

To: SAC Campus Community

From: Dr. Michael Collins, VP of Administrative Services

Date: January 22, 2014

Re: Budget Update

Welcome to 2014! The campus community is underway with a full intercession and the campus is looking towards the spring semester with great anticipation. Before I get into the update, I want to congratulate Esmeralda Abejar, who began her new role as Campus Budget Manager at the start of this month. Esmeralda brings great technical expertise and 13 years of institutional knowledge to the Budget Office. Earlier in the month, Governor Brown presented his proposed budget for the 2014-15 fiscal year. With the improved economic conditions and continued support for higher education from Proposition 30, the revenue outlook for California community colleges looks much brighter than in years past. Good news for higher education is the Governor’s proposal of a “rainy-day fund”, aiming to reduce the volatility of the State apportionment budget. Critical to understanding the nature of the Governor’s budget proposal is the fact that this is only a proposal, which will most likely change and morph into the adopted budget by June 15 after lengthy battles for surplus revenue take place.

**State Budget Proposal**

The Governor’s 2014-15 budget proposal sets aside $155.2 million for “growth in general-purpose apportionments”, which equates to 3% of restoration/access/growth funding, while recognizing that particular attention needs to be paid to populations that are currently underserved but critical to the State’s need for an educated workforce. A few other highlights include:

* No increase in student fees
* Funding a 0.86% cost-of-living adjustment
* $100 million in Student Success and Support Program (formally matriculation)/$2.5 million for RSCCD
* $100 million “to close achievement gaps in access and achievement in underrepresented student groups as identified in local Student Equity Plans”/$2.5 million for RSCCD
* $175 million, split equally to support scheduled maintenance and instructional equipment/$4.4 million for RSCCD
* $592.4 to fund the total elimination of all cash deferrals, or State IOUs, that have piled up over the years (no new money for community colleges)/$15.4 million for RSCCD
* $50 million in higher education innovation grants at the UC, CSU, and CCC level focusing on student completion

Next stop for the Governor’s budget proposal is the May 15 revise, which updates the State’s revenue picture and engages serious budget discussions leading to the June 15th State budget deadline.

**SAC Budget Update**

There is good budget news on the local front as well! Our SAC 2013-14 adopted budget is performing very well at the “halftime” point of the fiscal year, with expenditures approximately 5% under budget. It is a credit to our campus community that we are able to live within our budget, while investing in our schedule in order to meet our students’ needs. In accordance with our Resource Allocation Request (RAR) procedure for budget augmentations, the College has funded $XXXX in facilities upgrades, $XXXX in instructional equipment, $XXXX in instructional technology, and is the process of moving forward with many of the funded vacancies and personnel requests that were initiated via the RAR process.

SAC is in the process of planning for the 2014-15 budget, which starts with the RAR process for budget augmentation requests that are rooted in program review. RARs for the 2014-15 fiscal year have been prioritized by the requesting department and are in the hands of our Campus Budget Office for consolation of all requests, then will be presented to President’s Cabinet, the Planning and Budget Committee, and the entire campus community via the [Planning and Budget Committee webpage](http://www.sac.edu/AdminServices/budget/Pages/default.aspx).

Administrative Services is currently working on the 2014-15 Planning and Budget Manual, which contains a robust repository of planning and budget documents as we begin to plan the FY 14-15 budget. The 2013-14 Planning and Budget Manual can be found at [2013/2014 Planning and Budget Manual](http://www.sac.edu/AdminServices/budget/Documents/Budget%20Manual%2013%20-14%20Apprvd%20manual%20.pdf). Also, please remember that all Planning and Budget Committee meetings are open to our entire campus community and that the Committee welcomes visitors. If you cannot make a meeting, please know that all agendas and meeting minutes are available on the website at [Planning and Budget Committee webpage](http://www.sac.edu/AdminServices/budget/Pages/default.aspx).

In closing, consistent with President Martinez’s budget goals, SAC is stabilizing our college in 2013-14 by investing in our schedule to meet the needs of our students, funding instructional equipment and technology, catching up on preventive and routine maintenance to our facilities, and filling critical personnel positions that will drive our college towards our mission. Together, we will tackle these challenges in a responsible manner while keeping our focus directly on serving students in the attainment of their educational goals and dreams.