

## GOVERNOR UNVEILS BUDGET PROPOSAL

Governor Schwarzenegger released his \$109 billion budget proposal, containing \$85 billion in General Fund expenditures and \$24 billion in special funds. According to the Governor's budget summary, the January proposal addresses a \$9 billion shortfall through programmatic reductions and borrowing authority.

The Legislature will begin deliberating the budget in February. A two-thirds vote is required for passage.

## COMMUNITY COLLEGES SLATED FOR OVERALL FUNDING INCREASE

Community colleges were one of a few programs slated for an overall funding increase. The Governor proposes an additional \$373 million, totaling a 7.4 percent increase, distributed in the following areas:

\$136.7 million for 3 percent enrollment growth;

\$195.5 million for a 3.93 percent cost-of-living adjustment (COLA);

Statutory enrollment growth of 1.89 percent and the 3.93 percent COLA for Basic Skills, EOP&S, CARE, DSP&S and Matriculation; and

"Set-aside" of \$31.4 million (the amount of Partnership for Excellence funds vetoed in the 2004 Budget Act) pending review of the Community College Board of Governors' recommendations this spring on accountability.

In addition to the \$373 million in ongoing funds, the Governor has proposed the following in one-time funds:

\$20 million to improve articulation of vocational course-work with K-12 schools in order to expand "2 + 2" vocational curriculum opportunities.

## PROPOSED PROP 98 SPLIT RISES BY ONE-TENTH OF ONE PERCENT

The Governor's January budget proposal funds community colleges at 10.35 percent of Proposition 98, reflecting a one-tenth of a percentile growth from 10.25 percent. According to Department of Finance, each one-tenth of one percent in Proposition 98 for the 2005-06 budget year is \$50 million. Despite the increase, community colleges are still well short of their statutory share of 10.93 percent.

## BUDGET ELIMINATES STATE CONTRIBUTION TO CALSTRS DB PROGRAM/ ADMINISTRATION SEEKS REPEAL OF DEFINED BENEFIT FOR NEW EMPLOYEES

The budget proposal would eliminate the State's annual contribution to the California State Teachers' Retirement System Defined Benefit (DB) Program, which is estimated at \$35 - \$40 million for community colleges. Responsibility for these payments would be shifted to school/community college districts and/or faculty to ensure an effective link between future costs and benefits of the teachers' retirement system. Initially, districts will be expected to pay an additional two percent of payroll, but they will be provided authority to shift this cost to faculty through collective bargaining agreements.

Even more disturbing is the Administration's support for a proposed constitutional amendment eliminating DB Programs for public servants (in both the CalSTRS and CalPERS systems) hired after July 1, 2007. While the proposal will likely be rejected by the Legislature, it can still reach the ballot through the signature process.

## BUDGET SHORTCHANGES PROP 98 MINIMUM GUARANTEE

The 2004 Budget Act reflects a deal between the California Teachers Association (CTA) and other K-12 educational entities to reduce (or "rebase") Prop 98 expenditures by \$2 billion. Subsequent to the passage of the 2004 Budget Act, the constitutional guarantee for Prop 98 within the current year rose by \$1.1 billion.

With the release of the January budget for 2005-06, the Administration announced that it will not increase the current year Prop 98 expenditures by \$1.1 billion, but simply maintain the expenditure level voted in the 2004 Budget Act with adjustments for local revenues and Average Daily Attendance growth. By invoking this reduction in the minimum guarantee for the current year budget, the Administration realizes an additional savings of \$1.17 billion in 2005-06.

K-12 representatives labeled the Governor's proposal as a "declaration of war," claiming he broke his promise to spend additional Proposition 98 money on K-14 education.

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**Register today for 2005 FACCC Lobby Day - Monday, March 14.  
Contact Janet Oropeza at (916) 447-8555 or by e-mail to ohmitye1@aol.com.**

**DEADLINES:**

**March 1** - RSVP for Lobby Day if you want FACCC to arrange legislative visits.  
**March 7** - Checks to the FACCC PAC must be received in the FACCC office if you wish to participate in the optional lunch program.  
Be sure to specify whether you wish to receive the vegetarian or chardonnay chicken selection.

**InFACCC**

*InFACCC* is a members-only newsletter of FACCC, the Faculty Association of California Community Colleges, Inc. FACCC is a nonprofit, professional organization that promotes unity and professionalism among California Community College faculty, and advocates on behalf of faculty to encourage policy makers to provide adequate resources and appropriate laws and regulations to assure Californians broad access to community college education.

MARK YOUR CALENDARS

March 14, 2005  
FACCC Lobby Day  
Sacramento

Speakers:

Asm. Sam Blakeslee

Asm. John Laird

Asm. Lori Saldaña

Sen. Robert Dutton

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## GOVERNOR PROPOSES AMENDMENT TO 75/25 REQUIREMENTS

One of the budget recommendations adopted from the California Performance Review (CPR) by the Administration is the exemption of career technical education faculty from the application of the 75/25 full- to part-time faculty hiring requirement. FACCC vigorously opposed this proposal before the CPR Review Panel, and will do so again before the Legislature.

## GOVERNOR PROPOSES STRUCTURAL CHANGES TO PROP 98

The Governor will unveil a constitutional amendment to eliminate the "Maintenance Factor" from Proposition 98. The "Maintenance Factor" ensures that the State repays K-12 and community colleges when funding is lowered during lean economic years. All constitutional amendments require a vote of the people.

## CALIFORNIA PERFORMANCE REVIEW (CPR) SPARES CCBOG

Governor Schwarzenegger has submitted his CPR reorganization plan to the Little Hoover Commission for comment, which includes the proposed elimination of 88 boards and commissions. Although the CPR initially slated to eliminate the CCBOG, that recommendation was dropped, because it was not supported by the independent CPR review panel.

## 'POINT AND CLICK' YOUR OPPOSITION TO PROP 98 CUTS/RETIREMENT OVERHAUL

Expressing your opposition to Governor Schwarzenegger's proposals to cut Proposition 98 by \$2.3 billion, overhaul the retirement system, and diminish the 75/25 full-time faculty hiring obligation is as easy as a 'point and click.' Visit the FACCC Web site at [www.faccc.org](http://www.faccc.org) under "Contact Your Legislator" for more information.

### California Community Colleges 2005-06 System Budget and Governor's Budget

#### Summary of Recommended Funding Increases (Ongoing Funds Only) dollars in thousands

	System Request	Governor's January Budget	Difference
<b>Maintain and Restore Educational Quality:</b>			
Restore vetoed base funding	31,409	31,409	-
COLA	119,000	195,524	76,524
Restore one-half of prior-year lost COLA	46,450		(46,450)
Professional development	2,500		(2,500)
Fully fund part-time office hours and health benefits	7,100		(7,100)
Restore Academic Senate funding	30		(30)
<b>Provide Equitable Student Access:</b>			
Enrollment growth	169,781	141,931	(27,850)
Equalization	80,000		(80,000)
Non-credit rate enhancement	30,000		(30,000)
<b>Restore Essential Services Critical to Student Success:</b>			
Restore matriculation/counseling/placement	23,300		(23,300)
health services fee backfull	14,000		(14,000)
Restore special services for CalWORKS students	9,000		(9,000)
<b>Partner in State's Economic and Workforce Development:</b>			
Augment Economic/Workforce Dev. Prog.	15,458		(15,458)
<b>Enhance Technology Infrastructure &amp; Data:</b>			
Data sharing/CalPASS partnership	500		(500)
<b>Technical Budgeting Changes:</b>			
Technical budgeting changes		3,000	3,000
<b>TOTALS</b>	<b>548,528</b>	<b>371,864</b>	<b>(176,664)</b>
<b>One time funding requests</b>			
Professional Development	\$ 2,500		(2,500)
Scheduled maintenance and Inst. Equip.	\$ 50,000		(50,000)
CALREN network access for CCC centers	\$ 475		(475)
Electronic transcript exchange	\$ 691		(691)
Voc. Ed. Coursework articulation	\$ -	\$ 20,000	20,000
			-
<b>Totals</b>	<b>\$ 53,666</b>		<b>(33,666)</b>

## PLAN TO ATTEND FACCC LOBBY DAY

Now, more than ever, your presence is needed in Sacramento. Join FACCC in the State Capitol on Monday morning, March 14, and FACCC PAC for lunch. The afternoon will be spent visiting your legislators. While there is no charge to attend Lobby Day, there is a \$25 cover charge for the optional FACCC PAC lunch.\* (Be sure to specify whether you wish to receive the vegetarian or chardonnay chicken selection.)

### LEADERSHIP LOBBY DAY SCHEDULE

#### State Capitol, Rm 447

(Subject to change)

<b>8:30 AM</b>	<b>Registration</b>
<b>9:00 AM</b>	<b>Orientation/Training</b>
<b>9:30 AM</b>	<b>Asm. Sam Blakeslee</b>
<b>10:00 AM</b>	<b>Asm. John Laird</b>
<b>10:30 AM</b>	<b>Asm. Lori Saldaña</b>
<b>11:00 AM</b>	<b>Sen. Robert "Bob" Dutton</b>
<b>12:00 PM</b>	<b>Optional FACCC PAC Lunch – Eureka Rm (\$25 cover)*</b>
<b>2:00-4:00 PM</b>	<b>Meetings with your Legislators**</b>

\*Make checks payable to FACCC PAC, 1823 11<sup>th</sup> Street, Sacramento, CA 95814. Donations to FACCC PAC are not tax deductible; they are an investment in your future. Checks must be RECEIVED no later than March 7 to participate.

\*\*RSVP by March 1 if you want FACCC to arrange your legislative visit. Walk-in registrations are allowed, but you must arrange your own legislative visit.

#### Legislators invited to speak on community college issues:



**Sen. Robert "Bob" Dutton (R-Rancho Cucamonga)** – recently elected to the Senate in Nov. 2004, he is the Republican representative on the Senate Budget Subcommittee on Education Finance, and also serves on the Appropriations, Education, Revenue and Taxation, and Natural Resources and Water Committees. Two years ago, he battled with the Legislature, former Gov. Davis and the Department of Finance to compel the State to pay its \$500 million contribution to the Supplemental Benefit Maintenance Account, which provides purchasing power for CalSTRS members. Dutton's wife, Andrea, is a FACCC member at Chaffey Community College.



**Asm. John Laird (D – Santa Cruz)** – elected to the Assembly in 2002, he is Chair of the Budget Committee and also serves on the Judiciary, Labor and Employment, and the Natural Resources Committees. Laird is a strong advocate for community colleges, seeking to stabilize funding for the system. He is a former Trustee at Cabrillo Community College.



**Asm. Lori Saldaña (D – San Diego)** – FACCC member, recently elected to the Assembly in Nov. 2004, she serves on the Appropriations, Natural Resources, Veterans Affairs, and Water, Parks and Wildlife Committees. She is a former "freeway flyer" from San Diego City and Mesa Community Colleges.



**Asm. Sam Blakeslee (R – Santa Maria)** – recently elected to the Assembly in Nov. 2004, he serves on the Budget, Public Employees, Retirement and Social Security, Agriculture, and Utilities and Commerce Committees. He is a former Trustee at Cuesta Community College.

#### Mark Your Calendars!



## FACCC PRIORITY ISSUES

FACCC is prioritizing community college funding and protection of the Defined Benefit (DB) Program for this legislative year. FACCC will also be addressing other items of legislative and regulatory import through sponsored measures and advocacy efforts:

**FACCC-sponsored SB 55 (Lowenthal) Required Discussion of No Confidence Motions** – This measure would require a local governing board to respond to a local Academic Senate's vote of no confidence against a campus administrator by twice placing the matter on its agenda. The first time would be a discussion of why the no confidence motion occurred; the second, after at least one month, to determine if progress was made in resolving the conflict which led to the motion.

**Automatic Property Tax Backfill** – FACCC will once again attempt to mandate that the Legislature must automatically backfill community college funding when property tax revenues fall below projection. K-12 has this protection, which allows that system to be kept whole, should funding fall short during an academic term.

**Recording Service Credit for Part-Time Faculty** – FACCC is working together with CalSTRS through the FACCC-CalSTRS Part-Time Faculty Task Force to develop a means of properly crediting part-time faculty with their service credit in the DB Program. FACCC and CalSTRS will be developing legislative or administrative mechanisms to resolve the problem of misreporting by districts.