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**Senate Budget and Fiscal Review—Wesley Chesbro, Chair**  
**SUBCOMMITTEE NO. 1 on Education**



**Subcommittee No. 1**  
**Chair, Jack Scott**  
**Member, Bob Margett**  
**Member, Joe Simitian**

**Agenda**  
**March 27, 2006**  
**Upon Adjournment of Senate Floor Session (or 1:30pm) – Room 113**

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*Overview Presentations:* Dr. Robert C. Dynes, President, University of California  
Dr. Marshall Drummond, Chancellor, California Community Colleges

**California Community Colleges (6870)**

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# I. Overview of Proposed Community Colleges Budget (Office of the Legislative Analyst)

<b>Figure 1</b>					
<b>Community College Budget Summary</b>					
<i>(Dollars in Millions)</i>					
	Actual 2004-05	Estimated 2005-06	Proposed 2006-07	Change From 2005-06	
				Amount	Percent
<b>Community College Proposition 98</b>					
General Fund	\$3,036.3	\$3,412.4	\$3,948.7	\$536.3	15.7%
Local property tax	1,755.7	1,829.7	1,899.3	69.6	3.8
Subtotals, Proposition 98	<u>(\$4,792.0)</u>	<u>(\$5,242.1)</u>	<u>(\$5,848.1)</u>	<u>(\$606.0)</u>	<u>(11.6%)</u>
<b>Other Funds</b>					
General Fund	(241.2)	(265.8)	(255.9)	(-\$10.0)	(-3.8%)
Proposition 98 Reversion Account	5.4	35.6	--	-35.6	-100.0
State operations	8.9	9.2	9.4	0.2	2.3
Teachers' retirement	98.3	82.2	83.2	1.0	1.2
Bond payments	128.6	138.9	163.3	24.4	17.6
State lottery funds	143.3	177.9	177.9	--	--
Other state funds	9.3	11.1	11.2	0.1	0.6
Student fees	334.7	347.9	358.4	10.4	3.0
Federal funds	244.1	268.5	268.5	--	--
Other local funds	1,536.2	1,691.9	1,691.9	--	--
Subtotals, other funds	<u>(\$2,508.8)</u>	<u>(\$2,763.2)</u>	<u>(\$2,763.7)</u>	<u>(\$0.5)</u>	<u>--</u>
<b>Grand Totals</b>	<b><u>\$7,300.8</u></b>	<b><u>\$8,005.3</u></b>	<b><u>\$8,611.8</u></b>	<b><u>\$606.5</u></b>	<b><u>7.6%</u></b>
Detail may not total due to rounding.					

## **II. Retiree Health Benefits (Information Only)**

In its *Analysis of the 2006-07 Budget Bill*, the Legislative Analyst (LAO) raised broad concerns about the outstanding fiscal liability of retiree health benefits offered by both K-12 and community college districts.

Specifically, the LAO cites a new Governmental Accounting Standards Board accounting policy which now requires community college districts (as well as K-12 school districts and local governments) to identify and account for the unfunded liability of retiree health benefits in the same manner they account for pension costs.

This represents a significant change for community colleges and is estimated to reveal an approximate \$2.5 billion to \$3 billion unfunded liability. The LAO estimates that, at present, districts are only prepared to cover about 15 percent of this outstanding liability. While some districts have an incentive to address these costs (due primarily to the impact of a district's fiscal liabilities on local bond rating and academic accrediting standards), it is possible that the state may end up bearing at least part of the fiscal burden.

## **III. Mandates**

Unlike K-12 education, the Governor's Budget fails to directly appropriate any funds to pay for prior year community college mandate claims. Language in the 2006-07 Budget Bill (specifically contained in the K-12 mandate item – Item 6110-295) does, however, allow for the \$133 million in ongoing support for education mandates to be pro-rated between K-12 and the community colleges.

### One-time Proposition 98 "Settle-Up" Funds

In addition to the \$133 million in ongoing support for mandates (as noted above), the Governor is also proposing that K-12 Education receive \$151.7 million in one-time Proposition 98 funds to pay prior-year mandate claims; the community colleges are not slated to receive any of these funds. The Department of Finance (DOF) notes that the current-year budget contains \$10 million to pay off a portion of the community college mandate claims, and DOF contends that this appropriation is sufficient to address the bulk of the community colleges audited claims. The LAO estimates that there are approximately \$100 million in outstanding community college mandate claims that have yet to be paid.

Staff notes that current statute, which was adopted as part of the 2005 Education Budget Trailer Bill (Chapter 216/Statutes of 2006), calls for the community colleges to receive a proportionate share (based on student enrollment) of all prior-year Proposition 98 settle-up funds. Contrary to current law, the Governor's proposal allocates all of these funds for K-12 mandates, with no funds being appropriated to the community colleges.

Staff recommends that the committee request the LAO to calculate the community college "share" of both the ongoing dollars proposed for mandates as well as the Proposition 98 settle up funds contained in the Governor's 2006-07 proposed education trailer bill and report its findings back to the subcommittee prior to the May Revision.

#### IV. Career Technical Education

The Administration proposes to augment the community colleges' budget by a total of \$50 million to increase coordination between the colleges and K-12 schools for industry-driven vocational and technical-career curriculum. In the current year, the Budget provides \$20 million on a one-time basis to begin this work. The Governor's proposal makes this \$20 million permanent and augments that amount by an additional \$30 million. In addition, the Governor proposes to add one position, and \$143,000, to provide staff support necessary to implement this expanded career-technical education program.

##### Current Year

Of the \$20 million appropriated in the current year, the community colleges intend to spend \$11 million for "quick start" projects which will focus primarily on the "2+2 curricula". These articulated curricula provide a clear career pathway linking high school courses with community college courses thereby allowing students to obtain the direct skills necessary to enter into high need, emerging sectors while avoiding course duplication and unnecessary redundancy. Targeted employment sectors include: Advanced Transportation Technologies; Applied Manufacturing; Biotechnology; Environmental Technology; Geographic Information Systems; Health; Multimedia and Entertainment.

The Chancellor's Office indicates that the remaining \$9 million will likely not get expended in the current year and will instead be combined with funds appropriated in 2006-07 for longer-term "capacity building" projects. These funds would be targeted at economically distressed areas and emerging industries.

Staff notes that all of the funds appropriated in the current year are being dispersed via a Request for Proposal (RFP) process. Given that the RFP deadline is not until April 20, 2006, it is unlikely that this committee will have a detailed expenditure of current-year funds prior to making a decision on the Governor's 2006-07 proposal.

##### Governor's Budget

It is the Administration's intent that the \$50 million proposed for 2006-07 be expended for the same purposes as the current year funds. Specifically, the Administration and the community colleges intend to spend approximately 20 percent of the funds (or \$10 million) to continue supporting "quick start" projects, while the bulk of the funds would be expended on longer-term "capacity building".

The LAO has expressed concern about the Governor's proposal, noting that the \$20 million in one-time funds provided in the current year has yet to be expended. Given that, the LAO is advising the Legislature to defer augmenting this program until such time as the community colleges have expended the current-year funds and evaluated the progress of its efforts, to date, to align career-technical education curriculum.

Staff recommends that this issue (including approval of the new position) be held open, pending both the May Revision and an update from the Community Colleges Chancellor's Office -- after April 20, 2006 -- as to how the current year funds are being expended.

## V. Nursing Education

The Governor's Budget continues to provide \$10 million in ongoing, Proposition 98 funds to support increased nursing enrollments and unmet equipment needs. Funds would continue to be appropriated via a Request for Applications (RFA) process, whereby districts apply to the Community Colleges Chancellor's Office for the funds. The Chancellor's Office would be required to issue a report on the allocation of the funding by March 1st of each year. In addition to the \$10 million noted-above, the community colleges also have \$4 million in their base budget to support the differential cost of providing nursing programs.

### Current Year

The Chancellor's Office has only recently received applications from campuses for the current-year \$10 million nursing program augmentation; they expect grant funding to be awarded by May 1, 2006. According to the Chancellor's Office, of the \$10 million appropriation, they expect to award \$6.3 million to 35 colleges (approximately \$180,000 each) to increase nursing enrollments. Eight of those colleges will also receive an additional "bump" of between \$200,000 and \$300,000 to further increase nursing enrollments (totaling \$2.2 million). Combined, these colleges intend to add approximately 900 new nursing students, increasing the number of "slots" by approximately 43 percent.

Three colleges will receive grants of \$500,000 each (\$1.5 million total) to convert Licensed Vocational Nursing (LVN) programs to Registered Nursing (RN) programs. Those funds will be used primarily to support student enrollments.

Further, of the \$10 million appropriated in the current year, grantees indicate that they intend to expend \$7.4 million on equipment and/or infrastructure costs, implying that \$2.6 million is being spent to the 900 additional students, plus the additional LVN students who may now be pursuing RN degrees.

### Additional Fiscal Considerations

In addition to the base level of funding provided in the community colleges' budget for nursing instruction, the committee may also wish to consider augmenting the budget to provide for additional high-priority nursing-related needs:

*Preventing Attrition (\$8 million).* College nursing instructors have routinely expressed concern over the lack of resources available to provide assistance to students once they have enrolled in nursing programs. Specifically, the committee may wish to consider augmenting the community colleges' budget to provide for tutoring and mentoring assistance aimed at reducing student attrition and increasing the number of qualified nursing students who graduate and enter the workforce. In order to administer an increased attrition-prevention program, the Community Colleges Chancellor's Office would likely need additional staff support (approximately 2.0 positions and \$320,000).

*Recruiting Nursing Faculty (\$3 million).* Colleges continue to have difficulty recruiting and retaining trained nurses into the teaching profession. Given the salary levels of either RNs or practitioners with Master's of Science Degrees in Nursing (MSN), it is often difficult to lure these individuals to teach in college nursing programs, simply because the salaries are not

competitive. As such, the committee may wish to consider providing funding to the community colleges for recruitment and/or retention "bonuses" for nursing faculty.

Staff recommends that the committee: (1) approve the \$14 million of base budget funding for nursing; (2) consolidate those funds into a single schedule in the Budget Bill to make it easier to track state spending in this area; and (3) place additional funding (totaling \$11.3 million) for other nursing-related activities on the "checklist" pending the May Revision.

## **VI. CalPASS**

The California Partnership for Achieving Student Success (CalPASS) is a data sharing system among all segments of education, with the purpose of improving student's transition between high schools, community colleges, and universities. According to the LAO, these data are used by faculty consortia, institutions, and researchers to identify barriers to student transfer, monitor student progress, and propose solutions to better facilitate the movement of students. Participation in CalPASS is voluntary and was initially designed as a regional pilot program limited to schools and colleges in the San Diego region. Since then, CalPASS has expanded statewide and includes more than 1,000 California educational institutions (which represents an increase of approximately 300 schools in the past year).

### Governor's Budget

The Community Colleges Chancellor's Office initially requested an augmentation of \$1 million (bringing the total funding level to \$2 million) for CalPASS. The Governor's Budget proposes to augment the amount of state funding for CalPASS by \$500,000, bringing the 2006-07 appropriation to \$1.5 million (on-going). These additional dollars will help CalPASS increase the number of participating schools, develop new faculty councils to better align curricula, and better assess student outcomes based on CalPASS data.

Staff recommends that the committee approve the \$500,000 augmentation contained in the Governor's proposal and place an additional \$500,000 on the "checklist" pending the May Revision.

## **VII. Equalization**

### Governor's Budget

The Governor's Budget provides \$130 million to "equalize" the per-student funding rate among community colleges. The \$130 million augmentation is expected to equalize funding levels to the 90th percentile, as called for by current law.

The funds proposed by the Governor constitute the third year of a three-year plan to remedy disparities in funding levels among the colleges. Originally, the Community Colleges Chancellor's Office estimated that it would need \$240 million to equalize funding rates to the 90th percentile. Over the past two years, the Legislature has made significant headway in achieving that goal – first providing \$80 million in the 2004-05 fiscal year, and then providing \$30 million in 2005-06. The \$130 million proposed by the Governor for 2006-07 constitutes the balance of the original \$240 million estimate.

## Various Distribution Mechanisms

*Current Statute.* Under the Administration's proposal, the \$130 million would be appropriated based on the current statutory scheme. Current statute divides districts into three distinct size categories – small, medium, and large – and then provides for the targeted per student rates to be adjusted based on the size of the district, increasing the targeted amount by ten percent for small districts and three percent for medium-sized districts. While not explicit in current law, DOF indicates its intent to use 2005-06 as the "base year" upon which both the equalization target and the district funding levels would be based. However, using 2005-06 data -- which takes into account enrollment changes, the shift of Partnership for Excellence funding to the "base", as well as recent augmentations specifically for equalization -- DOF estimates that it will cost an additional \$28 million (above the \$130 million proposed in the Governor's Budget) to finish equalizing funding rates to the 90th percentile level.

*Senate Bill 361 Proposal.* The Community Colleges Chancellor's Office, while supportive of the Governor's Budget augmentation for equalization, has expressed a preference for the allocation mechanism contained in Senate Bill 361 (Scott), which is currently making its way through the Legislative process. Under the SB 361 methodology, districts would continue to be "equalized" to the 90th percentile, but all districts would be lumped together, rather than being divided into three size categories, and the calculations would be done after accounting for the fixed costs of campus operations. The intent is to address issues faced by small districts as well as districts operating multiple campuses and off-campus centers. Under this methodology, the community colleges estimate that it would cost an additional \$19 million (above the amount proposed in the Governor's budget) to reach the 90th percentile goal.

*Potential "Blended" Proposal.* Trying to harmonize a variety of competing priorities, the Community Colleges Chancellor's Office is constructing a "blended" alternative to the above proposals. Under this "blended" proposal, the \$130 million proposed by the Governor would be divided into two pots. The first pot would contain \$50 million and would be treated as a direct augmentation to the amount appropriated for equalization in the current year (\$30 million). As such, those dollars would be distributed in exactly the same manner as the current-year equalization funds: Allocated based on current statute and using 2003-04 as the "base year."

The second pot would contain the remainder of the funds (\$80 million) and would be allocated based on the Senate Bill 361 methodology, using 2005-06 as the base year. In order to equalize to the 90th percentile, using this blended approach, the Community Colleges Chancellor's Office estimates that it would cost an additional \$30 million above the amount proposed in the Governor's Budget (these additional funds would be allocated based on the SB 361 methodology).

## Other Considerations

Even more critical than the allocation methodology is that, without significant changes to the community college Program-Based Funding System – which is predicated on the assumption that districts *should* receive different per-student rates to account for factors unique to that district – funding rates will, over time, disperse in a pre-equalization manner, thereby "undoing" the results of the equalization funding.

As such, staff recommends that any decisions the committee makes regarding the distribution of equalization funds in 2006-07 also be coupled with an overhaul of the current community colleges funding system. Furthermore, staff recommends that the committee adopt budget bill language specifying the intent of the Legislature that the funding provided in the 2006-07 Budget Act sufficiently equalizes the funding of all districts, and that the future community college funding allocation mechanism prevent the disequalization of base apportionment funding.

Immediate staff recommendation: Staff recommends that this issue be held open pending (1) the May Revision; (2) a resolution as to how funds should be allocated; and (2) the continued discussion of future changes to Program-Based Budgeting.

### **VIII. Financial Aid Outreach Budget Bill Language**

Since 2003, when the state increased student fees at the community colleges (first from \$11 per unit to \$18 per unit, and then from \$18 per unit to \$26 per unit), the annual Budget Act has set aside \$34 million for financial aid outreach and direct assistance to students applying for financial aid. The dollars are allocated to each community college campus (based primarily on the number of full-time equivalent students (FTES), and weighted towards low-income campuses) to provide staff resources to increase the number of students who participate in financial aid programs. Specifically, funds are to be used to (1) provide students and families with direct and individually-tailored assistance in applying for financial aid and completing the financial aid applications, and (2) increase staff resources to process financial aid forms on campuses.

#### Governor's Budget

The Administration continues to appropriate funds for the above-noted purpose, but inserts a provision requiring that the *"funds provided in this section be used to verify Cal Grant eligibility for current and potential applicants."*

Staff notes that while the language appears innocuous at first glance, the ramifications are significant. First and foremost, verifying Cal Grant eligibility is a full-time job, one that would likely utilize all of the funds appropriated in the schedule, leaving nothing to conduct the activities the legislature originally targeted. Second, the role of campuses in verifying Cal Grant eligibility is currently being debated in the financial aid community and with the California Student Aid Commission. To insert this requirement -- which is really a policy issue -- via the Budget Bill, for the community colleges and no other colleges, is inappropriate.

Staff recommends that the committee delete this reference in the Budget Bill and restore the language to its long-standing and original form.

### **IX. Student Enrollment Growth**

Current law requires that the state provide a minimal level of funding to support student enrollment growth at the community colleges. Specifically, statute calls for enrollment growth funding to be provided based on the percent change in the state adult population. For 2006-07, the change in the adult population is projected to grow by 1.74 percent; an increase of 1.74 percent in the enrollment levels of community colleges statewide would result in an additional 20,300 full-time equivalent students (FTES) at a cost of \$86.3 million.

### Governor's Budget

Exceeding the statutorily-required level, the Governor's Budget provides \$148.8 million in funding to support a 3.0 percent growth in student enrollments (approximately 34,000 FTES). This amount is well in excess of the statutorily growth rate, but less than the 4.0 percent enrollment growth level initially requested by the Community College system.

### Current Year Enrollment Decline

The current year budget provides \$141.9 million to support 3.0 percent enrollment growth in general apportionments and 1.76 percent growth in selected categorical programs.

Based on the most recent data available, the Community Colleges Chancellor's Office is estimating that approximately \$65 million -- roughly half of the amount appropriated for growth in apportionments -- will remain unused by the colleges, implying that community college enrollment growth has slowed substantially.

While some campuses continue to enjoy healthy enrollment growth, other campus enrollments are declining. Depending on the campus, there are a variety of factors that could be impacting current year enrollment levels, including: (1) a recent improvement in the state's economy, thereby luring many students away from campus and into the local workforce; (2) a substantial decrease in the number of "unfunded" student enrollments; (3) the impact of student fee increases; and (4) a decrease in the number of course offerings.

### Current Year Action Needed

Barring any further action by the Legislature, unused growth money appropriated to the community colleges will revert to the Proposition 98 Reversion Account to be allocated out in future years for other K-14 purposes. However, under the *Elizier Williams v. State of California (Williams)* legal settlement, 50 percent of any funds reverted to the Proposition 98 reversion account must be reappropriated for emergency facility repairs in K-12 low-performing schools.

If the Legislature is interested in allowing the community colleges to retain those unused funds and redirect them for another community college-related purpose, it must pass legislation before June 30, 2006, amending the 2005-06 Budget Act, thus redirecting the funds in the current fiscal year for another purpose. At present, the Community Colleges Chancellor's Office is proposing that unused funds be redirected to fund several of the community colleges' highest priority, unfunded budget proposals, including: (1) fully-funding the state's share of the part-time faculty office hours and health insurance program (\$9 million); (2) increasing the rate at which noncredit instruction is funded (\$30 million); and (3) providing rural colleges with an augmentation to account for the additional costs associated with operating small colleges and the demographic challenges rural colleges face (\$5 million). If dollars remains after funding those three priorities, the community colleges recommend that the following three proposals be funded, in this order: (1) restore prior-year cuts to Matriculation and Counseling Services (up to \$24 million); (2) re-establish a Professional Development program for faculty and staff (up to \$5 million); and (3) increase the ratio of full-time faculty to part-time faculty (up to \$40 million).

### 2006-07 Enrollment Growth Projections

The slowing of enrollment growth in the current year calls into question the enrollment growth assumptions made by the community colleges and the Administration in constructing the

Governor's Budget. For 2006-07, the Governor proposes to fund three percent enrollment growth, a target that the colleges are failing to meet in the current year.

In response to the current-year enrollment trend, the community colleges continue are in the process of reevaluating the amount of enrollment growth necessary in 2006-07. As part of its Fall 2005 systemwide budget proposal, the Chancellor's Office requested enrollment growth totaling four percent (or \$210.0 million.)

In its *Analysis of the 2006-07 Budget Bill*, the LAO conducted its own review of enrollment growth projections and trends and determined that providing funding for enrollment growth of 3.0 percent would be excessive. Instead, the LAO is recommending that the Legislature only fund enrollment growth at the statutorily-required level of 1.74 percent, citing this as a level more than sufficient to meet any increased enrollment demand at the community colleges. Further, reducing the amount of funded enrollment growth pursuant to the LAO's recommendation would free up \$62 million for another, perhaps higher priority purpose.

However, some colleges contend that pent-up student demand (due to recent budget cuts which limited the number of course offerings and increased student fees) could put growth estimates at closer to 4 percent. This projection is echoed by the California Postsecondary Education Commission (CPEC) which conducts its own demographic projections and estimates that the colleges could easily absorb enrollment growth of up to 3.0 percent, especially as the state comes out of its recent recession.

Staff recommends that the committee hold open any action on the proposed augmentation of \$148.8 million for enrollment growth pending both the Governor's May Revision and better estimates of 2006-07 enrollment levels.

#### **X. Unfunded Community College Budget Proposals (Information Only)**

The community colleges requested additional funding for a variety of programs that were not approved by the Administration or included in the Governor's Budget. Following is a listing of the several higher priority items which were denied funding.

1. Part-Time Faculty Office Hours and Health Insurance (\$9 million)

Funding would be used to provide for the state's share of both the Part-Time Faculty Office Hours Program and the Part-Time Faculty Health Insurance Program. Each of these programs requires a 50 percent local match, thereby leveraging state funds and providing an incentive for local community college districts to pay part-time faculty for providing office hours as well as offering health insurance benefits to part-timers.

2. Non-Credit Instruction (\$30 million)

Non-credit instruction (also known as Adult Education within the K-12 system) includes such courses as Basic Skills; English as a Second Language (ESL); Citizenship; Parenting; short-term vocational education programs; and educational programs for older adults and persons with substantial disabilities. The current "rate" per non-credit full-time equivalent student (FTES) is \$2,164, or about 50 percent of the *credit* FTES rate (approximately \$4,220). The Community Colleges Chancellor's Office notes that non-credit instruction tends to act as a "gateway" for both recent immigrants and long-term residents into higher education and/or the workforce.

The \$30 million augmentation request was designed by the Chancellor's Office to be the first step in a multi-year process to increase the rate of non-credit FTES to approximately 70 percent of credit FTES rate. \$30 million in 2006-07 would increase the existing rate by \$325 per FTES (15 percent).

Staff notes Senate Bill 361 (Scott) contains a revised funding formula for the community college system in order to replace the antiquated Program-Based Funding Model. It is possible that this new funding formula may be a better avenue to address the inequitable funding rates associated with non-credit instruction.

3. Rural Access Grants (\$5 million)

The current community college funding model does not adequately address the additional costs inherent in operating small colleges. Due to the geographic remoteness of the campuses, and the distance between campuses and the populations they serve, many campuses have additional costs, but no "economies of scale" to cover those costs. This request would provide a "block grant" of \$500,000 for nine rural, single college districts, plus Amador County (total of ten community college districts.)

4. Restore Support for Matriculation Services (\$24 million)

The community colleges are requesting that the state provide funding for matriculation services equivalent to the amount spent on the program in 2001-02. At that point in time, the state spent what amounts to \$82 per FTES (\$76 million total). As adjusted for enrollment growth, the community colleges are requesting an augmentation of approximately \$38 million, over a two year period, to continue achieving the \$82 per FTES rate. Their goal is to achieve an additional \$24 million in 2006-07, with the remaining \$14 million being appropriated in 2007-08.

*Matriculation* includes a variety of services offered to students beginning when they first arrive on campus and continuing until they leave or graduate. Specifically, these activities include orientation, assessment, placement, and counseling. According to the Chancellor's Office, the availability and use of these services may spell the difference between educational success and a wasted educational experience to an inconclusive end.

Funding for this program has varied in recent years, with a low of \$54.3 million (for both the 2002-03 and 2003-04 fiscal years) and a high of \$72.3 million in 2001-02. In his 2006-07 Budget Proposal, the Governor includes approximately \$71 million for matriculation.

5. Professional Development (\$5 million)

The Governor's Budget provides no funding for Professional Development. The program was eliminated in 2002-03 as part of the various budget reductions to the community colleges. Prior to its elimination, this program was funded annually at \$5.2 million.

6. Increase Ratio of Full-Time Faculty (\$40 million)

The Chancellor's Office is requesting that the state provide funds to help districts make progress towards achieving the current statutory goal that full-time instructors provide 75 percent of the district's instruction.

## **XI. Proposed Consent**

6870-001-0001. Support, California Community Colleges. Chancellor's Office. \$9,254,000

6870-001-0909. Support, California Community Colleges. Fund for Instructional Improvement \$13,000

6870-001-0925. Support, California Community Colleges. California Business Resource and Assistance Innovation Network Fund \$12,000

6870-001-6028. Support, California Community Colleges. Facilities Planning, Payable from the 2002 Higher Education Capital Outlay Bond Fund \$1,441,000

6870-101-0909. Local Assistance, California Community Colleges. Fund for Instructional Improvement \$302,000

6870-101-0925. Local Assistance, California Community Colleges. California Business Resources and Assistance Innovation Network Fund \$18,000

6870-103-0001. Local Assistance, California Community Colleges. Lease Revenue Bond Payments \$63,960,000

6870-111-0001. Local Assistance, California Community Colleges. CalWORKS Services, Foster Parent Training, Vocational Education \$0

6870-495. Reversion, California Community Colleges.