

# Workforce & Economic Development Division

May 2017

[Perkins](#) Master Calendar

[Title I-C](#)

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## Perkins IV/V

**Perkins IV Allocations:** The United States Department of Education has yet to send the yearly Perkins IV allocation listing out to States. On May 1st the Federal Budget was approved for 2017-18. The Chancellor's Office is now awaiting the allocation for Perkins from the United States Department of Education. Once the allocation is received, the Chancellor's Office will run the data and enter allocation by District into the Perkins online application. A memo will be sent to all Districts announcing the opening of the application, the allocation amount and a new date for certification that will be no less than 10 working days.

**PERKINS V UPDATE:** As was previously reported, Perkins V was held up in the Senate due to the removal of authority from the secretary of education within the Act and therefore did not receive Senate approval before November 2016 elections which sent the Act back for review by the new Congress. The House and Education Workforce Committee has now done a second review of the Act that was released on May 4th with minimal revisions. The House is now scheduled to start marking up the document the week of May 15th. According to the current revisions the Act would start as of January 2018. This would mean the interim year (for planning) would be in 2018-19 and the first year of Perkins V implementation would be 2019-2020.

**Quarterly Reporting** – Every quarter districts are required to report and certify their Perkins [Title I-C](#), [CTE Transitions](#), and [Title I-B](#) expenditures in the Year-To-Date Expenditures and Progress Report online system. The reporting schedule ensures that districts are reimbursed in a timely manner. The following reporting dates will apply for FY 2016-17.

### Quarters

- Fourth Quarter
- Final Claims

### District Certified Deadline

July 15, 2017  
August 31, 2017

**NOTE:** It is time to check allocation budgets to determine if a pre-approved budget change is required. Pre-approval of the Project Monitor is required if a budget change adds or deletes budget categories (1000 to 7000) and/or makes material additions or deletions to Allocation Agreement outcomes. Prior approval for fiscal additions and/or deletions is made through the Chancellor's Office on-line quarterly reporting system. Once the requested change is approved, the affected quarterly budget will be updated electronically. **As Perkins is in the last quarter for the three funding sources listed above, any pre-approval must be requested in the on-line system before June 30th or the system will not certify for 4th quarter and an audit exception will occur.**

## **EWD -- Budget Trail Language that extends the EWD Program.**

The following trailer bill language is found at the State of California Department of Finance website for 2017-18 Governor's Budget tracking: SECTION 1. Section 88651 of the Education Code is amended to read: 88651. This part shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2023, deletes or extends that date.

[http://dof.ca.gov/Budget/Trailer\\_Bill\\_Language/documents/305CCCExtendEconomicandWorkforceDevelopmentProgramExtension.pdf](http://dof.ca.gov/Budget/Trailer_Bill_Language/documents/305CCCExtendEconomicandWorkforceDevelopmentProgramExtension.pdf)

## **Adult Education Block Grant (AEBG)**

**AEBG Newsletter:** Link to the newest AEBG newsletter May 10th can be found at the following [http](http://archive.constantcontact.com/fs191/1114865855964/archive/1127910247498.html#LETTER.BLOCK44) and contains information on upcoming deliverables, launching field teams, state conferences and other news.

<http://archive.constantcontact.com/fs191/1114865855964/archive/1127910247498.html#LETTER.BLOCK44>

**AEBG Consortia Directors Event:** Save the date for a special AEBG event for consortia directors. The event will take place **Oct. 12 & 13** at the Sheraton Grand in Sacramento.

**AEBG Field Team:** In order to clarify key data elements required for AEBG accountability reporting, and to ensure that metrics help to illuminate student progress in adult education programs, a series of practitioner committees will be convened between May-July 2017.

## **Other**

**Academic Affairs Curriculum:** Academic Affairs has an email account for curriculum questions from the field. When there are questions regarding curriculum, the proper protocol is to email [curriculum@cccco.edu](mailto:curriculum@cccco.edu) and questions will be answered in the order they come in. This communication tool helps the Academic Affairs Division manage their requests.

**First Friday Update to CIO/CSSOs:** The first Friday of every month a newsletter is posted giving all recent updates for the Chancellor's Office Educational Services, Academic Affairs, Student Services, and Workforce and Economic Development Divisions. So put this on your favorites and look for update the first Friday of every month.

<http://extranet.cccco.edu/Divisions/AcademicAffairs.aspx>

**May Revise:** The following is a review of the May Revise by Mario Rodriguez VC Finance and Facilities: During the next four week each house of the Legislature will pass their own budget and the differences will be worked out during Conference Committee. Some of the top issues we can expect to hear about are promise programs, student financial aid, additional facilities projects, veteran resource centers, part-time faculty programs, supporting the transition of Compton College, and mental health services. A basic overview of the May Revise is the following:

### Proposition 98

- The 2015-16 funded guarantee is \$69.1 billion, of which community colleges receive 10.97%. This is an increase of \$0.4 billion above the Governor's Budget, which is consistent with the estimate at the 2016-17 Budget Act.

- The 2016-17 funded guarantee is \$71.4 billion, of which community colleges receive 10.93%. This is consistent with the Governor’s Budget and is a decrease of \$0.5 billion below the 2016-17 Budget Act.
- The 2017-18 funded guarantee is \$74.6 billion, of which community colleges receive 10.90%. This is an increase of \$1.1 billion above the Governor’s Budget and is an increase of \$2.7 billion above the 2016-17 Budget Act.
- While the May Revision does not provide community colleges the statutorily required 10.93% of the funded guarantee in 2017-18, it does provide us with an additional \$23.1 million in additional “settle-up” funding beyond what would be expected if the 10.93% were applied equally across all three years applicable fiscal years. “Settle-up” funding is essentially a correction of an underpayment in a prior years. In short, the Governor has continued to support our segment and we appreciate the improvements made at the May Revision.
- The May Revision also proposes some technical, yet material, changes to the funded guarantee in an effort to mitigate concerns raised when the Governor’s Budget reduced the 2015-16 level of funding from \$69.1 billion to \$68.7 billion, which is proposed to remain at \$69.1 billion in the May Revision. As a part of this package of changes, the deferred maintenance and instructional equipment funding discussed below will act as a contingency in 2017-18, and will not be allocated until P2 in 2018-19. There will likely be plenty of discussion on this issue over the next few weeks.

#### Apportionments

- An additional \$160 million of base increase for a total of \$183.6 million, which is provided in recognition of pending cost increases in areas such as pension rates, employee benefits, and utilities. This brings the total provided for a base increase to \$552.3 million over the three-year period.
- A reduction of \$21.5 million of growth for a total of \$57.8 million to reduce growth from 1.34% to 1%. Growth funds will continue to be allocated by the revised growth formula that gives consideration to high-need students and high-need communities.
- An increase of \$3.5 million for a total of \$97 million to reflect a COLA that increased from 1.48% to 1.56%.
- The Administration also proposes budget bill language that authorizes the Chancellor’s Office to apply unused growth funds to cover an apportionment deficit. While this does not remove all uncertainty from the apportionment process, it will help in years we are not growing to our funded cap and have an apportionment deficit. The Governor’s Budget proposal to remove the authority of the Chancellor’s Office to allocate unused apportionment funding due to higher that estimated student fee and property tax revenues remains in the May Revision

#### Facilities

- A decrease of \$5.8 million of Proposition 39 for a total of \$46.5 million to fund energy efficiency projects. 2017-18 is scheduled to be the final year of the program under current law, however, there are attempts to continue the program that will play out over the next year.
- An additional \$92.1 million of deferred maintenance and instructional equipment funding for a total of \$135.8 million. As discussed above, these funds are not proposed to be allocated until the P2 in 2018-19 and will act as a contingency against future reductions in Proposition 98.

- While the May Revision did not provide any additional Proposition 51 capital outlay projects, an April 1 Finance Letter provided an additional four projects, listed below
  - Allan Hancock Joint Community College District, Allan Hancock College: Fine Arts Complex
  - Coast Community College District, Orange Coast College, Language Arts & Social Sciences Building
  - Long Beach Community College District, Long Beach City College: Liberal Arts Campus Multi-Disciplinary Facility Replacement
  - Santa Monica Community College District, Santa Monica College: Math/Science Addition

#### Guided Pathways

- The Administration also amends the Guided Pathways grant trailer bill language to do the following: (1) clarify the Guided Pathways four pillar framework, (2) clarify the funds will be primarily used for release time, professional development, and technology solutions, (3) ensures the Chancellor's Office has sufficient authority to require a grant application with programmatic criteria and both qualitative and quantitative indicators, and (4) requires the Chancellor's Office to report annually on the status of implementing the grant.

#### Support Services

- An additional \$1.9 million for a total increase of \$5 million for the Full-time Student Success Grant that provides grants to CalGrant B and C students taking 12 or more units per term. Further, the Administration proposes increasing the grant amounts from \$300 to \$350 per term.

While I have only covered the adjustments made at the May Revision, the \$20 million for Innovation Awards, \$10 million for the Online Education Initiative's learning management system, and \$6 million for the integrated library service are all still included in the budget package.

A few updates after a fully review the official May Revision budget documents:

- The EOPS, DSPPS, CalWORKs, and Campus Child Care Tax Bailout categoricals each received a 1.56% COLA.
- The California Apprenticeship Initiative grants provided in 2015-16, 2016-17, and 2018-19 are provided an additional two years to be encumbered or expended, which recognizes the lead-time necessary to develop and implement an innovative apprenticeship program.
- The Equal Employment Opportunity Program was provided an additional \$1,825,000 on a one-time basis from FON penalties.
- \$45.8 million in additional one-time revenue to be allocated on an FTES basis due to 2015-16 Apportionment having revenue in excess of the entitlement. This funding may be used by the Legislature to fund other one-time priorities in the final budget.
- \$31.7 million in additional one-time revenue to be allocated on an FTES basis to backfill for lower than estimated RDA revenue.

Finally, there has been additional questions raised about the changes proposed to the Proposition 98 calculation. Please see pages 15 and 16 on the May Revision Summary document (link below) for a detailed explanation. <http://www.ebudget.ca.gov/FullBudgetSummary.pdf>

**Legislative Update:** The summaries that follow are for our top priority, or “Tier 1” bills, and reflect the information that was available when this update was drafted as of April 27th.

<http://www.californiacommunitycolleges.cccco.edu/Portals/0/Executive/Board/2017/May/State%20Update%20May%202017.pdf>

**Organizational Chart CCCCO Workforce & Economic Development Division:**

