900 - Other Revenues	49,701			
Total Revenues	**$ 45,462,934**	**$ 47,485,847**	**$ 47,485,847**	**$ 48,398,740**
Expenditures:				
1000: Academic Salaries	$ 13,684,200	$ 15,087,165	$ 15,484,661	$ 16,162,801
2000: Non-Instructional Salaries	7,471,287	8,938,114	8,435,594	9,320,707
3000: Employee Benefits	9,964,380	10,918,622	9,856,067	12,290,129
4000: Books and Supplies	322,959	698,808	515,615	415,000
5000: Other Operating Expenses	4,330,650	7,207,743	6,009,975	6,891,661
6000: Capital Outlay	1,171,558	587,560	1,477,072	1,544,000
7000: Transfers Out	5,637,534	3,670,882	3,670,882	1,678,562
Total Expenditures	**$ 42,582,568**	**$ 47,108,894**	**$ 45,449,866**	**$ 48,302,859**
Net Change to Fund Balance	**2,880,366**	**376,953**	**2,035,982**	**95,881**
Beginning Fund Balance	**12,026,446**	**14,906,812**	**14,906,812**	**16,942,794**
Ending Fund Balance	**$ 14,906,812**	**$ 15,283,765**	**$ 16,942,794**	**$ 17,038,674**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 10X - ECA One-Time Subfund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8900 - Transfers In	$ -	$ -	$ 2,000,000	$ -
Total Revenues	**$ -**	**$ -**	**$ 2,000,000**	**$ -**
Expenditures:				
Total Expenditures	**$ -**	**$ -**	**$ -**	**$ -**
Net Change to Fund Balance	**0**	**0**	**2,000,000**	**0**
Beginning Fund Balance	**-**	**-**	**-**	**2,000,000**
Ending Fund Balance	**$ -**	**$ -**	**$ 2,000,000**	**$ 2,000,000**

VI. RESTRICTED GENERAL FUND

The Restricted General Fund programs are established for the purpose of providing specialized services. The Restricted General Fund is used to account for resources available for the operation and support of the educational programs that are specifically restricted by laws, regulations, donors, or other outside agencies as to their expenditure. Restricted monies are generally from an external source that requires the monies be used for specific purposes, such as grants and state categorical funding.

Examples of restricted sources of monies include Title V Grant, MESA Grant, Extended Opportunity Programs (EOPS, Student Equity and Achievement Program (SEAP, Disabled Student Programs and Services (DSPS, Strong Workforce, Federal Work-Study Programs, Retention and Enrollment Outreach, Basic Needs, Parking (Includes parking permits, and parking citation revenue and Health Service

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 270 - General Restricted Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8100 - Federal Revenues	$ 3,333,405	$ 6,277,177	$ 5,441,198	$ 3,282,263
8600 - State Revenues	9,361,855	$ 25,314,546	13,314,538	24,387,799
8800 - Local Revenues	173,063	$ 722,915	1,051,935	1,393,788
8900 - Other Revenues	1,001,573	$ 1,078,923	1,078,923	-
8900 - Transfers In	588,501	$ 403,278	403,278	391,914
Total Revenues	**$ 14,458,397**	**$ 33,796,839**	**$ 21,289,872**	**$ 29,455,764**
Expenditures:				
1000: Academic Salaries	$ 2,771,055	$ 5,972,378	$ 3,103,588	$ 5,792,884
2000: Non-Instructional Salaries	2,771,719	5,101,963	2,875,512	4,055,019
3000: Employee Benefits	2,506,463	4,250,722	2,764,510	2,896,442
4000: Books and Supplies	280,890	2,056,610	615,538	868,933
5000: Other Operating Expenses	2,048,514	7,838,732	2,719,249	6,082,528
6000: Capital Outlay	666,747	2,115,332	1,649,835	868,933
7000: Other Outgo	3,174,579	5,339,925	6,632,634	8,891,027
7000: Transfers Out	49,701	1,121,177	840,017	-
Total Expenditures	**$ 14,269,668**	**$ 33,796,839**	**$ 21,200,883**	**$ 29,455,764**
Net Change to Fund Balance	**188,729**	**0**	**88,989**	**-**
Beginning Fund Balance	**(277,718)**	**(88,989)**	**(88,989)**	**-**
Ending Fund Balance	**$ (88,989)**	**$ (88,989)**	**$ -**	**$ -**

Gavilan Joint Community College District
FY2023-2024 Final Budget

Fund 270 - General Restricted Fund (List of Awards)

	Actual 2022-23	Estimated Actuals 2023-24	Tentative Budget 2024-25
Feredal			
640427 Federal College Work Study	$ 80,278	$ 65,017	$ 87,808
642027 Fresh Success	277,711	320,736	325,000
675527 Higher Education Emergency Relief Fund	999,646	3,174,058	-
746X27 Perkins Title 1C	162,578	143,029	165,645
710027 STEM IV	922,849	833,092	1,240,000
640127 Temporary Assistance for Needy Families (TANF)	53,869	53,869	52,547
50X927 Title V - Juntos Avanzamos	552,723	461,719	1,018,519
679027 Veterans Annual Report Fee	4,634	992	4,057
648527 Workability	288,687	288,687	288,687
648427 Workability Reallottment	12,840	100,000	100,000
Total Federal	**$ 3,355,814**	**$ 5,441,198**	**$ 3,282,263**
State			
683427 Adult Education FY21/22	$ 88,853	$ -	$ -
683427 Adult Education FY22/23	473,083	159,723	-
683427 Adult Education FY23/24	-	300,314	389,489
683427 Adult Education FY24/25			762,922
642527 Basic Needs Center- FY21/22	42,637	134,663	-
642527 Basic Needs Center - FY22/23	-	49,221	165,000
642527 Basic Needs Center FY23/24	-	-	237,109
642527 Basic Needs Center FY24/25	-	-	237,109
648627 California College Promise Grant FY22/23	301,047	238,661	-
648627 California College Promise Grant FY23/24	-	70,901	420,445
648627 California College Promise Grant FY24/25	-	-	491,346
64XX27 CalWorks San Benito County	-	4,500	25,000
640227 CalWorks Santa Clara County	2,030	5,200	62,000
640027 CalWorks State FY21/22	88,712	-	-
640027 CalWorks State Prior Year Carryover FY22/23	150,456	175,491	-
640027 CalWorks State FY23/24	-	97,648	241,377
640027 CalWorks State FY24/25			339,025
643627 CARE	208,323	256,459	290,228

Gavilan Joint Community College District
FY2023-2024 Final Budget

Fund 270 - General Restricted Fund (List of Awards)

	Actual 2022-23	Estimated Actuals 2023-24	Tentative Budget 2024-25
643627 CARE - Prior Year Carryover	43,995	38,379	33,769
671927 Classified Professional Development FY18/19	-	-	23,537
672127 Covid-19 Recovery Block Grant	200,000	1,637,322	637,322
671827 Culturally Competent Faculty PD	-	-	49,385
632027 Dream Resource Liaison Support FY20/21	39,220	-	-
632027 Dream Resource Liaison Support FY21/22	69,347	8,988	-
632027 Dream Resource Liaison Support FY22/23	-	75,077	3,258
632027 Dream Resource Liaison Support FY23/24	-	-	75,077
632027 Dream Resource Liaison Support FY24/25	-	-	78,335
600827 DSPS	1,011,046	1,208,510	1,122,166
600827 DSPS District Contribution	910,143	1,245,404	1,250,000
643027 EDD TAA Program	14,216	-	1,381
640727 EOPS	1,012,689	1,127,537	1,157,193
640927 EOPS - Prior Year Carryover	18,000	97,472	29,656
640827 EOPS - District Contribution	160,333	151,673	160,333
671427 Equal Employment Opportunity 21/22	55,476	17,959	-
671427 Equal Employment Opportunity 22/23	-	8,408	130,480
671427 Equal Employment Opportunity 23/24	-	-	138,888
671427 Equal Employment Opportunity 23/24	-	-	138,888
671727 Equal Employment Opportunity Best Practices	75,797	21,578	99,958
619027 Equitable Placement & Completion	-	-	395,283
648727 Financial Aid Technology FY22/23	44,389	32,423	152,247
648727 Financial Aid Technology FY23/24	-	-	83,432
631027 Greater Avenues for Independence (GAIN)	147,000	147,000	147,000
652027 Guided Pathways	143,210	75,123	80,959
648127 Learning Aligned Employment Program	1,188	16,296	1,055,821
642927 LGBTQ+ Support Funding	15,170	1,241	96,684
641227 Lifeline	3,821	4,503	21,775
100327 Local/Systemwide Technolgy & Data Security	-	-	1,125,000
800X27 Lottery Prop 20	179,196	161,824	1,052,692
621x27 Medi-Cal Administrative Activities (MAA)	19,807	11,600	67,402
650327 Mental Health Support	-	26,834	158,886

Gavilan Joint Community College District
FY2023-2024 Final Budget

Fund 270 - General Restricted Fund (List of Awards)

	Actual 2022-23	Estimated Actuals 2023-24	Tentative Budget 2024-25
650327 Mental Health Support - Prior Year Carryover	184,623	147,305	158,581
50X027 MESA Grant	57,939	99,382	280,000
50X027 MESA Grant - Prior Year Carryover	20,368	185,502	671,183
50X027 MESA Grant - District Contribution	131,163	142,722	145,000
642127 Next Up Grant	17,453	153,770	195,360
507527 Nursing Enrollment & Retention Grant	220,482	66,435	200,448
650427 Rapid Rehousing	719,697	421,000	789,563
682627 Regional Equity & Recovery Partnerships	-	59,643	78,844
642427 Retention and Enrollment Outreach FY20/21	14,175	-	-
642427 Retention and Enrollment Outreach FY21/22	236,082	341,156	-
642427 Retention and Enrollment Outreach FY22/23	-	-	450,385
642427 Retention and Enrollment Outreach FY23/24	-	-	565,504
633027 Seamless Transfer of Ethnic Studies	-	48,695	-
631427 Strong Workforce Program Local R5 FY20/21	6,930	-	-
631427 Strong Workforce Program Local R6 FY21/22	679,322	180,133	-
631427 Strong Workforce Program Local R7 FY22/23	-	660,386	191,288
631427 Strong Workforce Program Local R8 FY23/24	-	-	820,994
631427 Strong Workforce Program Local R9 FY24/25	-	-	820,994
632127 Strong Workforce Program Regional R4 FY19/20	286,045	-	-
632127 Strong Workforce Program Regional R5 FY20/21	81,133	321,646	-
632127 Strong Workforce Program Regional R6 FY21/22	-	433,525	-
632127 Strong Workforce Program Regional R7 FY22/23	-	443,421	-
632127 Strong Workforce Program Regional R8 FY23/24	-	-	429,047
632127 Strong Workforce Program Regional R9 FY24/25	-	-	429,047
648827 Student Equity & Achievement Program FY21/22	670,397	-	-
648827 Student Equity & Achievement Program FY22/23	1,202,642	914,220	-
648827 Student Equity & Achievement Program FY23/24	-	1,893,923	881,097
648827 Student Equity & Achievement Program FY24/25	-	-	2,120,862
642827 Student Financial Aid Administration (SFAA)	289,622	127,909	320,754
671127 Student Food and Housing Support FY21/22	149,958	36,464	-
671127 Student Food and Housing Support FY22/23	-	65,478	366,304
671127 Student Food and Housing Support FY23/24			

Gavilan Joint Community College District
FY2023-2024 Final Budget

Fund 270 - General Restricted Fund (List of Awards)

	Actual 2022-23	Estimated Actuals 2023-24	Tentative Budget 2024-25
642627 Student Success Completion Grant	-	-	1,177,288
600627 Veteran Resource Center	73,329	66,688	65,000
682327 Water Resources Management Apprenticeship Training F	-	48,864	451,136
641027 Zero Textbook Cost	7,002	1,376	191,622
999927 STRS On-behalf	171,772	172,000	172,000
Total State	**$ 10,739,314**	**$ 14,639,576**	**$ 25,200,158**
Local			
643127 Burton Book Fund	$ -	$ -	$ 890
621127 E-Transcript Mini Grant	-	-	16,327
640327 Health Fee Svcs	223,450	296,380	350,000
653427 Rising Scholars Network	37,346	217,537	204,959
653527 Juvenitle Justice Program	-	73,496	516,461
653027 San Benito Jail	-	-	68,528
710327 San Jose State STEM	31,524	45,877	95,000
653327 Step Up Innovation Grant	-	2,125	-
671627 Tipping Point Community Grant	5,039	96,494	86,059
501X27 UCSC Access	1,855	15,330	20,000
682027 Water Pathway Grant	864	-	35,564
Total Local	**$ 300,077**	**$ 747,240**	**$ 1,393,788**
Total General Restricted Fund Expenditures	**$ 14,395,205**	**$ 20,828,014**	**$ 29,876,209**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 260 - Parking Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ -	$ -	$ 6,013	$ -
8900 - Transfers In	746,537	1,051,861	1,323,799	1,009,847
Total Revenues	**$ 746,537**	**$ 1,051,861**	**$ 1,329,812**	**$ 1,009,847**
Expenditures:				
2000: Non-Instructional Salaries	$ 463,088	$ 527,750	$ 470,244	$ 561,434
3000: Employee Benefits	268,337	374,371	273,765	370,035
4000: Books and Supplies	1,926	4,275	1,395	1,700
5000: Other Operating Expenses	13,185	145,465	13,987	479,210
Total Expenditures	**$ 746,536**	**$ 1,051,861**	**$ 759,391**	**$ 1,412,380**
Net Change to Fund Balance	**1**	**-**	**570,420**	**(402,533)**
Beginning Fund Balance	**(31)**	**(30)**	**(30)**	**570,390**
Adjustment	-	-	-	-
Ending Fund Balance	**$ (30)**	**$ (30)**	**$ 570,390**	**$ 167,858**

VII. CAPITAL OUTLAY FUND

Capital Projects Fund 340 is established to track major facility projects and equipment acquisitions. When there is a state facilities bond, the state partially or fully funds capital outlay projects based on a Five-Year Capital Construction plan submitted annually. The Educational and Facilities Master Plan for Gavilan Joint Community College District integrates the instructional program needs with the facilities necessary to achieve the instructional program requirements and provide direction to the capital construction activities.

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 340 - Capital Outlay Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8600 - State Revenues	$ 2,557,493	$ 43,035	$ 43,035	
8800 - Local Revenues		47,525	208,833	202,525
8900 - Other Revenues	(252,044)			
8900 - Transfers In	4,000,000			
Total Revenues	**$ 6,305,449**	**$ 90,560**	**$ 251,868**	**$ 202,525**
Expenditures:				
4000: Books and Supplies		$ 20,000	$ 7,206	$ 20,000
5000: Other Operating Expenses	63,182	913,610	142,584	560,000
6000: Capital Outlay	342,666	1,416,390	231,308	1,554,239
Total Expenditures	**$ 405,848**	**$ 2,350,000**	**$ 381,098**	**$ 2,134,239**
Net Change to Fund Balance	**5,899,601**	**(2,259,440)**	**(129,230)**	**(1,931,714)**
Beginning Fund Balance	**1,917,554**	**7,817,155**	**7,817,155**	**5,557,715**
Ending Fund Balance	**$ 7,817,155**	**$ 5,557,715**	**$ 7,687,926**	**$ 3,626,001**

VIII. GENERAL OBLIGATION BOND FUND

The general obligation bonds associated with Measure X were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The Bonds were authorized to be issued by a resolution adopted by the Board of Supervisors of Santa Clara County (the County Resolution), pursuant to a request of the Gavilan Joint Community College District (the District) made by a resolution adopted by the Board of Education of the District (the District Resolution).

The District received authorization at an election held on November 6, 2018, to issue bonds of the District in an aggregate principal amount not to exceed $248,000,000 to finance construction and modernization of certain District property and facilities, the acquisition of equipment, and to pay the costs of issuance associated with the Bonds.

The proposition required approval by at least 55% of the votes cast by eligible voters within the District. The Bond Construction Fund (Measure X) represents the authorized bond issuance of the Measure X Series 2018 A, Series 2018 A-1, Series 2018 B, and 2018 Series B-1.

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Measure X - Consolidated by Project

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Interest and Investment Income	$ 1,513,689	$ 833,361	$ 2,228,143	$ 1,315,608
Sales of Bond Proceeds	-	-	-	105,000,000
Transfers In	-	-	-	-
Total Revenues	**$ 1,513,689**	**$ 833,361**	**$ 2,228,143**	**$ 106,315,608**
Expenditures:				
3101 - San Benito County Campus	$ 4,110,879	$ 24,646,125	$ 18,806,381	$ 29,608,359
3201 - Site Improvement, Security and Infrastı	597,607	13,465,621	7,790,864	19,017,993
3202 - Library and Student Resource Center	724,466	12,683,220	3,685,080	50,345,435
3204 - STEM Center	50,059	560,325	32,000	34,591,535
3205 - Theater Modernization	104,637	-	-	20,191,847
3208 - Roofing Upgrade Project	-	50,000	1,096,213	2,529,011
3901 - IT Infrastructure	-	1,000,000	68,100	4,784,016
3995 - Debt Service	-	-	3,883	203,600
3997 - Program Contingency	-	1,000,000	-	8,602,442
3998 - Catastropic Contingency	-	2,000,000	-	3,492,622
3999 - Program Management, Planning and S	548,801	2,493,515	898,364	3,709,952
Total Expenditures	**$ 6,136,448**	**$ 57,898,806**	**$ 32,380,885**	**$ 177,076,811**
Net Change to Fund Balance	**(4,622,760)**	**(57,065,445)**	**(30,152,742)**	**(70,761,203)**
Beginning Fund Balance	**105,536,704**	**100,913,944**	**100,913,944**	**70,761,203**
Ending Fund Balance	**$ 100,913,944**	**$ 43,848,499**	**$ 70,761,203**	**$ 0**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 800 - Measure X - Series A

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Interest and Investment Income	$ 201,551	$ 345,103	$ 269,763	$ -
Total Revenues	**$ 201,551**	**$ 345,103**	**$ 269,763**	**$ -**
Expenditures:				
3101 - San Benito County Campus	$ 613,402	$ 4,276,346	$ 5,925,081	$ -
3201 - Site Improvement, Security and Infrastru	546,081	2,030,493	868,657	-
3202 - Library and Student Resource Center	187,172	2,198,479	285,080	-
3204 - STEM Center	7,059	-	32,000	-
3205 - Theater Modernization	104,637	-	-	-
3208 - Roofing Upgrade Project	-	50,000	96,213	
3995 - Debt Service	-	-	1,323	-
3997 - Program Contingency	-	287,809	-	-
3999 - Program Management, Planning and Su	548,801	1,084,200	693,364	-
Total Expenditures	**$ 2,007,153**	**$ 9,927,327**	**$ 7,901,718**	**$ -**
Net Change to Fund Balance	**(1,805,602)**	**(9,582,224)**	**(7,631,955)**	**0**
Beginning Fund Balance	**9,437,558**	**7,631,956**	**7,631,956**	**0**
Ending Fund Balance	**$ 7,631,956**	**$ (1,950,268)**	**$ 0**	**$ 0**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 810 - Measure X - Series A-1

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Interest and Investment Income	$ 1,547	$ -	$ 59	$ -
Total Revenues	**$ 1,547**	**$ -**	**$ 59**	**$ -**
Expenditures:				
3995 - Debt Service	-	-	2,560	-
3999 - Program Management, Planning and St	-	2,483	-	-
Total Expenditures	**$ -**	**$ 2,483**	**$ 2,560**	**$ -**
Net Change to Fund Balance	**1,547**	**(2,483)**	**(2,501)**	**0**
Beginning Fund Balance	**954**	**2,501**	**2,501**	**-**
Ending Fund Balance	**2,501**	**18**	**0**	**0**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 820 - Measure X - Series B

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Interest and Investment Income	$ 587,317	$ 202,656	$ 784,447	$ 286,412
Total Revenues	**$ 587,317**	**$ 202,656**	**$ 784,447**	**$ 286,412**
Expenditures:				
3101 - San Benito County Campus	$ 3,497,477	$ 16,626,446	$ 12,288,346	$ 7,158,274
3201 - Site Improvement, Security and Infrastrı	-	8,750,000	362,000	2,840,017
3202 - Library and Student Resource Center	537,294	10,484,741	3,400,000	2,779,306
3204 - STEM Center	43,000	560,325	-	-
3208 - Roofing Upgrade Project	-	-	1,000,000	2,529,011
3901 - IT Infrastructure	-	1,000,000	68,100	1,537,259
3995 - Debt Service	-	-	-	203,600
3998 - Catastropic Contingency	-	250,000	-	-
3999 - Program Management, Planning and Sı	-	730,172	205,000	1,158,616
Total Expenditures	**$ 4,077,770**	**$ 38,401,684**	**$ 17,323,446**	**$ 18,206,083**
Net Change to Fund Balance	**(3,490,453)**	**(38,199,028)**	**(16,538,999)**	**(17,919,671)**
Beginning Fund Balance	**37,949,123**	**34,458,670**	**34,458,670**	**17,919,670**
Ending Fund Balance	**$ 34,458,670**	**$ (3,740,358)**	**$ 17,919,670**	**$ (0)**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 830 - Measure X - Series B-1

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Interest and Investment Income	$ 723,275	$ 285,602	$ 1,173,874	$ 1,029,196
Total Revenues	**$ 723,275**	**$ 285,602**	**$ 1,173,874**	**$ 1,029,196**
Expenditures:				
3101 - San Benito County Campus	$ -	$ 3,743,333	$ 592,954	$ 22,200,085
3201 - Site Improvement, Security and Infrastrı	51,525	2,685,128	6,560,207	10,516,079
3202 - Library and Student Resource Center	-	-	-	15,918,524
3204 - STEM Center	-	-	-	988,182
3901 - IT Infrastructure	-	-	-	1,736,576
3997 - Program Contingency	-	712,191	-	1,906,977
3998 - Catastropic Contingency	-	1,750,000	-	-
3999 - Program Management, Planning and Sı	-	676,660	-	604,306
Total Expenditures	**$ 51,525**	**$ 9,567,312**	**$ 7,153,160**	**$ 53,870,729**
Net Change to Fund Balance	**671,749**	**(9,281,710)**	**(5,979,286)**	**(52,841,532)**
Beginning Fund Balance	**58,149,069**	**58,820,818**	**58,820,818**	**52,841,532**
Ending Fund Balance	**$ 58,820,818**	**$ 49,539,108**	**$ 52,841,532**	**$ -**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 840 - Measure X - Series C

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Sales of Bond Proceeds	-	-	-	60,000,000
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 60,000,000**
Expenditures:				
3101 - San Benito County Campus	$ -	$ -	$ -	$ 250,000
3201 - Site Improvement, Security and Infrastrı	-	-	-	5,214,091
3202 - Library and Student Resource Center	-	-	-	31,647,605
3204 - STEM Center	-	-	-	15,000,000
3901 - IT Infrastructure	-	-	-	1,510,181
3997 - Program Contingency	-	-	-	5,378,123
3999 - Program Management, Planning and Sı	-	-	-	1,000,000
Total Expenditures	**$ -**	**$ -**	**$ -**	**$ 60,000,000**
Net Change to Fund Balance	**0**	**0**	**0**	**0**
Beginning Fund Balance	**-**	**-**	**-**	**-**
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 850 - Measure X - Series D (Unsold)

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
Sales of Bond Proceeds	-	-	-	45,000,000
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 45,000,000**
Expenditures:				
3201 - Site Improvement, Security and Infrastru	-	-	-	447,806
3204 - STEM Center	-	-	-	18,603,353
3205 - Theater Modernization	-	-	-	20,191,847
3997 - Program Contingency	-	-	-	1,317,342
3998 - Catastropic Contingency	-	-	-	3,492,622
3999 - Program Management, Planning and Su	-	-	-	947,030
Total Expenditures	**$ -**	**$ -**	**$ -**	**$ 45,000,000**
Net Change to Fund Balance	**0**	**0**	**0**	**0**
Beginning Fund Balance	**-**	**-**	**-**	**-**
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

IX. 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.

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Debt Service Consolidated

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ 69,495	$ 76,000	$ 26,068	$ 76,000
8900 - Other Revenues	17,975,612	17,950,000	10,972,651	17,950,000
Total Revenues	**$ 18,045,107**	**$ 18,026,000**	**$ 10,998,719**	**$ 18,026,000**
Expenditures:				
5000: Other Operating Expenses	$ 14,808	$ 27,020	$ 11,079	$ 27,020
7000: Other Outgo	18,179,981	6,241,350	17,472,494	6,241,350
Total Expenditures	**$ 18,194,789**	**$ 6,268,370**	**$ 17,483,573**	**$ 6,268,370**
Net Change to Fund Balance	**(149,682)**	**11,757,630**	**(6,484,854)**	**11,757,630**
Beginning Fund Balance	**19,833,169**	**19,683,487**	**19,683,487**	**13,198,634**
Ending Fund Balance	**$ 19,683,487**	**$ 31,441,117**	**$ 13,198,634**	**$ 24,956,264**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 210 - Measure E & X Debt Service

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ 69,495	$ 76,000	$ 26,068	$ 76,000
8900 - Other Revenues	17,679,116	17,675,000	10,669,825	17,675,000
Total Revenues	**$ 17,748,611**	**$ 17,751,000**	**$ 10,695,894**	**$ 17,751,000**
Expenditures:				
5000: Other Operating Expenses	$ 7,010	$ 17,760	$ 8,930	$ 17,760
7000: Other Outgo	18,179,981	6,241,350	17,472,494	6,241,350
Total Expenditures	**$ 18,186,991**	**$ 6,259,110**	**$ 17,481,424**	**$ 6,259,110**
Net Change to Fund Balance	**(438,380)**	**11,491,890**	**(6,785,530)**	**11,491,890**
Beginning Fund Balance	**15,313,922**	**14,875,542**	**14,875,542**	**8,090,012**
Ending Fund Balance	**$ 14,875,542**	**$ 26,367,432**	**$ 8,090,012**	**$ 19,581,902**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 920 - Other Debt Service

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8900 - Other Revenues	$ 296,497	$ 275,000	$ 302,826	$ 275,000
Total Revenues	**$ 296,497**	**$ 275,000**	**$ 302,826**	**$ 275,000**
Expenditures:				
5000: Other Operating Expenses	$ 7,798	$ 9,260	$ 2,149	$ 9,260
Total Expenditures	**$ 7,798**	**$ 9,260**	**$ 2,149**	**$ 9,260**
Net Change to Fund Balance	**288,698**	**265,740**	**300,676**	**265,740**
Beginning Fund Balance	**4,519,247**	**4,807,945**	**4,807,945**	**5,108,622**
Ending Fund Balance	**$ 4,807,945**	**$ 5,073,685**	**$ 5,108,622**	**$ 5,374,362**

X. PROPRIETARY FUNDS

The Proprietary funds include enterprise funds and internal service funds. The Proprietary Funds Group is used to account for those ongoing activities that, because of their income-producing character, are similar to those found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to business or quasi-business activities are accounted for through these funds.

Enterprise funds are used to account for the activities of the Community Education and Contract Education programs of the District. It is also used to account for facility rentals, and other self-funded programs such as Bach to Blues, Science Alive, student kits, etc.

Self-Insurance Fund is the fund designated by EC §81602 to account for income and expenditures of self-insurance programs authorized by EC §72506(d). This fund is maintained in the county treasury and used to provide for payments on deductible types of insurance policies, losses or payments arising from self-insurance programs, and losses or payments due to noninsured perils. A Self-Insurance Fund is not used to account for a district’s participation in a Joint Powers Agreement (JPA).

The Budget and Accounting Manual and generally accepted accounting principles allow both types of business activities to be recorded in the enterprise funds when the intent of the governing board is to operate these programs as a distinct business operation.

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 590 - Enterprise Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ 479,621	$ 992,494	$ 817,710	$ 800,000
8900 - Transfers In	51,375		551,787	
Total Revenues	**$ 530,996**	**$ 992,494**	**$ 1,369,497**	**$ 800,000**
Expenditures:				
1000: Academic Salaries	$ 36,242	$ 38,859	$ 37,514	$ 38,859
2000: Non-Instructional Salaries	111,671	263,198	141,217	253,295
3000: Employee Benefits	82,738	166,313	105,633	160,861
4000: Books and Supplies	33,234	55,667	15,774	35,000
5000: Other Operating Expenses	248,697	266,653	124,564	250,000
6000: Capital Outlay	4,838	4,173	16,251	5,000
7000: Other Outgo	13,576	9,179	4,833	500,000
Total Expenditures	**$ 530,996**	**$ 804,042**	**$ 445,787**	**$ 1,243,015**
Net Change to Fund Balance	**-**	**188,452**	**923,711**	**(443,015)**
Beginning Fund Balance	**-**	**-**	**-**	**923,711**
Ending Fund Balance	**$ -**	**$ 188,452**	**$ 923,711**	**$ 480,696**

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 610 - Self-Insurance Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ 1	$ -	$ 2	
8900 - Transfers In	257,354	213,589	200,923	255,009
Total Revenues	**$ 257,355**	**$ 213,589**	**$ 200,925**	**$ 255,009**
Expenditures:				
5000: Other Operating Expenses	$ 257,357	$ 213,589	$ 200,996	$ 255,009
Total Expenditures	**$ 257,357**	**$ 213,589**	**$ 200,996**	**$ 255,009**
Net Change to Fund Balance	**(2)**	**-**	**(71)**	**-**
Beginning Fund Balance	**73**	**71**	**71**	**-**
Ending Fund Balance	**$ 71**	**$ 71**	**$ -**	**$ -**

XI. STUDENT FINANCIAL ASSISTANCE FUND

Student Financial Assistance Funds are designated to account for receiving and disbursing federal and state-funded student financial aid. The 2023-24 Gavilan Joint Community College District anticipates disbursements totaling $6.7 million to students. Programs associated with this fund are as follows:

Federal

- Pell Grants
- Supplemental Educational Opportunity Grant (SEOG)
- Direct Loans

State

- Cal Grant
- SFRF Emergency Financial Assistant
- Emergency Financial Assistance Supplemental

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 480 - Student Financial Aid Trust Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8100 - Federal Revenues	$ 6,618,191	$ 5,281,500	$ 6,213,709	$ 6,222,000
8600: State Revenue	2,318,327	1,453,060	1,317,623	1,009,060
8800: Local Revenue	(5,569)			
Total Revenues	**$ 8,930,948**	**$ 6,734,560**	**$ 7,531,332**	**$ 7,231,060**
Expenditures:				
Pell Grants	$ 5,037,880	$ 5,101,500	$ 5,994,937	$ 6,000,000
Supplemental Educational Opportunity Grant	119,400	120,000	117,700	120,000
Direct Loans	60,361	60,000	101,072	102,000
Cal Grant	927,199	966,000	814,333	950,000
SFRF Emergency Financial Assistant	68,000	487,060	428,000	84,536
Higher Education Emergency Relief Fund Stude	1,332,550			
Other Federal/State Grants	1,391,128		75,290	
Total Expenditures	**$ 8,936,518**	**$ 6,734,560**	**$ 7,531,332**	**$ 7,256,536**
Net Change to Fund Balance	**(5,569)**	**0**	**0**	**(25,476)**
Beginning Fund Balance	**31,046**	**25,476**	**25,476**	**25,476**
Ending Fund Balance	**$ 25,476**	**$ 25,476**	**$ 25,476**	**$ 0**

XII. 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
FY2024-2025 Tentative Budget

Fund 470 - Associated Students Trust Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ 70,402	$ 54,100	$ 76,375	$ 73,388
Total Revenues	**$ 70,402**	**$ 54,100**	**$ 76,375**	**$ 73,388**
Expenditures:				
4000: Books and Supplies	$ 16,099	$ 29,075	$ 19,305	$ 13,675
5000: Other Operating Expenses	22,925	76,888	13,773	95,886
6000: Capital Outlay		1,000	526	-
7000: Other Outgo	32,604	43,400	20,000	36,190
Total Expenditures	**$ 71,629**	**$ 150,363**	**$ 53,604**	**$ 145,751**
Net Change to Fund Balance	**(1,227)**	**(96,263)**	**22,771**	**(72,363)**
Beginning Fund Balance	**276,883**	**275,656**	**275,656**	**298,427**
Adjustment	-	-	-	-
Ending Fund Balance	**$ 275,656**	**$ 179,393**	**$ 298,427**	**$ 226,064**

XIII. 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.

Gavilan Joint Community College District
FY2024-2025 Tentative Budget

Fund 660 - Student Center Fund

	Actual 2022-23	Adjusted Budget 2023-24	Estimated Actuals 2023-24	Tentative Budget 2024-25
Revenues:				
8800 - Local Revenues	$ 34,438	$ 28,264	$ 36,981	$ 33,580
8900 - Transfers In	34,438	17,398	31,112	21,792
Total Revenues	**$ 68,876**	**$ 45,662**	**$ 68,093**	**$ 55,372**
Expenditures:				
2000: Non-Instructional Salaries	$ 29,113	$ 30,808	$ 18,065	$ 31,409
3000: Employee Benefits	17,105	17,870	15,028	17,984
5000: Other Operating Expenses	30,008	35,505	35,000	36,750
Total Expenditures	**$ 76,226**	**$ 84,183**	**$ 68,093**	**$ 86,143**
Net Change to Fund Balance	**(7,350)**	**(38,521)**	**0**	**(30,771)**
Beginning Fund Balance	**38,121**	**30,771**	**30,771**	**30,771**
Ending Fund Balance	**$ 30,771**	**$ (7,750)**	**$ 30,771**	**$ 0**

SUMMARY OF PERMANENT EMPLOYEES
FTE - ALL FUNDS

Personnel Type	Unrestricted General Fund	Restricted General Fund	Parking Fund	Enterprise Fund	Student Center Fund	Measure X Fund	Total FTE
Faculty	69.80	18.20					**88.00**
Classified	81.55	30.20	7.50	1.95	0.50	1.00	**122.70**
Admin	30.60	8.40	1.00	1.00		1.00	**42.00**
Grand Total	**181.95**	**56.80**	**8.50**	**2.95**	**0.50**	**2.00**	**252.70**

PERMANENT EMPLOYEES (FTE)
FACULTY

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Total FTE
Academic Affairs			
Distance Education	2.00		1.00
Library	2.00		2.00
	4.00		**4.00**
Allied Health, Nursing, Athletics and Kinesiology			
Athletics	2.00		2.00
Kinesiology	3.00		3.00
Nursing	5.00		5.00
Athletics Counseling	0.50	0.50	1.00
	10.50	**0.50**	**11.00**
Arts, Humanities and Social Sciences			
Anthropology	1.00		1.00
Art	2.00		2.00
Communications	2.00		2.00
English	6.20	0.20	6.40
Film & Television	1.00		1.00
History	2.00		2.00
Music	2.00		2.00
Philosophy	1.00		1.00
Political Science	1.00		1.00
Psychology	1.00		1.00
Sociology	1.00		1.00
Spanish	2.00		2.00
Theater	1.00		1.00
Tutoring/Writing Center	0.60		0.60
	23.80	**0.20**	**24.00**
Career Education & Workforce			
Accounting	1.00		1.00
Administration of Justice	1.00		1.00
Aviation	2.00		2.00
Business	1.00		1.00
Child Development	2.00		2.00
Computer Science	1.00		1.00
Cosmetology	2.00		2.00
English as a Second Language	2.20	0.80	3.00
Water Management		1.00	1.00
Adult Community and Non Credit - Counseling		1.00	1.00
Career Education & Workforce - Counseling		1.00	1.00
	12.20	**3.80**	**16.00**

PERMANENT EMPLOYEES (FTE)

FACULTY

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Total FTE
Counseling, Student Success & Equity			
Counseling	4.80	4.20	9.00
	4.80	**4.20**	**9.00**
Science, Technology, Engineering and Math			
Biology	3.00		3.00
Chemistry	1.00		1.00
Mathematics	4.30	1.30	5.60
Physics and Engineering	0.20	0.20	0.40
STEM		0.60	0.60
STEM Counseling	1.00	0.40	1.40
	9.50	**2.50**	**12.00**
Student Support Programs			
Accessible Education Center	5.00	1.20	6.00
CalWorks		1.00	1.00
EOPS		1.00	1.00
EOPS/Foster Youth		1.00	1.00
Rising Scholars Network		1.00	1.00
Accessible Education Center - Counselor		1.80	1.80
	5.00	**7.00**	**12.00**
Grand Total	**69.80**	**18.20**	**88.00**

PERMANENT EMPLOYEES (FTE)
CLASSIFIED PROFESSIONALS

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Parking Fund	Enterprise Fund	Student Center Fund	Measure X Fund	Total FTE
Academic Affairs							
Academic Affairs	2.35	0.65					3.00
Library	3.00						3.00
	5.35	**0.65**					**6.00**
Administrative Services							
Business Services	7.00						7.00
Facilities	15.50			1.50	0.50		17.50
General Services	3.00						3.00
Information Technology	10.00						10.00
Payroll	2.00						2.00
Safety & Security			7.50				7.50
	37.50		**7.50**	**1.50**	**0.50**		**47.00**
Allied Health, Nursing, Athletics and Kinesiology							
Athletics	3.50						3.50
Nursing and Allied Health	2.00						2.00
	5.50						**5.50**
Arts, Humanities and Social Sciences							
Arts, Humanities and Social Scie	1.00						1.00
Theater	1.25						1.25
Tutoring/Writing Center	0.75						0.75
	3.00						**3.00**
Career Education & Workforce							
Adult Community and Non Credit		1.20					1.20
Aviation	0.63						0.63
Career Education & Workforce	0.50	3.00					3.50
Community Education		0.55		0.45			1.00
Continuing Education	2.00						2.00
English as a Second Language	0.75						0.75
	3.88	**4.75**		**0.45**			**9.08**
Counseling, Student Success & Equity							
Career Transfer		0.80					0.80
Counseling, Student Success & Equity		3.55					3.55
Student Life		1.00					1.00
Welcome Center		1.00					1.00
Counseling, Student Success & Equity Total		**6.35**					**6.35**

PERMANENT EMPLOYEES (FTE)
CLASSIFIED PROFESSIONALS

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Parking Fund	Enterprise Fund	Student Center Fund	Measure X Fund	Total FTE
Presidents Office							
Capital Projects						1.00	1.00
Human Resources	1.00						1.00
Institutional Effectiveness	1.00						1.00
Office of the President	1.00						1.00
Public Information	2.00						2.00
Presidents Office Total	**5.00**					**1.00**	**6.00**
Science, Technology, Engineering and Math							
STEM	3.13	1.50					4.63
STEM Center		1.00					1.00
STEM Total	**3.13**	**2.50**					**5.63**
Student Services							
Admissions & Records	6.00						6.00
Financial Aid	5.45	1.15					6.60
Hollister Site	2.00	1.00					3.00
Student Life	1.00	1.00					2.00
Student Services Total	**14.45**	**3.15**					**17.60**
Student Support Programs							
Accessible Education Center	3.75	6.20					9.95
Basic Needs & Success		1.00					1.00
CalWORKs		2.00					2.00
EOPS		2.50					2.50
EOPS/Foster Youth		0.50					0.50
Veterans Resource Center		0.60					0.60
Student Support Programs Total	**3.75**	**12.80**					**16.55**
Grand Total	**81.55**	**30.20**	**7.50**	**1.95**	**0.50**	**1.00**	**122.70**

PERMANENT EMPLOYEES (FTE)

ADMINISTRATORS, SUPERVISORS & CONFIDENTIALS

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Parking Fund	Enterprise Fund	Measure X Fund	Total FTE
Academic Affairs						
Academic Affairs	2.00					2.00
Library	1.00					1.00
	3.00					**3.00**
Administrative Services						
Administrative Services	2.00					2.00
Business Services	2.00					2.00
Facilities	2.00					2.00
Information Technology	1.00					1.00
Payroll	1.00					1.00
Safety & Security			1.00			1.00
South Bay Regional				1.00		1.00
	8.00		**1.00**	**1.00**		**10.00**
Allied Health, Nursing, Athletics and Kinesiology						
Athletics	1.00					1.00
Nursing and Allied Health	1.00					1.00
Allied Health, Nursing, Athleti	**2.00**					**2.00**
Arts, Humanities and Social Sciences						
Arts, Humanities and Social Scie	1.00					1.00
	1.00					**1.00**
Career Education & Workforce						
Adult Community and Non Credit		1.00				1.00
Career Education & Workforce		1.00				1.00
		2.00				**2.00**
Counseling, Student Success & Equity						
Counseling, Student Success & E	1.00					1.00
Student Health Services		1.00				1.00
	1.00	**1.00**				**2.00**

PERMANENT EMPLOYEES (FTE)

ADMINISTRATORS, SUPERVISORS & CONFIDENTIALS

Division or Administrative Area/Department or Program	Unrestricted General Fund	Restricted General Fund	Parking Fund	Enterprise Fund	Measure X Fund	Total FTE
Presidents Office						
Capital Projects					1.00	1.00
Foundation	1.00					1.00
Human Resources	5.80	0.20				6.00
Institutional Effectiveness		1.00				1.00
Office of the President	2.00					2.00
Public Information	1.00					1.00
	9.80	**1.20**			**1.00**	**12.00**
Science, Technology, Engineering and Math						
STEM	1.00					1.00
	1.00					**1.00**
Student Services						
Admissions & Records	1.00					1.00
Educational Partnerships		1.00				1.00
Financial Aid	1.00					1.00
Hollister Site	1.00					1.00
Student Services	1.80	0.20				2.00
	4.80	**1.20**				**6.00**
Student Support Programs						
Accessible Education Center		1.00				1.00
Basic Needs & Success		1.00				1.00
Special Programs		1.00				1.00
		3.00				**3.00**
Grand Total	**30.60**	**8.40**	**1.00**	**1.00**	**1.00**	**42.00**

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.

FISCAL YEAR 2024-25 BUDGET CALENDAR

Date	**Event / Task**	**Owner**
	JANUARY - 2024	
Week 1	Governor's Budget Proposal for *ensuing fiscal year* is released	Governor's Office
Week 2	Development of Strategic Plan (Budget Guidelines) by the Board of Trustees and Campus Community.	President & BOT
Week 3	State budget workshop-Sacramento	VPAS
	FEBRUARY - 2024	
Week 2	Distribute *ensuing fiscal year* position control file (Group 1 and 2), all positions, all departments, all funds for permanent and non-permanent staff to deans for review. Due to VPs by Feb 27th.	VPAS & HR
Week 2	Distribute *ensuing fiscal year* budget line-item detail for other expenditures (4/5/6's) for all departments/all funds to deans for review Due to VPs by Feb 27th.	VPAS
Week 3	Budget line-item detail for other expenditures (4/5/6's) for all departments/all funds to the VP of Administrative Services & Business Services due by mid-April.	Cabinet & Dept Mgr.
	MARCH - 2024	
Week 3	For the *ensuing fiscal year* position control file, (Group 1 and 2) projections (Version #1) due to Business Services.	VPAS & HR
Week 3	March 15 – Classified, Academic and Unrepresented Positions Non-Renewal Notice/Layoff Notice Deadline, If Applicable	HR
Week 4	Review revenue and expenditure calculations with Board and College Budget Committees	VPAS
	APRIL - 2024	
Week 1	Cost out summer/fall class schedule	VPAA/SS & Deans
Week 3	Revenue and expenditures calculation; all funds due to Cabinet	VPAS
Week 3	Final deadline for changes to the *ensuing fiscal year* Tentative Budget document due to VP of Administrative Services & Business Services	Cabinet & Dept Mgr.
Week 4	Final status of *ensuing fiscal year* Budget Guidelines to VP of Administrative Services	President
Week 4	Final revenue and expenditures calculation; all funds due to VP Admin. Services.	VPAS & HR
	MAY - 2024	
Week 2	Governor's May revise with district review	Cabinet & Dept Mgr.
Week 2	Board review of Tentative Budget document	VPAS & HR
Week 3	Complete Tentative Budget to printer	VPAS
Week 4	Re-review of prioritized program plans with budget requests in light of May revise revenue assumptions and expenditures	PIPR/RAP
JUNE - 2024: FY25 TENTATIVE BUDGET PHASE		
Week 2	Tentative Budget adopted by Board of Trustees	Board of Trustees
Week 3	Preliminary financial and compliance audit	VPAS & Dept Mgrs.

JULY - 2024		
Week 2	Re-review of prioritized program plans with budget requests in light of actual Budget Act revenue assumptions and expenditures	PIPR/RAP
Week 2	Final deadline for the addition of new positions (Group 1 and 2) to the Final Budget. Freeze position file for Final Budget document due to VP of Administrative Services	Cabinet & Dept Mgr.
Week 3	Changes in budget line-item detail for other expenditures (4/5/6's) department budgets, all funds due to VP of Administrative Services	Cabinet & Dept Mgr.
AUGUST - 2024: FY24 YEAR END CLOSE PHASE		
Week 1	State budget workshop	VPAS
Week 2	Revise Tentative Budget for Final Budget	VPAS
Week 2	Board Budget Committees review of Final Budget (College Committee does not meet in the summer)	VPAS
Week 2	Categorical year-end close of the *current fiscal year.*	VPAS
Week 4	Complete Final Budget to printer	VPAS
Week 4	All funds year-end close, of the *current fiscal year.*	VPAS
SEPTEMBER - 2024: FY25 FINAL/ADOPTED BUDGET PHASE		
Week 2	Review Final Budget with PIPR/RAP	VPAS & PIPR/RAP
Week 2	Database available for input of *new fiscal year* program plans with or without budget requests.	Business Services
OCTOBER - 2024		
Week 4	Draft Audited *prior fiscal year close* Financial Statements Review	VPAS
NOVEMBER - 2024: FY26 BUDGET DEVELOPMENT PHASE		
Week 1	Input of program plans, and budget requests completed.	Deans & Dept Mgrs.
Week 1	Final financial and compliance audit	VPAS & Dept. Mgrs.
Week 2	Approval of budget calendar *next ensuing fiscal year.*	Board of Trustees
Week 2	Board and College Budget Committees development of *next ensuing* Budget Calendar	VPAS
Week 3	Cost out intersession/spring class schedule	VPAA/SS & Deans
DECEMBER - 2024: FY26 PROGRAM REVIEW & RESOURCE ALLOCATION PHASE		
Week 1	Complete review/rank of program plans with budget requests	Dept Mgrs.
Week 2	Approval of financial audit for *prior fiscal year* close.	Board of Trustees
Week 2	Draft Audited prior fiscal year close Financial Statements Review	VPAS
Week 3	Complete 90% of adjunct salary assignments	Deans
JANUARY - 2025: FY26 CABINET REVIEWS RESOURCE PRIORITIES & TENTATIVE APPROVES		
Week 1	Cabinet complete review/ranking of program plans with budget requests.	Cabinet

Week 1	Completion of Board of Trustees goals		President & BOT
Week 2	State budget workshop, Sacramento		VPAS
Week 3	Distribute FY2024-25 position control file (Group 1 and 2), all positions, all departments, all funds for permanent and non-permanent staff to Cabinet for review.		VPAS & HR
Week 4	Distribute FY2024-25 budget line-item detail for other expenditures (4/5/6's) for all departments/all funds to Cabinet for review		VPAS

Joint Analysis
Governor's 2024-25 May Revision

May 15, 2024

California Community Colleges

ACBO.ORG
ASSOCIATION OF CHIEF BUSINESS OFFICIALS

ASSOCIATION OF CALIFORNIA COMMUNITY COLLEGE ADMINISTRATORS

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

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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).

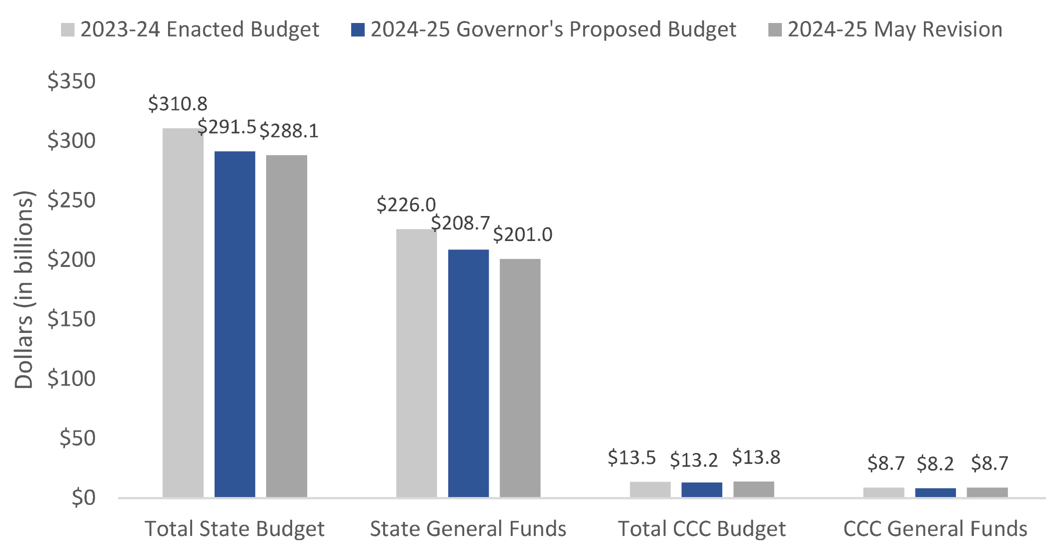
Its purpose is to provide information about the Governor's May Revision as a common resource for each organization's further analyses and advocacy efforts. Over the next couple of months, updated analyses will describe any proposed trailer bills and the enacted budget.

Summary of Key Budget Changes

On Friday, May 10, Governor Newsom held a press conference to announce the major features of the May Revision for the 2024-25 fiscal year, and the Department of Finance has since released more detailed information. Following are some key changes in the proposal compared to the enacted budget for 2023-24 and the Governor's Budget for 2024-25 released in January.

- Under the May Revision, the overall state budget would be lower than proposed in January and lower than the 2023-24 enacted budget, decreasing by about 7% to $288 billion related to a projected budget deficit of $45 billion. General Fund spending would decrease by about $25 billion (11.1%) to $201 billion.

Figure 1: May Revision for 2024-25 budget reflects projected deficit of $45 billion (dollars in billions).



- The budget proposal for the California Community Colleges focuses on stability in the context of the significant budget deficit. It includes no major core reductions to programs or services, instead drawing on reserves and operational savings to bring the overall budget in balance. Overall, funding increases slightly compared to the current year enacted budget.

- Revised proposals for ongoing spending include about $100 million for a 1.07% cost-of-living adjustment (COLA) for community college apportionments, $31 million more than the Governor's original proposed COLA of 0.76% in the January budget proposal. The proposal also includes an additional $13 million for COLAs and adjustments to certain categorical programs, and $28 million for systemwide enrollment growth of 0.5%.

- One-time funding in the revised proposal remains limited but retains the previously proposed $60 million for expansion of nursing program capacity from the Governor's Budget and adds $35 million for several projects related to the system's Vision 2030 priorities.

- The Governor's revised proposal includes $29 million in capital outlay funding from Proposition 51 to support the working drawings and construction phases for one continuing project, the same as included in the Governor's Budget.

Changes in Overall Budget Framework

The Governor's May Revision proposes modest additional ongoing resources of approximately $142 million to California Community Colleges appropriations and categorical programs, as compared to the 2023 Budget Act, up from the $110 million increase proposed in January.

REVISED BUDGET PROPOSAL REFLECTS HIGHER EXPECTED DEFICIT

In January, the Administration projected a $38 billion deficit for 2024-25 which, while significant, was smaller than that estimated by the Legislative Analyst's Office (LAO). In February, the LAO provided an updated estimate that substantially increased its own deficit projection based on revenue collections that continue to lag behind projections, which were nearly $6 billion below projections at the end of March. In its update, the LAO recommended budget solutions that start with pulling back or reducing specified one-time and temporary spending that has yet to be disbursed or committed, with the largest amounts related to the environment, infrastructure, and housing. The Governor's May Revision also reflects the lower-than-projected state revenues and now projects a total budget deficit of $44.9 billion, an increase of $7 billion over the $38 billion estimated in the Governor 's Budget. The proposal expects an additional $28.4 billion deficit for 2025-26 (for deficits totaling about $73 billion over two years). The Administration cautions that persistent inflation and elevated interest rates could hamper economic activity by more than projected and worsen budget conditions.

EARLY ACTION PLAN TOOK SOME STEPS TO ADDRESS DEFICIT

Assembly Bill 106, passed in April, amended the Budget Act of 2023 to reduce the expected $45 billion shortfall by $17.3 billion. The early action agreement included a mix of $3.6 billion in reductions (primarily to one-time funding), $5.2 billion in revenue and borrowing, $5.2 billion in delays and deferrals, and $3.4 billion in shifts of costs from the General Fund to other state funds. The primary higher education-related issue included in the early action plan was a $499 million deferral of the expected five percent increase in funding for the University of California (UC) and California State University (CSU) systems under the Compacts. While no changes to CCC funding were included in the plan, the bill's language authorizes the Administration to freeze additional one-time funding from the 2021, 2022, or 2023 Budget Acts.

SOME ADDITIONAL ACTIONS ARE PLANNED OVER TWO YEARS

The revised budget plan uses several mechanisms to close the remainder of the projected shortfall for 2024-25 of $27.6 billion, including some funding delays and reductions from the 2022-23 and 2023-24 budgets, internal borrowing and fund shifts, and withdrawal of some state reserves. The proposal maintains the Governor's Budget withdrawal of $12.2 billion from the Budget Stabilization Account (BSA) and $900 million from the Safety Net reserve but spreads the use of the BSA withdrawal over two years such that $3.3 billion would be used in 2024-25 and $8.9 billion would be shifted to 2025-26. Spreading the use of reserves over two years would leave nearly $23 billion in reserves in 2024-25, including $19.4 billion in the BSA and $3.4 billion in the Special Fund for Economic Uncertainties.

The May Revision includes other proposals to address the projected deficit for 2025-26 through similar mechanisms as those planned for 2024-25, and notes that two-year budget planning should be the approach going forward. As was the case in the Governor's Budget, the May Revision points to the need for legislation that would allow the state to save more during economic upswings to better protect state services during budget downturns, and proposes a requirement that the state set aside a portion of any anticipated surplus in a new reserve account to be allocated in a subsequent budget year once it actually materializes. This could be easier than amending Proposition 2 to allow larger deposits into the BSA, which would require voter approval.

ENACTED BUDGET COULD INCLUDE ALTERNATIVE SOLUTIONS

It is critical to note that the final enacted budget may look different than the May Revision proposal and will be developed through negotiations between the Administration and Legislature. The Chancellor's Office has received numerous requests for information regarding remaining unspent funds in various areas. The May Revision continues to borrow nearly $9 billion from future non-Proposition 98 sources which has drawn criticism from both the Legislative Analyst's Office and various K-14 stakeholder groups. Should the concept of borrowing from future non-Proposition 98 sources be rejected by the Legislature, it could lead to programmatic reductions and/or deferrals. Active discussions around alternative budget solutions are ongoing. The Chancellor's Office will continue to advocate for funding stability given community colleges' central role in providing equitable access to higher education, serving as engines of social and economic mobility for Californians, and bolstering the state's economy.

Changes to California Community Colleges Funding

In this section, we detail changes to proposals included in the Governor's Budget (and described in our January analysis) and describe new proposals presented as part of the May Revision.

PROPOSITION 98 ESTIMATE REMAINS SIMILAR

Minimum Guarantee for Community Colleges Shows Small Increase

The Governor's Budget in January revised Proposition 98 estimates for current and prior years downward based on weaker than expected revenues. Table 1 shows the Department of Finance's estimates of the minimum guarantee for the current and budget years as of the May Revision, demonstrating an even larger reduction for 2023-24 ($102.6 billion rather than the $105.6 billion estimated in January). The minimum guarantee for 2024-25 is $109.1 billion, about the same as was estimated in January. As noted earlier, the 2024-25 estimate reflects the continued reliance on a budget maneuver that postpones recognition of overpayments to districts for 2022-23 that ended up exceeding revised Proposition 98 estimates for that year by $8.8 billion (pushing the cost for that overpayment to the future).

Table 1: California Community Colleges Proposition 98 Funding by Source (In Millions)

Source	2023-24 Revised	2024-25 Governor's Budget (GB)	2024-25 May Revision	Change From GB (Amount)	Change From GB (Percent)
ALL PROPOSITION 98 PROGRAMS					
General Fund	$71,500	$76,894	$76,606	$(288)	-0.4%
Local property tax	31,072	32,185	32,524	$339	1.1%
Totals	$102,572	$109,050	$109,129	$79	0.1%
COMMUNITY COLLEGES ONLY [a]					
General Fund	$7,851	$8,193	$8,336	$143	1.7%
Local property tax	4,075	4,210	4,285	$75	1.8%
Totals	**$11,926**	**$12,403**	**$12,621**	**$218**	1.8%

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

District Revenue Protections Continue

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

Withdrawal from Public School System Stabilization Account (PSSSA)

Proposition 2, approved by voters in November 2014, created the PSSSA, a state reserve for schools and community colleges that receives funding if several conditions are satisfied. The Governor's Budget proposed withdrawals of about $236 million for 2023-24 and $486 million for 2024-25 to support Student Centered Funding Formula resources. The May Revision increases the proposed withdrawals to $532.5 million for 2023-24 and $381.5 million for 2024-25 related to the state's decreased revenues. The proposal would eliminate the balance in the PSSSA at the end of 2024-25.

CALIFORNIA COMMUNITY COLLEGES FUNDING INCREASES

The May Revision increases funding for the California Community Colleges by $59 million compared to the Governor's Budget, as reflected in Table 2. The system would receive about $24 million in additional ongoing funding and base adjustments and $35 million for additional one-time programs and initiatives compared to what was proposed in January.

Table 2: Proposed 2024-25 Changes in Proposition 98 Funding for the System (In Millions)

	Governor's Budget	May Revision	Change from Governor's Budget
POLICY ADJUSTMENTS			
Ongoing (Proposition 98)			
Provide 1.07% COLA for SCFF	$69.15	$100.22	$31.07
Provide for 0.5% enrollment growth	$29.59	$28.09	-$1.49
Provide 1.07% COLA for Adult Education Program	$4.91	$6.92	$2.00
Provide 1.07% COLA for Extended Opportunity Programs and Services (EOPS)	$1.40	$1.96	$0.56
Adjustments for financial aid administration	$1.53	$1.93	$0.40
Provide 1.07% COLA for Disabled Students Programs and Services (DSPS)	$1.31	$1.85	$0.54

Provide 1.07% COLA for Apprenticeship (community college districts RSI)	$0.24	$0.35	$0.11
Provide 1.07% COLA for CalWORKs student services	$0.42	$0.59	$0.17
Provide 1.07% COLA and an enrollment-based adjustment for Mandates Block Grant and reimbursements	$0.94	$0.52	-$0.42
Provide 1.07% COLA for Cooperative Agencies Resources for Education (CARE)	$0.25	$0.36	$0.11
Provide 1.07% COLA for Childcare tax bailout	$0.03	$0.05	$0.01
Subtotal Ongoing (Proposition 98) Policy Adjustments[a]	**$109.78**	**$142.82**	**$33.04**
One-Time (Proposition 98)			
Expand nursing program capacity	$60.00	$60.00	$0.00
Expand eTranscript California	$0.00	$12.00	$12.00
Common cloud data platform demonstration project	$0.00	$12.00	$12.00
Mapping pathways for Credit for Prior Learning	$0.00	$6.00	$6.00
Pathways for low-income workers demonstration project	$0.00	$5.00	$5.00
Subtotal One-Time Policy Adjustments	**$60.00**	**$95.00**	**$35.00**
TECHNICAL ADJUSTMENTS			
Student Centered Funding Formula (SCFF) other base adjustments (aside from COLA and Growth)[b]	-$111.92	-$120.69	-$8.77
Subtotal Technical Adjustments	**-$111.92**	**-$120.69**	**-$8.77**
TOTAL CHANGES	**$57.86**	**$117.13**	**$59.27**

[a] *The subtotal for ongoing policy adjustments does not match what was shown in Table 2 of our Joint Analysis of the Governor's Budget report in January. That table mistakenly included an adjustment for Affordable Student Housing that does not involve Proposition 98 funds.*

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

The estimated and proposed Total Computational Revenue (TCR) for the SCFF increases by $7.6 million from $9.56 billion to $9.57 billion. This reflects a proposed COLA of 1.07% ($100.2 million) and $28 million for FTES growth of 0.5% and modified estimates for hold harmless and other underlying estimation factors. Further, the following adjustments are reflected in associated offsetting revenues (all comparisons are from the 2023-24 Budget Act to the 2024-25 Governor's May Revision proposal):

- Property tax revenues are estimated to increase by $144.3 million from $4.0 billion to $4.1 billion.
- Enrollment Fee revenues are estimated to decrease by $1.4 million from $407.5 million to $406.1 million.
- Education Protection Account funding is estimated to decrease by $150.7 million from $1.54 billion to $1.39 billion.

Table 3 reflects the final SCFF rates for 2022-23 and 2023-24, along with the projected rates for 2024-25, as modified by COLA.

Table 3: Proposed 2024-25 Student Centered Funding Formula Rates (rounded)

Allocations	2023-24 Rates*	Proposed 2024-25 Rates	Estimated Change from 2023-24 (Amount)	Estimated Change from 2023-24 (Percent)
Base Credit*	$5,238	$5,294	$56	1.07%
Incarcerated Credit*	7,346	7,425	79	1.07%
Special Admit Credit*	7,346	7,425	79	1.07%
CDCP	7,346	7,425	79	1.07%
Noncredit	4,417	4,465	47	1.07%
Supplemental Point Value	1,239	1,252	13	1.07%
Student Success Main Point Value	730	738	8	1.07%
Student Success Equity Point Value	184	186	2	1.07%
Single College District				
Small College	6,439,546	6,508,449	68,903	1.07%
Medium College	8,586,065	8,677,936	91,871	1.07%
Large College	10,732,581	10,847,420	114,839	1.07%
Multi College District				
Small College	6,439,546	6,508,449	68,903	1.07%
Medium College	7,512,806	7,593,194	80,387	1.07%
Large College	8,586,065	8,677,936	91,871	1.07%
Designated Rural College	2,048,172	2,070,088	21,915	1.07%
State Approved Centers	2,146,516	2,169,484	22,968	1.07%
Grandparented Centers				
Small Center	268,316	271,187	2,871	1.07%
Small Medium Center	536,629	542,371	5,742	1.07%
Medium Center	1,073,257	1,084,741	11,484	1.07%
Medium Large Center	1,609,886	1,627,112	17,226	1.07%
Large Center	2,146,516	2,169,484	22,968	1.07%

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

Appendix B compares the Governor's May Revision to the 2024-25 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

The revised budget proposal continues to include funding for a small COLA and enrollment growth, supported by withdrawals from the PSSSA. The one-time funds included in the proposal are targeted toward expanding nursing program capacity and several projects related to the system's Vision 2030 priorities.

Apportionments Receive 1.07% COLA and 0.5% Growth

The proposal includes an increase of $28 million **ongoing** to fund 0.5% enrollment growth and $100.2 million **ongoing** to support a COLA of 1.07% for apportionments. While much smaller than in the last few years, the proposed COLA is the same as for the K-12 system. Another $13.1 million **ongoing** would support a COLA of 1.07% for selected categorical programs and the Adult Education program.

Proposal for Investment in Nursing Workforce is Maintained

The May Revision continues to include a proposed investment of $60 million **one-time** to begin addressing California's nursing shortage, with the goal of providing that amount per year over the next five years to expand Associate Degree in Nursing (ADN) program capacity in the community colleges and Bachelor of Science in Nursing (BSN) partnerships with four-year universities. The proposal follows through on intent language included in the current year budget. Provisions governing how the funds are to be spent will be negotiated through the legislative trailer bill process.

Funds for Low-Income Workers Project are Included

The revised budget proposal includes $5 million **one-time** for a Pathways for Learners of Low-Income Demonstration Project. The project involves a partnership to support the development of educational pathways for working learners in the United Domestic Workers (UDW) by leveraging data analysis to identify their educational goals and relevant certificates and degrees at California community colleges, with the flexible modalities and student supports that low-income learners need. The homecare and childcare workforce are historically underrecognized and underserved, and this partnership seeks to empower these communities by assisting them to further their expertise in a myriad of educational fields, while dismantling barriers and constructing statewide educational pathways for these working learners. This will include supporting providers in applying for supportive services like childcare and transportation, lending laptops and electronics, and providing other instructional materials. Union representatives will assist in identifying additional barriers to community college integration and creating a pipeline between the Chancellor's Office and UDW to provide continuous support for these workers and their families. Current planning is for three cohorts of at least sixty students that would be enrolled in vocational English as a Second Language (ESL) courses and healthcare courses, with other classes and certifications being identified by Summer 2024.

Proposal Supports Mapping Credit for Prior Learning Pathways

The May Revision includes $6 million **one-time** for a Mapping Articulated Pathways for Credit for Prior Learning (CPL) Demonstration Project. The effort will seek to embed CPL policies on pathways to provide greater access for working adults toward high-demand, high-wage careers. Several colleges would receive a grant to establish campuswide practices in awarding credit for prior learning or develop a comprehensive framework to institutionalize this practice, resulting in equitable access and successful completion, transfer, and livable wage employment for working adults. The goal is to use technology to automate and streamline the articulation process while making articulations at one college shareable and adoptable at other colleges, creating a transparent ecosystem that maximizes credit for prior learning and allows students to access their eligible credits at participating colleges. Given the central role they play in the articulation process, the grants could also be used to provide faculty with professional development and technical assistance that promotes cultural and academic development.

Investments Would Support Systemwide Technology Adoption

The Governor’s revised proposal includes $12 million **one-time** for a Common Cloud Data Platform Demonstration Project. The funds would support efforts to chart the challenges and benefits of establishing a shared, multi-district data infrastructure. The three-year project would create a “Digital Transformation Center” and, by leveraging pre-existing partnerships among districts, would deliver a core data architecture and a set of data governance principles to yield functional and fiscal benefits to individual college districts and the system office. The work would establish a foundation for a future shared solution to expand statewide, with streamlined accountability reporting, fiscal reporting, security, and analytics.

The proposal also includes $12 million **one-time** to support the expansion of e-Transcript California across all 116 colleges. The funding would allow colleges to capture as much student record movement between segments as possible, reducing reliance and usage of commercial third-party transcript ordering services. The funding would support grants to colleges to offset local costs related to one-time connectivity, setup, and integration of the platform.

Statewide Funding Plan for Approved Affordable Student Housing

The 2023 Budget Act eliminated the 2022-23 General Fund appropriation for the Affordable Student Housing grants and instead called for those projects to be funded by locally issued lease revenue bonds. This change retroactively applied to the twelve community college projects originally funded in the 2022 Budget Act, and the seven community college housing projects authorized in the 2023 Budget Act, as well as any future affordable student housing projects. The 2023 Budget Act provided ongoing funds to support debt service for UC/CSU student housing projects in 2022-23 and 2023-24 funded with lease revenue bonds. Community college housing projects were to be funded through local revenue bonds to be issued by community college districts or as part of a state pool. The May Revision continues the plan for a *statewide* lease revenue bond program as an alternative to local lease revenue bonds that was outlined in the Governor's Budget, with trailer bill language expected to be released soon. The bond program would cover 13 approved projects (excluding the four intersegmental projects to be funded by UC/CSU and the two CCC projects not appropriate for the state revenue lease bond). The two CCC projects that do not fit within the parameters of a state revenue lease bond will be funded with redirected annual rent subsidy funds from the $61.5 million in non-Prop. 98 funds initially authorized by the Higher Education Student Housing Grant Program for debt service in 2023-24. No new projects are expected to be approved in 2024-25.

Cal Grant Reform Options Under Consideration for Future Years

The Fiscal Year 2022-23 State Budget enacted the Cal Grant Reform Act, making *all* community college students with financial need entitled to a revised "Cal Grant 2" financial aid award that would increase with inflation over time to support students' total cost of attendance beyond tuition. However, implementation of the Cal Grant Reform Act was made dependent on the DOF determining, in the spring of 2024, that there would be sufficient revenues over a multi-year period to support this expansion of financial aid. Full expansion would add approximately $245 million to the $2.4 billion cost of the program in 2024-25, a challenging prospect in the context of the significant deficit. While the May Revise does not include funding to implement the Cal Grant Reform Act, legislative leaders have publicly discussed options that would include incremental, phased-in steps toward full implementation. Ideas for a partial roll-out to limit the cost include increasing community college cash award amounts to reflect inflation without expanding eligibility, maintaining the 2.0 GPA requirement to qualify for a grant but reducing the number of units required, or making a further reduction to the income limits to qualify for grants. A final determination will be dependent on negotiations between the Administration and the Legislature.

LOCAL SUPPORT FUNDING IS LARGELY STABLE FOR ONGOING PROGRAMS

Table 4 shows proposed local assistance funding by program for the current and budget years as of the May Revision. As the table shows, most categorical programs received level or workload funding in the Governor's revised proposal, with certain programs receiving cost-of-living adjustments consistent with recent practices. Decreases in funding are related to revised estimates of underlying factors.

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

Program	2023-24 Revised	2024-25 Proposed	Change Amount	Percent Change	Explanation of Change
Student Centered Funding Formula	$ 9,563.70	$ 9,571.33	$ 7.62	0.08%	2023-24 updated as of May Revise. 2024-25 adjusted for COLA, growth, and other base adjustments
Adult Education Program – Main[b]	652.22	659.14	6.91	1.06%	COLA
Student Equity and Achievement Program	523.98	523.98	0.00	0.00%	
Student Success Completion Grant	362.60	412.60	50.00	13.79%	Adjust for revised estimate of recipients
Part-time faculty health insurance	200.49	200.49	0.00	0.00%	
Strong Workforce Program	290.40	290.40	0.00	0.00%	
Extended Opportunity Programs and Services (EOPS)	183.08	185.04	1.96	1.07%	COLA
Disabled Students Programs and Services (DSPS)	172.82	174.67	1.85	1.07%	COLA
Full-time faculty hiring	150.00	150.00	0.00	0.00%	
California College Promise (AB 19)	91.21	91.21	0.00	0.00%	
Integrated technology	89.50	89.50	0.00	0.00%	
Financial aid administration	78.49	80.42	1.93	2.46%	Waived fees and per unit adjustments
CalWORKs student services	55.05	55.64	0.59	1.07%	COLA
NextUp (foster youth program)	54.11	54.11	0.00	0.00%	
Basic needs centers	43.29	43.29	0.00	0.00%	
Institutional effectiveness initiative	41.50	27.50	-14.00	-33.73%	Removal of one-time funds
Mathematics, Engineering, Science Achievement (MESA)	39.42	39.42	0.00	0.00%	

Mandates Block Grant and reimbursements	38.29	38.80	0.51	1.32%	COLA and enrollment-based adjustment
Apprenticeship (community college districts)	34.34	34.69	0.35	1.01%	COLA and technical adjustment
Cooperative Agencies Resources for Education (CARE)	33.48	33.84	0.36	1.07%	COLA
Student mental health services	32.47	32.47	0.00	0.00%	
CA Apprenticeship Initiative	30.00	30.00	0.00	0.00%	
Part-time faculty compensation	26.54	26.54	0.00	0.00%	
Rising Scholars Network	25.00	25.00	0.00	0.00%	
Part-time faculty office hours	23.63	23.63	0.00	0.00%	
Economic and Workforce Development	22.93	22.93	0.00	0.00%	
Homeless and Housing Insecurity Program ("Rapid Rehousing")	20.56	20.56	0.00	0.00%	
California Virtual Campus	20.00	20.00	0.00	0.00%	
California Online Community College (Calbright College)	15.00	15.00	0.00	0.00%	
Equal Employment Opportunity Program	17.08	13.88	-3.21	-18.76%	Includes $12.77 million ongoing and adjustments for annual one-time funds sourced from faculty obligation penalties.
Nursing grants	13.38	13.38	0.00	0.00%	
Puente Project	13.33	13.33	0.00	0.00%	
Lease revenue bond payments	12.80	12.79	-0.01	-0.08%	Lease Revenue Debt Service adjustments
Dreamer Resource Liaisons	11.60	11.60	0.00	0.00%	
Veterans Resource Centers	10.82	10.82	0.00	0.00%	
Immigrant legal services through CDSS	10.00	10.00	0.00	0.00%	

Classified Employee Summer Assistance Program	10.00	10.00	0.00	0.00%	
LGBTQ+ Student Support	10.00	10.00	0.00	0.00%	
Umoja	9.18	9.18	0.00	0.00%	
Asian American and Native Hawaiian and Pacific Islander (AANHPI) Student Achievement Program	8.00	8.00	0.00	0.00%	
Foster Parent Education Program	6.15	6.15	0.00	0.00%	
Childcare tax bailout	4.28	4.32	0.05	1.08%	COLA
Digital Course Content for Inmates	3.00	3.00	0.00	0.00%	
Middle College High School Program	1.84	1.84	0.00	0.00%	
Academic Senate	1.80	1.80	0.00	0.00%	
Historically Black Colleges and Universities (HBCU) Transfer Pathway project	1.38	1.38	0.00	0.00%	
African American Male Education Network and Development (A2MEND)	1.10	1.10	0.00	0.00%	
FCMAT	0.85	0.77	-0.08	-8.88%	Removal of one-time funds
Transfer education and articulation (excluding HBCU Transfer Pathway project)	0.70	0.70	0.00	0.00%	
Total	**$13,061.38**	**$ 13,116.21**	**$54.54**	**0.42%**	

[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 program are not listed above but are also included in the CCC budget.*

Table 5 shows proposed one-time local assistance funding by program for 2024-25. Given the expected state budget deficit, the budget proposal for community colleges includes only a few one-time investments.

Table 5: California Community Colleges One-Time Funding by Program[a] (In Millions)

Program	2023-24 Revised	2024-25 Proposed	Explanation of Change
Nursing program capacity	0.0	60.0	One-time funds added
Pathways for Low-Income Workers Demonstration Project	0.0	5.0	One-time funds added
Common Cloud Data Platform Demonstration Project	0.0	12.00	One-time funds added
Mapping Articulated Pathways for Credit for Prior Learning	0.0	6.0	One-time funds added
Expand e-Transcript California	0.0	12.00	One-time funds added
Total	**$0.00**	**$95.00**	

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

CAPITAL OUTLAY INVESTMENTS ARE LIMITED

The Governor's May Revision continues to include only one project, providing $29.3 million **one-time** in capital outlay funding from Proposition 51, approved by voters in 2016, to continue with remodeling of the theater and McCloud Hall at College of the Siskiyous.

The Administration also commits to pursuing a statewide education facilities bond, with the exact amount of the bond and the split of funds to be determined through negotiations with the Legislature.

REDUCTION TO STATE OPERATIONS

The Chancellor's Office provides leadership and oversight to the system, administers dozens of systemwide programs, and manages day-to-day operations of the system. The office is involved in implementing several recent initiatives, including Guided Pathways, reforms to remedial education and transfer, and the Student Centered Funding Formula, as well as the statewide components of Vision 2030. In addition, the Chancellor's Office provides technical assistance to districts and conducts regional and statewide professional development activities. The May Revision applies an administrative reduction of 7.95% to all state agencies compared to the levels proposed in the Governor's Budget. This would result in about $25 million in non-Proposition 98 General Funds for the Chancellor's Office in 2024-25, down from the $27.1 million proposed in

January and lower than the $25.7 million provided in the 2023 Budget Act. The revised proposal keeps level the additional $12.2 million in special funds and reimbursements for Chancellor's Office operations.

Next Steps

Following release of the Governor's May Revision, the budget process moves very quickly. LAO typically publishes analyses of the May Revision within a few days. Budget subcommittees convene to review the proposals and often take action on both January and May proposals within about a week. Subcommittees report their recommendations to full committees, which in turn report to their respective houses. Not long after, a budget conference committee convenes to resolve differences between the two houses' versions of the budget by June 15, the state constitutional deadline for the Legislature to approve a budget. (See Appendix A for a more complete overview of the state budget process.)

For more information throughout the budget process, please visit the Budget News section of the Chancellor's Office website:

https://www.cccco.edu/About-Us/Chancellors-Office/Divisions/College-Finance-and-Facilities-Planning/Budget-News

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 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.

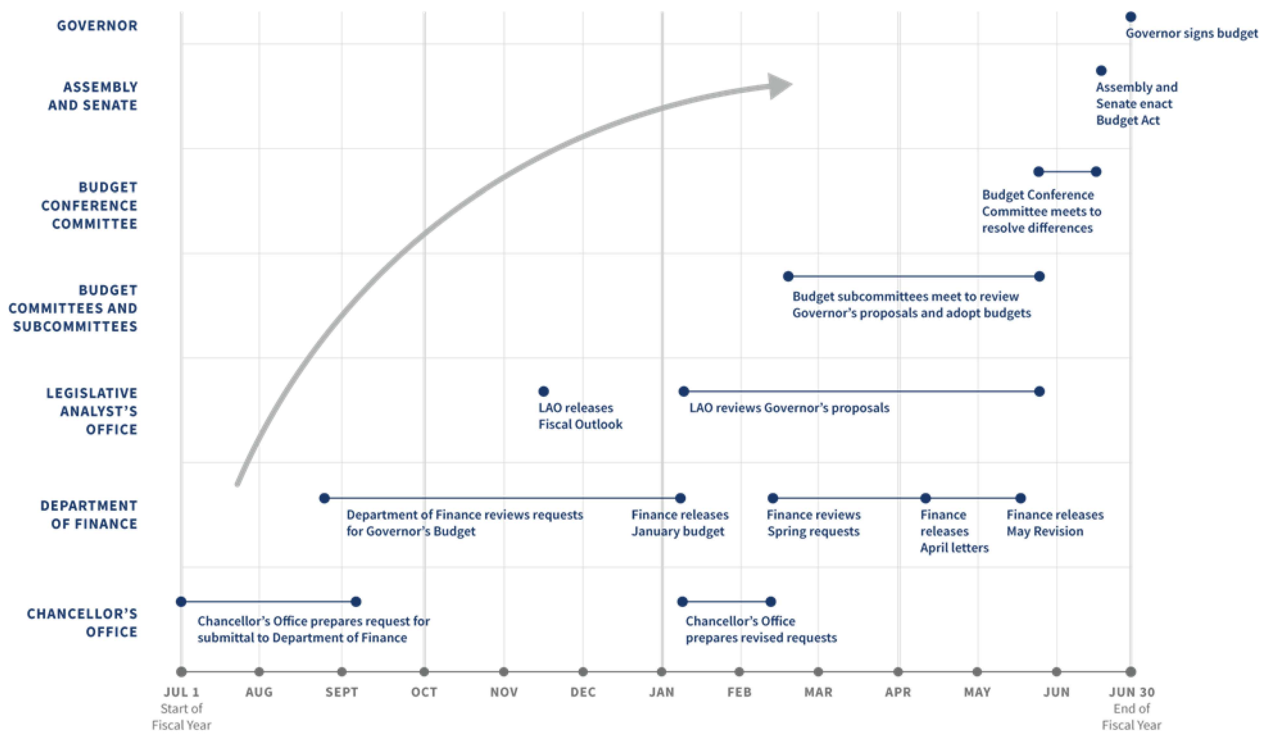
Legislative Review. The budget committees assign the items in the budget to subcommittees, which are organized by areas of state government (e.g., education). Many subcommittees rely heavily on the LAO analyses in developing their hearing agendas. For each January budget proposal, a subcommittee can 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 Governor's May Revision

The system budget request considered needs over multiple years to achieve *Vision 2030* and Roadmap goals, and support students' economic mobility.

Board of Governor's Request	Governor's May Revision Proposal
Ongoing Investments	
Foundational Resources. $500 million for base funding increase.	Provides $100 million for a COLA of 1.07% and $28 million for 0.5% enrollment growth.
Pathways and Student Supports. $60 million increase for DSPS; $40 million for Childcare Expansion Fund; $30 million for California Apprenticeship Initiative; $6 million to expand Military Articulation Platform. Extension of deadline for common course numbers from 2024 to 2027. Policy changes to provide equitable access to dual enrollment pathways.	See one-time funds for nursing program expansion below.
Support for Faculty. $50 million for faculty supports (office hours, professional development, curriculum development) and full-time faculty hiring.	Not included.
Technology and Data Sharing. $24.9 million to launch Phase 1 of Common ERP transition; $12 million for expanding use of eTranscript California (additional request after BOG request submitted).	See one-time funds for expanding use of eTranscript California below.
One-Time Investments	
Pathways and Student Supports.	Provides $60 million per year for five years to expand nursing program capacity.
Technology and Data Sharing. $310.1 million for Phase 1 of Common ERP transition (specifies plan to request another $214 million in 2027-28 for Phase 2).	Provides $12 million for expanding use of eTranscript California.
Vision 2030 Priorities (additional request after BOG request submitted). $5 million for a low-income workers demonstration project; $6 million for mapping pathways for Credit for Prior Learning (CPL); $10 million for a common data platform demonstration project.	Provides $5 million for Low-Income Workers Demonstration Project, $6 million for mapping pathways for CPL, and $12 million for Common Cloud Data Platform Demonstration Project.
Non-Proposition 98 Investments	
College Affordability and Supports. State-issued lease revenue bonds to support 19 approved and 5 new student housing projects. Policy changes for flexibility in the SSCG program for DSPS students, and study of structural barriers to residency.	Pursuing statewide lease revenue bond program for 13 approved projects (excludes 4 intersegmental projects to be funded by UC/CSU and 2 projects that were too far along for SLRB). No new projects approved.

Capacity to Support the System. General Fund support for a new Vice Chancellor of Information Security, Assistant Vice Chancellor of Workforce Development, and Director of Operations and Special Initiatives. Policy changes to streamline legislative reporting requirements.	Not included. Imposes 7.95% reduction in General Funds consistent with administrative reduction for all state agencies.
Workforce Education. Policy changes to better align EWD program with Strong Workforce, and to extend use of multi-criteria screening factors for limited enrollment healthcare program admissions.	Not mentioned.

Appendix C: Local Budgets and State Requirements

BUDGET PLANNING AND FORECASTING

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

Table C-1: Planning Factors for Proposed 2024-25 Budget

Factor	2022-23	2023-24	2024-25
Cost-of-living adjustment (COLA)	6.56%	8.1322%	1.07%
State Lottery funding per FTES[a]	$237	$249	TBD
Mandated Costs Block Grant funding per FTES	$32.68	$35.37	$35.75
RSI reimbursement per hour	$8.82	$8.82	$10.08
Financial aid administration per College Promise Grant	$0.91	$0.91	$0.91
Public Employees' Retirement System (CalPERS) employer contribution rates	25.37%	26.68%	27.05%
State Teachers' Retirement System (CalSTRS) employer contribution rates	19.10%	19.10%	19.10%

[a] 2023-24 estimate not available

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 2024-25

Activity	Regulatory Due Date	Title 5 Section
Submit tentative budget to county officer.	July 1, 2024	58305(a)
Make available for public inspection a statement of prior year receipts and expenditures and current year expenses.	September 15, 2024	58300
Hold a public hearing on the proposed budget. Adopt a final budget.	September 15, 2024	58301
Complete the adopted annual financial and budget report and make public.	September 30, 2024	58305(d)
Submit an annual financial and budget report to Chancellor’s Office.	October 10, 2024	58305(d)
Submit an audit report to the Chancellor’s Office.	December 31, 2024	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).

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.