

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: [Fiscal Resources Committee](#)

Agenda for January 15, 2025

4 p.m. - 5:00 p.m.

Zoom Meeting

1. Welcome
2. State/District Budget Update – Iris Ingram
 - 2025-26 Proposed State Budget report link: <http://www.ebudget.ca.gov>
 - LAO 2025-26 Overview of Governor's Budget link: <https://lao.ca.gov/Budget>
 - Joint Analysis-Governor's January Budget 2025-2026) *included in Additional Handouts*
 - SSC – October Annual Inflation Creeps Up
 - SSC – Will Lame Duck Congress Tackle FY 2025 Budget?
 - SSC – October Revenues Continue Recent Trend
 - SSC – LAO's Fiscal Outlook for Education – Positive, but Modest
 - SSC – Minimum Wage Increases Effective January 1, 2025
 - SSC – Voters Reject Minimum Wage Increase
 - SSC – Special Session to Convene on December 2
 - SSC – All Ten Statewide Measures Called
 - SSC – Legislature Convenes the 2025-26 Legislative Session
 - SSC – UCLA Anderson Forecast Projects Likely Inflation Increase
 - SSC – State Auditor Report on CCC Transfers
 - SSC – BOG Adopts 2025 FON and Reelects leadership for 2025
 - SSC – 2024 Chaptered Legislation and Guidance Report Released
 - SSC – Governor Unveils Master Plan for Career Education Executive Summary
 - SSC – Fed Reduces Interest Rates and Signals Caution
 - SSC – Fourth Quarter Lottery Apportionment for 2023-24
 - SSC – Government Shutdown Averted
 - SSC – Governor Newsom Previews 2025-26 State Budget Proposal
 - SSC – Cash Was Short, but we Are Still Ahead
 - DOF – [Finance Bulletin-December 2024](#)
 - [Budget Presentation to Board of Trustees January 13, 2025](#)
3. 2025-26 - Budget Calendar Revision
4. Mid-Year Updates
 - Unrestricted General Fund Expenditure Update
 - Final FTES Update for (P1) *included in Additional Handouts*
 - SCFF Simulation FY 2024-25 *included in Additional Handouts*
5. Discussion of Member Communication – Tara Kubicka-Miller
6. [Annual External Audit](#)
7. Standing Report from District Council – Tara Kubicka-Miller
8. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rscsd.edu>
 - Vacant Funded Position List as of January 9, 2025
 - Monthly Cash Flow Summary as of December 31, 2024
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)
9. Approval of FRC Minutes – November 20, 2024
10. Other

Next FRC Committee Meeting: February 19, 2025, 1:30-3:00 pm

The Rancho Santiago Community College District aspires to provide equitable, exemplary educational programs and services in safe, inclusive, and supportive learning environments that empower our diverse students and communities to achieve their personal, professional, and academic goals.

Happy Holidays from . . .



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

October Annual Inflation Creeps Up



BY WENDI MCCASKILL

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posted November 18, 2024

The U.S. Bureau of Labor Statistics released Consumer Price Index (CPI) figures on Wednesday, November 13, 2024. The annual CPI—a U.S. measure of inflation—crept up to 2.6% in October, with increases primarily attributable to shelter and food-at-home costs. October core inflation, which excludes costs for food and energy, rose to 3.3%, as predicted. Shelter, used cars and trucks, airline fares, medical costs, and recreation indexes all rose, contributing to October core inflation increases. Apparel, communication, and household furnishings indexes declined. While the CPI is an often-watched inflationary measure and tracked by the Federal Reserve (Fed), the gauge the Fed prefers is the Personal Consumption Expenditures (PCE) Price Index. At 2.1%, the September PCE reported by the U.S. Bureau of Economic Analysis sits below the current annual CPI figure. October PCE data will be released November 27, 2024.

Notwithstanding the recent slight increases to the CPI, in response to the overall improving economy and following the half-point federal funds rate reduction in September, the Fed further reduced rates last week by another quarter point to 4.50%-4.75%, and economists were forecasting an additional rate reduction in December. Yesterday, November 14, 2024, Jerome Powell, Fed Chair, noted economic growth, a solid job market, and inflation above the 2% target as reasons to be cautious with future cuts, saying “the economy is not sending any signals that we need to be in a hurry to lower rates.” Traders have since increased bets that the Fed will not change rates in December.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Will Lame Duck Congress Tackle FY 2025 Budget?



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posted November 19, 2024

Now that we know that the Republicans will have a federal government trifecta next year (see "[Republicans Capture Federal Government Trifecta](#)" in the November 2024 *Community College Update*), the big question facing the current lame duck session of Congress, and the outgoing Biden Administration, is whether they will tackle the fiscal year (FY) 2025 budget?

Currently, the federal government is operating on a continuing resolution through December 20, 2024, which keeps the federal government funded at FY 2024 spending levels (see "[Congress Approves Stopgap Funding Measure](#)" in the September 2024 *Community College Update*). The new federal fiscal year began on October 1, 2024, but Congress did not come to an agreement on the dozen appropriations bills that comprise the federal budget before that date, so they had to approve a stopgap measure to avoid a government shutdown.

While the lame duck session of Congress can approve the FY 2025 budget prior to the new 2025–26 congressional session, it may be a difficult task as the GOP-led House and Democratic-led Senate have major differences on spending levels and policy priorities. Additionally, congressional Republicans may have less incentive to negotiate on approving a budget prior to December 20 since the Republicans will control both houses of Congress as well as the presidency come January.

A deal will depend on whether President-elect Donald Trump wants to take on the FY 2025 budget in his first several weeks as president or whether he prefers to focus on other priorities. Punting the FY 2025 budget negotiations to the new congressional session could cut into critical House and Senate floor time in order to approve the spending bills and take time away from the GOP's other priorities in Trump's first 100 days of office including confirming Trump's nominees and passing a tax and economic package.

Another factor that may dictate which session of Congress tackles the FY 2025 budget is the debt ceiling. The debt ceiling legislation approved by Congress last year suspended the federal government's borrowing limit through January 1, 2025. While the U.S. Treasury can take emergency actions to temporarily pay its bills after the new year, the debt limit will still need to be addressed by lawmakers in early 2025 to avoid default. If Congress is unable to come to an agreement on the debt ceiling by the time the Department of the Treasury's extraordinary measures lapse, the U.S. could be at risk of defaulting on its financial obligations. Even a short-term breach in the debt limit could result in considerable economic implications.

President-elect Trump and his allies may come to the conclusion that tackling the FY 2025 budget along with dealing with the debt ceiling, getting his nominees approved in the Senate, and passing legislation to extend tax cuts may be too robust of a to-do list within the first few months in office and could expend too much political capital to get all of it done.

In the short term, Congress must agree on the FY 2025 budget by December 20 or approve another stopgap measure that will punt these discussions to the new congressional session in January. We will monitor these discussions and provide updates in subsequent articles.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

October Revenues Continue Recent Trend

✉ **BY MATT PHILLIPS, CPA**

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posted November 19, 2024

The Department of Finance released its November *Finance Bulletin*, which summarizes significant data points related to the economy including unemployment, United States gross domestic product, real estate, and state cash collections.

The U.S. unemployment rate remained unchanged at 4.1%, while California's unemployment rate increased by 0.1 percentage points to 5.4%. The data shows that although California's unemployment rate increased, the state's labor force increased by 8,000 participants, which should lead to an increase in the tax base once those individuals find work.

Residential real estate and affordability continue to plague many Californians. Year-to-date, based on a seasonally adjusted annualized rate (SAAR), California has permitted nearly 104,000 housing units. This is comparable with the previous month's SAAR, but down 6.7% from a year earlier. The 104,000 housing units consisted of 61,000 single-family units and 43,000 multi-family units, up 16.6% and down 28.2% from the previous year, respectively. The increase in single-family unit production bodes well for Californians looking to purchase a home.

The most promising trend lies in the General Fund revenues as the actual tax collections for October exceeded projections by \$1.1 billion, or 11.2%. The October activity results in 2024-25 year-to-date revenues exceeding projections by \$5.2 billion, or 11.0%. The surplus is welcome news, especially when one considers that revenue projections were downgraded in both 2022-23 and 2023-24, resulting from weaker-than-expected income tax returns. The Governor, Legislature, and other state departments are hopeful that the trend continues as education will receive first dibs on excess revenues as the state must repay the maintenance factor that was created due to the suspension of the 2023-24 Proposition 98 minimum guarantee.

This report represents the penultimate cash report before the Governor Gavin Newsom finalizes and releases his proposed State Budget for 2025-26. Prior to the Governor's Budget proposal, we anticipate the Legislative Analyst's Office will release the *Fiscal Outlook*, which will summarize their office's analysis of the fiscal trajectory of the state and provide recommendations to the Legislature as they prepare for budget negotiations with the Administration.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

LAO's Fiscal Outlook for Education—Positive, but Modest

 BY MEGAN BAIER

 BY PATTI F. HERRERA, EDD

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posted November 22, 2024

Wednesday, November 20, 2024, the Legislative Analyst's Office (LAO) released its *2025-26 Budget Fiscal Outlook (Fiscal Outlook)* report that includes a specific forecast for Proposition 98 affecting TK-12 and community college agencies. This annual report offers an updated multiyear forecast of the State Budget condition, including economic and revenue assumptions that impact the annual State Budget and the programs that rely on it, such as public education.

The report predicts that, while better-than-expected General Fund revenues are offset by higher spending, the state can anticipate a relatively balanced budget for the 2025-26 fiscal year. The LAO warns, however, that the state is likely to face deficits in the outyears due to anomalously high spending obligations that lawmakers would need to address either through program reductions or increased revenue via a vis tax increases.

Proposition 98: Outlook for TK-12 and Community College Funding

Within the broader context of the multiyear State Budget condition, the *Fiscal Outlook* revises estimates of the Proposition 98 minimum guarantee for 2024-25, issues an estimate for 2025-26, projects a statutory cost-of-living adjustment (COLA) for 2025-26 of 2.46%, and explains why the state will be required to make a deposit into the Proposition 98 reserve and will not be required to make a restoration (or maintenance factor) payment to public education. Following the shifting pieces of Proposition 98 can be difficult, so below we provide a brief summary of the LAO's report as it relates to public education.

- **2024-25 Minimum Guarantee up \$3.0 Billion**

Due to upward revisions in General Fund revenues and local property taxes, the LAO estimates that the current-year minimum guarantee will be \$3.0 billion higher than the 2024-25 Budget Act estimates from June, now totaling \$118.3 billion (up from \$115.3 billion). However, this increased revenue will not be available as the state will be required to deposit the funds into the Proposition 98 reserve. This is because the State Constitution requires deposits into the reserve when robust revenues are due largely to increases in capital gains. The *Fiscal Outlook* assumes a revised 2024-25 required deposit of \$3.7 billion (\$1.1 billion of which was already included in the June budget). This higher deposit will once again trigger caps on TK-12 district reserves in fiscal year 2025-26.

- **\$2.8 Billion Proposition 98 Surplus in 2025-26**

Based on the constitutional formulas to calculate Proposition 98, the *Fiscal Outlook* estimates that the minimum guarantee for 2025-26 will be \$116.8 billion, which is notably lower than the LAO's revised 2024-25 level of \$118.3 billion. This funding level is driven by Test 1 remaining operative (meaning, K-14 education receives approximately 40 cents of every General Fund dollar) and a constitutional provision that protects the state from unsustainable Proposition 98 obligations when there are temporary spikes in revenue (referred to as "spike protection").

Despite the year-over-year modest decline in the minimum guarantee levels, the LAO estimates that Proposition 98 will enjoy a \$2.8 billion surplus in 2025-26, resulting from the net of \$3.7 billion freed up from expired, one-time costs, offset by an ongoing cost of a 2.46% COLA.

- **No Required Restoration (Maintenance Factor) Payment in 2025-26, but New Obligation Created in 2026-27**

The state’s decision to use their constitutional authority to suspend Proposition 98 in fiscal year 2023-24 creates an obligation to restore funding for TK-12 and community colleges to the level the state *should* have provided, an obligation known as the “maintenance factor.” The 2024-25 Budget Act included a \$4.1 billion maintenance factor payment based on June revenue assumptions. According to the LAO’s revised revenue estimates in the *Fiscal Outlook*, the maintenance factor and payment obligation to TK-12 and community college agencies increases by \$761 million, leaving an outstanding obligation at the end of the current fiscal year of \$3.3 billion.

However, because the LAO’s broader economic assumptions include robust capital gains revenues, the *Fiscal Outlook* assumes that the state will not be required to make a restoration payment in 2025-26. This is because the State Constitution requires maintenance factor payments only in fiscal years in which General Fund revenue growth outpaces per capita personal income growth. Finally, the LAO estimates that the Proposition 98 minimum guarantee will be determined by Test 3 in fiscal year 2026-27, which will create a new maintenance factor obligation of approximately \$2.0 billion, totaling \$5.9 billion at the end of 2026-27 when added to the existing obligation. Any remaining balance in the state’s obligation to restore education funding is adjusted each year for changes in average daily attendance and per capita personal income. At the end of the *Fiscal Outlook’s* forecast period in 2028-29, the total maintenance factor obligation is estimated to be \$6.5 billion.

- **Minimum Guarantee Experiences Moderate Increases After 2025-26—up \$17.4 Billion by 2028-29**

Finally, tracking with the LAO’s larger state economic and revenue forecast, the *Fiscal Outlook* projects that, after a sluggish 2025-26, education funding will enjoy annual increases averaging \$5.8 billion over the three-year period. It assumes that the minimum guarantee will benefit from increases in both state General Fund revenue and local property taxes.

	2024-25	2025-26	2026-27	2027-28	2028-29
General Fund	\$ 84.8	\$ 81.7	\$ 85.2	\$ 89.7	\$ 94.1
Local Property Taxes	33.5	35.1	36.1	38.1	40.1
Total	\$ 118.3	\$ 116.8	\$ 121.3	\$ 127.8	\$ 134.2

- **Proposition 98 Reserve**

As noted earlier, better-than-expected revenues resulting from strong capital gains increase the required deposit into the Proposition 98 reserve in 2024-25. Under the LAO’s forecast assumptions, there would be no required deposits into, nor withdrawals from, the fund in 2025-26. However, the state would be required to make a \$2.0 billion and a \$1.7 billion withdrawal in fiscal years 2026-27 and 2027-28, respectively. The \$1.7 billion account balance at the end of 2026-27 and the depletion of the account the following year would make the cap on TK-12 district reserves inoperative beginning in 2027-28 through the remainder of the forecast period.

- **Annual Statutory COLA Increases**

The LAO’s forecast of the statutory COLA increases to above-average trends of 3.00% beginning in 2026-27 through the 2028-29. The Proposition 98 costs associated with estimated outyear COLAs are \$3.2 billion, \$4.0 billion, and \$4.3 billion in 2026-27, 2027-28, and 2028-29, respectively.

2025-26	2026-27	2027-28	2028-29
2.46%	3.10%	3.80%	4.00%

The LAO concludes its forecast cautioning its susceptibility to over- and under-projections, depending on state General Fund revenue performance. Consistent with its broader concern about budget headwinds in the outyears, the LAO recommends that the Legislature consider using its modest \$2.8 billion Proposition 98 surplus to build resiliency in the education budget, which could include retiring deferrals and using the surplus to fund one-time investments. Each fiscal policy decision comes with trade-offs, of course, which the LAO begins to outline for lawmakers in advance of spring budget hearings.

Those hearings will begin in the weeks following the release of Governor Gavin Newsom's 2025-26 January State Budget proposal, which he must release no later than January 10, 2025. His proposed budget will lay the fiscal framework for the budget discussion and negotiations, as well as highlight his priorities for California and public education.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Minimum Wage Increases Effective January 1, 2025

✉ **BY TEDDI WENTWORTH** Copyright 2024 School Services of California, Inc. posted November 22, 2024

California’s minimum wage is projected to increase to \$16.50 per hour effective January 1, 2025. Per Labor Code, the minimum wage rate will be adjusted annually for inflation based on the national Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Because the CPI-W increased by 3.18%, for the period from July 1, 2023, to June 30, 2024, employees will be guaranteed the \$16.50 rate even if they work for small employers—those employers with 26 employees or less ([Labor Code Section 1182.12\(c\)\(3\)\(A-B\)](#))—and the ongoing increase in the future is caused by [Labor Code Section 1182.12\(c\)\(1\)](#).

Below is a table illustrating minimum wage on an hourly, weekly, monthly, and annual basis. Based on inflation, School Services of California Inc. staff project that the minimum wage will continue to increase by the maximum amount allowed by law through 2029.

Minimum Wage	Effective Date:	Effective Date:	Exempt	Exempt	Exempt
	> 25 Employees	≤ 25 Employees	Minimum Salary (Weekly)	Minimum Salary (Monthly)	Minimum Salary (Annually)
\$16.00/hour	January 1, 2024		\$1,280	\$5,547	\$66,560
\$16.50/hour	January 1, 2025		\$1,320	\$5,720	\$68,640
\$17.00/hour	January 1, 2026		\$1,360	\$5,893	\$70,720
\$17.40/hour	January 1, 2027		\$1,392	\$6,032	\$72,384
\$17.80/hour	January 1, 2028		\$1,424	\$6,171	\$74,048
\$18.30/hour	January 1, 2029		\$1,464	\$6,344	\$76,128

The forthcoming increase in the minimum wage highlights important operational considerations to ensure that employers are maintaining their obligation to comply with state and federal laws. Human resource departments should review current salary schedules now to identify salary cells that may fall below the scheduled minimum increase in addition to preparing for future increases. Keep in mind that increases in the minimum wage also impact the threshold for exemption from the overtime rules of the [Fair Labor Standards Act](#) (FLSA). Exempt workers in California must be paid a salary that is at least twice the state’s minimum wage as well as meeting the duties test under the FLSA. Information on overtime exemptions in California can be found on the [Department of Industrial Relations](#) website.

Remember that the minimum wage, and any local ordinance, is an obligation of the employer and cannot be waived by any agreement, including collective bargaining agreements. So, even if you find yourselves in the middle of negotiations regarding salary, as employers, you are still obligated to comply with the minimum wage rate for the effective year.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Voters Reject Minimum Wage Increase

 [BY KYLE HYLAND](#)

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posted November 22, 2024

The Associated Press projects that Proposition 32 (2024), the statewide ballot measure that would have raised California's minimum wage to \$18.00 per hour, has been rejected by the voters.

The current tally shows the measure trailing by 1.6 percentage points (50.8% to 49.2%) and with only a little more than 120,000 votes left to process, it is mathematically impossible for the proposition to be successful.

Proposition 32 would have raised the state's minimum wage from the current \$16.00 per hour rate to \$18.00 in January 2025 for large employers — those employers with more than 25 employees. Additionally, the measure would have also tied future minimum wage increases to the U.S. Consumer Price Index (CPI-W), which is effectively the same as current law.

Even though Proposition 32 failed, the state's minimum wage will increase from \$16.00 to \$16.50 per hour beginning January 1, 2025, due to the 3.18% CPI-W increase during the 2023-24 fiscal year. Out-year projections show that the state minimum wage will increase to \$18.30 per hour beginning on January 1, 2029, due to inflation.

For more information on future minimum wage increases, please see the "[Minimum Wage Increases Effective January 1, 2025](#)" article in the November 2024 *Community College Update*.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Special Session to Convene on December 2



BY KYLE HYLAND

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posted November 27, 2024

Two days after the November 5, 2024, General Election, Governor Gavin Newsom [announced](#) the convening of a special session to “safeguard California values and fundamental rights in the face of an incoming Trump administration.”

During a special session, the Legislature can only consider and act upon legislation that is specified in the Governor’s proclamation. The [proclamation](#) specifies that the legislation to be considered during the special session is to provide additional funding to the California Department of Justice and other agencies, departments, boards, and offices within the Executive Branch to support the ability to immediately file affirmative litigation challenging actions taken by the incoming Trump Administration.

The Governor is using the special session to bolster the state’s resources to preempt the legal battles that California is expected to have during Trump’s second stint as president. In Trump’s first term, California sued his administration over 120 times for issues such as the state’s clean air rules, the Deferred Action for Childhood Arrivals (DACA) program, and changes to the Affordable Care Act.

When lawmakers are convened in special session, they are only permitted to discuss and consider the issues cited in the Governor’s proclamation. This means that bills can only be heard in the special session if they fall within the stated purpose of the proclamation. The Assembly and Senate Rules Committees are the arbiters of whether a bill’s subject matter falls within the confines of the special session proclamation.

The special session cannot end until the Assembly and Senate adopt a concurrent resolution that states that the special session will “stand adjourned sine die at midnight on the date that this measure has been adopted by both houses of the Legislature.” Unless an urgency measure (which takes effect immediately upon the Governor’s signature and has a higher vote threshold for the Legislature), special session bills signed by the Governor take effect 91 days after the adjournment of the special session.

The Governor has proclaimed the special session to begin on December 2, 2024, which is the same day that the 2025-26 regular session will be officially convened by the Legislature. This means that the special session will be conducted simultaneously with the regular session. It is unknown at this time if legislators will stay in Sacramento during the month of December to work on legislation for the special session or wait until after the new calendar year begins, as they generally do for regular sessions.

We will be monitoring the legislation coming out of the special session to gauge its impact on K-14 education. We will provide updates in subsequent articles. Stay tuned.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

All Ten Statewide Measures Called



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posted December 2, 2024

The California 2024 General Election included ten statewide ballot measures for voters to consider. Of those ten propositions, five were placed on the ballot through the initiative process (requiring registered voter signatures) while the other five were placed on the ballot by the California State Legislature.

Although there are still a little more than 46,000 unprocessed ballots left to count, the races for all ten propositions officially have been called by media outlets. It is projected that voters have approved six out of the ten measures that were on the ballot.

Below we provide the results for each ballot proposition, including a brief description of the measure.

Successful Propositions

- **Proposition 2:** Issues \$10 billion (\$8.5 billion for K-12 education and \$1.5 billion for the California Community Colleges) in bonds to fund the construction and modernization of K-14 public education facilities (see "[School Facilities Bond Approved by Voters](#)" in the November 2024 *Community College Update*)
- **Proposition 3:** Repeals Proposition 8 (2008) and declares that a "right to marry is a fundamental right" in California
- **Proposition 4:** Issues \$10 billion in bonds to fund safe drinking water, drought, flood, and water resilience programs; wildfire and forest resilience programs; coastal resilience programs; and other climate-related infrastructure projects
- **Proposition 34:** Requires certain health care providers to spend 98% of revenues from federal discount prescription drug programs on direct patient care and permanently authorizes the state to negotiate Medi-Cal drug prices on a statewide basis
- **Proposition 35:** Permanently authorizes a tax on managed care organizations to fund Medi-Cal programs, which is currently set to expire in 2026
- **Proposition 36:** Revises Proposition 47 (2014) to raise the penalties and sentences for some drug and theft offenses

The six successful ballot propositions will officially take effect on the fifth day after the Secretary of State certifies the 2024 election results unless a different effective date is specified by the measure. The Secretary of State has until December 13, 2024, to certify the election results.

Unsuccessful Propositions

- **Proposition 5:** Would have lowered the vote threshold required to approve local special taxes for housing and infrastructure projects from two-thirds to 55%
- **Proposition 6:** Would have repealed language in the California Constitution prohibiting involuntary servitude except to punish crime and replace it with language prohibiting slavery and involuntary servitude
- **Proposition 32:** Would have increased the state's minimum wage to \$18.00 per hour (begins January 1, 2025, for employers with 26 or more employees and January 1, 2026, for employers with 25 or fewer employees) and thereafter would have adjusted it annually for inflation (see "[Voters Reject Minimum Wage Increase](#)" in the November 2024 *Community College Update*)
- **Proposition 33:** Would have repealed the Costa-Hawkins Rental Housing Act (1995), thereby allowing cities and counties to limit rent increases, and would have prohibited the state from limiting how cities and counties expand or maintain rent control

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Legislature Convenes the 2025-26 Legislative Session



BY KYLE HYLAND

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posted December 4, 2024

On Monday, December 2, 2024, the California State Legislature officially convened the 2025-26 legislative session.

While Monday's floor session was primarily organizational, designed to swear in the 80 Assemblymembers and 20 Senators elected this past November, a number of lawmakers used this opportunity to also introduce legislation. It is important to note that each Assemblymember and Senator is permitted to introduce 35 bills over the two-year legislative session. The deadline for lawmakers to introduce bills for the 2025 legislative year is Friday, February 21, 2025.

The Legislature also convened the special session called by Governor Gavin Newsom to bolster the state's resources to preempt the legal battles that California is expected to have with the incoming Trump Administration (see the article "[Special Session to Convene on December 2](#)" in the November 2024 *Community College Update*). The budget chairs of both houses introduced legislation to provide \$25 million in the 2024-25 State Budget to cover the costs of potential litigation. While these bills were introduced, they will not be debated on the house floors until the Legislature returns to Sacramento in January.

The makeup of the Assembly going into the new session is 60 Democrats, 19 Republicans, and 1 vacancy. The lone vacancy is in Assembly District (AD) 32, which was previously held by Assemblymember Vince Fong (R-Bakersfield) who had to resign after winning California's 20th Congressional District seat. Governor Newsom is required to call a special election for AD 32 within 14 calendar days of the occurrence of the vacancy.

The makeup of the Senate is 30 Democrats, 9 Republicans, and 1 vacancy. The vacancy is in Senate District (SD) 36, which was previously held by Senator Janet Nguyen (R-Huntington Beach) who resigned her seat after winning election to the Orange County Board of Supervisors. Governor Newsom will have to issue a proclamation to call for a special election for SD 36 within the next two weeks.

With their supermajority in both houses retained, Democrats can conceivably pass any legislation requiring a higher two-thirds vote threshold, such as tax increases, constitutional amendments, or urgency measures, without having to reach across the aisle for Republican votes. However, the varied (and sometimes conflicting) interests among members of the Democratic caucuses could make rallying the necessary votes difficult for any supermajority-vote measures, especially for any measures that increase taxes.

Monday's agenda also included the election of Senate and Assembly leadership positions, with Senate President pro Tempore Mike McGuire (D-North Coast) and Assembly Speaker Robert Rivas (D-Salinas) swiftly reelected to their leadership posts.

With the leadership positions established, we should find out about committee assignments and chairs soon. It would not be surprising to see Assemblymember David Alvarez (D-San Diego) and Senator John Laird (D-Santa Cruz) retain their leadership posts of the Assembly Budget Subcommittee No. 3 on Education Finance and Senate Budget Subcommittee No. 1 on Education, respectively. We also expect Assemblymember Mike Fong (D-Alhambra) to again chair the Assembly Higher Education Committee. However, we will see a change in leadership for the Senate Education Committee as Senator Josh Newman (D-Fullerton) lost his reelection bid to Republican and former Assemblymember Steven Choi. When the committee assignments are announced, we will publish an article detailing the chairs and membership of the relevant education policy and budget committees and subcommittees.

After the Legislature approved a couple of housekeeping resolutions, they adjourned for the month and will not return to Sacramento until Monday, January 6, 2025.

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COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

UCLA Anderson Forecast Projects Likely Inflation Increase

✓ BY [PATTI F. HERRERA, EDD](#)

✓ BY [WENDI MCCASKILL](#)

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posted December 12, 2024

On Wednesday, December 11, 2024, the UCLA Anderson School of Management released its quarterly UCLA Anderson Forecast (Forecast), its first Forecast since the November 5 national election. Overall, the winter Forecast denotes great uncertainty due to the unknown “contours” of the second Trump administration’s policies and projects persistent inflation through the forecast period. As mentioned in the October 2024 *Community College Update*, “[UCLA Economists—Economy Recovering from Long COVID](#)”, the fall Forecast did not factor in potential outcomes of the national election beyond noting the election as an uncertainty looming over the fourth quarter of 2024. Now that the outcome of the election is known, the winter Forecast accounts for the new administration’s anticipated policy changes—tariffs, deportations, tax cuts, and deregulation. UCLA economists limited their projections to versions of these policies that have been explicitly discussed and are considered feasible based on precedent and existing statutory authority.

UCLA economists assumed 25 percent tariffs on all goods from Mexico and Canada and raising the tariffs on China by ten percentage points, in full effect by the end of 2025, and the gradual deportation of up to a million undocumented immigrants annually, taking full effect in 2026. The Forecast is also based on making the 2017 Tax Cuts and Jobs Act permanent. In discussing the projected economic impact of these policy assumptions, uncertainty about the actual policies that will be implemented was emphasized.

Before turning to projections, UCLA Economist Clement Bohr noted the strength of the current economy. Bohr highlighted the Bureau of Economic Analysis annual revision released in September, which showed that real gross domestic product (GDP) and GDP growth were higher and the gap between GDP and growth domestic income was narrower over the past few years than previously stated, as well as the 4.1% national unemployment rate.

Federal Funds Rate and Inflation

In light of predicted elevated inflation and based on indications from the Federal Reserve that further cuts to the federal funds rates will be gradual, the Forecast projects a December cut of 25 basis points to 4.25% from 4.5%. It is anticipated that the December rate cut will be followed by a pause in additional cuts due to policy uncertainty and inflation. The only other projected rate cut during the forecast period is a 0.25% cut in the fourth quarter of 2025, bringing the predicted rate to between 4.0 and 4.25% through the end of the forecast period.

Noting an anticipated 0.9% rise in consumer prices, the Forecast projects increased headline inflation to a peak of 3.0% by the fourth quarter of 2025 and increased core inflation (which excludes food and energy prices) to a peak of 3.3% by the third quarter of 2025. Thereafter, headline inflation and core inflation are anticipated to decline, ending the forecast period at 2.7% and 2.5%, respectively, by the fourth quarter of 2026. Notably, due to a predicted uneven distribution of increased costs across goods and services resulting from tariff policies, the Forecast predicts that core inflation, which tends to be lower than headline inflation, will exceed headline inflation by the second quarter of 2026.

The Bureau of Labor Statistics released November Consumer Price Index (CPI) figures yesterday, December 11, 2024. Headline CPI continued its upward trend, increasing 0.3% to 2.7%, and core CPI stayed at 3.3%. Shelter continues to be a significant driver of inflation. The Forecast lists fourth quarter 2024 headline CPI at 2.6% and core CPI at 3.1%. Based on the November CPI data, the CPI figures in the winter Forecast for the fourth quarter of 2024 are likely understated.

Growth

According to the Forecast, annualized quarter-over-quarter GDP will reach a low of 1.1% by the third quarter of 2025 from increased cost pressures and downward pressure on consumption attributed to tariff and immigration policies. Growth is expected to increase to 2.1% by the first quarter of 2026, finishing out the forecast period at 2.6% in the fourth quarter of 2026 as the economy adjusts to the policy changes. The California economy is predicted to grow at approximately the same rate as the nation in both 2025 and 2026.

The National and State Labor Market

The forecasted U.S. unemployment rate is predicted to rise slightly to 4.3% in 2025 as a result of tariffs, labor shortages, and deportation policies and then fall to 4.0% by the end of 2026—the end of the forecast period. Bohr emphasized a high level of uncertainty in the labor market projections due to limited empirical data on the impact of deportations on unemployment. He also pointed out that there are multiple ways that deportations can both increase and decrease unemployment, that the projected minor changes in unemployment are due to these counteracting forces, and that it would not be surprising to see bigger changes to unemployment in either direction than predicted.

Turning to California's unemployment rate, the Forecast predicts that it will continue outpacing the national unemployment rate. The state's unemployment rate noted in the Forecast is currently 5.4% and is expected to increase to an average of 5.5% for 2025 and 5.0% for 2026, respectively. Jerry Nickelsburg, UCLA Anderson Forecast Director, emphasized the decrease in employment in the entertainment industry, cutbacks in employment in big tech, reductions in agriculture and food processing due to weather, and California's younger and more entrepreneurial labor force as contributing factors to California's higher unemployment rate in comparison to that of the nation. The health care and social services, retail trade, and transportation and warehousing sectors are projected to see a reduction in workforce due to immigration policy, along with agriculture and construction. Growth is projected in tech and durable goods manufacturing.

Housing

The Forecast notes that California's housing market may be on trend to normalize, pointing to lower mortgage rates and new multifamily housing projects on the horizon for 2025. This is caveated with labor constraints and possible increased costs due to tariffs. As a result, a slow start to new home construction in 2025 and a relatively weak 2026 are projected. The Forecast also discussed why, despite reductions in the federal funds rate, mortgage rates climbed recently. According to UCLA economists, today's robust economy suggests a slowing economy in the longer term, which results in higher long-term interest rates. This dynamic may continue to put downward pressure on California's housing market in the near term.

As noted throughout the Forecast, the current postelection outlook carries a significant degree of uncertainty. As the policies assumed in the forecast take shape and assumptions are replaced with actual policy details, their impact on the national and California economies will become clearer.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

State Auditor Report on CCC Transfers



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posted December 17, 2024

Earlier this fall, the California State Auditor released a [report](#) on the state's public higher education systems' efforts to improve the rate of California Community Colleges (CCC) transfers to the California State University (CSU) and University of California (UC) systems.

The audit found that only about one in five students who began community college from 2017 to 2019 and intended to transfer did so within four years, with lower transfer rates for students from certain regions and demographic backgrounds. The report found that the vast majority of students who did not transfer never reached the point of applying to the four-year university systems primarily because they had not secured enough units for transfer.

To improve transfer rates, the report provides recommendations to the three systems. The recommendations for the California Community Colleges Chancellor's Office (CCCCO) are as follows:

- Establish by September 2025 a goal transfer rate and a process for measuring and reporting that rate as it applies to the statewide system and to individual community colleges
- Establish a process by September 2025 for identifying any specific best practices at community colleges that have had a measurable impact on the colleges' transfer rates and sharing these practices with all colleges
- The three systems should collaborate by September 2026 to analyze articulation data and develop a plan for addressing the gaps in articulation that most negatively affect community college students
- Document a process by September 2025 for requesting and analyzing specific rationales from community colleges that have decided not to offer the associate degree for transfer (ADT) for a particular transfer model curriculum
- Disseminate guidance to community college districts (CCDs) by September 2025 that includes the following:
 - Specific actions that CCDs should take to ensure that as many transfer-intending students as possible receive counseling and have a current, comprehensive education plan
 - Guidance about the format and content of education plans, including how CCDs can ensure that the plans are accessible online and contain a student's potential transfer destinations
- Develop a method by September 2026 for community colleges to monitor and report the percentage of their transfer-intending students who have a current, comprehensive education plan and the percentage who have received timely counseling services
- Establish a process by September 2025 for identifying community colleges with staffing levels that are insufficient to provide necessary transfer-related guidance and taking follow-up action when warranted

- Update its equity plan template or its related equity plan annual report template by September 2025 to require colleges to report outcomes related to their established goals
- The three systems should establish formal agreements by September 2025 to share information for outreach and recruitment purposes about transfer-intending students in a manner permitted by the Family Educational Rights and Privacy Act and any other applicable privacy laws

In addition to providing recommendations to the CCCCO, the report also provides the following three recommendations for the Legislature:

- To help create transfer pathways for students in majors that require a large number of units, the Legislature should amend state law to allow certain transfer model curricula for the ADT, such as in science, technology, engineering, and mathematics (STEM) fields, to exceed the existing lower-division 60-unit requirement, if both the CCC and CSU systems agree
- To ensure that community college students can centrally access the information they need to prepare for transfer, the Legislature should require all CSU campuses—and should request all UC campuses—to publish their existing articulation agreements and transfer requirements on ASSIST rather than only on their own external websites
- To ensure that the CSU, UC, and CCC continue to make progress on streamlining transfer requirements for students, the Legislature should consider appropriating funding and requiring annual status reporting for the following efforts:
 - Developing or revising transfer model curricula and expanding the ADT's use
 - Aligning CSU and UC transfer requirements
 - Identifying and reducing barriers to further articulation between community college courses and CSU and UC transfer requirements

With the release of this audit report, it would not be surprising to see the Legislature and three systems prioritize transfer processes changes. This is an issue we will be watching for next month when Governor Gavin Newsom releases his 2025–26 State Budget proposal and when the Legislature returns to Sacramento.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

BOG Adopts 2025 FON and Reelects Leadership for 2025

 [BY KYLE HYLAND](#) Copyright 2025 School Services of California, Inc. posted December 18, 2024

By November 20 each year the California Community Colleges (CCC) Board of Governors (BOG) is required to determine whether there are adequate funds provided in the most recent State Budget Act to support an increase to the full-time faculty hiring obligation number (FON) for the following fall.

At last month's BOG meeting, the California Community Colleges Chancellor's Office (CCCCO) recommended that the BOG approve implementation of full-time hiring obligations for fall 2025. The CCCCCO analysis found that the 2024-25 State Budget Act provided adequate funding for full implementation of increases in district obligations to employ full-time faculty for fall 2025.

The analysis said that the 2024-25 State Budget focuses on maintaining stability amid a notable statewide deficit, avoiding major cuts to core programs or services by utilizing reserves and operational savings while providing a 1.07% cost-of-living adjustment for the Student Centered Funding Formula apportionments and select categorical programs. Additionally, districts saw an increase of \$28.1 million ongoing to support a 0.5% enrollment growth.

The BOG unanimously approved the CCCCCO recommendations without any discussion or questions. You can find your district's 2024 FON percentage [here](#) and your 2025 Advance FON [here](#).

If a district does not meet its FON obligation, the CCCCCO is required to reduce a district's revenue for the fiscal year by an amount equal to the average replacement cost for the prior fiscal year times the deficiency in the number or equivalent of full-time faculty.

With November being the final BOG meeting of the calendar year, the board also held elections for president and vice president for 2025. At the September BOG meeting, Hildegard Aguinaldo was nominated to be the next BOG president and Bill Rawlings was nominated to be vice president. With no other nominees to consider, the BOG unanimously approved Aguinaldo and Rawlings as the 2025 BOG president and vice president, respectively.

If you would like to see the other items discussed at the November meeting, you can find the agenda [here](#).

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

2024 Chaptered Legislation and Guidance Report Released

 [BY KYLE HYLAND](#) Copyright 2025 School Services of California, Inc. posted December 19, 2024

By the Way . . . Last month, the California Community Colleges Chancellor's Office (CCCCO) released its 2024 Chaptered Legislation and Guidance Report.

This report serves as an official notification to community college districts of all new laws signed by Governor Gavin Newsom in 2024. The CCCCCO developed the report as a resource to inform campuses of recent legislation impacting the California Community Colleges, and to assist with successful implementation of these new law.

You can find the 2024 Chaptered Legislation and Guidance Report [here](#).

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Governor Unveils Master Plan for Career Education Executive Summary



BY KYLE HYLAND

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posted December 20, 2024

On August 31, 2023, Governor Gavin Newsom signed [Executive Order N-11-23](#), launching the development of a new Master Plan on Career Education (Master Plan).

The Executive Order requires leaders of specified state agencies and requests the leaders of other state agencies, including the leaders of the three public higher education segments and the State Superintendent of Public Instruction, to develop the Master Plan in collaboration with interest holders.

The work on the Master Plan has been going on for the past year and this past Monday, December 16, 2024, the Newsom Administration released the executive summary of the Master Plan. The executive summary includes the following six primary plans of action:

- 1. Create a State Planning and Coordinating Body.** The state should create a new statewide planning and coordinating body that brings together the state's education segments, workforce training providers, and employers. The coordinating body should evaluate changing economic needs and demand for skills, develop sector-based and cross-sector strategies, create statewide goals, align federal and state plans, coordinate efforts to maximize funding, coordinate implementation of specific federal and state programs, codesign programs to address workforce opportunities, and connect with regions.
- 2. Strengthen Regional Coordination.** The Governor's Office should evaluate how successful regional coordination models can be expanded to create sustainable forums in which educators, workforce training providers, and employers work together with a clear division of responsibilities across partners.
- 3. Support Skills-Based Hiring Through a Career Passport.** State agencies and institutions of higher education should make it easier for employers to make hiring decisions based on individuals' skills in addition to their academic credentials.
- 4. Develop Career Pathways for High School and College Students.** Pushing for universal availability and implementation of pathways programs would provide students from all backgrounds with clear roadmaps to gainful employment and career advancement. These pathways can be designed to provide experiential learning opportunities, shorten the time to a career, alleviate financial pressures, and empower individuals to actualize their dreams, all while contributing to social and economic mobility within communities.
- 5. Strengthen Workforce Training for Young People and Adults.** For adults who need additional training and for opportunity youth, education and workforce development agencies should ensure access to education, workforce training, and jobs that allow them to advance in stable, well-paying career pathways.
- 6. Increase Access to and Affordability of Education and Workforce Training.** State agencies and institutions of higher education should ensure that eligible learners from all backgrounds and parts of the state can easily access education, workforce training, and public benefits that open doors to more rewarding, well-paying jobs.

During a press event in Shasta County the Governor said that the full Master Plan will be released early in the new year and hinted that there will be an investment for career education in his 2025-26 State Budget proposal, which will be released by January 10, 2025.

You can find the Master Plan executive summary [here](#).

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Fed Reduces Interest Rates and Signals Caution



BY WENDI MCCASKILL

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posted December 20, 2024

Wednesday, December 18, 2024, the Federal Reserve (Fed) reduced the federal funds rate by a quarter-point to 4.25%-4.5%, representing the final cut for 2024. The Federal Open Market Committee statement noted an easing labor market, elevated but low unemployment, and “somewhat elevated” inflation. Their statement also reiterated their dual goals of maximum employment and returning inflation to 2%.

The annual Consumer Price Index (CPI)—a U.S. measure of inflation—increased to 2.7% in November, continuing its upward trend. November core inflation, which excludes costs for food and energy, increased slightly to 3.3%. The CPI is an often-watched inflationary measure and tracked by the Fed and the gauge it prefers is the Personal Consumption Expenditures (PCE) Price Index. The October PCE reported by the U.S. Bureau of Economic Analysis is slightly lower than the CPI at 2.3%. November PCE data is not yet available, but economists are predicting a 0.2% increase to 2.5%.

Looking forward, Fed Chair Jerome Powell mentioned the rate reduction that inflation is naggingly high, 2025 will mark a “new phase,” and that the Fed will be cautious about further rate cuts. Concerns have been raised by economists about whether any proposed tariff policies will result in increased inflation. In response to these concerns, Powell held off on making any assessments of new tariffs by saying that it is too soon to say what the impact of the proposed policies of the second Trump Administration will be.

Wall Street responded to Wednesday’s action. At close on December 18, 2024, the Dow Jones Industrial Average (DJIA) was down by 0.6%, marking a ninth straight session of decline. The Nasdaq fell 0.3%, and the S&P 500 declined by 0.4%. The markets stabilized somewhat Thursday, the day following the cut. At Thursday’s close, the DJIA was up slightly over yesterday by 0.04%, Nasdaq was down another 0.10%, and the S&P 500 was down another 0.09%.



COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Fourth Quarter Lottery Apportionment for 2023-24

 [BY KYLE HYLAND](#)

 [BY MICHELLE MCKAY UNDERWOOD](#)

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posted December 20, 2024

On September 30, 2024, the State Controller's Office (SCO) released the 2023-24 fourth quarter Lottery apportionment to community college districts (CCDs). CCDs received \$31.53 per full-time equivalent student (FTES) for the unrestricted Lottery apportionment and \$33.13 per FTES for the Proposition 20 apportionment. The actual fourth quarter apportionment amount declined slightly from the accrual projection provided in June—\$33.24 per FTES for the unrestricted Lottery apportionment and increased slightly from the June accrual projection for the Proposition 20 apportionment—\$31.71 per FTES. Final apportionment amounts for the year are listed below.

Quarter	Unrestricted Lottery per FTES	Proposition 20 per FTES
First	\$87.77	—
Second	\$49.80	\$28.60
Third	\$40.43	\$41.68
Fourth	\$31.53	\$33.13
Total	\$209.53	\$103.41

The California State Lottery Commission has not released revised projections for 2024-25. The most recent projections recommend that CCDs budget \$273 per FTES (\$191 per FTES in unrestricted Lottery revenues and \$82 per FTES in Proposition 20 revenues). We expect to see the 2024-25 first quarter Lottery apportionment released at the end of the month or in early January.

For more information on the Lottery apportionments and projections, visit the California Community Colleges Chancellor's Office Lottery web page [here](#). For the apportionment details, please visit the SCO website [here](#).

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Government Shutdown Averted



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posted December 20, 2024

By a vote of 366-34 the U.S. House of Representatives overwhelmingly approved a stopgap measure that will keep the government funded at fiscal year (FY) 2024 levels through March 14, 2025. The agreement averts a partial government shutdown and kicks the FY 2025 budget negotiations to President-elect Trump and the Republican-controlled 119th Congress.

After an initial bipartisan deal to temporarily fund the government fell apart and after a subsequent proposal that included a two-year suspension of the debt ceiling was voted down by the House, an agreement to keep the government funded looked bleak. However, after Speaker Mike Johnson (R-LA) agreed to remove the debt ceiling language from the continuing resolution (CR), Democrats agreed to sign on to the measure. In order to fast-track the legislation and bypass the House Rules Committee, Speaker Johnson needed the CR to clear a two-thirds vote and thus needed Democratic support.

The measure is now headed to the Democratic-controlled U.S. Senate where it is expected to pass in a bipartisan manner and be sent to President Joe Biden. Since the Senate concluded voting for the day, it is unknown if they will take up the measure tonight or tomorrow morning. If the vote happens Saturday morning, the public is unlikely to notice a brief lapse in government funding because most action to implement it would not begin on a weekend. President Biden has already signaled his support for the CR and said he will sign the measure as soon as it hits his desk.

Congress now has until mid-March to approve the FY 2025 federal budget, or they will need to approve another CR to avert a government shutdown.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Governor Newsom Previews 2025-26 State Budget Proposal



BY KYLE HYLAND

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posted January 7, 2025

At a press event yesterday, January 6, 2025, in the San Joaquin Valley, Governor Gavin Newsom provided a preview of his 2025-26 State Budget proposal.

Governor Newsom said that his \$322.2 billion proposal is fully balanced with no budget deficits with state revenues exceeding 2024 State Budget Act projections by \$16.5 billion. The Governor said his proposal does not predict any shortfalls for the budget year and that there is a modest budget surplus but declined to give a number and said that the surplus is “within the margins.”

Below we provide a summary of some of the top-line budget areas that the Governor highlighted during the press conference of relevance to community colleges.

Proposition 98

While he did not provide the updated Proposition 98 numbers for 2023-24 and 2024-25, he said that his budget projects that the minimum guarantee will grow to \$118.9 billion for 2025-26. This is a \$3.6 billion increase from the \$115.3 billion that was included for the 2024-25 fiscal year in the 2024 State Budget Act.

Cost-of-Living Adjustment

The Governor’s Budget proposal projects a 2.43% cost-of-living adjustment (COLA) for 2025-26, which is slightly lower than what the Legislative Analyst’s Office projected in its November *Fiscal Outlook* report (2.46%).

It is important to note that there are still two data points outstanding in order to calculate the final statutory COLA. One of those data points will be released at the end of January and the other will be available at the end of April.

The statutory COLA is traditionally applied to the Student Centered Funding Formula (SCFF) rates and to a number of other categorical programs funded outside of the SCFF.

Reserves

The Governor emphasized the importance of maintaining fiscal responsibility, including preserving healthy reserve balances. This is especially important with how volatile the state's revenue intake is due to the reliance on capital gain returns from the wealthiest Californians.

He said that his budget proposal includes a total of \$16.9 billion in reserves, broken down into the following three funds:

- Rainy Day Fund: \$10.9 billion
- Proposition 98 Reserve: \$1.5 billion
- Special Fund for Economic Uncertainties: \$4.5 billion

Next Steps

With the Governor attending former President Jimmy Carter's funeral in Washington D.C. this week, he will not be in Sacramento when his budget proposal is officially released on Friday, January 10, 2025. However, he said that the Department of Finance will brief the public on his full spending plan on Friday.

We will provide more information via our *Community College Update* when the Governor's Budget is officially released on Friday. Stay tuned.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Cash Was Short, but We Are Still Ahead



BY [BRIANNA GARCÍA](#)

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posted January 9, 2025

The [December 2024 Finance Bulletin](#) was released by the Department of Finance on December 24, 2024. In a reversal of the trend of the last few months, cash receipts were \$1 billion below the 2024 Budget Act forecast for the month of November. This shortfall is being attributed to timing factors with personal income and sales tax—both of which were lower than expected. Further, higher refunds resulted in corporation tax receipts also coming in below forecast.

However, while this shortfall decreases the year-to-date surplus the state has accumulated—from the \$5.2 billion reported in the November 2024 *Finance Bulletin*—the current surplus of \$4.3 billion is still welcome news and is likely part of the reason Governor Gavin Newsom stated during his press event on January 6, 2025, that his administration is projecting a \$16.5 billion surplus when all is said and done (see “[Governor Newsom Previews 2025-26 State Budget Proposal](#)” in the January 2025 *Community College Update*).

(In Millions)	November 2024 YTD ¹ Forecast	November 2024 YTD Actual	Difference
Personal Income Tax	\$39,102	\$42,578	\$3,476
Corporation Tax	\$3,918	\$4,939	\$1,021
Sales and Use Tax	\$14,014	\$13,301	-\$713
Miscellaneous	\$3,428	\$3,928	\$500
Total	\$60,462	\$64,746	\$4,284

¹Year-to-date

Based on the growth in gross domestic product (GDP), he has reason to be optimistic. U.S. GDP grew at a seasonally adjusted annualized rate of 3.1% in the third quarter of 2024. That is up from the previous estimate of 2.8% and

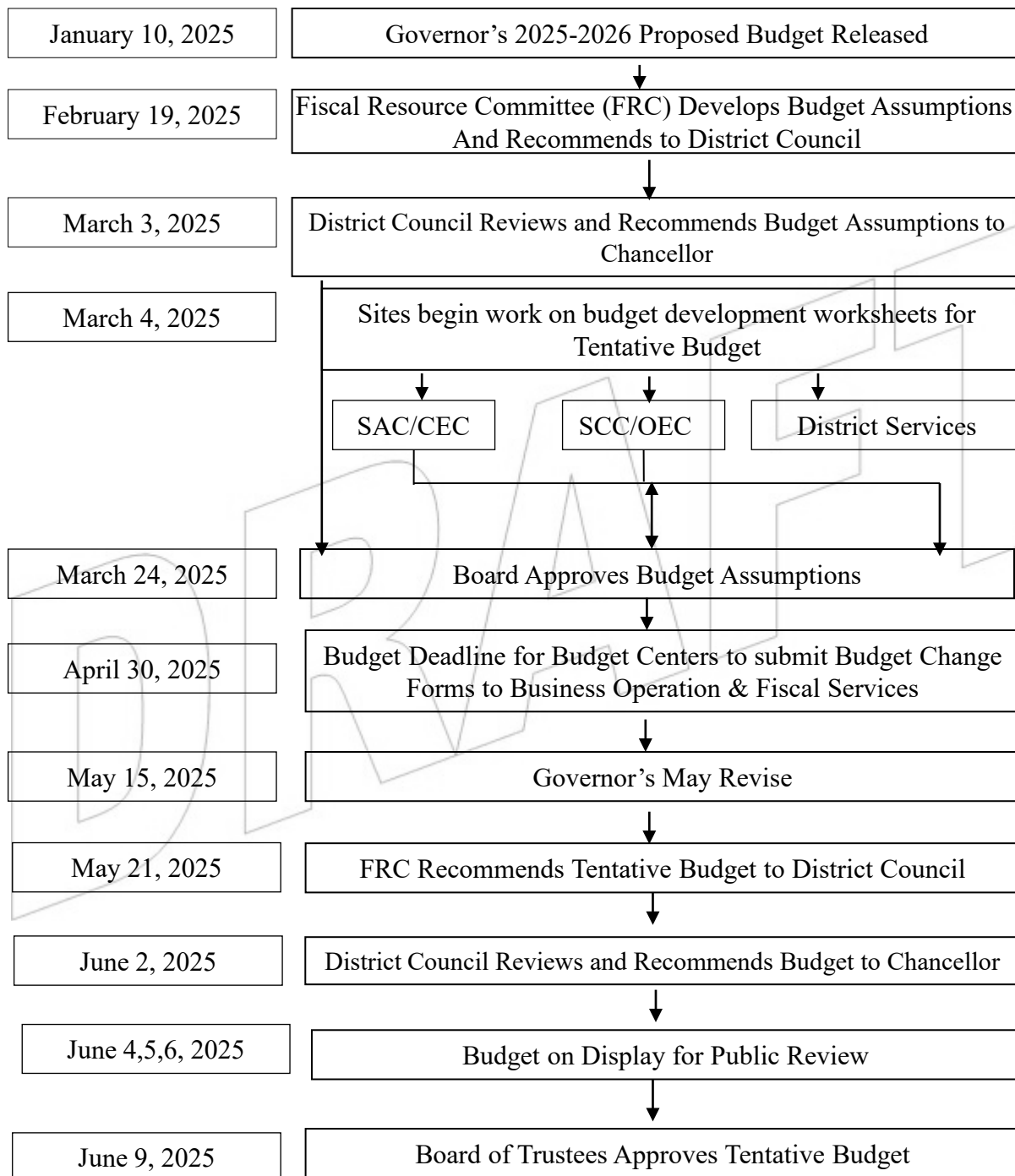
following a 3.0% growth in the second quarter. California's GDP also experienced growth in both the second and third quarters, equivalent to that experienced by the nation as a whole. Further, California experienced growth in personal income (3.6%), as well as increases in wages and salaries and transfer receipts. And, while the U.S. unemployment rate increased ever so slightly to 4.2% in November, California's unemployment rate remained unchanged, though it is 1.2% higher than the nation's.

The budget proposal the Governor will release on Friday is expected to be free of shortfalls and provide a modest increase to Proposition 98, as well as continued funding for various programs implemented over the last several years. Assuming revenues continue to come in higher than projected, education will be able to breathe a sigh of relief at the end of June.

RSCCD Tentative Budget Calendar

Fiscal Year 2025 – 2026

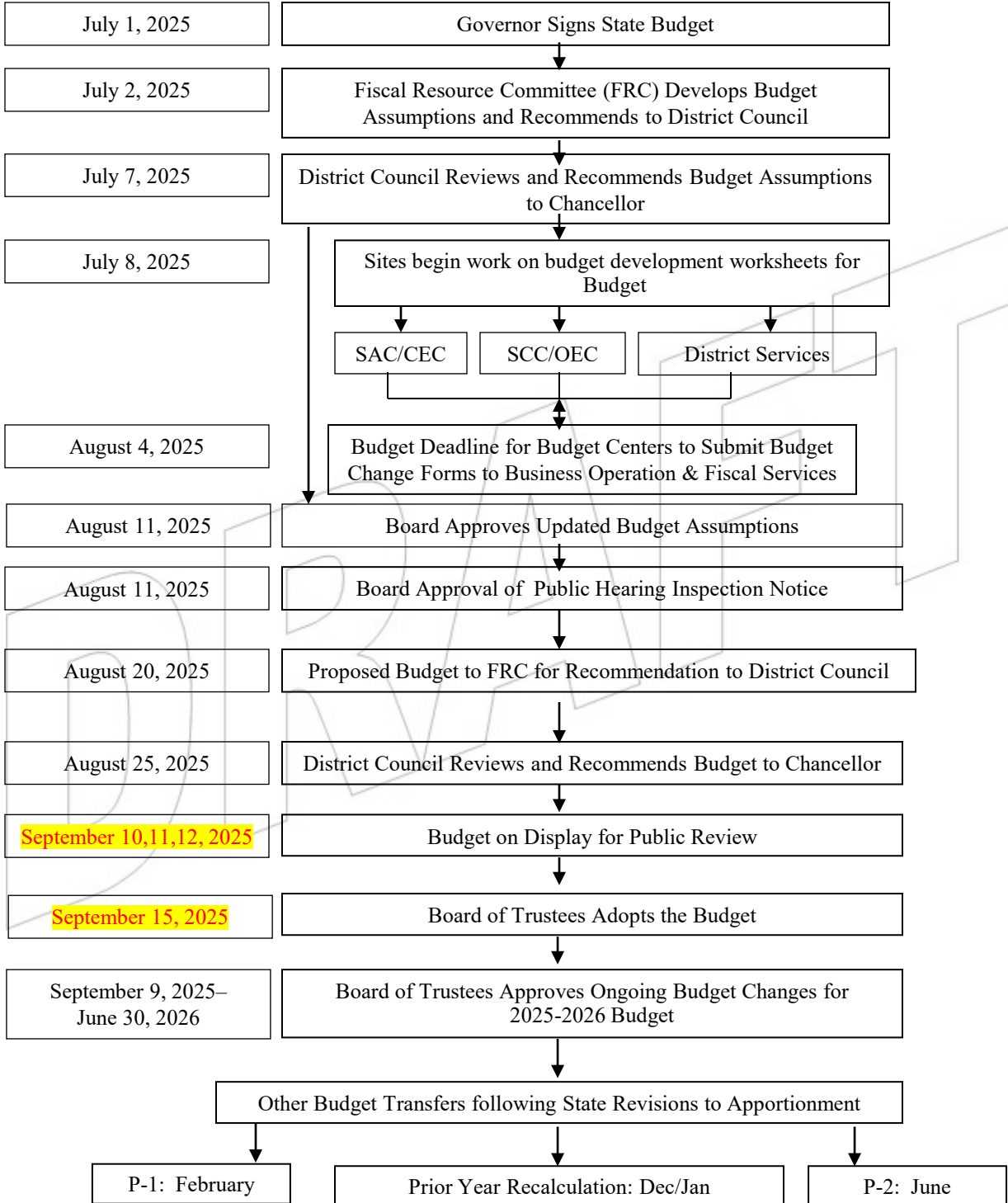
January 2, 2025



RSCCD Adopted Budget Calendar

Fiscal Year 2025 – 2026

January 2, 2025



**MID YEAR EXPENDITURE FOR FUND 11 & 13
COMPARISON BY LOCATION - 12/31/XX**

	FY 2023-2024					FY 2024-2025				
	Adopted Budget	YTD Budget	YTD Actual	Available	% Avail	Adopted Budget	YTD Budget	YTD Actual	Available	% Avail
Aca Salaries (excl. 1300's)	37,840,717	38,508,669	18,744,851	19,763,818	51.32%	41,006,698	41,136,210	20,116,211	21,019,999	51.10%
1300's	19,015,643	20,639,643	13,630,920	7,008,723	33.96%	24,168,159	24,168,159	16,334,942	7,833,217	32.41%
2 Classified Salaries	18,202,817	19,397,229	7,729,840	11,667,389	60.15%	20,565,333	20,665,651	8,764,306	11,901,345	57.59%
3 Employee Benefits	31,988,920	33,382,245	14,796,747	18,585,498	55.67%	35,820,739	35,814,835	16,293,684	19,521,151	54.51%
4 Supplies & Materials	670,117	797,168	229,512	567,656	71.21%	796,319	995,668	268,892	726,776	72.99%
5 Other Operating Exp	17,753,861	12,294,315	2,698,068	9,596,247	78.05%	26,550,697	25,298,637	2,928,192	22,370,445	88.43%
6 Capital Outlay	128,191	638,189	80,945	557,244	87.32%	403,803	595,038	58,077	536,961	90.24%
7 Other Outgo	327,395	574,116	118,522	455,594	79.36%	1,050,909	1,688,459	343,121	1,345,338	79.68%
Santa Ana College	125,927,661	126,231,574	58,029,404	68,202,170	54.03%	150,362,657	150,362,657	65,107,426	85,255,231	56.70%
Aca Salaries (excl. 1300's)	19,041,468	19,198,757	9,511,828	9,686,929	50.46%	19,669,153	19,809,337	9,538,118	10,271,219	51.85%
1300's	8,106,966	8,099,352	6,565,695	1,533,657	18.94%	9,063,566	10,663,754	7,021,359	3,642,395	34.16%
2 Classified Salaries	9,132,689	9,663,664	4,200,127	5,463,537	56.54%	10,866,028	10,873,340	4,624,638	6,248,702	57.47%
3 Employee Benefits	15,607,693	16,006,160	7,492,912	8,513,248	53.19%	17,205,380	17,556,104	7,873,034	9,683,070	55.16%
4 Supplies & Materials	316,630	373,352	112,091	261,261	69.98%	278,009	363,213	144,999	218,214	60.08%
5 Other Operating Exp	11,373,319	10,195,929	1,216,640	8,979,289	88.07%	11,424,176	10,269,554	3,286,538	6,983,016	68.00%
6 Capital Outlay	61,324	90,203	617	89,586	99.32%	121,320	191,362	71,945	119,417	62.40%
7 Other Outgo	-	-	-	-	0.00%	1,419,693	320,661	-	320,661	100.00%
Santiago Canyon College	63,640,089	63,627,417	29,099,909	34,527,508	54.27%	70,047,325	70,047,325	32,560,631	37,486,694	53.52%
1 Academic Salaries	393,668	393,668	196,833	196,835	50.00%	430,278	430,278	215,210	215,068	49.98%
2 Classified Salaries	20,415,307	20,284,797	9,567,284	10,717,513	52.84%	22,072,867	22,055,452	9,982,566	12,072,886	54.74%
3 Employee Benefits	11,936,936	11,848,848	5,146,815	6,702,033	56.56%	12,886,803	12,858,491	5,645,006	7,213,485	56.10%
4 Supplies & Materials	381,037	423,887	128,538	295,349	69.68%	389,870	429,270	127,289	301,981	70.35%
5 Other Operating Exp	11,316,938	10,862,629	4,990,210	5,872,419	54.06%	11,584,291	11,394,605	5,703,377	5,691,228	49.95%
6 Capital Outlay	211,555	731,724	630,705	101,019	13.81%	211,504	632,017	245,040	386,977	61.23%
7 Other Outgo	-	-	-	-	0.00%	-	50,000	50,001	(1)	0.00%
District Services	44,655,441	44,545,553	20,660,384	23,885,169	53.62%	47,575,613	47,850,113	21,968,490	25,881,623	54.09%
TOTAL FUND 11 and FUND 13	234,223,191	234,404,544	107,789,698	126,614,846	54.02%	267,985,595	268,260,095	119,636,547	148,623,548	55.40%

**Vacant Funded Positions for FY2024-25- Projected Annual Salary and Benefits Savings
As of January 9, 2025**

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2024-25 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11		2340247	Director, Accounting, Audit & Advisory	District	6/14/2024	-	Hired CL24-00938 Menendez, Raseel#2827354 Eff:10/2/2024	11-0000-672000-54211-2110	-	
11		2659235	Asst VC, P&C/Chief Diversity&Social Impact Officer	District	12/31/2023	-	Reorg#1412 Eliminated position	11-0005-660000-53110-2110 11-0000-677000-54165-2110-50%	-	
11		1167609	Sergeant Dist Safety & Sergeant	District	6/1/2024	99,142	CL24-00953. BCF \$60,000 #8028152	11-0000-695000-54165-2110-50%	160,451	
11		2616593	Director, People & Culture	District	7/5/2024	162,977		11-0000-673000-53110-2110	238,978	588,354
11		2664667	Manager P&C Strategy Analytics and Equity	District	2/20/2023	-	Reorg#1412 Eliminated position	11-0000-673000-53110-2110	-	
11		1029987	Human Resource Analyst	District	5/30/2024	-	Hired CL24-00958 Gunther, Melissa#2812896 eff:8/13/24	11-0000-673000-53110-2120	-	
11	Principal Analyst(Reorg1412)	Reorg1412	Principal Analyst(Reorg1412)	District	6/4/2024	118,037		11-0000-673000-53110-2110	188,926	
11		2712684	Dean Academic Affairs	SAC	6/27/2024	234,083	Matthew Valerius#2679434 Acting Dean (1-year assignment)7/1/24-6/30/25	11-0000-601000-15055-1210	303,902	
11		2500258	Instructor, Physics	SAC	6/9/2024	-	Site moved funds to #11-0000-790000-10000-7910 (REF#BCGZJB2YVN)	11-0000-190200-16435-1110-20% 11-0000-191100-16431-1110-80%	-	
11		1026259	Instructor, Geography	SAC	6/8/2025	-	Out on Bank Leave FA24&SP25	11-0000-220600-15650-1110	-	746,824
11		1026125	Public Information Officer	SAC	9/6/2024	113,818	CL24-01015. Interim Reyes,Ethereal#2813902 Eff:11/24/24-6/30/25. Interim Kim Young #2476926 Eff:9/9/24-11/17/24	11-0000-671000-11501-2110	176,642	
11		2593581	Dean, Humanities & Social Sciences	SAC	6/30/2024	-	Hired AC23-00751 Galvan, Javier#1027584 Eff:7/1/24	11-0000-601000-15605-1210	-	
11		2744077	Associate Dean, Admissions & Records	SAC	2/16/2024	183,199	Interim Assignment Nguyen, Hung#1030881 Eff:7/1/24-12/31/24	11-0000-620000-19205-1210	266,280	
11		2728215	Instructor, English	SCC	6/9/2024	101,748		11-0000-150100-25315-1110	133,568	
11		1026660	VP, Continuing Education-OEC	OEC	8/24/2024	173,609		11-0000-601000-28100-1210-95% 11-0000-684000-28100-1210-5%	251,653	385,221
11		2314075	Facilities Manager	SCC	6/7/2024	-	Hired CL24-00975 Francisco Gonzalez#2833315 Eff:11/4/24. Reorg1416 Eliminated Facilities Manager added Director, Physical Plant & Facilities	11-0000-651000-27400-2110	-	
									1,186,614	1,720,399
Fund	Classified	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes		2024-25 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11		1029249	Business System Analyst	District	7/12/2024	-	CL24-00827 Hired Chavez, Elisabeth#2613973 Eff:9/05/24	11-0000-678000-54144-2130	-	
11		2613973	Business System Analyst	District	11/12/2024	74,804		11-0000-678000-54144-2130	117,575	
11		2756963	Purchasing Services Assistant	District	3/12/2024	-	Hired CL24-00867 Suzanne Hoffman#2806472 Eff:7/9/24 Hired CL24-00883 Guadarrama, Aida#1264403 Eff:9/23/24	11-0000-677000-54151-2130	-	
11		1030325	Executive Secretary	District	3/24/2024	-		11-0000-673000-53110-2130	-	
11		2258588	Reprographics Technician	District	1/3/2024	26,670		11-0000-677000-52500-2310	36,338	
11		2312462	Senior Purchasing Clerk	District	7/15/2024	59,804		11-0000-677000-54151-2130	103,072	
11		2806472	Purchasing Services Assistant	District	1/6/2025	38,713		11-0000-677000-54151-2130	57,734	786,208
50%-fd 11		1025044	Network Specialist IV	District	12/31/2024	84,087	OOB Lammoglia,Fernando#238935 Eff:10/5/24-1/17/25	11-0000-678000-54145-2130	132,045	
50%-fd 12		2622222	Research Analyst	District	3/9/2023	-	CL23-00617 Lateral Transfer Kevin Kawan#239619 Eff:10/15/23	11-2410-679000-53340-2130-50% 12-3401-679000-53240-2130-50%	-	
11		1851190	Business Services Coordinator	District	10/19/2022	76,718		11-0000-701000-53350-2130	129,704	
11		1794928	Desktop Publishing Technician	District	11/4/2022	71,191		11-0000-677000-52600-2130	122,169	
11		1030000	Media Systems Electronic Technician, Lead	District	12/29/2023	52,184	WOC Stephen Avila#2322397 7/1/24-12/31/24	11-0000-678000-54142-2130	87,571	
60%-fd 11		1280163	Senior District Safety Officer	District	8/31/2023	-	Hired CL23-00734 Jehoich, Brandon#1983078 Eff:7/22/24	11-0000-677000-54166-2130-60% 12-3610-695000-54166-2130-40%	-	
50%-fd 11		1030824	Administrative Clerk	CEC	6/16/2024	-		11-0000-619000-18100-2130-50% 12-1101-619000-18100-2130-50%	-	
50%-fd 12		1754656	Division Administrative Assistant	SAC	9/30/2024	69,051		11-0000-601000-16100-2130	119,044	
11		2712369	P/T Student Services Specialist	SAC	2/14/2024	27,880	CL24-01023WOC Miller, Rebelah#1288894 Eff:7/1/24-12/31/24	11-0000-696000-19720-2310	37,987	
11		2771282	Student Services Coordinator	SAC	7/23/2024	69,920	WOC Paula Kincaid#2425277 Eff:8/20/24-12/18/24	11-0000-649000-19620-2130	118,166	
11		1588853	Administrative Clerk	SAC	8/20/2024	-	Hired CL24-01057 Chavarria, Kathy#2768065 Eff:12/9/24 WOC Joanne Mejia#1233047 Eff:6/24/24-12/31/24	11-0000-620000-18100-2130	-	
11		1026405	facilities Coordinator	SAC	5/12/2024	71,190	Hired CL24-00869 Maldonado, Vanessa#1687210 Eff:8/24/24 WOC Jasmine Barba#1271183 Eff:7/1/24-8/30/24	11-0000-683000-17100-2130	122,166	
36%-fd 11		2730594	Instructional Center Technician	SAC	1/26/2024	-		11-0000-632000-19510-2130-5% 11-2410-632000-19510-2130-31% 12-2412-632000-19510-2130-64%	-	
64%-fd 12		2768065	P/T Admissions/Records Specialist I	SAC	12/8/2024	14,131		11-0000-620000-18100-2310	14,739	
11		1759169	Custodian	SAC	11/24/2023	-	Hired CL24-00857 Applewhite, Neal#2814213 Eff:9/10/24	11-0000-649000-18100-2130-65% 12-1102-649000-18100-2130-35%	-	
11		2613973	Administrative Secratry	SAC	9/2/2024	65,731	CL24-01007	11-0000-620000-19205-2130	107,232	
65%-fd 11		2229410	High School & Community Outreach Specialist	SAC	12/15/2024	49,709		1102-649000-18100-2130-35%	76,036	
35%-fd 12		1374929	Custodian	SAC	11/3/2023	55,134		11-0000-653000-17200-2130	100,276	
11		1888390	111B-CF-TECH1	SAC	6/9/2024	61,972		11-0000-612000-15915-2130	95,450	
11		1026942	P/T Custodian	SAC	4/17/2024	23,223		11-0000-653000-17200-2130	24,222	
70%-fd 11		1029121	Division Administrative Assistant	CEC	6/9/2024	-	CL24-00962 Lateral Transfer Sanchez-Moreno, Marisol#2039925 Eff:11/12/24	11-0000-601000-18100-2130-70% 12-1102-601000-18100-2130-30%	-	
11		1026480	Custodian	SAC	6/1/2020	-	Hired CL24-00857 Carlton, Terry#2814203 Eff:8/19/24	11-0000-653000-17200-2130	-	
11		1027374	P/T Custodian	SAC	5/1/2022	22,118		11-0000-653000-17200-2310	30,136	
11		2339619	Research Analyst	SAC	10/14/2023	-	Hired CL23-00745 Jennica Powers #2778085 Eff:7/8/24	11-0000-679000-11600-2130	-	
11		1027162	Gardener/Utility Worker	SAC	12/31/2021	-	Hired CL23-00712 Rangel Alvarado, Andrew#2109151 Eff:5/22/2024	11-0000-655000-17300-2130	-	
65%-fd 11		1026316	High School & Community Outreach Specialist	SAC	12/31/2024	34,529		11-0000-649000-18100-2130-65% 12-1102-649000-18100-2130-35%	-	
35%-fd 12		1339369	Auxiliary Services Specialist	SAC	11/19/2019	22,661		11-0000-699000-14121-2130-35% 31-0000-691000-14121-2130-65%	58,231	2,622,252
11		1030245	High School & Community Outreach Specialist	SAC	6/30/2024	92,401		11-0000-649000-18100-2130	39,684	
11		1027926	Skilled Maintenance Worker	SAC	5/19/2024	82,205		11-0000-653000-17200-2130	142,199	
11		2018465	Senior Clerk	SAC	10/2/2022	59,429		11-0000-651000-17400-2130	145,120	
11		1030881	Admissions and Records Tech Specialist	SAC	11/24/2024	106,305		11-0000-646000-19405-2130 2410-620000-19205-2130-80% 11-2410-620000-19205-2130-20%	106,128	
11		1026315	Library Technician II	SAC	12/30/2023	-	Hired CL24-00821 Fisher, Ivette #1888390 Eff:6/6/24	11-0000-612000-15915-2130	177,980	
11		1029364	Instructional Media Producer	SAC	5/31/2024	-	Hired CL24-00981 Hamman, Tyler#2727286 Eff:7/29/24 Hired CL24-00954 Flores, Destiny #2313236 Eff:10/7/24	11-0000-679000-11501-2130	-	
11		2322951	Administrative Clerk	SAC	4/1/2024	-		11-0000-619000-15054-2130	-	
11		1379054	Skilled Maintenance Worker	SAC	1/3/2022	67,571		11-0000-651000-17400-2130	117,232	
11		1029552	Custodian	SAC	3/25/2024	69,829		11-0000-620000-18100-2130-82% 12-1102-620000-18100-2130-18%	126,772	
82%-fd 11		1025907	Admissions/Records Specialist I	SAC	8/16/2022	53,091		11-0000-655000-17300-2130	92,972	
18%-fd 13		1029186	Lead Custodian	SAC	7/31/2024	69,361		11-0000-655000-17300-2130	116,098	
11		2611615	Gardener/Utility Worker	SAC	5/3/2022	59,429		11-0000-655000-17300-2130	106,132	
11		1027925	Library Clerk	SAC	6/29/2024	74,177		11-0000-612000-15915-2130	134,174	
11		1904454	Senior Clerk	SAC	12/31/2023	59,429		11-0000-660000-11100-2130	106,132	
11		2039925	Division Administrative Assistant	SAC	11/11/2024	-	Hired CL24-01079 Hilton, Anna#2847966 Eff:1-7-2025	11-0000-601000-15105-2130	-	
11		1028966	HVAC Mechanic	SAC	11/2/2024	60,360		11-0000-651000-17400-2130	96,109	

**Vacant Funded Positions for FY2024-25- Projected Annual Salary and Benefits Savings
As of January 9, 2025**

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2024-25 Estimated Annual Budgeted Sal/Ben	Total Unnr. General Fund by Site
40%-fd 11	Student Services Specialist	REORG#1190	Student Services Specialist	SAC	12/29/2019	25,898	Reorg#1190 (Nguyen, Cang#1030027)	11-0000-632000-19510-2130-40% 12-2416-632000-19510-2130-60%	45,353	
11	Taylor, Katherine A.	1028961	P/T Admissions/Records Specialist I	SAC	10/1/2020	23,656		11-0000-620000-19205-2310-30% 11-2410-620000-19205-2310-70%	32,231	
50%-fd 11	Vu, Amy	2235583	Admissions/Records Specialist II	SAC	9/30/2023	-	Hired CL23-00748 Cabrera, Juan#2218013 eff:7/9/24	11-0000-620000-19205-2130-40% 11-2410-620000-19205-2130-10%	-	
75%-fd 11	Wilson, Gina	1028331	Graduation Specilaist	SAC	7/31/2024	79,288	WOC Tatekawa, Stephanie#2712439 Eff:8/1/24-6/30/25	11-0000-620000-19215-2130-40% 12-2412-649000-19205-2130-25%	134,253	
25%-fd 12	Yoder, Brian	1028171	Instructional Media Producer	SAC	9/1/2023	-	Hired CL23-00865 Collado Mendoza, Marcos#2633328 Eff:7/29/24	11-0000-679000-11501-2130	-	
82%-fd 11	Zambrano, Wendy	1338982	Adm/Rec Spec Senior	CEC	8/10/2023	-	Hired CL23-00747 Cardenas, Maria#1588853 Eff:8/21/24	11-0000-620000-18100-2130-82% 12-1102-620000-18100-2130-18%	-	
11	Bui, Mark	2792307	Auxiliary Services Specialist	SCC	11/22/2024	39,643		11-0000-696000-24129-2130-9% 0000-699000-24129-2130-91%	74,200	
11	Cruz, Edward	2356350	Instructional Center Technician	SCC	8/30/2024	49,940	Reorg1391	11-0000-493062-28200-2210 12-1542-649000-29905-2130-70%	91,464	
30%-fd 11	DelaTorre, Irma	1027036	Administrative Clerk	SCC	12/31/2024	16,359		11-0000-645000-29905-2130-30%	27,326	
70%-fd 12	Devora Murillo, Abraham	2326045	P/T Custodian	SCC	2/21/2024	-	Hired CL24-00859 Dominguez, Oswaldo#2740147 Eff:8/12/24	11-0000-653000-27200-2310	-	
60%-fd 11	Gardea, Maria Adilene	1292404	Admintrative Clerk	OEC	5/12/2024	7,680		11-0000-620000-28100-2130-60%, 12- 1102-620000-28100-2130-23% 12-2462- 620000-28100-2130-17%	26,434	
40%-fd 12	Gilbert, Jessica	1905429	PT Administrative Clerk	SCC	12/31/2023	27,880		11-0000-601000-25051-2310	37,987	
11	Gitonga, Kanana	1030388	International Student Coordinator	SCC	1/31/2019	-		11-0000-649000-29110-2130	-	
11	Godinez, Ismael	2633936	Custodian-GY	SCC	8/12/2024	50,964		11-0000-653000-28100-2130	91,875	
11	Hermen, Lisa	1027710	Senior Clerk	SCC	3/31/2022	-		11-0000-601000-25131-2130	-	
11	Hernandez, Guadalupe	1492326	Custodian	SCC	4/4/2023	51,287		11-0000-653000-27200-2130	95,032	
11	Kawafuchi, Emily	1239034	Transfer Center Specialist	SCC	4/16/2023	-	Hired CL24-00961 Lawrence, Dominic#2846963 Eff 1/6/2025	11-0000-631000-29305-2130	-	
11	Kelly, Ann	1030363	Executive Secretary	SCC	3/24/2024	-	Hired CL24-00876 Ambar - Nakagami#2333446 Eff:7/8/24	11-0000-679000-27105-2130	-	
11	Lasane, Jaysun	2229878	P/T Library Technician	SCC	10/13/2024	23,528		11-0000-612000-25430-2310	24,540	
11	Lara, Rene	2083849	Custodian	SCC	5/27/2024	-	Hired CL24-00933 Godinez, Ismael #26339936 Eff:8/12/24 He si not working GY.	11-0000-653000-27200-2130	-	1,149,446
11	Lopez Gomez, Valentin	1810444	P/T Custodian	SCC	2/21/2024	-	Hired CL24-00859 Reyes, Sergio#2670695 Eff:8/12/24	11-0000-653000-27200-2310	-	
11	McMinimy, Tawny	1030826	Auxiliary Services Specialist	SCC	12/10/2023	-	Hired CL24-00826 Mark Bui#2792307 Eff:6/26/24	11-0000-696000-24129-2130-9% 11-0000-699000-24129-2130-91%	-	
91%-fd 11	Melgoza, Angelica	1055577	High School & Community Outreach Specialist	SCC	6/17/2024	82,873		11-2250-643000-29335-2130-91% 12-2250-643000-29335-2130-9%	128,737	
9%-fd 12	Mendoza, Misael	2387469	Gardener/Utility Worker	SCC	5/28/2024	-	Hired CL24-00985 Sanchez Nunez, Hugo #2815472 Eff:8/28/24	11-0000-655000-27300-2130	-	
11	Nakagami, Ambar	2333446	facilities Coordinator	SCC	7/7/2024	82,923		11-0000-683000-27105-2130	142,849	
11	Nguyen, Jay	1062155	P/T Admission & Records Specialist I	SCC	10/31/2023	23,655		11-0000-620000-29110-2310	32,230	
11	Orellana, Yvette	1111601	Career Guidance Coordinator	SCC	8/9/2024	63,427		11-0000-634000-29320-2130	100,934	
11	Ramirez, Margarito	2443392	P/T Custodian	SCC	2/21/2024	-	Hired CL24-00859 Merino Gonzalez, Jaime#2596109 Eff:8/12/24	11-0000-653000-27200-2310	-	
11	Tolentino,Alfredo	2599392	P/T Gardener/Utility Worker	SCC	6/26/2024	-	Hired CL24-00977 Calderon, Alfredo#1586163 Eff:11/18/24	11-0000-655000-27300-2310	-	
11	Torres Gomez, Oscar	1030467	Lead Custodian	OEC	10/22/2024	51,084		11-0000-655000-28100-2130	84,799	
11	Tran, Kieu-Loan T.	1030029	Admission Records Specialist III	SCC	3/1/2020	64,745		11-0000-620000-29100-2130	113,380	
90%-fd 11	White Kathleen	1028519	Senior Accountant	SCC	5/12/2024	-	Reorg1418 elininated position	11-0000-691000-24126-2130-90% 0000-691000-24126-2130-10%	-	
10%-fd 31	Zul, Armida	1029218	Custodian	OEC	9/30/2024	50,515		11-0000-653000-28100-2130	77,659	
						2,740,351			4,557,906	
TOTAL						3,926,964			6,278,305	

Rancho Santiago Community College
FD 11/13 Combined -- Unrestricted General Fund Cash Flow Summary
FY 2024-25, 2023-24, 2022-23
YTD Actuals- December 31, 2024

	FY 2024/2025												
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	
Beginning Fund Balance	\$108,927,679	\$113,038,834	\$100,975,382	\$91,804,558	\$78,267,449	\$77,111,671	\$90,733,647	\$90,733,647	\$90,733,647	\$90,733,647	\$90,733,647	\$90,733,647	Total
Total Revenues	19,472,410	7,947,480	12,511,262	8,911,894	24,669,507	35,170,797	0	0	0	0	0	0	108,683,349
Total Expenditures	15,361,255	20,010,931	21,682,087	22,449,002	25,825,285	21,548,820	0	0	0	0	0	0	126,877,380
Change in Fund Balance	4,111,155	(12,063,451)	(9,170,825)	(13,537,109)	(1,155,778)	13,621,977	0	0	0	0	0	0	(18,194,031)
Ending Fund Balance	113,038,834	100,975,382	91,804,558	78,267,449	77,111,671	90,733,647	90,733,647	90,733,647	90,733,647	90,733,647	90,733,647	90,733,647	
	FY 2023/2024												
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	
Beginning Fund Balance	\$69,995,934	\$71,193,146	\$61,145,109	\$63,533,219	\$60,187,237	\$59,940,448	\$71,637,035	\$71,291,816	\$63,539,135	\$77,687,365	\$84,911,330	\$75,100,098	Total
Total Revenues	14,999,379	7,247,510	21,581,168	16,416,147	22,719,457	32,139,652	19,316,041	12,651,332	35,037,316	26,748,556	12,047,791	64,494,321	285,398,670
Total Expenditures	13,802,167	17,295,547	19,193,058	19,762,128	22,966,246	20,443,065	19,661,260	20,404,013	20,889,085	19,524,592	21,859,023	30,666,740	246,466,925
Change in Fund Balance	1,197,212	(10,048,037)	2,388,110	(3,345,982)	(246,789)	11,696,586	(345,219)	(7,752,681)	14,148,231	7,223,964	(9,811,231)	33,827,581	38,931,745
Ending Fund Balance	71,193,146	61,145,109	63,533,219	60,187,237	59,940,448	71,637,035	71,291,816	63,539,135	77,687,365	84,911,330	75,100,098	108,927,679	
	FY 2022/2023												
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	
Beginning Fund Balance	\$59,415,833	\$61,784,640	\$52,663,482	\$47,112,071	\$44,117,698	\$38,009,050	\$59,834,822	\$52,186,865	\$55,286,293	\$56,436,784	\$64,728,465	\$58,986,931	Total
Total Revenues	13,207,623	6,163,437	12,205,656	14,492,940	14,987,785	39,069,575	9,590,300	22,970,783	18,833,781	25,599,139	12,376,790	40,473,184	229,970,994
Total Expenditures	10,838,816	15,284,595	17,757,067	17,487,313	21,096,433	17,243,803	17,238,257	19,871,355	17,683,289	17,307,458	18,118,324	29,464,181	219,390,893
Change in Fund Balance	2,368,807	(9,121,158)	(5,551,411)	(2,994,373)	(6,108,648)	21,825,772	(7,647,956)	3,099,427	1,150,491	8,291,681	(5,741,534)	11,009,003	10,580,101
Ending Fund Balance	61,784,640	52,663,482	47,112,071	44,117,698	38,009,050	59,834,822	52,186,865	55,286,293	56,436,784	64,728,465	58,986,931	69,995,934	

Fiscal Resources Committee

Via Zoom Video Conference Call

1:32 p.m. – 2:14 p.m.

Meeting Minutes for November 20, 2024

FRC Members Present: Iris Ingram, Claire Coyne, Kelvin Leeds (for Grant), Noemi Guzman, Bart Hoffman, Tara Kubicka-Miller, Veronica Munoz, Adam O'Connor, Enrique Perez, Arleen Satele, Tommy Strong, and Venuri Weeraratne

FRC Members Absent: Sara Gonzalez, Chrissy Talarico, and Noah Villa,

Alternates/Guests Present: Jason Bui, Steven Deeley, Gina Huegli, Vaniethia Hubbard, Rasel Menendez, Thao Nguyen, Mark Reynoso, and Kennethia Vega

1. Welcome: Vice Chancellor Ingram called the meeting to order at 1:32 p.m. via zoom upon achieving quorum. Everyone was welcomed and introductions followed.
2. State/District Budget Update
 - SSC – CalPERS Employer Contribution Rate Estimates
 - SSC – Revenues Beating Budget Projections
 - SSC – New Poll on Education Bond Released
 - SSC – 2024 General Election Preview
 - SSC – School Facilities Bond Approved by Voters
 - SSC – Republicans Capture Federal Government Trifecta
 - DOF – [Finance Bulletin-October 2024](#)
 - [LAO Fiscal Outlook](#)

Ingram briefly referenced above articles/updates for further understanding.

3. 2023/24 CCFC-320 Recalculation Recap
O'Connor screenshared page 13 2023-24 FTES (RECALC) Actuals with Summer Shift Comparison to 2022-23 FTES (RECALC) Actuals of the meetings materials and reviewed comparisons for Recalc. Both colleges grew in 2023-24 vs. 2022-23 with SAC at 6.4% growth and SCC at 5.8% growth. Comparing the data to P-3, however, both colleges dipped a bit, but still produced exceptionally good growth. Overall, the numbers are positive for 2023-24.
4. Faculty Obligation Number (FON)
O'Connor continued by screensharing page 14 Full-Time Faculty Obligation (FON) Fall 2024 Compliance Form and discussed Fall 2024 FON at 356 total faculty with obligation at 289, which is over by 66 faculty. He explained this also occurred last year being over by 53 faculty which is a high number, however, in the last few years at both advance and P-2 when the faculty total is reviewed there were huge deficits at the State level that eventually goes away and gets trued up later in the fiscal year. For compliance, those deficits are taken into consideration. If there were no deficits, the obligation would have been 354 which is only 2 less than what we currently have. That large deficit lowers the FON significantly to 289. RSCCD is certainly in compliance.

O'Connor provided further clarification of the State deficit and stated RSCCD historically builds the deficit into the budget at 2% assuming the State will not have the full funding amount earned to pay the District. At the State level, the deficit is reviewed and updated multiple times throughout the year. Typically, that goes down after the year is over and during RECALC. During the year, if it appears like property tax and other revenue sources are not coming in as expected, an updated deficit factor is applied to each reporting period. That is taken into consideration when FON is calculated.

O'Connor continued to screenshare page 16 Full-Time Faculty Obligation Compliance Report RSCCD of the meeting materials that shows the comparison of FON for Fall 2023 vs. Fall 2024 that is broken down by college and districtwide report. This indicates SAC went down by 3 faculty, and SCC went up by 1. A difference of 2 faculty overall at 356 total faculty. He further referenced pages 17-18 that demonstrates the lower of advance and P-2 FON for RSCCD at 289 and 323, respectively. The lower of the two is used with advance FON at 289 for Fall 2024. The advanced FON for Fall 2025 is at 315 faculty. There is no need for the district to hire additional faculty to meet FON requirements. RSCCD is currently over FON, but that gets trued up at year end.

Questions were asked and answers provided for clarification of the information received with discussion that followed focused on 75% Full-Time faculty Statewide goal, enrollment losses and growth, unfunded FTES and forecast/track projected enrollment/targets. Ingram affirmed that enrollment is a college decision. Then reiterated the need to maintain balance of funds and programs that support the mission of the District. Unfunded FTES is not cause for panic, it is a piece of data to ensure the district remains healthy along with other policy discussions and strategies. These discussions occur in the Chancellor's Cabinet routinely as well as with the College President's Cabinet. O'Connor confirmed P-1 and P-2 reporting occurs within the academic year, while P-3 and Recalc is after the academic year.

5. 2024 RSCCD Districtwide Survey Results

Ingram referenced the Districtwide survey results. Discussion ensued with confirmation that survey participants are those that serve on district governance committees not the entire district. The response rate is about half of the participants.

6. Standing Report from District Council – (Kubicka-Miller)

Kubicka-Miller briefly reported on the activities of District Council meeting approving two new positions: 1) ITS – New Information Security Specialist; 2) Director, Special Programs – OCRC (restricted funds). Assistant VC Gonzalez and ITS team presented summary of ITS annual report for 2023-24 and all the work they accomplished. District Council also reviewed and discussed the results of the Districtwide Survey; reaffirmed District Council roles and responsibilities and had excellent discussion on goals to align with comprehensive educational plan. Goals will be brought back to District Council on December 2 to continue that discussion. In concluding her report, Kubicka-Miller noted routine reports from the regular committees were received by District Council as well.

7. Informational Handouts

- District-wide expenditure report link: <https://intranet.rscsd.edu>
- Vacant Funded Position List as of November 12, 2024
- Monthly Cash Flow Summary as of October 31, 2024
- [SAC Planning and Budget Committee Agendas and Minutes](#)
- [SCC Budget Committee Agendas and Minutes](#)

General informational handouts, links, and webpages above were referenced for further review.

8. Approval of FRC Minutes – October 16, 2024

A motion by Hoffman to approve the minutes of the October 16, 2024, meeting as presented was seconded by Guzman. By roll call vote the motion passed with Coyne and Weerarathne not present for the vote.

9. Other

There were no further comments, questions, or discussion.

Next FRC Committee Meeting:

The next FRC meeting is January 15, 2025, at 1:30-3:00 p.m. This meeting adjourned at 2:14 p.m. with a motion by Hoffman that was seconded by O'Connor.