

# COUNCIL ON BUDGET AND FACILITIES

February 9, 2026

2:00 p.m.

Anaheim Campus – Room 105

**Videoconferencing of the meeting will be available at Cypress College President's Conference Room and the Fullerton College President's Conference Room B**

## AGENDA

- |   |                 |                   |
|---|-----------------|-------------------|
| 1. Approval of the December 8, 2026 Summary Notes                                 | Erika Almaraz   | Action            |
| 2. Budget Update <ul style="list-style-type: none"><li>• Joint Analysis</li></ul> | Erika Almaraz   | Information       |
| 3. 2026-27 Budget Assumptions   | Erika Almaraz   | Review/Discussion |
| 4. Student-Centered Funding Metrics   | Erika Almaraz   | Review/Discussion |
| 5. Creation of the Resource Allocation Model (RAM) Workgroup                      | Erika Almaraz   | Action            |
| 6. Facilities Updates   | Budget Officers | Information       |
| 7. Future Meeting Dates:<br>March 9<br>April 13*                                  |                 |                   |

*\*Tentative meeting and will only take place if deemed necessary*

*\*\* Holiday – will be rescheduled if deemed necessary*

NOTE: The numerical order of items on this agenda is for convenience of reference. To promote efficiency and as an accommodation to the parties involved, agenda items may be taken out of order upon request of the Chair or Members of the CBF.

**COUNCIL ON BUDGET AND FACILITIES**  
**December 8, 2025**

**UNAPPROVED SUMMARY**

**Members Present:** Belinda Allan, Erika Almaraz, Terry Cox, Steven Estrada, Henry Hua, Rosana Islas, Tony Jake, Bridget Kominek, Kathleen McAlister, Michelle Patrick-Norng, Irma Ramos, Annika Rotana, Lourdes Valiente, Leslie Tsubaki and Fred Williams

**Members Absent:** Karla Frizler, Elaine Loayza, Jaclyn Magginetti, Marlo Smith, and Jennifer Vega La Serna

**Guests Present:** Tyler Deacy, Brandon Floerke, Khaoi Mady, Thu Nguyen, Joel Salcedo, Debbie Shandy, and Richard Williams

**Call to Order:** The meeting was called to order at 2:02 p.m.

1. **Summary:** The summary notes of November 10, 2025, were approved.

2. **Legislative Analyst Office (LAO) Report and Economic Forecast**

- Projecting a slightly higher deficit than last year.
- Revenues have increased, but expenditures have risen significantly, offsetting the gains.
- The projected deficit for FY 2026–27 is about \$18 billion.
- Looking further ahead (“out years”), the deficit could grow to about \$35 billion.
- The expectation is that the next few years will be financially lean.
- One key recommendation is to pay down state payment deferrals.
  - State deferrals are a budgeting practice where next year’s revenues are used to fund current year’s expenses, helping avoid immediate spending cuts.
- While this approach avoids short-term reductions, it creates ongoing financial strain in future years.

The Governors budget is expected to be released around January 10, 2026.

3. **Evaluation of the Resource Allocation Model (RAM)**

Erika Almaraz shared the budget assumptions that were used in developing the two budget models (Model #1 and Model #2).

Revenue

- COLA for 2026–27 estimated at 3.02%; clearer estimate in Jan 2026 with the Governor’s Budget.
- FTES budgeted flat at 2025–26 levels; 3-year average funding improving as enrollment trends up.
- SCFF allocations based on 2024–25 data; campus breakdowns are pending. Districtwide metrics improved, including a 14.9% increase in Pell recipients.

Expenditures

- Position Control as of December 5, 2025, was used. Vacant positions have been budgeted.
- Permanent salaries projected to increase 2.63% in 2026–27, pending available revenue; final rate known by June 2026.

- Cost of health and welfare benefits increase by COLA (3.02%)
- Retiree benefits: \$1.38M net cost, with \$7.38M pay-as-you-go partially offset by a \$6.0M trust withdrawal.

Extended Day Budgets in Model #1 and Model #2 are based on FY 2025-26 budgets increased by 2.63%. Note: Based on current year activity at this point, it is projected that the Extended Day Budgets in FY 2025-26 would be significantly overspent by the end of FY 2025-26.

	<u>Budget</u>	<u>Actuals</u> <u>5-MOS</u>	<u>Estimated</u> <u>December</u>	<u>Estimated</u> <u>12-MOS</u>	<u>Estimated</u> <u>Overspend</u>	
TOTAL	33,946,206	19,711,744	5,050,642	49,524,773	(15,578,567)	-46%
DS	650,000	-			650,000	100%
CC	12,415,162	7,171,835	1,885,721	18,115,113	(5,699,951)	-46%
FC	13,048,210	8,873,885	2,245,881	22,239,531	(9,191,321)	-70%
NOCE	7,832,834	3,666,025	919,042	9,170,132	(1,337,298)	-17%
					Est. Overspend FC & CC -->	(14,891,271)
					Est. Overspend FC & CC (with fringe)-->	(18,033,330)

Vice Chancellor Williams emphasized the importance of the campuses conducting an in-depth review of the estimated figures for more accurate assumptions, noting that current estimates are concerning.

Based on the discussions and feedback from the prior CBF and DCC meetings, the following models were presented for continued discussion:

Model #1 (previously discussed):

- The following departments serve all four budget centers (Cypress, Fullerton, NOCE, and District Services). It is proposed that all four budget centers share in the cost of funding these departments (Estimated total: \$1.4M). Existing advisory committees will continue to collaborate in the review of existing and future programs.
  - District Campus Safety (Org 1327) about \$169K - New
  - District Diversity, Culture, Inclusion (Org 1130) about \$277K
  - EEO & Compliance (Org 1425) about \$502K
  - Districtwide Staff Development (Org 1420) about \$448K
- It is proposed that a contingency between 0.5% to 3.0% of permanent positions in the Ongoing and Self-Supporting Funds be budgeted to set aside funds for districtwide increases that benefit all budget centers such as future negotiations and the Job Family Studies. This contingency is not meant to restrict future negotiations regarding salaries and benefits. This contingency would be reevaluated each year as part of the annual review of the RAM.
- It is proposed that beginning the fiscal year after this model is adopted, any current year surplus at District Services flow to the three campuses (Cypress, Fullerton, NOCE) based on the percentage of RAM revenue each generated during the fiscal year. Existing carryovers at District Services would be utilized to complete committed projects and purchases. District Services surpluses over the last two years were: \$4.6M (FY'25) and \$3.1M (FY'24).

Model #2

- Currently, the percentage of revenue allocated to District Service is 9.25%. It is proposed that the revenue percentage allocated to District Services be increased between 1.0% to 2.0% to fund ongoing expenses at District Services such as those listed below.
  - District Campus Safety (New)
  - Board Approved Sponsorships (Ongoing budgeted with One-Time)
  - Contract Management Software (Ongoing budgeted with One-Time)
  - Online Procurement Solution (Ongoing budgeted with One-Time)
  - Purchasing Legal Expense (Ongoing budgeted with One-Time)
  - Travel & Expense Management Solution (Requested)
  - Banner E-forms for Personnel Change Forms (Requested)
  - Reorganizations in IT and HR (Requested)

If the District were to keep the current model, District Services is the only center that would have a significant deficit. While a 0.5% increase would cover the \$1.2 million deficit, any additional requests reflected in the administrative reviews, items such as department reorganizations, software purchases, greenspace upkeep, etc., would not be covered.

To assist with planning, the Administrative Review process will now begin in January, allowing for more time to discuss requests.

Questions/Comments:

1. *What exactly is the Administrative Review and what are some examples of requests that are being made with the reviews?* The current process requires each area to complete an administrative review outlining accomplishments, priorities, and requests for ongoing and one-time funding. While a district-wide survey to assess services has been discussed, it is not yet part of the process. Key priorities emerging include significant IT staffing shortages following the unit's move under Administrative Services, resulting in a large project backlog. Addressing this backlog will require reallocating existing vacant positions or resources. Additional ongoing needs include staffing requests from other areas, a proposed permanent sustainability position, and major Anaheim campus infrastructure projects, such as fire alarm and transformer replacements, which are expected to carry substantial costs and will be reviewed in January.
2. *Could some districtwide automation efforts be funded with one-time carryover funds (e.g., system purchases rather than positions), and would enrollment growth generate sufficient ongoing revenue to support district services given the percentage-based funding model?* The District has followed a growth-focused model for the past five years, resulting in enrollment gains and improved numbers, including an earlier-than-expected exit from hold harmless. However, anticipated declines from changes to the attendance accounting model may offset some growth, so outcomes will need to be monitored and adjusted as conditions change. Enrollments continue to increase; however, additional information will be available once P-1 data is submitted.
3. *BP 6250 – Board Reserve. What are these funds intended for and when are we able to utilize these funds?* The funds are designated for emergencies, primarily to address short-term cash flow issues. These funds should only be used in emergency

- situations. If the Board Reserve is used, a clear plan must be established to replenish the funds.
4. *Have we already established the 2 months' worth of funding reserve?* We are close but have not fully reached the two-month funding target. Reducing expenditures could lower the required amount and help us meet this goal sooner.
  5. *Is it possible to have a workgroup similar to the one used during the last RAM revision?* Yes, this remains an ongoing discussion, and a workgroup can be formed. While a full revamp of the model is possible, with the 2026-27 budget cycle, 9.25% for District Services is the main concern. District Services will have a difficult time balancing budget.
  6. *The Faculty Senate has expressed interest in a more comprehensive and holistic review, particularly in light of the new administration and the need to incorporate broader concerns. The current approach addresses issues on a piece-by-piece basis, making it difficult to understand how individual components are connected.*
  7. *How can District Services expenses be reduced?* This would require a broader conversation focused on potential restructuring, rather than isolated adjustments.
  8. *Would that discussion occur as part of the Administrative Review?* This conversation would most likely need to originate with the CBF. Vice Chancellor Ramos noted that similar discussions have occurred in the past, and historically, when campuses are asked to assume additional responsibilities, they have expressed that they lack the capacity to do so. Dr. Tony Jake added that any reductions should be reviewed comprehensively, including an assessment of who would be impacted. If reductions occur at the District level, campuses may be required to absorb additional responsibilities.
  9. *Concerns and questions were raised regarding District-level departments that appear to overlap with services and functions already present on the campuses, including areas such as staff development and campus safety. Additionally, some District-initiated department restructuring such as DEIA and EEO & Compliance, were established without prior campus consultation or input. Constituent groups expressed interest in gaining clarity on the distinctions between District and campus department roles and responsibilities. It was further recommended that future District-level management positions or significant departmental changes be vetted through an established governance group. This process would provide an opportunity for campus stakeholders to offer input and to assess the potential impact, or lack thereof, at the campus level. Ongoing discussions emphasized districtwide values and raised concerns about expanding District Services funding and its potential financial implications for campuses. Erika Almaraz clarified that funds to increase the allocation to District Services would come from new revenue generated by increased FTES. No existing campus funds would be reduced; instead, the allocation would be taken from additional dollars before they are distributed to the campuses.*
  10. *A question came up at Cypress Senate about whether a lawsuit at Long Beach, which led to increased compensation for adjunct faculty, might affect other campuses.* It is not expected to filter down to other campuses. If the issue were to arise locally, the plan would be to address it in a way that avoids impacting the general fund, most likely by using the self-insurance fund instead.
  11. *Vice Chancellor Williams suggested providing CBF with a copy of the Administrative Reviews to initiate some discussion around the requests and accomplishments.*

By consensus, the January 12, 2026, CBF meeting was cancelled.

A proposal to form a workgroup charged with reviewing and making recommendations to the RAM will be placed on the agenda for the February 9, 2026, meeting.

#### **4. One-time Funding**

The Budget Officers considered several uses for the unallocated \$1.4 million, including funding for the Student Success Advocate program, setting aside funds for future Banner SaaS implementation, and/or reserving funds for a potential off-schedule employee payment at the end of FY 2025–26. After discussion, the Budget Officers are recommending action to set the funds aside for the anticipated off-schedule payment.

##### Questions/comments:

1. *Could you explain what the one-time off schedule payments are?* The one-time off-schedule payment stems from contingency language in the last collective bargaining agreement, which requires sharing additional revenues if the district grows out of hold harmless. Current projections suggest this is likely, though final confirmation depends on state reporting (P2) and potential deficit factors. If the District does come out of hold harmless, a sizable off-schedule salary increase, estimated at approximately 2.6%, would be issued and rolled into the base salary for the following year.
2. *How would the \$1.4 million be split among the campuses?* It would be split proportionately.
3. *Where would the dollars be pulled from if this recommendation was not approved?* Each budget center would need to come up with revenue to cover these expenses. While it is a one-time expenditure for 2025-26, it becomes an on-going expense for the subsequent years.

No opposition was made to use the dollars for the one-time off-schedule employee payment.

#### **5. Districtwide Sustainability Workgroup**

The District-Wide Sustainability Work Group was recommended by the DCC to operate as a sub-group of CBF. The primary purpose of the work group is to serve as a collaborative forum where the three Campus-Level Sustainability Committees partner with District Services to develop and recommend policies, procedures, and guidelines in support of the goals outlined in the 2024 District Sustainability Action Plan.

After review and discussion, the committee framework was approved. Members recommend engaging current campus sustainability faculty members to help recruit student participants. At a future meeting, the District Director of Sustainability will provide an update on the Sustainability Work Group's priorities for the next six months.

#### **6. Facilities Updates**

**Fullerton College** – Henry Hua provided an update on behalf of the campus.

- Wilshire chiller – SCE Power transfer will begin on December 18, starting with the water pipe transfer which will require remote work on 22 and 23, which is least impactful. Anticipated completion date is January 2, 2026.
- 300 Building – Substantial completion by end of January.
- PAC – Groundbreaking ceremony was held in November. Project is underway. Additional construction is contingent on the Wilshire chiller project.

- STEM building – Architect of record selected and user groups have been formed and met to discuss space needs and swing space necessities. Breaking ground anticipated in summer 2026.
- Softball Field – Staff are waiting to hear back from DSA in order to move forward.
- New Student Center Building and M&O – Project is in close out phase with the overall project under budget.
- 1100-1300 Building – Demolition to begin in 2028.

**Cypress College** – Dr. Tony Jake provided an update on behalf of the campus.

- FAR/VAPA – Project is over 75% complete. Raised flooring on the 3<sup>rd</sup> floor is complete, along with carpet installation. Mechanical machinery installation is underway, and the Restroom installation is nearing completion. Estimated completion date of Fall 2026.
- Health and Wellness Center Renovation – Ribbon cutting ceremony was held last week. Building is being occupied by staff and only punch list items remain. It was confirmed that Cypress received \$1.4M from HEERF funding.
- Softball field – Project completion date is still undetermined due to soil issues, which required a redesign of the project.
- LRC Exterior Patio Upgrades – Project was reevaluated to find possible cost reductions. Currently waiting for cost estimates after the revisions were submitted. Target completion date is still spring 2027.
- Central Plant – Currently waiting for comments back. Trane will submit packages to contractors for phase 2 proposals.
- Aviation – Tech Ed II – Simulators were donated, delivered, and installed. Simulators should be operational in spring 2026.
- Data Center – 60% construction documents have been reviewed. Awaiting DSA submittal in late January, early February.
- HRC- Project includes site restoration, including repaving. HRC anticipated to be open in 1-2 weeks
- Lot 8 Replacement – Lot currently under construction. Final corrections expected to be submitted to DSA by the end of December.

**Anaheim Campus** – Rick Williams provided an update on behalf of the campus.

- Signage - Completion of work is anticipated in late February, early March 2026.
- Green Space/Community Enhancement – Bidding for the project will be in March 2026 and is estimated to take 8-9 months.
- East Lot Portables – Pave West was selected as the contractor and will be taken to the Board in December to approval. Project completion is anticipated for May 2026.
- Admissions and Records Desk on 2<sup>nd</sup> floor – Project is currently on hold. Staff expect the project to be discussed in 2026.
- Elevator Upgrades – Project is currently on hold.
- Replacement Data Error Center – Project is underway and the shipment of equipment is anticipated in January 2026. Installations are to begin at the end of February.
- Mezzanine Electrical Room – P2S to provide a project proposal. No cost estimate currently.
- Fire Alarm Upgrade – Working with Johnson Controls for the most cost-effective choices to assist with the ongoing issues. This is a critical project for the Anaheim Campus.

The committee thanked Vice Chancellor, Fred Williams, for his services and wished him luck with his retirement.

**Meeting was adjourned at 3:53 p.m.**

# COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: February 4, 2026

From: Erika Almaraz, Executive Director, Fiscal Affairs

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1. AGENDA ITEM NAME

**Current Year Budget Update & Governor's 2026-27 Budget Proposal**

2. AGENDA ITEM ACTION (Please check one)

- Information Only  
 Review/Discussion  
 Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

**15 minutes**

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

**The Governor's Proposed Budget is fully balanced and projects \$42.3 billion in revenues above expectations in the 2025 Budget Act related to a stronger-than-expected stock market and investor enthusiasm surrounding artificial intelligence.**

- **For California Community Colleges, the budget proposal focuses on maintaining base funding stability and continued investment in priorities aimed at achieving Vision 2030 and Roadmap goals.**
- **Under the proposal, the overall state budget would be higher than in 2025-26, increasing by about 8.7% to \$348.9 billion, reflecting higher state receipts driven by stock market gains. General Fund spending would increase by nearly \$20 billion (8.7%) to \$248.3 billion.**
- **The proposal for additional ongoing spending includes \$240.6 million for a 2.41% cost-of-living adjustment (COLA) for community college apportionments and about \$30.6 million for COLAs and adjustments to certain categorical programs. It also includes \$87.2 million to cover systemwide enrollment growth of 1.5% over two years (\$55.3 million for growth of 1.0% starting in 2025-26 and \$31.9 million for 0.5% growth starting in 2026-27).**
- **One-time funding in the proposal includes \$120.7 million to address deferred maintenance, \$100 million for the Student Support Block Grant, \$36 million to fully scale the Common Cloud Data Platform, and \$35 million to scale and institutionalize the Credit for Prior Learning Initiative.**

- **The Governor’s proposal includes capital outlay funds from Proposition 2 to support 39 projects. This includes \$25 million in Proposition 2 funding for the Fullerton College STEM Vocational Center.**

**Additional Considerations**

- **As state revenue projections rely heavily on the artificial intelligence boom, a downturn in the stock market continues to be a significant risk.**
- **Although the California Community College system requested to fund credit FTES at the higher of the three-year average or the amount reported in the current year, this was not included in the Governor’s Proposed Budget.**

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

# *Joint Analysis*

## Governor's January Budget

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January 9, 2026



California Community Colleges



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COMMUNITY COLLEGE  
LEAGUE OF CALIFORNIA

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# Purpose of Report

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

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

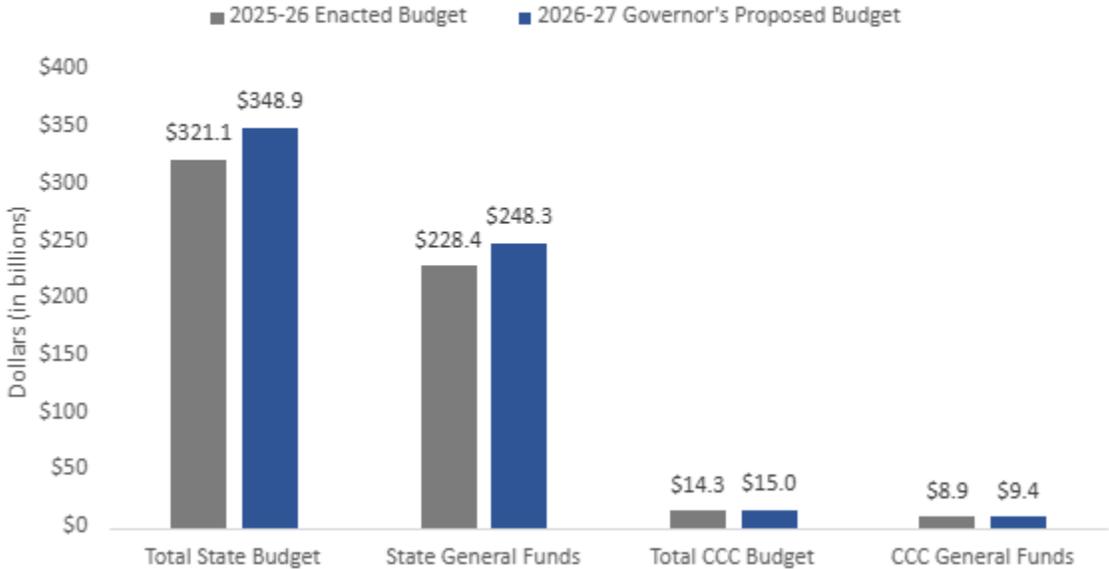
Its purpose is to provide information about the Governor’s January budget proposal as a common resource for each organization’s further analyses and advocacy efforts. Over the next several months, updated analyses will describe any proposed trailer bills, the Governor’s May Revision, and the enacted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

# Summary of Key Budget Changes

Today, Governor Newsom released his budget proposal for the 2026-27 fiscal year. Following are some key changes in the proposal compared to the enacted budget for 2025-26.

- Under the proposal, the overall state budget would be higher than in 2025-26, increasing by about 8.7% to \$348.9 billion, reflecting higher state receipts driven by stock market gains. General Fund spending would increase by nearly \$20 billion (8.7%) to \$248.3 billion.

Figure 1: Proposed 2026-27 budget reflects increase of about \$27.8 billion from 2025-26 (dollars in billions).



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

- The proposal for additional ongoing spending includes \$240.6 million for a 2.41% cost-of-living adjustment (COLA) for community college apportionments and about \$30.6 million for COLAs and adjustments to certain categorical programs. It also includes \$87.2 million to cover systemwide enrollment growth of 1.5% over two years (\$55.3 million for growth of 1.0% starting in 2025-26 and \$31.9 million for 0.5% growth starting in 2026-27).
- One-time funding in the proposal includes \$120.7 million to address deferred maintenance, \$100 million for another investment in the Student Support Block Grant, \$36 million to fully scale the Common Cloud Data Platform, and \$35 million to scale and institutionalize the Credit for Prior Learning Initiative.
- The Governor’s proposal includes capital outlay funds from Proposition 2 to support 39 projects.

## State Budget Overview

The Governor’s Budget proposes some additional ongoing foundational resources for California Community Colleges, along with a few one-time investments.

### BUDGET REFLECTS ONGOING FISCAL UNCERTAINTY

The 2025 Budget Act was enacted in the context of an expected budget shortfall in 2026-27 of nearly \$13 billion, making it the fourth year in a row the state had to address budget deficits. The last several budgets used reductions in one-time spending, withdrawing reserves, deferrals, program reductions, and internal fund shifts and borrowing to close annual shortfalls. The Governor’s Budget reflects a workload budget without significant new proposals, addressing a deficit now estimated at \$2.9 billion (rather than the roughly \$13 billion expected in the 2025 Budget Act).

### Both Revenues and Costs Running Above Projections

The proposed budget for 2026-27 projects \$42.3 billion in revenues above expectations in the 2025 Budget Act related to a stronger-than-expected stock market and investor enthusiasm surrounding artificial intelligence. The [Legislative Analyst’s Office](#) (LAO) recently projected substantially lower revenues and a higher deficit (about \$18 billion) than the Governor’s proposal assumes, arguing that higher state revenues based on a stock market rally in technology may not be sustainable. The LAO cautioned that high borrowing costs and tariffs are putting cost pressures on families and businesses and noted that payroll job growth and sales of taxable goods have been flat, reflecting consumer pessimism and business uncertainty. Its three-year forecast suggests that, even without a stock market downturn or recession, revenues are unlikely to grow fast enough to catch up to high spending growth. Costs are higher across statewide expenditure categories, particularly in health and human services programs like Medi-Cal and CalFresh that will have further cost pressures related to federal [policy changes](#). The LAO concluded that ongoing structural budget deficits are growing, the state’s budget position is weak,

and its resilience is waning after several years of addressing budget problems primarily with temporary solutions.

The Administration acknowledges the risks posed by significant revenue volatility and cost pressures from federal policy actions and intends to monitor the issues over the next few months to incorporate into its revised proposal in May. The Administration plans to present a proposal for balanced budgets in both 2026-27 and 2027-28 at that time, consistent with its intent to do two-year budget planning.

### **Budget Reserve Resiliency Waning**

The Governor’s budget proposal reflects \$23 billion in total reserves at the end of 2026-27, including:

- \$14.4 billion in the Budget Stabilization Account (BSA, or “Rainy Day Fund”);
- \$4.1 billion in the Public School System Stabilization Account (PSSSA); and
- \$4.5 billion in the Special Fund for Economic Uncertainties (SFEU).

As agreed to following passage of the 2024 budget, Assembly Bill 179 (Chapter 997, Statutes of 2024) created a “temporary holding account” to preserve a portion of any projected surplus for use in future fiscal years (a provision designed as a pilot project scheduled to sunset after 2030, unless extended). Over the last two years, the state has withdrawn \$12.2 billion from the BSA and suspended deposits in the fund, creating “true-up” requirements. The Governor’s Budget proposes to suspend the \$2.8 billion “true up” for 2025-26 but make a small “true-up” for 2024-25 and a deposit of about \$3 billion for 2026-27.

## **PROPOSITION 98 ESTIMATES ADJUSTED UPWARD**

### **Minimum Guarantee for K-14 Education Increases**

Each year, the state calculates a “minimum guarantee” for school and community college funding based on a set of formulas established in Proposition 98 and related statutes. To determine which formulas to use for a given year, Proposition 98 lays out three main tests that depend upon several inputs including K-12 attendance, per capita personal income, and per capita General Fund revenue. Depending on the values of these inputs, one of the three tests becomes “operative” and determines the minimum guarantee for that year. The state rarely provides funding above the estimated minimum guarantee for a budget year. As a result, the minimum guarantee determines the total amount of Proposition 98 funding for schools and community colleges. Though these formulas determine total funding, they do not prescribe the distribution of funding within the segments. The Governor and Legislature have significant discretion in allocating funding to various programs and services, although K-12 is typically allocated roughly 89% of available funds while 11% goes to community colleges.

Table 1 shows the budget’s estimates of the minimum guarantee for the prior, current, and budget years, with Test 1 in effect across all three years, setting the guarantee at roughly 40% of the overall state General Fund.

The community college share of Proposition 98 funding is at the traditional share of approximately 11% in all three years, with the calculated share being 11.26% in 2024-25. As described by the [LAO](#), this traditional split is complicated by different enrollment trajectories in K-12 and community colleges. [Estimates](#) suggest that K-12 enrollment is projected to decline by over half a million students by 2031-32 while community college enrollment is projected to increase. In addition, declining K-12 enrollment can reduce the growth of the overall guarantee under Tests 2 and 3, should those tests become active, potentially resulting in increased competition for limited dollars and politically delicate deliberations in the Legislature over the appropriate allocation of resources between local educational agencies and community college districts. For 2025-26, the Administration’s Proposition 98 package supports \$88.7 million in current-year SCFF costs using prior-year resources for the community colleges.

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

Source	2024-25 Revised	2025-26 Revised	2026-27 Proposed	Change From 2025-26 (Amount)	Change From 2025-26 (Percent)
<b>ALL PROPOSITION 98 PROGRAMS</b>					
General Fund	\$91,197	\$87,473	\$89,877	\$2,404	2.7%
Local property tax	32,636	33,947	35,604	\$1,657	4.9%
Totals	\$123,833	\$121,420	\$125,481	\$4,061	3.3%
<b>COMMUNITY COLLEGES ONLY <sup>a</sup></b>					
General Fund	\$9,794	\$8,441	\$9,326	\$885	10.5%
Local property tax	4,335	4,558	4,785	\$227	5.0%
Totals	\$14,129	\$12,999	\$14,111	\$1,112	8.6%

<sup>a</sup> CCC totals include resources that go to the K-12 system via the Adult Education, Apprenticeship, and K-12 Strong Workforce programs.

### Estimates for Current and Prior Years Have Increased

The estimates of the Proposition 98 minimum guarantee for 2024-25 and 2025-26 increased as compared to projections when the 2025-26 budget was enacted in June of last year. Changes to the estimates can occur if school enrollment, economic growth, or state revenues turn out to be different than expected. Specifically, the revised estimates for the prior and current years are substantially higher than was projected in June because of higher-than-expected revenues and constitutional mandates allocating about 40 cents of each dollar in higher revenues to K-14 education. After accounting for revised cost projections, settle-up funding (based on providing K-14 funding below the estimated guarantee for 2024-25), and the 2025-26 State Budget’s reliance on one-time funds and deferrals to cover ongoing K-14 programs, much of this funding increase is required to support baseline needs in 2026–27. The Governor’s Budget proposes to pay off the \$1.9 billion settle-up created in 2024-25 but creates a new settle-up obligation of \$5.6 billion for 2025-26 related to ongoing fiscal uncertainty (making the funded level of the

guarantee for 2025-26 \$115.9 billion). The Administration will review updated factors for calculating Proposition 98 as part of its May Revision to the budget proposal.

### **District Funding Floor Remains in Place**

While the 2021 Budget Act's hold harmless provision for the Student Centered Funding Formula (SCFF) expired at the end of 2024-25, the modified revenue protections included in the 2022 Budget Act took effect in the current year. Under that provision, a district's 2024-25 funding represents its new "floor." Districts will be funded at their SCFF generated amount for the year or their "floor" (2024-25 funding amount), whichever is higher. This funding protection does not include adjustments to reflect cumulative COLAs over time, as was the case with the hold harmless provision in effect through 2024-25, so a district's hold harmless amount will not grow.

### **Withdrawal from Public School System Stabilization Account (PSSSA)**

Proposition 2, approved by voters in November 2014, created the PSSSA, a state reserve fund for schools and community colleges. Under Proposition 2, transfers are made to this account if several conditions are satisfied. Specifically, the state must have paid off all Proposition 98 debt created before 2014-15, the minimum guarantee must be growing more quickly than per capita personal income, and capital gains revenues must exceed 8% of total revenues. In tight fiscal times, the state must withdraw funding from the reserve to supplement the funding schools and community colleges receive under Proposition 98. The Governor's budget proposal includes a \$407.1 million mandatory withdrawal for 2026-27, with \$44.5 million earmarked for community college apportionment.

Though these transfers change *when* the state spends money on schools and community colleges, they do not directly change the *total amount* of state spending for schools and community colleges across fiscal years. Specifically, transfers to the PSSSA count toward Proposition 98 totals in the year the transfer is made. As a result, appropriations to schools and community colleges in such a year could be lower than otherwise required by Proposition 98. However, in a year when money is spent out of this reserve, as in the proposal for 2026-27, the amount transferred back to schools and community colleges is over and above the Proposition 98 amount otherwise required for that year.

### **California Community Colleges Funding**

The Governor's Budget includes about \$429 million in ongoing policy adjustments for the community college system, compared to 2025-26 expenditure levels, as reflected in Table 2. The system would receive approximately \$1.2 billion in additional funding for one-time and ongoing programs and initiatives, after accounting for technical adjustments.

**Table 2: Proposed 2026-27 Changes in Proposition 98 Funding for the System (In Millions)**

POLICY ADJUSTMENTS	
<b>Ongoing (Proposition 98)</b>	
SCFF COLA (2.41%)	\$240.6
SCFF growth 2025-26 (1.0%)	\$55.3
Increase in support for Calbright College	\$38.1
SCFF growth 2026-27 (0.5%)	\$31.9
Adult Ed COLA (2.41%)	\$16.1
California Healthy School Pathway Program	\$14.3
Reallocate funds to Basic Needs Centers	\$8.0
Common Cloud Data Platform	\$5.0
Extended Opportunity Programs and Services (EOPS) COLA (2.41%)	\$4.6
Disabled Student Programs and Services (DSPS) COLA (2.41%)	\$4.3
Credit for Prior Learning	\$2.0
Mandates Block Grant COLA (2.41%) and enrollment-based adjustments	\$1.6
CalWORKs Student Services COLA (2.41%)	\$1.4
Financial aid administration adjustments	\$1.2
Apprenticeship (community college districts RSI) COLA (2.41%)	\$0.9
Cooperative Agencies Resources for Education (CARE) COLA (2.41%)	\$0.8
Equal Employment Opportunity Program	\$0.3
Childcare Tax Bailout COLA (2.41%)	\$0.1
Reallocate funds from the Classified Employee Summer Assistance Program	-\$8.0
<b>Subtotal Ongoing (Proposition 98) Policy Adjustments</b>	<b>\$418.1</b>
<b>One-Time (Proposition 98)</b>	
Deferral Repayment	\$408.4
Deferred Maintenance	\$120.7
Student Support Block Grant	\$100.0
Cover SCFF shortfall for 2025-26	\$88.7
Common Cloud Data Platform	\$36.0
Credit for Prior Learning	\$35.0
Backfill Apprenticeship Funding Shortfall	\$13.4
<b>Subtotal One-Time Policy Adjustments</b>	<b>\$802.2</b>

<b>TECHNICAL ADJUSTMENTS</b>	
Student Centered Funding Formula (SCFF) other base adjustments (aside from COLA and Growth) <sup>a</sup>	-\$11.2
<b>Subtotal Technical Adjustments</b>	<b>-\$11.2</b>
<b>TOTAL CHANGES</b>	<b>\$1,209.3</b>

<sup>a</sup> SCFF technical adjustments include DOF's estimates of workload measures including reported FTES, supplemental, and success metrics.

Compared to the 2025 Budget Act, the estimated and proposed Total Computational Revenue (TCR) for the SCFF increases by \$261 million, from \$10.15 billion to \$10.41 billion. This reflects a proposed COLA of 2.41% (\$240.6 million) and FTES growth of 0.5% (\$31.9 million) and modified estimates for the funding floor and other underlying estimation factors. Further, the following adjustments are reflected in associated offsetting revenues (all comparisons are from the 2025-26 Budget Act to the 2026-27 Governor's Budget proposal):

- Property tax revenues are estimated to increase by \$346.4 million from \$4.44 billion to \$4.78 billion.
- Enrollment Fee revenues are estimated to decrease by \$0.9 million from \$433.5 million to \$432.6 million.
- Education Protection Account funding is estimated to increase by \$356 million from \$1.30 billion to \$1.65 billion.

Table 3 reflects the 2025-26 rates, along with the projected rates for 2026-27, as modified by COLA. Table 4 shows the estimated rates for college types and centers.

**Table 3: Proposed 2026-27 Student Centered Funding Formula Rates (rounded)**

Allocations	2025-26 Rates*	Estimated Proposed 2026-27 Rates*	Estimated Change from 2025-26 (Amount)	Estimated Change from 2025-26 (Percent)
Base Credit*	\$5,416.20	\$5,546.73	\$130.53	2.41%
Incarcerated Credit*	\$7,595.29	\$7,778.34	\$183.05	2.41%
Special Admit Credit*	\$7,595.29	\$7,778.34	\$183.05	2.41%
CDCP	\$7,595.29	\$7,778.34	\$183.05	2.41%
Noncredit	\$4,567.26	\$4,677.33	\$110.07	2.41%
Supplemental Point Value	\$1,280.76	\$1,311.62	\$30.87	2.41%
Student Success Main Point Value	\$755.21	\$773.41	\$18.20	2.41%
Student Success Equity Point Value	\$190.49	\$195.08	\$4.59	2.41%

<sup>a</sup>Ten districts receive higher credit FTES rates, as specified in statute.

**Table 4: SCFF Rates for Colleges and Centers (rounded)**

Basic Allocation	2025-26	Proposed 2026-27	Change from 2025-26 (Amount)	Change from 2025-26 (Percent)
<b>Single College District</b>				
Small College	\$6,658,143.47	\$6,818,604.73	\$160,461.26	2.41%
Medium College	\$8,877,528.70	\$9,091,477.14	\$213,948.44	2.41%
Large College	\$11,096,910.43	\$11,364,345.98	\$267,435.54	2.41%
<b>Multi College District</b>				
Small College	\$6,658,143.47	\$6,818,604.73	\$160,461.26	2.41%
Medium College	\$7,767,836.95	\$7,955,041.83	\$187,204.87	2.41%
Large College	\$8,877,528.70	\$9,091,477.14	\$213,948.44	2.41%
Designated Rural College	\$2,117,699.79	\$2,168,736.36	\$51,036.57	2.41%
State Approved Centers	\$2,219,381.74	\$2,272,868.84	\$53,487.10	2.41%
<b>Grandparented Centers</b>				
Small Center	\$277,424.68	\$284,110.62	\$6,685.93	2.41%
Small Medium Center	\$554,845.87	\$568,217.66	\$13,371.79	2.41%
Medium Center	\$1,109,690.00	\$1,136,433.53	\$26,743.53	2.41%
Medium Large Center	\$1,664,535.87	\$1,704,651.18	\$40,115.31	2.41%
Large Center	\$2,219,381.74	\$2,272,868.84	\$53,487.10	2.41%

Appendix B compares the Governor’s proposed funding adjustments for the system in 2026-27 to the Board of Governors’ [budget request](#) for the year. Titled “Powering California’s Economy: Investing in Students, Workforce, and Innovation,” the request advances the system’s commitment to Vision 2030 by seeking targeted investments and policy changes that would provide colleges and students with the tools they need to meet California’s diverse economic and workforce needs. Below, we highlight a few of the Administration’s funding and policy proposals, with some context for how the proposals relate to Vision 2030 goals and the system’s budget request. Later in this analysis, we detail local funding by program, capital outlay funding, and state operations.

## MAJOR POLICY DECISIONS AIM FOR STABILITY AND CONTINUATION OF RECENT PRIORITIES

The proposed budget provides funding for a COLA and enrollment growth, with one-time funds again targeted toward improving technology tools to facilitate student progress and movement, expanding credit for prior learning, and providing students with targeted supports. Additional details about some proposals will be included in trailer bill language as the budget process moves forward.

### Provides Funds for 2.41% COLA for Apportionments and 1.5% Growth

The proposal includes an increase of \$87.2 million **ongoing** across 2025-26 and 2026-27 to fund 1.5% enrollment growth (\$55.4 million for 1% growth starting in 2025-26 and \$31.9 million for 0.5% growth starting in 2026-27). It includes \$240.6 million **ongoing** to support

a COLA of 2.41% for apportionments and another \$30.6 million **ongoing** to support a COLA of 2.41% for Extended Opportunity Programs and Services, Disabled Students Programs and Services, Apprenticeships, CalWORKs Student Services, and the Adult Education program. The proposal fully repays the \$408.4 million deferral included in the 2025 Budget Act and does not propose additional deferrals. The proposal does not address the system's request for policy changes to eliminate the 10% cap on funded FTES growth and to fund credit FTES at the higher of the three-year average or the amount reported in the current year.

### **Addresses Facilities Needs**

While the Governor's Budget does not provide ongoing funds for deferred maintenance as requested by the system to begin tackling the estimated needs that exceed \$2 billion, the proposal does include \$120.7 million **one-time** for deferred maintenance needs and special repairs of facilities. This would be the first time the system has received funds for deferred maintenance since the 2022-23 Budget Act.

### **Invests in Scaling Common Cloud Data Platform**

Responding to the system's budget request, the Governor's Budget proposes an additional investment of \$36 million **one-time** and \$5 million **ongoing** to scale up the Common Cloud Data Platform that received one-time funds in the 2025 Budget Act. The platform will address the fragmented data infrastructure across the colleges by integrating a suite of technology tools, including e-Transcripts, the Mapping Articulated Pathways (MAP) platform, and Program Pathways Mapper. The system's goal is to enhance statewide reporting, data sharing, and analytical ability across districts and the Chancellor's Office. A shared technology infrastructure will improve institutional performance, strengthen accountability, and improve efficiency to enhance the public's return on investment in community colleges, and the system aims to onboard all districts to a shared infrastructure by 2030. As mandated by the 2025-26 State Budget, the Chancellor's Office will report to the Department of Technology and the Department of Finance on the project's progress by January 15, 2026, including the scope, schedule, and estimated cost of full implementation. Those departments will provide an assessment of the value of further development and expansion of the platform to relevant policy and fiscal committees of the Legislature by March 31, 2026.

### **Provides Additional Funds to Institutionalize Credit for Prior Learning**

Also responding to the system's budget request and building on prior investments, the Governor's proposal includes \$35 million **one-time** and \$2 million **ongoing** for the Credit for Prior Learning (CPL) Initiative. CPL received funding in the 2024 and 2025 state budgets, and is aimed at providing opportunities for veterans, working adults, and apprentices with a jumpstart of up to one year on completing a degree while reducing debt and preserving benefits for higher degree completion. According to trailer bill language accompanying the 2025-26 State Budget, the initiative is:

- Developing systemwide processes to identify and notify students who qualify for degree-applicable or certificate-applicable CPL and a systemwide technology infrastructure to facilitate that effort;
- Convening systemwide faculty workgroups to promote the adoption of systemwide credit recommendations for prior learning; and
- Partnering with system stakeholder groups, workforce agencies, industry organizations, and independent educational institutions to identify and promote CPL opportunities.

The goal, according to the system budget request, is to implement CPL at every college district to ensure equitable access for students and to ensure that job training and college are not treated as mutually exclusive enterprises. While systemwide infrastructure, policy, and technology are increasingly in place, more than half of colleges have yet to begin offering and documenting CPL, so additional investments are intended to further scale and institutionalize the practice.

### **Extends Investment in Student Support Block Grant**

The 2025 Budget Act included \$60 million one-time to establish the Student Support Block Grant, allocated to districts according to a formula that provided each district with a base amount of \$150,000 and distributed remaining funds based on student headcount and the number of students receiving fee waivers and exemptions from nonresident tuition. While the system requested ongoing funding for targeted support for certain learner populations, the Governor’s proposal for 2026-27 instead includes an additional \$100 million **one-time** to enhance existing student support programs through this block grant, which emphasizes skills-based learning, career pathways, and student equity, as detailed in a recent [guidance memo](#) from the Chancellor’s Office.

As specified in the current-year budget, districts can use block grant funds until June 30, 2029 to provide students help with food, housing, transportation, and other basic needs; childcare or other assistance for student parents; academic or financial aid advising; legal and other support services; mental health services; and/or job placement or other employment assistance. Districts are required to report annually on the use and impact of the funds, with the Chancellor’s Office reporting to the Legislature on July 1, 2028 and July 1, 2030.

### **Increases Funding for Calbright**

The budget proposal includes an additional \$38.1 million **ongoing** for California Statewide Community Colleges (Calbright College) to support and provide stable funding in base operations as it transitions out of its startup capacity. The college currently receives \$15 million per year to offer free online programs geared toward helping individuals acquire and improve skills for in-demand jobs, which would increase to \$53.1 million. The Governor’s proposal also includes an ongoing COLA for Calbright.

### **Provides Additional Funds for Training Food Service Workers**

The 2022 Budget Act included \$10 million one-time for the community colleges as part of the California Health School Food Pathway Program, a workforce development program

aimed at training food service workers to prepare healthy meals for K-12 students. The Governor's proposal for 2026-27 invests an additional \$14.3 million **one-time** in community colleges for this program.

### **Continues Use of Strong Workforce Program Funds for Nursing**

The 2024 Budget Act earmarked \$60 million of Strong Workforce Program funds to nursing program expansion via the Rebuilding Nursing Infrastructure Grant Program, intending to expand nursing programs and partnerships over five years via \$60 million allocations each year to support the grant program. While the system requested one-time funds to fully restore the Strong Workforce Program to its base funding level, the Governor's proposal includes this provision for a third year, allocating \$60 million from the Strong Workforce Program for the RNI Grant Program.

### **Shifts Funds to Support Classified Employee Basic Needs**

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

### **Supports Dual Enrollment Through K-12**

The system requested one-time funds for the Chancellor's Office to support a California Community Colleges College and Career Access Pathways (CCAP) Grant Program that would provide a source of funding for all colleges to develop or expand dual enrollment partnerships with local education agencies. While the specific request is not included in the Governor's Budget, the proposal does include \$100 million one-time for dual enrollment activities under the K-12 side of the budget. The Administration has indicated that additional details regarding this investment will be negotiated with the Legislature through the trailer bill process.

### **Makes Changes to Education Governance**

The Governor's Budget includes a proposal to move oversight of the California Department of Education and ultimate responsibility for state oversight and support of local educational agencies under the State Board of Education. The move is intended to reduce fragmentation and streamline accountability for TK-12 education. The [proposal](#) also would expand and strengthen the State Superintendent of Public Instruction's (SPI) role in fostering coordination and alignment of state education policies from early childhood through postsecondary education. For the community colleges, this would include adding the SPI to the Board of Governors. Reforming education governance has long been recommended in [legislative](#) and [independent](#) reports and, along with last year's proposal to establish the California Education Interagency Council (Assembly Bill 95, Fong), represents the Administration's efforts to better align policies and planning and improve student pathways across the state's education and workforce systems.

## LOCAL SUPPORT FUNDING IS LARGELY STABLE FOR ONGOING PROGRAMS

Table 5 shows proposed ongoing local assistance funding by program for the current and budget years. As the table shows, most categorical programs received level or workload funding in the Governor’s proposal, with certain programs receiving cost-of-living adjustments. Decreases in funding are related to revised estimates of underlying factors or removal of one-time funds. Table 6 shows one-time spending proposals.

**Table 5: California Community Colleges Ongoing Funding by Program<sup>a</sup> (In Millions)**

Program	2025-26 Revised	2026-27 Proposed	Change Amount	Percent Change	Explanation of Change
Student Centered Funding Formula	\$10,148.88	\$10,410.22	\$261.34	2.58%	COLA, growth, SCFF technical adjustments
Adult Education Program – Main <sup>b</sup>	674.16	690.26	16.10	2.41%	COLA
Student Equity and Achievement Program	523.98	523.98	0.00	0.00%	
Student Success Completion Grant	412.60	412.60	0.00	0.00%	
Strong Workforce Program	290.40	290.40	0.00	0.00%	Of this funding, \$60 million shall be available annually to support the Rebuilding Nursing Infrastructure Grant Program from 2024-25 through 2028-29.
Part-time faculty health insurance	200.49	200.49	0.00	0.00%	
Extended Opportunity Programs and Services (EOPS)	189.30	193.86	4.56	2.41%	COLA
Disabled Students Programs and Services (DSPS)	178.69	182.99	4.31	2.41%	COLA
Full-time faculty hiring	150.00	150.00	0.00	0.00%	
Integrated technology	89.50	94.50	5.00	5.59%	Ongoing funds added for Common Cloud Data Platform
California College Promise (AB 19)	91.21	91.21	0.00	0.00%	
Financial aid administration	83.73	84.92	1.19	1.42%	Waived fees and per unit adjustment
CalWORKs student services	56.92	58.29	1.37	2.41%	COLA
NextUp (foster youth program)	54.11	54.11	0.00	0.00%	
California Online Community College (Calbright College)	15.00	53.10	38.10		Ongoing funds added

Basic needs centers	43.29	51.29	8.00	18.48%	\$8 million reallocated from the Classified Employee Summer Assistance Program to Basic Needs Centers for FY 2026-27 and FY 2027-28.
Mandates Block Grant and reimbursements	39.16	40.71	1.55	3.96%	COLA and enrollment-based adjustment
Mathematics, Engineering, Science Achievement (MESA)	39.42	39.42	0.00	0.00%	
Apprenticeship (community college districts RSI)	35.62	36.49	0.86	2.41%	COLA
Cooperative Agencies Resources for Education (CARE)	34.61	35.45	0.83	2.41%	COLA
Rising Scholars Network	35.00	35.00	0.00	0.00%	
Student mental health services	32.47	32.47	0.00	0.00%	
CA Apprenticeship Initiative	30.00	30.00	0.00	0.00%	
Institutional effectiveness initiative	27.50	27.50	0.00	0.00%	
Part-time faculty compensation	26.54	26.54	0.00	0.00%	
Part-time faculty office hours	23.63	23.63	0.00	0.00%	
California Virtual Campus	23.00	23.00	0.00	0.00%	
Economic and Workforce Development	22.93	22.93	0.00	0.00%	
Homeless and Housing Insecurity Program ("Rapid Rehousing")	20.56	20.56	0.00	0.00%	
California Healthy School Food Pathway Program	0.00	14.34	14.34	N/A	Ongoing funds added
Nursing grants	13.38	13.38	0.00	0.00%	
Puente Project	13.33	13.33	0.00	0.00%	
Equal Employment Opportunity Program	12.77	13.04	0.28	2.17%	Increase in available Equal Opportunity Fund
Lease revenue bond payments	12.86	12.86	0.00	0.00%	\$88k was added to FY 2025-26 and on an ongoing basis.
Dreamer Resource Liaisons	11.60	11.60	0.00	0.00%	
Student housing lease revenue bond payments	0.00	11.06	11.06	N/A	FY 25-26 was reduced from \$2.47 million to \$0. FY 26-27 was increased to \$11.06 million.
Veterans Resource Centers	10.82	10.82	0.00	0.00%	
Immigrant legal services through CDSS	10.00	10.00	0.00	0.00%	
Umoja	9.18	9.18	0.00	0.00%	
Asian American and Native Hawaiian and Pacific Islander (AANHPI) Student Achievement Program	8.00	8.00	0.00	0.00%	
Credit for Prior Learning Policies	5.00	7.00	2.00	N/A	Ongoing funds added

Foster Parent Education Program	6.15	6.15	0.00	0.00%	
Childcare tax bailout	4.42	4.53	0.11	2.41%	COLA
Rising Scholars Network- Textbooks/Digital Course Content for Inmates	3.00	3.00	0.00	0.00%	
Classified Employee Summer Assistance Program	10.00	2.00	-8.00	-80.00%	\$8 million reallocated from the Classified Employee Summer Assistance Program to Basic Needs Centers for FY 2026-27 and FY 2027-28.
Middle College High School Program	1.84	1.84	0.00	0.00%	
Academic Senate	1.80	1.80	0.00	0.00%	
Historically Black Colleges and Universities (HBCU) Transfer Pathway project	1.38	1.38	0.00	0.00%	
African American Male Education Network and Development (A2MEND)	1.10	1.10	0.00	0.00%	
FCMAT	0.77	0.77	0.00	0.00%	
Transfer education and articulation (excluding HBCU Transfer Pathway project)	0.70	0.70	0.00	0.00%	
Total	13,730.78	14,093.78	363.00	2.64%	

<sup>a</sup> Table reflects total programmatic funding for the system, including amounts from prior years available for use in the years displayed.

<sup>b</sup> The Adult Education program total includes resources that go to the K-12 system but are included in the CCC budget. The K-12 Strong Workforce program and K-12 Apprenticeship program are not listed above but are also included in the CCC budget.

**Table 6: California Community Colleges One-Time Funding by Program<sup>a</sup> (In Millions)**

Program	2025-26 Revised	2026-27 Proposed	Explanation of Change
Deferral Repayment	\$0.0	\$408.4	Adds one-time funds to pay off 2025-26 deferral
Deferred Maintenance	0.0	120.7	Adds one-time funds
Student Support Block Grant	60.0	100.0	Additional one-time funds
Cover SCFF Shortfall for 2025-26	0.0	88.7	Adds one-time funds
Common Cloud Data Platform	12.0	36.0	Additional one-time funds

Credit for Prior Learning	15.0	35.0	Additional one-time funds
Backfill Apprenticeship Funding Shortfall	6.3	13.4	Additional one-time funds

## CAPITAL OUTLAY INVESTMENTS ARE HIGHER

The Governor’s proposal includes \$736.8 million in capital outlay funding from Proposition 2, up from the \$68.5 million provided in the 2025 Budget Act. The funding is to support the preliminary plans and working drawings for 10 new projects and the construction phase for 29 continuing projects, as listed in Table 7. Over the next few months, as districts obtain State approval of their Preliminary Plans/Working Drawings package, the Governor’s revised budget will likely include them as a continuing project.

**Table 7: Capital Outlay Projects in the California Community Colleges (In Millions)**

District, College	Project	2026-27 State Cost	2026-27 Total Cost	All Years State Cost	All Years Total Cost
<b>NEW PROJECTS - Proposition 2</b>					
Chaffey, Chaffey College	Theater Building Renovation	\$1,489,000	\$2,143,000	\$17,848,000	\$25,040,000
Coast, Golden West College	Performing Arts Replacement	\$1,542,000	\$3,146,000	\$21,782,000	\$42,824,000
El Camino, El Camino College	New Interdisciplinary Science Center (Replacement)	\$4,259,000	\$9,883,000	\$64,089,000	\$146,927,000
Kern, Bakersfield College	BC Fine Arts Replacement	\$1,861,000	\$3,722,000	\$40,278,000	\$52,925,000
Kern, Porterville College	PC Career Technology Building	\$2,250,000	\$3,541,000	\$26,067,000	\$50,944,000
Los Angeles, LA City College	Communications Building Replacement	\$2,441,000	\$5,566,000	\$36,570,000	\$81,231,000
Merced, Merced College	Gym Complex Replacement	\$2,461,000	\$3,757,000	\$35,626,000	\$50,571,000
Riverside, Riverside City College	Advanced Technology (Applied Technology)	\$4,677,000	\$12,044,000	\$71,925,000	\$178,825,000
Sequoias, Hanford Educational Center	Science Building	\$4,182,000	\$4,182,000	\$51,137,000	\$67,082,000
State Center, Reedley College	Modernize Voc-Tech Complex: Aero, Auto, Welding	\$2,647,000	\$4,073,000	\$34,106,000	\$51,316,000
<b>CONTINUING PROJECTS - Proposition 2</b>					
Antelope Valley, Antelope Valley College	Gymnasium Replacement	\$22,562,000	\$42,553,000	\$24,184,000	\$45,927,000

Citrus, Citrus College	New Career Technical Education Building	\$43,784,000	\$106,862,000	\$47,010,000	\$114,887,000
Coast, Golden West College	PE - Rec (Gym) Replacement	\$26,907,000	\$52,673,000	\$28,909,000	\$56,801,000
Coast, Orange Coast College	Skills Lab Replacement	\$12,086,000	\$23,980,000	\$13,196,000	\$25,998,000
El Camino, El Camino College	Hydronic Line Replacement	\$8,530,000	\$11,373,000	\$9,343,000	\$12,457,000
Foothill-DeAnza, De Anza College	Physical Education Complex Renovation	\$36,999,000	\$49,002,000	\$40,385,000	\$53,487,000
Hartnell, Hartnell College	Building F, G, H (Gymnasium) Renovation	\$17,501,000	\$34,471,000	\$19,265,000	\$37,648,000
Imperial Valley, Imperial Valley College	Gym Modernization	\$11,736,000	\$23,295,000	\$12,775,000	\$25,373,000
Kern, Bakersfield College	BC Center for Student Success	\$26,363,000	\$51,467,000	\$28,297,000	\$55,336,000
Long Beach, Liberal Arts Campus	Building B Replacement	\$24,400,000	\$50,765,000	\$24,782,000	\$51,639,000
Los Angeles, LA City College	Kinesiology South Replacement	\$16,008,000	\$38,201,000	\$17,302,000	\$41,270,000
Los Angeles, LA Pierce College	Sewer Utility Infrastructure Replacement	\$6,576,000	\$8,769,000	\$7,268,000	\$9,692,000
Los Angeles, LA Trade-Tech College	Advanced Transportation & Manufacturing Replacement	\$83,567,000	\$200,960,000	\$89,614,000	\$215,809,000
Los Angeles, LA Valley College	Sewer Utility Infrastructure Replacement	\$5,203,000	\$6,938,000	\$5,794,000	\$7,726,000
Los Rios, American River College	Davies Hall Replacement Health and Safety	\$55,655,000	\$73,977,000	\$59,984,000	\$79,749,000
Mendocino-Lake, Willits Center	Willits Center Phase II	\$13,022,000	\$26,115,000	\$14,365,000	\$28,181,000
Merced, Merced College	Music Art Theater Complex	\$22,604,000	\$43,291,000	\$24,073,000	\$47,206,000
Mt. San Antonio, Mt. San Antonio College	Library Replacement	\$53,066,000	\$146,638,000	\$56,962,000	\$157,509,000
North Orange County, Fullerton College	STEM Vocational Center	\$25,092,000	\$51,627,000	\$27,014,000	\$55,471,000
Peralta, Merritt College	Replace Bldgs E and F - Kinesiology and Physical Training	\$20,769,000	\$49,880,000	\$22,445,000	\$53,877,000

Rio Hondo, Rio Hondo College	Business and Art Building Replacement	\$21,133,000	\$41,829,000	\$22,727,000	\$45,016,000
Riverside, Ben Clark Training Center	Education Center Building 2 at Ben Clark Training Center	\$14,634,000	\$35,659,000	\$15,969,000	\$38,844,000
Riverside, Moreno Valley College	Library Learning Resource Center (LLRC)	\$40,665,000	\$97,285,000	\$43,662,000	\$104,628,000
Riverside, Norco College	Library/Learning Resource (LLRC) and Student Services (SS)	\$31,247,000	\$75,351,000	\$33,759,000	\$81,389,000
Riverside, Riverside City College	Cosmetology Building	\$18,240,000	\$44,145,000	\$19,857,000	\$47,989,000
San Mateo, Skyline College	Boiler Plant Replacement	\$5,519,000	\$7,320,000	\$5,973,000	\$7,925,000
Shasta-Tehama-Trinity Jt., Shasta College	Life Sciences (Building 1600) Renovation	\$7,757,000	\$15,127,000	\$8,437,000	\$16,560,000
State Center, Clovis Community College	Kinesiology and Wellness Center	\$22,251,000	\$44,388,000	\$23,933,000	\$47,752,000
State Center, Reedley College	Modernization of Agriculture Instruction Complex	\$15,204,000	\$29,235,000	\$16,499,000	\$31,825,000
<b>Total</b>		<b>\$736,889,000</b>	<b>\$1,535,233,000</b>	<b>\$1,163,211,000</b>	<b>\$2,345,656,000</b>

### STATE OPERATIONS RECEIVES SOME NEW CAPACITY

The Chancellor’s Office provides leadership and oversight to the system, administers dozens of systemwide programs, and manages day-to-day operations of the system. The office is involved in implementing several recent initiatives including Guided Pathways, basic skills reforms, and the Student Centered Funding Formula, as well as Vision 2030. In addition, the Chancellor’s Office provides technical assistance to districts and conducts regional and statewide professional development activities. Consistent with actions taken to apply administrative efficiency reductions to all state agencies, the Chancellor’s Office saw reductions in its operational budget in the 2024 and 2025 Budget Acts, increasing its challenge to oversee the 116 California Community Colleges and the more than 2.1 million students they serve with the smallest staff capacity among California’s higher education system offices.

While the system requested \$5 million ongoing to increase its staff capacity with 27 new positions, the Governor’s proposal includes an additional \$614,000 **ongoing** General Fund to support four new positions and a new unit within the Chancellor’s Office. The funds would support an attorney to monitor changes to federal laws, regulations, and policies to discern the impacts of federal policy adjustments on the system. They would also support a supervisor and two analysts for a Contracts Oversight Unit to prepare, review, and oversee contracting and grant policies and procedures. The governor’s proposal

keeps level the additional \$12.2 million the Chancellor's Office receives in special funds and reimbursements for its operations.

## **Next Steps**

For more information throughout the budget process, including updated versions of this report that may be issued to provide details about proposals that get clarified in trailer bills, please visit the Budget News section of the Chancellor's Office website:

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

## Appendix A: Overview of the State Budget Process

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

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

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

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

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

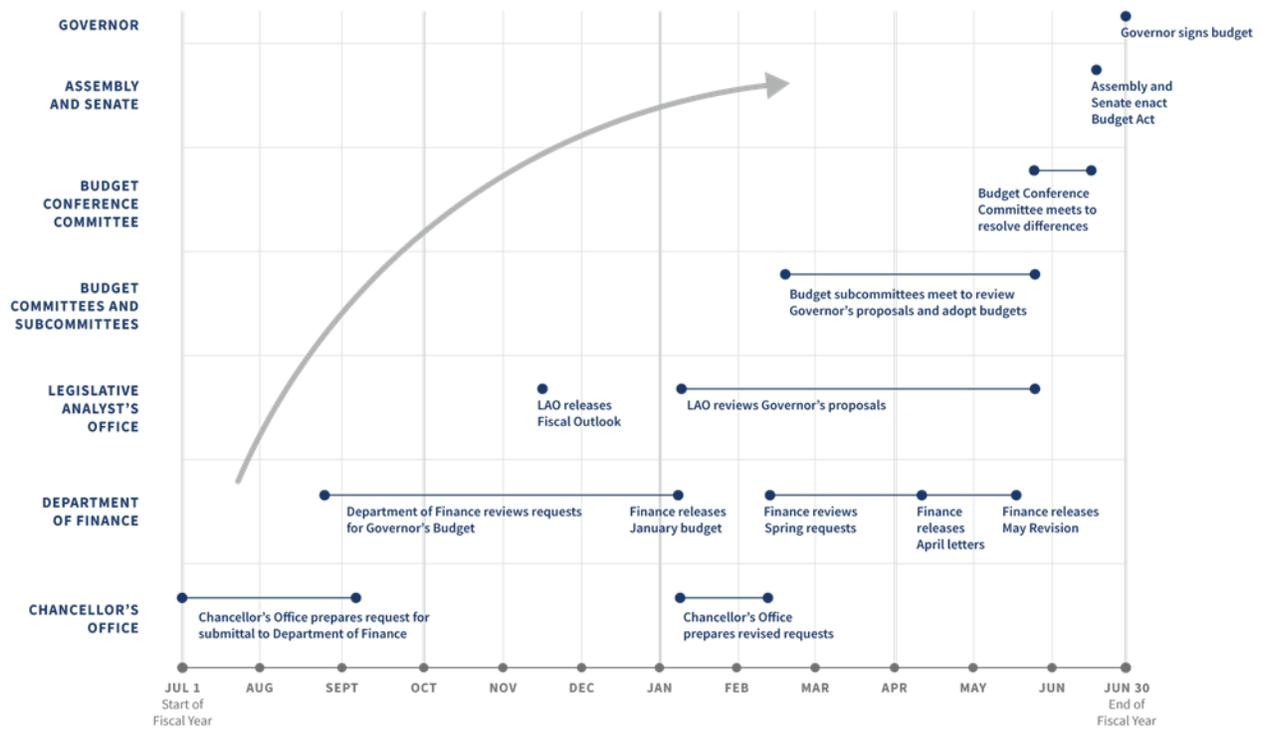
**Legislative Review.** The budget committees assign the items in the budget to subcommittees, which are organized by areas of state government (e.g., education). Many subcommittees rely heavily on the LAO analyses in developing their hearing agendas. For each January budget proposal, a subcommittee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

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

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

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

## SEQUENCE OF THE ANNUAL STATE BUDGET PROCESS



## Appendix B: Board of Governors' Budget and Legislative Request Compared to Governor's Budget Proposal

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

Board of Governor's Request	Governor's Budget Proposal
<b>Ongoing Investments</b>	
<p><b>Core Resources.</b> Funds to ensure operational resources keep pace with evolving demands</p> <ul style="list-style-type: none"> <li>• Expeditious repayment of deferrals to ensure fiscal stability</li> <li>• \$62.9 million to fund 1% enrollment growth and full funding of all enrollment growth in current year</li> <li>• \$60 million to reestablish an ongoing Deferred Maintenance and Instructional Materials Program</li> <li>• \$25.3 million to enact policy change eliminating the 10% cap on funded FTES growth</li> <li>• \$24.3 million to enact policy change to modify SCFF formula to fund credit FTES at the higher of the three-year average or the amount reported in the current year (rather than the current policy of using the three-year average)</li> </ul>	<ul style="list-style-type: none"> <li>• Fully repays the \$408.4 million deferral from 2025-26 State Budget</li> <li>• Provides \$240.6 million for a COLA of 2.41% to general apportionments and \$30.6 million for the same COLA to selected categorical programs</li> <li>• Provides \$31.9 million for 0.5% enrollment growth in 2026-27 and \$55.3 million for 1% growth in 2025-26 (for a total of \$87.2 million for 1.5% growth across the two years)</li> <li>• Includes \$38.1 million to increase funding for Calbright College and proposes ongoing COLA</li> <li>• See one-time investment in deferred maintenance</li> </ul>
<p><b>Pathways and Student Supports.</b> Funds to provide supports for students, including specific learner populations</p> <ul style="list-style-type: none"> <li>• \$62.3 million for Student Equity and Achievement Program to meet growing demand and offset inflationary cost pressures</li> <li>• \$15 million increase for Dreamer Resource Liaisons</li> <li>• \$14.2 million for Veterans Resource Centers</li> <li>• \$10 million increase for Immigrant Legal Services</li> <li>• \$10 million increase for Student Financial Aid Administration</li> <li>• \$2.5 million for African American Male Education Network and Development (A2MEND) Program</li> <li>• \$1 million to launch 10 new Umoja programs</li> </ul>	<ul style="list-style-type: none"> <li>• See one-time investment for the Student Support Block Grant</li> </ul>
<p><b>Partnerships and Coordination.</b> Funds to strengthen cross-sector partnerships and coordination</p> <ul style="list-style-type: none"> <li>• \$60 million to expand California Apprenticeship Initiative and \$9 million for Related and Supplemental Instruction (RSI) Program</li> <li>• \$41.1 million to support collaboration to expand sector-based workforce training and connect targeted populations to career education pathways</li> <li>• \$2 million to institutionalize Credit for Prior Learning through outcomes-based funding model</li> </ul>	<ul style="list-style-type: none"> <li>• Provides \$2 million for Credit for Prior Learning Initiative</li> <li>• See one-time investment for RSI</li> </ul>

<p><b>Capacity to Support the System.</b> \$14.3 million through a 1% set-aside from selected categorical programs to establish the Vision 2030 Innovation Catalyst Fund to allow Chancellor’s Office more capacity to evaluate models, seed and scale effective practices, and align resources and policy</p>	Not included
<p><b>Faculty and Staff Supports.</b></p> <ul style="list-style-type: none"> <li>• \$55 million to fully fund 90% reimbursement rate for Part-Time Faculty Office Hours Program</li> <li>• \$25 million to ensure faculty and staff have access to professional development that strengthens their capacity to improve student outcomes under Vision 2030</li> <li>• \$5 million to sustain and scale AI training for educators and partners</li> </ul>	Not included
<p><b>Technology and Data Sharing.</b></p> <ul style="list-style-type: none"> <li>• \$10.6 million for COLA for Integrated Technology categorial program</li> <li>• \$9 million to expand the Common Cloud Data Platform (CCDP)</li> <li>• \$3.9 million to support California Virtual Campus (CVC)</li> </ul>	Provides \$5 million to scale the CCDP
<b>One-Time Investments</b>	
<p><b>Pathways and Student Supports.</b> Funds to provide supports for students, including specific learner populations</p> <ul style="list-style-type: none"> <li>• \$60 million over three fiscal years to restore Strong Workforce Program to its base level from 2023-24 State Budget prior to Rebuilding Nursing Infrastructure grant program carve-out</li> <li>• \$24.2 million to support a dual enrollment grant program</li> <li>• \$2.5 million for the College of Adaptive Arts for adults with intellectual and developmental disabilities at West Valley College</li> </ul>	<ul style="list-style-type: none"> <li>• Includes \$100 million for the Student Support Block Grant</li> <li>• Provides \$100 million <b>to K-12</b> for dual enrollment initiatives</li> </ul>
<p><b>Partnerships and Coordination.</b> Funds to strengthen cross-sector partnerships and coordination</p> <ul style="list-style-type: none"> <li>• \$35 million to scale Credit for Prior Learning</li> <li>• \$20 million to create pipeline of skilled workers through the Los Angeles Recovery and Rebuild Initiative</li> <li>• \$15 million to address projected RSI shortfalls in 2024-25 and 2025-26</li> </ul>	<ul style="list-style-type: none"> <li>• Provides \$35 million for Credit for Prior Learning Initiative</li> <li>• Includes \$13.4 million to address RSI funding shortfalls</li> </ul>

<ul style="list-style-type: none"> <li>• \$3 million to establish Native American Graves Protection and Repatriation Act Compliance Grant Program</li> <li>• \$1.5 million to strengthen Beyond Barriers Demonstration Project partnership with state social services agencies</li> <li>• \$1.2 million for a Rural College Transfer Collaborative to improve access to Associate Degrees for Transfer in high-demand fields</li> </ul>	
<p><b>Faculty and Staff Supports.</b> \$10 million to launch AI professional development and literacy efforts</p>	Not included
<p><b>Technology and Data Sharing.</b> \$36 million to expand the CCDP</p>	Includes \$36 million to fully scale the CCDP
<p><b>Deferred Maintenance.</b></p>	Provides \$120.7 million to address deferred maintenance and special repairs of facilities
<p><b>Non-Proposition 98 Investments</b></p>	
<p><b>Capacity to Support the System.</b> Funds to support 27 new positions to support implementation of legislative mandates and Vision 2030 priorities.</p> <ul style="list-style-type: none"> <li>• \$813,000 to establish Contracts Oversight Unit with 6 new positions.</li> <li>• \$793,000 for 4 new positions in Educational Service and Support Division.</li> <li>• \$693,000 for 3 new positions to support building out the systems, policies, and practices to advance Vision 2030.</li> <li>• \$692,000 for 3 new positions to assist in building out the technology infrastructure critical to achieving Vision 2030 goals.</li> <li>• \$670,000 for 4 new positions to strengthen the Workforce and Economic Development Division’s support of local programs and grants.</li> <li>• \$607,000 for 4 new positions to establish Office of Civil Rights to ensure compliance with Title IX.</li> <li>• \$551,000 for 2 new attorneys to support colleges with federal policy changes.</li> <li>• \$150,000 for 1 new position to monitor and support compliance with the 50% Law.</li> </ul>	Provides \$614,000 to establish Contracts Oversight Unit with 3 staff and to add one attorney to monitor and support changes to federal laws and regulations
<p><b>Technology.</b> \$45 million from Proposition 4 to establish a grant program to support microgrids on college campuses</p>	Not included
<p><b>Financial Aid.</b> \$1.1 billion in additional support for the statewide lease revenue bond approach to allowing construction of affordable student housing projects</p>	Not included

## Appendix C: Local Budgets and State Requirements

### BUDGET PLANNING AND FORECASTING

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

**Table C-1: Planning Factors for Proposed 2026-27 Budget**

Factor	2024-25	2025-26	2026-27
Cost-of-living adjustment (COLA)	1.07%	2.43%	2.41%
State Lottery funding per FTES <sup>a</sup>	\$273	\$272	TBD
Mandated Costs Block Grant funding per FTES	\$35.64	\$36.46	\$37.34
RSI reimbursement per hour	\$10.05	\$10.32	\$10.57
Financial aid administration per College Promise Grant	\$0.91	\$0.91	\$0.91
Public Employees' Retirement System (CalPERS) employer contribution rates	27.05%	26.81%	26.40%
State Teachers' Retirement System (CalSTRS) employer contribution rates	19.10%	19.10%	19.10%

<sup>a</sup>2026-27 estimate not available.

### STATE REQUIREMENTS FOR DISTRICT BUDGET APPROVAL

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

**Table C-2: Standard Financial Reporting Deadlines in Place for 2026-27**

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

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

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

## STATE REQUIREMENTS RELATED TO EXPENDITURES

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

### Full-Time Faculty Obligation

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

### Fifty Percent Law

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

## Appendix D: Districts' Fiscal Health

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

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

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

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

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

## Appendix E: Glossary

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

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

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

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

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

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

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

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

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

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

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

**Expenditure:** Amount of an appropriation spent or used.

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

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

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

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

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

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

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

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

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

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

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

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

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

**State Operations:** Expenditures for the support of state government.

**Statute:** A law enacted by the Legislature.

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

# Budget Update

*February 9, 2026*



NORTH ORANGE COUNTY  
COMMUNITY COLLEGE DISTRICT

CYPRESS COLLEGE | FULLERTON COLLEGE  
NORTH ORANGE CONTINUING EDUCATION



# Current Year Budget & Enrollments

## 2025-26 Target vs. 2025-26 Actual P1

	Cypress	Fullerton	NOCE	Total
2025-26 Target	12,789.46	15,727.22	4,323.72	32,840.40
2025-26 Actual P1	12,796.02	15,660.25	4,323.76	32,780.03
Variance Favorable (Unfavorable)	6.56	(66.97)	0.04	(60.37)
% Variance	<b>0.05%</b>	<b>-0.43%</b>	<b>0.00%</b>	<b>-0.18%</b>

# Current Year Budget & Enrollments

## 2025-26 Actual P1 vs. 2024-25 P1

	Cypress	Fullerton	NOCE	Total
2025-26 Actual P1	12,796.02	15,660.25	4,323.76	32,780.03
2024-25 Actual P1	11,651.09	14,842.97	4,482.08	30,976.14
Variance Favorable (Unfavorable)	1,144.93	817.28	(158.32)	1,803.89
% Variance	<b>9.83%</b>	<b>5.51%</b>	<b>-3.53%</b>	<b>5.82%</b>

# Current Year Budget & Enrollments

## 2025-26 Actual P1 vs. 2024-25 Annual

	Cypress	Fullerton	NOCE	Total
2025-26 Actual P1	12,796.02	15,660.25	4,323.76	32,780.03
2024-25 Annual	12,180.44	15,122.33	4,323.72	31,626.49
Variance Favorable (Unfavorable)	615.58	537.92	0.04	1,153.54
% Variance	<b>5.05%</b>	<b>3.56%</b>	<b>0.00%</b>	<b>3.65%</b>

Based on P1, we are still projecting to be out of hold harmless this year.

# Restoration

- If a district experiences decline in FTES, the district has three years to restore the FTES that was lost.

2023-24	2024-25	2025-26	2026-27
Decline	Restoration	Restoration	Restoration
-4,536.11 FTES	2,426.93 FTES	1,153.54 FTES (est.)	TBD
-\$22.64 million	\$14.25 million	\$7.41 million	\$1.47 million (est.) <b>Restoration Authority</b>

- If a district exceeds its Restoration & Growth Authority, it is not guaranteed to be funded on the additional FTES that was earned.
- System is advocating for more dollars to fund unfunded growth.

# Current Year Budget & Other SCFF Metrics

Cypress College	2023-24	2024-25	% Change
<b>Supplemental Allocation</b>			
AB540 Students	551	590	7.1%
Pell Grant Recipients	5,361	6,298	17.5%
California Promise Grant Recipients	10,661	11,272	5.7%
<b>Student Success Allocation</b>			
Associate Degrees for Transfer	725	783	8.0%
Associate Degrees	540	559	3.5%
Baccalaureate Degrees	4	5	25.0%
Credit Certificates	562	509	-9.4%
Transfer Level Math and English	690	784	13.6%
Transfer to Four Year University	480	PENDING CCCC DATA	
Nine or More CTE Units	2,491	2,821	13.2%
Achieved Regional Living Wage	747	928	24.2%

Fullerton College	2023-24	2024-25	% Change
<b>Supplemental Allocation</b>			
AB540 Students	661	682	3.2%
Pell Grant Recipients	6,011	6,763	12.5%
California Promise Grant Recipients	12,889	13,001	0.9%
<b>Student Success Allocation</b>			
Associate Degrees for Transfer	929	967	4.1%
Associate Degrees	846	855	1.1%
Baccalaureate Degrees	-	-	0.0%
Credit Certificates	339	366	8.0%
Transfer Level Math and English	857	962	12.3%
Transfer to Four Year University	795	PENDING CCCC DATA	
Nine or More CTE Units	2,921	3,324	13.8%
Achieved Regional Living Wage	1,030	1,198	16.3%

NOCE	2023-24	2024-25	% Change
<b>Student Success Allocation</b>			
Achieved Regional Living Wage	270	481	78.1%

- Supplemental Allocation (20%)
  - Funding is based on the prior year AB540 Student, Pell Grant Recipient, California Promise Grant Recipient headcounts.
  - Campuses improved in all metrics in 2024-25 compared to prior year.
  
- Student Success Allocation (10%)
  - Funding is based on rolling three-year average headcounts.
  - Campuses improved in almost all metrics in 2024-25 compared to prior year.

# System Comparison

- 72 districts in the CCC System
- 34 districts earned growth revenue in 2024-25
  - Top Five: Kern, State Center, Mt. SAC, Rancho Santiago, & South Orange
- This year in December 2025 (before P1 reporting), the CO projected:
  - 21 districts would be funded based on SCFF
  - 33 districts would be funded based on Stability Protection (i.e. prior year earned revenue adjusted for COLA)
  - 18 districts would be funded based on Hold Harmless

# Governor's Budget Proposal Highlights

## 2026-2027

- Presented a balance budget.
- Projected \$42.3 billion in revenues above expectations in the 2025 Budget Act related to strong stock market and investor enthusiasm around artificial intelligence.
- Overall state budget would be higher than in 2025-26, increasing by about 8.7% to \$348.9 billion. General Fund spending would increase by nearly \$20 billion (8.7%) to \$248.3 billion.
- For community colleges, the proposed budget focuses on maintaining base funding stability and continued investment in state initiatives.

# Governor's Budget Proposal Highlights (cont.)

## 2026-2027

- Proposed 2.41% cost of living adjustment (COLA) and certain categorical programs.
- Proposed 1.5% for systemwide enrollment growth over two years.
- Proposed One-Time Funding
  - \$120.7 million – Deferred Maintenance
  - \$100 million – Student Support Block Grant
  - \$36 million – Common Cloud Data Platform
  - \$35 million – Credit for Prior Learning Initiatives
- Proposed Prop 2 funding to support 39 capital outlay projects including \$25 million for Fullerton College STEM Vocation Center.

# Other Considerations

## 2026-2027

- Last fall, the Legislative Analyst Office (LAO) projected significantly lower revenues and a higher deficit than the Governor's proposal assumes.
  - LAO estimated \$18 billion deficit vs Governor estimated \$3 billion deficit.
- LAO Overview (January 2026):
  - Governor's revenue projections do not factor in the strong risk of a stock market downturn even while signs suggest that the market is overheated.
  - Governor and LAO both expect the state will face multiyear deficits in the outyears, with estimates ranging from \$20 billion to \$35 billion annually.
- A downturn in the stock market continues to be a significant risk and addressing multiyear budget deficits continues to be a challenge for the state.
- Updated budget information will be available in the Governor's May Revise.

# What's Next?

## February

Budget development underway for Fiscal Year 2026-2027.

## May

Governor's 2026-27 May Revision.

## June

Tentative Budget for Fiscal Year 2026-2027 will be brought to the Board of Trustees for approval.

North Orange County Community College District

# COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: February 3, 2026

From: Erika Almaraz, Acting Vice Chancellor, Administrative Services

Re: Agenda Item for Council on Budget and Facilities of February 9, 2026

---

1. AGENDA ITEM NAME

**2026-27 Budget Assumptions for the Tentative Budget**

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

**15 minutes**

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

**To present the initial budget assumptions for the Tentative Budget and to allow members to discuss the information.**

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

**Members are asked to review the budget assumptions.**

**North Orange County Community College District  
2026-27 Early Preliminary Budget  
Resource Allocation Model - Budget Assumptions**

**Student-Centered Funding Formula**

Estimated COLA	2.41%
	January
Apportionment Base:	<u>2026-27</u>
Basic Allocation	\$ 18,182,951
Credit FTES	149,250,088
Special Admit	7,493,972
Non-Credit FTES	5,516,034
CDCP	<u>26,191,382</u>
Subtotal	\$ 206,634,427
Supplemental Allocation	47,940,076
Student Success Incentive Allocation	28,019,799
<b>SCFF Earned Allocation</b>	\$ 282,594,302
<b>2026-27 SCFF Total Revenue</b>	<b>\$ 282,594,302</b>

**State Revenue**

<b>Enrollment Fee Waiver</b>	
2% fee waiver administration allocation estimate:	\$ 317,850 <A>
<b>Full-Time Faculty Hiring Funds 2018-19</b>	
Provided separately from SCFF in 2018-19 (no COLA on this since initial allocation)	\$ 1,441,228 <A>
<b>Part-Time Faculty Compensation Items</b>	
Est. reimbursement for PT faculty office hours	\$ 3,194,052 <A>
Est. reimbursement for PT faculty compensation	\$ 726,545 <A>
<b>Lottery Funds</b>	
Unrestricted lottery projection, \$191 per FTES:	\$ 6,108,078 <A>
Restricted lottery projection, \$82 per FTES:	\$ 2,582,858
<b>Mandated Costs</b>	
Budget proposal includes funding for Mandated Block Grant, \$37.34 per FTES:	\$ 1,176,315 <A>

**Local Revenue/Self-Supporting Revenue**

<b>Interest &amp; Investment Income</b>	
Interest earnings estimate	\$ 3,000,000 <A>
<b>Miscellaneous Districtwide Income</b>	
Other miscellaneous income estimate:	\$ 10,000 <A>
<b>Budget Center Revenues</b>	
Budget Centers have provided for the self-supported activities for each quarter. Included in this section, Cypress College and Fullerton College have budgeted Nonresident Tuition as part of ongoing revenues.	
	\$ 6,605,355 <A>
<b>Interfund Transfer In</b>	
Transfer In from Redevelopment Funds:	\$ 1,000,000 <A>
<b>Additional Contribution from OPEB Trust</b>	
Up to \$6.0M for FY 2024-25, 2025-26, 2026-27	\$ 6,000,000
<b>Total Revenues (excluding Contrib. from OPEB Trust)</b>	<b><u>\$ 306,173,725</u></b> = sum of <A>

**North Orange County Community College District  
2026-27 Early Preliminary Budget  
Resource Allocation Model - Budget Assumptions**

**Appropriations and Expenditures**

**Permanent Position Budgets**

All Permanent Positions have been budgeted based on applicable employee step, grade, and, if applicable, longevity, premium pay, professional growth and education stipends.

\$ 198,724,668

The current rates for benefits have been applied as follows:

	25-26	26-27 Prelim
<u>STRS</u> : For employer share of contributions towards STRS pension costs.	19.10%	19.10%
<u>PERS</u> : For employer share of contributions toward PERS pension costs.	26.81%	26.40%
<u>OASDI</u> : For State Disability Insurance and Medicare required.	6.20% & 1.45%	6.20% & 1.45%
<u>SUI</u> : State Unemployment Insurance.	0.05%	0.05%
<u>WC</u> : Worker's Compensation Rate to contribute towards worker's comp costs.	0.50%	0.50%
<u>RB</u> : Contribution rate toward ongoing retiree health benefit costs.	0.00%	0.00%

**Health & Dependent Care Coverage Costs**

\$ 25,159,547

Health costs are expected to increase. This estimates an increase of 5% over prior calendar year.

All groups' current agreements include a contribution by the District toward dependent care coverage as well as full family coverage. An estimate of these costs was added based on 25-26 employee participation.

**Total Estimated Permanent Position Costs**

\$ 223,884,215

**Other Operating Expenses**

The remaining costs outside of position control have been budgeted to help meet departmental needs at each budget center. Included herein are estimated costs for Adjunct faculty.

**Other Non-Permanent Personnel Costs (including Adjunct, Overload, Hourlys)**

Extended Day budgets estimated using 25-26 Proposed Budget. Associated benefits have been included.

\$ 44,583,757

**Health Costs**

Part-time Faculty Insurance premiums

\$ 3,788,410

Expected reimbursement

\$ (3,788,410)

**Other Budget Center Expenses:** Amounts estimated based on 25-26 budgets.

\$ 25,022,433

**Districtwide Expenses**

Districtwide expenses include budget for costs that have been approved through CBF and DCC and that will be shared across all budget centers.

\$ 6,990,806

**Total Expenses (net of Contrib. from OPEB Trust)**

**\$ 300,481,211**

**Items not included in Budgeted Expense:**

Estimated cost of Job Family Study	TBD
Required FY'27 Increase to Board Policy Reserve	\$ 851,066
Estimated One-Time Contingency Payment FY 2026-27	\$ 7,306,317
Augmentation to Extended Day Budgets (based on 2025-26 projection)	\$ 13,600,000
Estimated cost savings from vacant positions, including benefits (using 25-26 Position Control)	\$ (20,549,902)

**North Orange County Community College District**  
**2026-27 Early Preliminary Budget**  
**Districtwide (DW) Expenses in Fund 11200 (Ongoing Budget only)**  
**February 3, 2026**

	<b>Actuals</b> <b>2024-25</b>	<b>Budget</b> <b>2025-26</b>	<b>Budget</b> <b>2026-27</b>
Sabbatical Replacement Costs	\$ -	\$ 300,000	\$ 300,000
Related Activity (Additional Duty Days for Faculty)	439,540	350,000	350,000
Subtotal 10000's	<u>439,540</u>	<u>650,000</u>	<u>650,000</u>
Grants Accounting Staff	-	-	748,000
Indirect Cost	-	-	(748,000)
Subtotal 20000's	<u>\$ -</u>	<u>-</u>	<u>-</u>
Retiree Medical Benefits	6,089,831	6,090,000	6,090,000
Contribution from Retiree OPEB Trust	(6,000,000)	(6,000,000)	(6,000,000) ***
Net Retiree Medical Benefits Cost	89,831	90,000	90,000
Part-time Faculty Insurance reimbursement program	126,785	133,124	
Part-time Faculty Insurance premiums	3,795,314	3,985,079	3,788,410
Expected Reimbursement	(3,792,807)	(3,985,079)	(3,788,410) ◆
Net Part Time Health Insurance Program Expense	\$ 129,291	\$ 133,124	\$ -
Fringe Benefits Clearing	1,084,714	1,100,000	1,100,000
Adjustments/Fees from STRS	51,912	40,000	40,000
Fees from PERS	1,950	10,000	10,000
Load Banking Benefits Accrual Adjustment*	30,525	40,000	40,000
Subtotal 30000's	<u>\$ 1,388,223</u>	<u>1,413,124</u>	<u>1,280,000</u>
Other (Memberships per Contracts for Employees)	1,500	6,000	6,000
Recruiting Budget	50,350	55,000	55,000
Fingerprinting	22,909	25,000	25,000
Sabbatical Bond Reimbursements	8,784	4,500	4,500
Districtwide Memberships	146,395	150,000	150,000
Audit Expenses*	180,100	140,000	140,000
Sewer Expenses*	111,416	115,000	135,000
Additional Attorney Expenses	350,000	610,000	860,000
Waste Disposal	191,816	200,000	200,000
Election Expense*	459,102	150,000	150,000
Ride Share (AQMD)	100,964	120,000	120,000
Student Insurance*	274,632	301,902	301,902
Employee Assistance Program	49,966	65,000	65,000
Interest	49,821	65,000	65,000
Life insurance	183,226	185,000	185,000
Mandated Fees from PERS (for reports)	1,020	1,500	1,500
County Payroll Postage Charges	6,293	6,400	6,400
DW IT Expenses	1,858,200	2,111,733	2,215,504
Subtotal 50000's	<u>4,046,492</u>	<u>4,312,035</u>	<u>4,685,806</u>
FC Child Care Center Contribution (B/A 4/14/09)	\$ 250,000.00	250,000	250,000
Subtotal 70000's	<u>\$ 250,000.00</u>	<u>250,000</u>	<u>250,000</u>
EEO Plan Implementation	\$ -	25,000	25,000
Student Success	\$ -	100,000	100,000
Subtotal 79000's (Contingencies)	<u>\$ -</u>	<u>125,000</u>	<u>125,000</u>
Total Districtwide Expenses	<u>\$ 6,124,254.57</u>	<u>\$ 6,750,159</u>	<u>\$ 6,990,806</u>
Total	<u>6,124,254.57</u>		

\*\*\*: The Retiree Trust Board approved the use of trust fund assets for the pay-as-you-go annual costs for the health retiree benefits.

◆: We will be using the reimbursement from the state to cover the cost of the part-time faculty health insurance program.

# 2026-2027

**North Orange County Community College District**  
**2026-27 Early Prelim Budget**  
**Resource Allocation Model Budget Summary**  
**February 3, 2026**

	DW	DS	CC	FC	NOCE	Total
SCFF Revenues $\beta$	\$ -	\$ 26,139,973	\$ 103,150,272	\$ 123,062,469	\$ 30,241,586	\$ 282,594,300
Other Revenues	-	2,506,408	9,131,798	9,287,031	2,654,185	23,579,422
Funding for Districtwide Expenses	6,990,806	(654,339)	(2,563,529)	(3,022,125)	(750,813)	-
Net Chargebacks	-	803,724	324,124	305,283	(1,433,131)	-
<b>Total RAM Revenue</b>	<b>6,990,806</b>	<b>28,795,766</b>	<b>110,042,665</b>	<b>129,632,658</b>	<b>30,711,827</b>	<b>306,173,722</b>
Expenses $\alpha$	6,865,806	28,059,774	108,658,787	127,784,709	28,987,135	300,356,211
Contingencies	125,000	-	-	-	-	125,000
	6,990,806	28,059,774	108,658,787	127,784,709	28,987,135	300,481,211
Net Available Revenue	-	735,992	1,383,878	1,847,949	1,724,692	5,692,511
Net Transfers In/(Out) to Supplement Operations	-	-	-	-	-	-
<b>Balance before Adjustments</b>	<b>\$ -</b>	<b>\$ 735,992</b>	<b>\$ 1,383,878</b>	<b>\$ 1,847,949</b>	<b>\$ 1,724,692</b>	<b>\$ 5,692,511</b>
Job Family Study Salary Increases w. Benefits $\Omega$ Required FY'27 Increase to Board Policy Reserve $\dagger$		TBD (79,660)	TBD (312,086)	TBD (367,916)	TBD (91,404)	TBD (851,066)
<b>BALANCE</b>	<b>-</b>	<b>656,333</b>	<b>1,071,792</b>	<b>1,480,033</b>	<b>1,633,287</b>	<b>4,841,445</b>
Vacancies <u>included</u> in Budgeted Expense: Count		\$ 4,252,725 20	\$ 7,843,092 44	\$ 7,043,980 43	\$ 1,410,105 9	\$ 20,549,902 116
Estimated <u>One-Time</u> Contingency Payment w. FB		\$ (436,161)	\$ (2,618,086)	\$ (3,423,362)	\$ (828,708)	\$ (7,306,317)

$\alpha$  Used latest permanent position budgets as of 01-31-2026. Included 2.97% increase, step & column increase, 5% increase to HW. Used the same budget for all other expense categories as 2025-26 Proposed Budget. Districtwide Expenses include increases to Sewer Expense, Legal Expense, and IT Expense. Grants Team also included in DW expense but should have a zero net impact to the budget. **Permanent position budgets are still being reviewed and updated. Extended Day Budgets were not increased from 2025-26 Proposed Budget and should be reviewed.**

$\Omega$  Only unrestricted positions will be included.

$\beta$  Based on 2025-26 P1 FTES (no growth) and 2.41% Proposed COLA. Restoration Authority estimated at \$1.4 million. Growth Authority estimated at \$253,142.

$\dagger$  Could be funded from carryover at the end of the year.

# 2026-2027

North Orange County Community College District  
 2026-27 Early Prelim Budget  
 Resource Allocation Model Budget Summary  
 February 3, 2026

Using Extended Day  
 2025-26 Projection

	DW	DS	CC	FC	NOCE	Total
SCFF Revenues $\beta$	\$ -	\$ 26,139,973	\$ 103,150,272	\$ 123,062,469	\$ 30,241,586	\$ 282,594,300
Other Revenues	-	2,506,408	9,131,798	9,287,031	2,654,185	23,579,422
Funding for Districtwide Expenses	6,990,806	(654,339)	(2,563,529)	(3,022,125)	(750,813)	-
Net Chargebacks	-	803,724	324,124	305,283	(1,433,131)	-
Total RAM Revenue	6,990,806	28,795,766	110,042,665	129,632,658	30,711,827	306,173,722
Expenses $\alpha$	6,865,806	28,059,774	108,658,787	127,784,709	28,987,135	300,356,211
Contingencies	125,000	-	-	-	-	125,000
	6,990,806	28,059,774	108,658,787	127,784,709	28,987,135	300,481,211
Net Available Revenue	-	735,992	1,383,878	1,847,949	1,724,692	5,692,511
Net Transfers In/(Out) to Supplement Operations	-	-	-	-	-	-
<b>Balance before Adjustments</b>	<b>\$ -</b>	<b>\$ 735,992</b>	<b>\$ 1,383,878</b>	<b>\$ 1,847,949</b>	<b>\$ 1,724,692</b>	<b>\$ 5,692,511</b>
Job Family Study Salary Increases w. Benefits $\Omega$		TBD	TBD	TBD	TBD	TBD
Required FY'27 Increase to Board Policy Reserve $\dagger$		(79,660)	(312,086)	(367,916)	(91,404)	(851,066)
<b>Increase to Extended Day (based on projection)</b>		<b>-</b>	<b>(6,000,000)</b>	<b>(7,000,000)</b>	<b>(600,000)</b>	<b>(13,600,000)</b>
<b>BALANCE</b>	<b>-</b>	<b>656,333</b>	<b>(4,928,208)</b>	<b>(5,519,967)</b>	<b>1,033,287</b>	<b>(8,758,555)</b>

Vacancies <u>included</u> in Budgeted Expense:	\$ 4,252,725	\$ 7,843,092	\$ 7,043,980	\$ 1,410,105	\$ 20,549,902
Count	20	44	43	9	116
Estimated <u>One-Time</u> Contingency Payment w. FB	\$ (436,161)	\$ (2,618,086)	\$ (3,423,362)	\$ (828,708)	\$ (7,306,317)

$\alpha$  Used latest permanent position budgets as of 01-31-2026. Included 2.97% increase, step & column increase, 5% increase to HW. Used the same budget for all other expense categories as 2025-26 Proposed Budget. Districtwide Expenses include increases to Sewer Expense, Legal Expense, and IT Expense. Grants Team also included in DW expense but should have a zero net impact to the budget. **Permanent position budgets are still being reviewed and updated. Extended Day Budgets were not increased from 2025-26 Proposed Budget and should be reviewed).**

$\Omega$  Only unrestricted positions will be included.

$\beta$  Based on 2025-26 P1 FTES (no growth) and 2.41% Proposed COLA. Restoration Authority estimated at \$1.4 million. Growth Authority estimated at \$253,142.

$\dagger$  Could be funded from carryover at the end of the year.

# COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: February 6, 2026

From: Erika Almaraz, Acting Vice Chancellor, Administrative Services

Re: Agenda Item for Council on Budget and Facilities of February 9, 2026

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1. AGENDA ITEM NAME

**Student-Centered Funding Metrics**

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

**15 minutes**

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

**In support of student success and sound fiscal stewardship, the following student-centered funding metrics will be brought to the Council on Budget and Facilities on a routine basis for review and discussion.**

- **FTES/FTEF by Campus by Division by Term, current year and last two years. The generally accepted target for this ratio is 17.5.**
- **FTES Revenue compared to Total Cost by Campus by Division by Term.**
- **Supplemental Allocation Headcounts and Revenue by Campus, last two years.**
- **Student Success Headcounts and Revenue by Campus, last two years.**

**Some of the questions that have come up include:**

- **Tools available to monitor FTES/FTEF ratios.**
- **Tools available to monitor FTES Revenue compared to Total Cost.**
- **Sustainability of current California Promise program and the need to revise the program.**
- **Certificates earned by students that have not been awarded and are not counted in our student success headcounts.**

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

**Members are asked to review this item and provide recommendations that may help improve student-centered funding metrics.**



## NOCCCD FTES and FTEF by Division (Credit Colleges)

College: Cypress      Acad Year: 2025-26      Term: Multiple val..      Winter Intereses..: All      Division: All      Department: All      FT-Adjunct Ind..: All      Extended Day Indica..: All

**Full-Time Equivalent Student (FTES):** 1 FTES represents the class load of one full-time student attending 15 instructional hours per week.

**Full-Time Equivalent Faculty (FTEF):** 1 FTEF represents the workload equivalent of one full-time faculty teaching 15 instructional hours per week, regardless of whether the faculty member is full-time or adjunct.

**Workload by AY**



**FTES by AY**



Acad Year	Division Desc	FTES	FTES Revenue (e..)	FTEF	Workload	Avg. FTES/FTEF	Faculty Pay (Est)	Benefits (Est)
2025-26	Business	1,010	\$5,347,734	58.35	875.25	15.20	\$2,557,272	\$737,951
	Career Technical Educati..	1,255	\$6,644,870	105.76	1,586.38	11.62	\$3,864,114	\$1,093,187
	Counseling	301	\$1,592,276	15.78	236.73	22.01	\$624,286	\$179,351
	Health Science	1,203	\$6,369,264	146.18	2,192.75	13.31	\$5,580,821	\$1,607,049
	Kinesiology	743	\$3,932,595	54.61	819.13	12.69	\$1,758,764	\$471,435
	Language Arts	1,660	\$8,789,946	144.00	2,159.96	11.62	\$5,229,937	\$1,415,388
	Library and Learning Res..	1	\$6,194	11.37	170.48	19.90	\$271,409	\$62,746
	Reassigned/Non-Instruct..			189.71	2,845.64		\$10,256,534	\$2,947,530
	Science/Engineering/Math	2,771	\$14,667,609	206.72	3,100.75	13.62	\$8,196,897	\$2,284,996
	Social Science	2,277	\$12,056,714	129.67	1,945.00	17.41	\$5,366,877	\$1,516,903
	Visual and Performing Ar..	1,139	\$6,028,754	122.57	1,838.50	9.97	\$4,044,666	\$1,073,412
	<b>Total</b>	<b>12,360</b>	<b>\$65,435,958</b>	<b>1,184.70</b>	<b>17,770.57</b>	<b>13.83</b>	<b>\$47,751,578</b>	<b>\$13,389,949</b>

NOTES: FTES data are estimates based on the number of students enrolled and the attendance accounting method of the CRN. The generally accepted target for FTES/FTEF ratios is 17.5. However, FTES/FTEF ratios are affected by classroom capacity and pedagogical needs.



## NOCCCD FTES and FTEF by Division (Credit Colleges)

College: Cypress    Acad Year: 2025-26    Term: Fall 2025    Winter Intereses..: All    Division: All    Department: All    FT-Adjunct Ind..: All    Extended Day Indica..: All

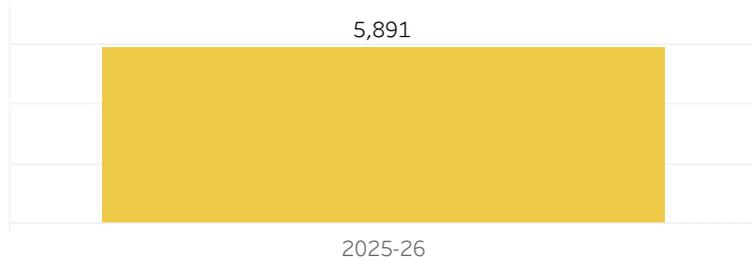
**Full-Time Equivalent Student (FTES):** 1 FTES represents the class load of one full-time student attending 15 instructional hours per week.

**Full-Time Equivalent Faculty (FTEF):** 1 FTEF represents the workload equivalent of one full-time faculty teaching 15 instructional hours per week, regardless of whether the faculty member is full-time or adjunct.

**Workload by AY**



**FTES by AY**



Acad Year	Division Desc	FTES	FTES Revenue (e..)	FTEF	Workload	Avg. FTES/FTEF	Faculty Pay (Est)	Benefits (Est)	
2025-26	Business	468	\$2,479,657	26.36	395.38	15.79	\$1,248,039	\$358,735	
	Career Technical Educati..	596	\$3,156,071	46.40	696.00	12.71	\$1,890,587	\$530,753	
	Counseling	183	\$967,479	7.87	118.02	28.07	\$345,887	\$97,668	
	Health Science	547	\$2,895,236	73.06	1,095.94	12.38	\$2,937,980	\$834,168	
	Kinesiology	323	\$1,710,597	22.70	340.50	13.94	\$825,353	\$220,440	
	Language Arts	843	\$4,462,948	67.38	1,010.73	12.85	\$2,587,382	\$688,976	
	Library and Learning Res..	1	\$4,765	4.05	60.82	30.61	\$114,459	\$26,422	
	Reassigned/Non-Instruct..				83.58	1,253.67		\$5,052,720	\$1,423,924
	Science/Engineering/Math	1,344	\$7,113,071	97.65	1,464.70	14.01	\$4,253,812	\$1,172,211	
	Social Science	1,023	\$5,415,709	54.38	815.75	18.66	\$2,493,896	\$700,463	
	Visual and Performing Ar..	563	\$2,980,204	57.09	856.38	11.39	\$2,037,342	\$526,800	
<b>Total</b>		<b>5,891</b>	<b>\$31,185,736</b>	<b>540.53</b>	<b>8,107.88</b>	<b>15.07</b>	<b>\$23,787,455</b>	<b>\$6,580,559</b>	

NOTES: FTES data are estimates based on the number of students enrolled and the attendance accounting method of the CRN. The generally accepted target for FTES/FTEF ratios is 17.5. However, FTES/FTEF ratios are affected by classroom capacity and pedagogical needs.



## NOCCCD FTES and FTEF by Division (Credit Colleges)

College: Cypress    Acad Year: 2025-26    Term: WI/Spring 2025    Winter Intereses.: All    Division: All    Department: All    FT-Adjunct Ind.: All    Extended Day Indica.: All

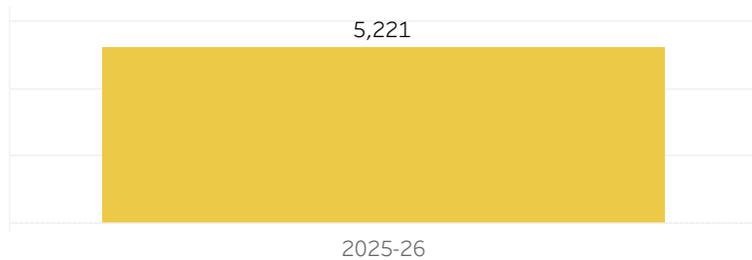
**Full-Time Equivalent Student (FTES):** 1 FTES represents the class load of one full-time student attending 15 instructional hours per week.

**Full-Time Equivalent Faculty (FTEF):** 1 FTEF represents the workload equivalent of one full-time faculty teaching 15 instructional hours per week, regardless of whether the faculty member is full-time or adjunct.

**Workload by AY**



**FTES by AY**



Acad Year	Division Desc	FTES	FTES Revenue (e..)	FTEF	Workload	Avg. FTES/FTEF	Faculty Pay (Est)	Benefits (Est)
2025-26	Business	418	\$2,210,933	25.62	384.25	14.77	\$1,140,339	\$332,545
	Career Technical Educati..	527	\$2,789,514	48.58	728.63	11.16	\$1,696,363	\$485,360
	Counseling	97	\$511,083	7.21	108.16	12.88	\$261,479	\$77,291
	Health Science	539	\$2,851,031	64.40	965.97	13.92	\$2,458,730	\$721,716
	Kinesiology	301	\$1,591,906	24.28	364.13	11.56	\$743,785	\$202,641
	Language Arts	672	\$3,557,462	64.48	967.23	10.32	\$2,341,569	\$650,218
	Library and Learning Res..	0	\$1,429	4.63	69.44	9.18	\$87,497	\$20,478
	Reassigned/Non-Instruct..			80.59	1,208.86		\$3,654,606	\$1,079,058
	Science/Engineering/Math	1,224	\$6,479,009	92.84	1,392.55	13.43	\$3,535,827	\$1,010,791
	Social Science	949	\$5,024,800	58.10	871.50	16.16	\$2,418,728	\$693,562
	Visual and Performing Ar..	495	\$2,622,012	60.42	906.25	8.30	\$1,882,284	\$517,347
<b>Total</b>		<b>5,221</b>	<b>\$27,639,180</b>	<b>531.13</b>	<b>7,966.96</b>	<b>12.43</b>	<b>\$20,221,206</b>	<b>\$5,791,007</b>

NOTES: FTES data are estimates based on the number of students enrolled and the attendance accounting method of the CRN. The generally accepted target for FTES/FTEF ratios is 17.5. However, FTES/FTEF ratios are affected by classroom capacity and pedagogical needs.



## NOCCCD FTES and FTEF by Division (Credit Colleges)

College: Fullerton      Acad Year: 2025-26      Term: Multiple val..      Winter Interes..: All      Division: All      Department: All      FT-Adjunct Ind..: All      Extended Day Indica..: All

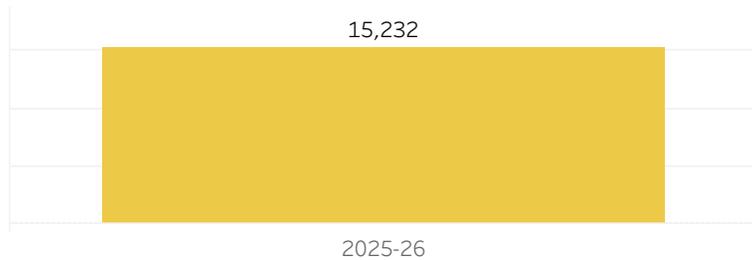
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**Full-Time Equivalent Faculty (FTEF):** 1 FTEF represents the workload equivalent of one full-time faculty teaching 15 instructional hours per week, regardless of whether the faculty member is full-time or adjunct.

**Workload by AY**



**FTES by AY**



Acad Year	Division Desc	FTES	FTES Revenue (e..)	FTEF	Workload	Avg. FTES/FTEF	Faculty Pay (Est)	Benefits (Est)
2025-26	Business	1,732	\$9,169,684	117.32	1,759.84	14.32	\$3,848,909	\$1,037,618
	Counseling	262	\$1,388,616	21.33	320.02	14.31	\$1,111,116	\$326,845
	Fine Arts	1,706	\$9,032,093	177.48	2,662.23	7.02	\$6,372,615	\$1,749,768
	Humanities	2,355	\$12,467,264	191.72	2,875.75	12.56	\$7,654,506	\$2,128,788
	Library	5	\$27,211	0.39	5.90	10.28	\$13,466	\$4,040
	Math & Computer Science	1,359	\$7,193,487	103.08	1,546.25	13.35	\$4,413,468	\$1,252,712
	Natural Science	1,653	\$8,748,547	130.14	1,952.13	13.13	\$5,116,160	\$1,444,256
	Payroll Purposes Only			12.93	193.97		\$478,013	\$129,463
	Physical Education	1,093	\$5,784,807	107.73	1,615.88	12.04	\$3,586,185	\$989,483
	Reassigned/Non-Instruct..			225.13	3,376.97		\$12,340,883	\$3,542,102
	Social Science	3,114	\$16,484,828	191.26	2,868.88	16.74	\$6,602,402	\$1,794,543
	Tech & Engineering	1,953	\$10,340,029	190.14	2,852.06	13.42	\$6,695,004	\$1,799,454
	<b>Total</b>		<b>15,232</b>	<b>\$80,636,567</b>	<b>1,468.66</b>	<b>22,029.86</b>	<b>12.58</b>	<b>\$58,232,728</b>

NOTES: FTES data are estimates based on the number of students enrolled and the attendance accounting method of the CRN. The generally accepted target for FTES/FTEF ratios is 17.5. However, FTES/FTEF ratios are affected by classroom capacity and pedagogical needs.



## NOCCCD FTES and FTEF by Division (Credit Colleges)

College	Acad Year	Term	Winter Intereses..	Division	Department	FT-Adjunct Ind..	Extended Day Indica..
Fullerton	2025-26	Fall 2025	All	All	All	All	All

**Full-Time Equivalent Student (FTES):** 1 FTES represents the class load of one full-time student attending 15 instructional hours per week.

**Full-Time Equivalent Faculty (FTEF):** 1 FTEF represents the workload equivalent of one full-time faculty teaching 15 instructional hours per week, regardless of whether the faculty member is full-time or adjunct.

**Workload by AY**



**FTES by AY**



Acad Year	Division Desc	FTES	FTES Revenue (e..)	FTEF	Workload	Avg. FTES/FTEF	Faculty Pay (Est)	Benefits (Est)	
2025-26	Business	792	\$4,194,066	48.14	722.13	16.32	\$1,854,945	\$498,764	
	Counseling	149	\$788,647	9.83	147.46	18.34	\$520,198	\$152,761	
	Fine Arts	829	\$4,389,467	78.58	1,178.73	8.01	\$3,271,498	\$893,413	
	Humanities	1,163	\$6,158,351	87.90	1,318.50	13.53	\$4,017,953	\$1,107,689	
	Library	2	\$9,159	0.14	2.13	9.88	\$5,172	\$1,552	
	Math & Computer Science	670	\$3,549,521	47.02	705.25	14.34	\$2,312,225	\$652,849	
	Natural Science	747	\$3,955,942	57.03	855.38	13.56	\$2,607,020	\$730,594	
	Payroll Purposes Only				6.05	90.75		\$262,498	\$71,933
	Physical Education	518	\$2,744,251	44.50	667.51	13.80	\$1,791,073	\$489,852	
	Reassigned/Non-Instruct..				104.96	1,574.43		\$6,808,932	\$1,944,742
	Social Science	1,321	\$6,992,792	79.24	1,188.63	17.26	\$3,087,492	\$836,564	
	Tech & Engineering	963	\$5,100,504	86.25	1,293.68	14.42	\$3,366,120	\$902,733	
	<b>Total</b>		<b>7,156</b>	<b>\$37,882,699</b>	<b>649.64</b>	<b>9,744.56</b>	<b>13.68</b>	<b>\$29,905,125</b>	<b>\$8,283,446</b>

NOTES: FTES data are estimates based on the number of students enrolled and the attendance accounting method of the CRN. The generally accepted target for FTES/FTEF ratios is 17.5. However, FTES/FTEF ratios are affected by classroom capacity and pedagogical needs.



## NOCCCD FTES and FTEF by Division (Credit Colleges)

College: Fullerton      Acad Year: 2025-26      Term: WI/Spring 2025      Winter Intereses.: All      Division: All      Department: All      FT-Adjunct Ind.: All      Extended Day Indica.: All

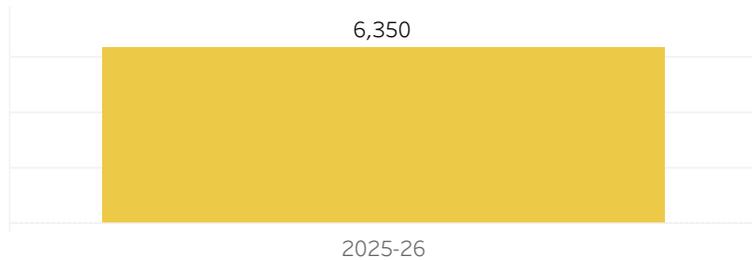
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**Full-Time Equivalent Faculty (FTEF):** 1 FTEF represents the workload equivalent of one full-time faculty teaching 15 instructional hours per week, regardless of whether the faculty member is full-time or adjunct.

**Workload by AY**



**FTES by AY**



Acad Year	Division Desc	FTES	FTES Revenue (e..)	FTEF	Workload	Avg. FTES/FTEF	Faculty Pay (Est)	Benefits (Est)	
2025-26	Business	705	\$3,732,852	55.82	837.25	11.98	\$1,663,547	\$452,536	
	Counseling	80	\$423,361	10.29	154.35	8.90	\$562,162	\$166,478	
	Fine Arts	660	\$3,493,987	86.63	1,299.38	5.11	\$2,805,399	\$781,768	
	Humanities	969	\$5,127,239	85.68	1,285.25	11.58	\$3,240,803	\$917,559	
	Library	3	\$13,500	0.20	3.07	10.22	\$7,488	\$2,246	
	Math & Computer Science	518	\$2,741,074	43.22	648.25	12.32	\$1,797,750	\$519,734	
	Natural Science	807	\$4,274,217	66.58	998.75	12.39	\$2,351,479	\$675,836	
	Payroll Purposes Only				5.65	84.75		\$188,227	\$51,772
	Physical Education	402	\$2,125,753	48.56	728.38	9.38	\$1,449,441	\$410,050	
	Reassigned/Non-Instruct..				98.95	1,484.27		\$4,769,399	\$1,423,937
	Social Science	1,375	\$7,276,709	89.73	1,346.00	15.75	\$2,979,312	\$818,354	
	Tech & Engineering	833	\$4,409,426	90.38	1,355.73	11.74	\$2,999,039	\$815,402	
	<b>Total</b>		<b>6,350</b>	<b>\$33,618,118</b>	<b>681.69</b>	<b>10,225.42</b>	<b>10.79</b>	<b>\$24,814,047</b>	<b>\$7,035,672</b>

NOTES: FTES data are estimates based on the number of students enrolled and the attendance accounting method of the CRN. The generally accepted target for FTES/FTEF ratios is 17.5. However, FTES/FTEF ratios are affected by classroom capacity and pedagogical needs.



## **NOCCCD Student Centered Funding Formula (SCFF) Methodology for Allocation of SCFF Data Across NOCCCD Institutions**

### **Allocation of Student Centered Funding Formula (SCFF) Data Across NOCCCD Campuses**

In Summer 2020, the North Orange County Community College District (NOCCCD) evaluated multiple methods for allocating SCFF headcount and funding across its three institutions. After analyzing three different models, the variations in funding outcomes were minimal, with differences of only 0.2–0.3%. Based on these findings, NOCCCD's Chancellor's Staff adopted the All Contributions Model approach.

### **All Contributions Model Overview**

The All Contributions Model assigns each institution credit for all students who would have met SCFF criteria had the institution been a standalone institution, rather than part of a multi-college district. Since this approach can result in a total headcount that differs from the California Community Colleges Chancellor's Office (CCCCO) districtwide headcount, the NOCCCD fiscal team adjusts the totals to align institutional data with statewide figures.

### **Data Allocation by Metric**

SCFF data are allocated to each institution based on the following metrics:

**Financial Aid Metrics:** A student is counted at an institution for each financial aid award they received at that institution during the reporting year.

**Degrees/Certificates:** A student is counted at an institution if their highest award in the reporting year was conferred by that institution.

**Transfer-level English & Math:** A student is counted at an institution if they were a first-time credit student and completed both transfer-level math and English at that institution during the reporting year.

**9+ CTE Units:** A student is counted at an institution if they completed at least 9 CTE credit units at that institution in the reporting year.

**Transfer to 4-Year:** A student is counted at an institution if they appeared in the CCCCCO transfer file and earned at least 12 units at that NOCCCD institution in the year prior to the reporting year.

**Living Wage:** A student is counted at an institution if they appeared in the CCCCCO wage file and were included in the MIS Enrollment (SX) file in the year prior to the reporting year.

**Note:** NOCE data are only included in the Living Wage metric. All other SCFF metrics require financial aid eligibility or credit enrollment, per CCCCCO SCFF definitions.



## NOCCCD SCFF Districtwide Data Trends

### Student Success Headcount Comparison 2023-24 to 2024-2025 (as of Dec 2025)

	2023-24	2024-25	% Change
<b>Supplemental Allocation</b>			
AB540 Students	1,063	1,116	5.0%
Pell Grant Recipients	11,337	13,023	14.9%
California Promise Grant Recipients	21,700	22,411	3.3%

### Student Success Allocation

#### All Students

Associate Degrees for Transfer	1,650	1,747	5.9%
Associate Degrees	1,381	1,407	1.9%
Baccalaureate Degrees	4	5	25.0%
Credit Certificates	882	838	-5.0%
Transfer Level Math and English	1,571	1,782	13.4%
Transfer to Four Year University	1,177	1,070	-9.1%
Nine or More CTE Units	5,585	6,354	13.8%
Achieved Regional Living Wage	2,076	2,435	17.3%

#### Pell Grant Recipients Bonus

Associate Degrees for Transfer	940	1,013	7.8%
Associate Degrees	776	805	3.7%
Baccalaureate Degrees	3	4	33.3%
Credit Certificates	454	453	-0.2%
Transfer Level Math and English	704	892	26.7%
Transfer to Four Year University	564	538	-4.6%
Nine or More CTE Units	2,876	3,426	19.1%
Achieved Regional Living Wage	606	698	15.2%

#### California Promise Grant Recipients

#### Bonus

Associate Degrees for Transfer	1,281	1,326	3.5%
Associate Degrees	1,077	1,125	4.5%
Baccalaureate Degrees	3	5	66.7%
Credit Certificates	650	621	-4.5%
Transfer Level Math and English	1,053	1,178	11.9%
Transfer to Four Year University	817	764	-6.5%
Nine or More CTE Units	4,190	4,701	12.2%
Achieved Regional Living Wage	1,083	1,259	16.3%



## NOCCCD SCFF Campus Data

### Student Success Allocation Headcount by Campus 2024-2025 (as of Dec 2025)

	Districtwide Total per CCCC	Cypress	Fullerton	NOCE
<b>Supplemental Allocation</b>				
AB540 Students	1,116	590	682	-
Pell Grant Recipients	13,023	6,298	6,763	-
California Promise Grant Recipients	22,411	11,272	13,001	-

### Student Success Allocation

#### All Students

Associate Degrees for Transfer	1,747	783	967	-
Associate Degrees	1,407	559	855	-
Baccalaureate Degrees	5	5	-	-
Credit Certificates	838	509	366	-
Transfer Level Math and English	1,782	784	962	-
Transfer to Four Year University	1,070	PENDING CCCC DATA		-
Nine or More CTE Units	6,354	2,821	3,324	-
Achieved Regional Living Wage	2,435	928	1,198	481

#### Pell Grant Recipients Bonus

Associate Degrees for Transfer	1,013	470	543	-
Associate Degrees	805	357	451	-
Baccalaureate Degrees	4	3	-	-
Credit Certificates	453	292	178	-
Transfer Level Math and English	892	418	454	-
Transfer to Four Year University	538	PENDING CCCC DATA		-
Nine or More CTE Units	3,426	1,607	1,698	-
Achieved Regional Living Wage	698	355	371	38

#### California Promise Grant

#### Recipients Bonus

Associate Degrees for Transfer	1,326	609	716	-
Associate Degrees	1,125	479	648	-
Baccalaureate Degrees	5	4	-	-
Credit Certificates	621	375	267	-
Transfer Level Math and English	1,178	549	602	-
Transfer to Four Year University	764	PENDING CCCC DATA		-
Nine or More CTE Units	4,701	2,155	2,389	-
Achieved Regional Living Wage	1,259	603	694	80

## NOCCCD SCFF Campus Data

### Student Success Headcount Comparison 2023-24 to 2024-2025 (as of Dec 2025)

Cypress College	2023-24	2024-25	% Change
<b>Supplemental Allocation</b>			
AB540 Students	551	590	7.1%
Pell Grant Recipients	5,361	6,298	17.5%
California Promise Grant Recipients	10,661	11,272	5.7%
<b>Student Success Allocation</b>			
Associate Degrees for Transfer	725	783	8.0%
Associate Degrees	540	559	3.5%
Baccalaureate Degrees	4	5	25.0%
Credit Certificates	562	509	-9.4%
Transfer Level Math and English	690	784	13.6%
Transfer to Four Year University	480	PENDING CCCCCO DATA	
Nine or More CTE Units	2,491	2,821	13.2%
Achieved Regional Living Wage	747	928	24.2%

Fullerton College	2023-24	2024-25	% Change
<b>Supplemental Allocation</b>			
AB540 Students	661	682	3.2%
Pell Grant Recipients	6,011	6,763	12.5%
California Promise Grant Recipients	12,889	13,001	0.9%
<b>Student Success Allocation</b>			
Associate Degrees for Transfer	929	967	4.1%
Associate Degrees	846	855	1.1%
Baccalaureate Degrees	-	-	0.0%
Credit Certificates	339	366	8.0%
Transfer Level Math and English	857	962	12.3%
Transfer to Four Year University	795	PENDING CCCCCO DATA	
Nine or More CTE Units	2,921	3,324	13.8%
Achieved Regional Living Wage	1,030	1,198	16.3%

NOCE	2023-24	2024-25	% Change
<b>Student Success Allocation</b>			
Achieved Regional Living Wage	270	481	78.1%

Note: Other SCFF Metrics not applicable to noncredit data

Source: CCCCCO Student Centered Funding Formula (SCFF) data as of December 2025

North Orange County Community College District

# COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: February 3, 2026

From: Erika Almaraz, Acting Vice Chancellor, Administrative Services

Re: Agenda Item for Council on Budget and Facilities of February 9, 2026

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1. AGENDA ITEM NAME

**Creation of Resource Allocation (RAM) Workgroup**

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

**20 minutes**

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

**The Council on Budget and Facilities evaluates the Resource Allocation Model each year in October. Proposed changes to the RAM were presented at the October 13, 2025 CBF meeting and feedback regarding changes was obtained at subsequent meetings. Following discussion, it was recommended that CBF form a Resource Allocation Model (RAM) Workgroup to further evaluate changes to the RAM before forwarding additional recommendations to DCC.**

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

**It is recommended that CBF discuss the composition for the Resource Allocation Model (RAM) workgroup and approve creation of the workgroup.**