

Fund: 01 GENERAL FUND

SUMMARY BY OBJECT	WORKING BUDGET	EXPENDED/RECEIVED		%	PENDED/ ENCUMBERED	UNENCUMBERED	
		CURRENT	YEAR TO DATE			BALANCE	%
8100.00 FEDERAL HEA REVENUES	453,877.00	429,078.50	429,078.50	94.5	0.00	24,798.50	5.4
8600.00 STATE REVENUES	54,196,704.00	33,380,880.76	33,380,880.76	61.5	0.00	20,815,823.24	38.4
8800.00 LOCAL REVENUES	19,580,849.84	11,195,280.34	11,195,280.34	57.1	0.00	8,385,569.50	42.8
8900.00 OTHER FINANCING SOURCES	41,392.00	35,224.10	35,224.10	85.0	0.00	6,167.90	14.9
TOTAL: 8000	74,272,822.84	45,040,463.70	45,040,463.70	60.6	0.00	29,232,359.14	39.3
1100.00 CONTRACT CLASSROOM INST.	15,603,010.18	10,917,762.31	10,917,762.31	69.9	0.00	4,685,247.87	30.0
1200.00 CONTRACT CERT. ADMINISTRATORS	6,808,632.74	4,579,169.40	4,579,169.40	67.2	0.00	2,229,463.34	32.7
1300.00 INSTRUCTORS DAY/HOURLY	8,334,604.48	5,458,061.54	5,458,061.54	65.4	1,755,342.42	1,121,200.52	13.4
1400.00 NON-INSTRUCTION HOURLY CERT.	285,087.23	171,954.67	171,954.67	60.3	0.00	113,132.56	39.6
TOTAL: 1000	31,031,334.63	21,126,947.92	21,126,947.92	68.0	1,755,342.42	8,149,044.29	26.2
2100.00 CONTRACT CLASSIFIED NON-INSTR.	13,814,156.04	9,446,065.72	9,446,065.72	68.3	0.00	4,368,090.32	31.6
2200.00 INSTRUCTIONAL AIDS	1,371,967.56	899,650.51	899,650.51	65.5	0.00	472,317.05	34.4
2300.00 NON-INSTRUCTION HOURLY CLASS.	576,824.21	463,691.83	463,691.83	80.3	0.00	113,132.38	19.6
2400.00 INST AIDES-HOURLY- DIR.INSTRUC	732,356.69	417,577.57	417,577.57	57.0	0.00	314,779.12	42.9
TOTAL: 2000	16,495,304.50	11,226,985.63	11,226,985.63	68.0	0.00	5,268,318.87	31.9
3100.00 CERTIFICATED RETIREMENT	2,543,267.00	1,534,426.05	1,534,426.05	60.3	0.00	1,008,840.95	39.6
3200.00 CLASSIFIED RETIREMENT	1,838,405.00	1,081,713.11	1,081,713.11	58.8	0.00	756,691.89	41.1
3300.00 OASDHI/FICA	1,758,489.45	1,157,767.92	1,157,767.92	65.8	0.00	600,721.53	34.1
3400.00 HEALTH AND WELFARE BENEFITS	5,307,343.89	3,604,241.51	3,604,241.51	67.9	0.00	1,703,102.38	32.0
3500.00 STATE UNEMPLOYMENT INSURANCE	179,398.00	135,535.68	135,535.68	75.5	0.00	43,862.32	24.4
3600.00 WORKERS COMPENSATION INSURANCE	699,164.00	467,343.14	467,343.14	66.8	0.00	231,820.86	33.1
3900.00 OTHER BENEFITS	55,031.00	84,359.44	84,359.44	100.0	0.00	29,328.44	.0
TOTAL: 3000	12,381,098.34	8,065,386.85	8,065,386.85	65.1	0.00	4,315,711.49	34.8
4100.00 TEXTBOOKS	10,327.00	2,749.79	2,749.79	26.6	3,925.88	3,651.33	35.3
4200.00 BOOK,MAGAZINE&PERIOD-DIST.USE	91,604.80	59,814.95	59,814.95	65.2	2,625.15	29,164.70	31.8
4300.00 INSTRUCTIONAL SUPPLIES	275,259.99	168,052.59	168,052.59	61.0	40,978.51	66,228.89	24.0
4400.00 MEDIA AND SOFTWARE-DISTRCT USE	38,359.24	6,738.63	6,738.63	17.5	397.43	31,223.18	81.3
4500.00 NONINSTRUCTIONAL SUPPLIES	858,543.23	379,992.06	379,992.06	44.2	215,537.60	263,013.57	30.6
4700.00 FOOD SUPPLIES	30,000.00	7,367.47	7,367.47	24.5	6,726.05	15,906.48	53.0
TOTAL: 4000	1,304,094.26	624,715.49	624,715.49	47.9	270,190.62	409,188.15	31.3
5100.00 PERSON&CONSULTANT SVC-DIST USE	2,465,366.67	888,918.16	888,918.16	36.0	910,234.56	666,213.95	27.0
5200.00 TRAVEL & CONFERENCE EXPENSES	302,200.30	80,477.54	80,477.54	26.6	34,785.79	186,936.97	61.8
5300.00 POST/DUES/MEMBERSHIPS-DIST.USE	308,444.00	145,742.98	145,742.98	47.2	71,043.20	91,657.82	29.7
5400.00 INSURANCES - DISTRICT USE	29,967.75	16,960.00	16,960.00	56.5	0.00	13,007.75	43.4
5500.00 UTILITIES & HOUSEKEEP-DIST.USE	2,864,348.53	1,770,454.43	1,770,454.43	61.8	925,985.40	167,908.70	5.8
5600.00 RENTS,LEASES&REPAIRS-DIST.USE	1,664,249.26	940,241.32	940,241.32	56.4	471,688.71	252,319.23	15.1
5700.00 LEGAL/ELECTION/AUDIT-DIST. USE	1,027,800.00	453,004.91	453,004.91	44.0	292,442.12	282,352.97	27.4
5800.00 OTHER OPERATING EXP-DIST. USE	2,162,804.74	496,227.36	496,227.36	22.9	478,557.26	1,188,020.12	54.9
5900.00 INTERPROGRAM CHARGES-DIST.USE	200.00	0.00	0.00	.0	0.00	200.00	100.0
TOTAL: 5000	10,825,381.25	4,792,026.70	4,792,026.70	44.2	3,184,737.04	2,848,617.51	26.3

Fund: 01 GENERAL FUND

SUMMARY BY OBJECT	WORKING BUDGET	EXPENDED/RECEIVED			%	PENDED/ ENCUMBERED	UNENCUMBERED	
		CURRENT	YEAR TO DATE				BALANCE	%
TOTAL: 1000-5999	72,037,212.98	45,836,062.59	45,836,062.59	63.6	5,210,270.08	20,990,880.31	29.1	
6100.00 SITES & IMPROVEMENTS-DIST. USE	700.00	680.00	680.00	97.1	0.00	20.00	2.8	
6200.00 BUILDINGS&IMPROVEMENT-DIST.USE	15,539.80	3,859.00	3,859.00	24.8	5,240.80	6,440.00	41.4	
6300.00 LIBRARY BOOKS - EXPANSION	80,075.43	42,095.91	42,095.91	52.5	31,951.85	6,027.67	7.5	
6400.00 ADDITIONAL/IMPROVED EQUIPMENT	442,977.47	103,724.97	103,724.97	23.4	14,152.76	325,099.74	73.3	
TOTAL: 6000	539,292.70	150,359.88	150,359.88	27.8	51,345.41	337,587.41	62.5	
TOTAL: 1000-6999	72,576,505.68	45,986,422.47	45,986,422.47	63.3	5,261,615.49	21,328,467.72	29.3	
7200.00 INTRAFUND TRANSFERS OUT	868,450.00	0.00	0.00	.0	0.00	868,450.00	100.0	
7300.00 INTERFUND TRANSFERS	4,502,758.00	3,417,201.00	3,417,201.00	75.8	0.00	1,085,557.00	24.1	
7500.00 OTHER OUTGO-STUDENT FIN AID	4,444.00	4,444.00	4,444.00	100.0	0.00	0.00	.0	
7600.00 OTHER STUDENT AID	85,898.00	85,148.00	85,148.00	99.1	0.00	750.00	.8	
7900.00 RESERVE FOR CONTINGENCIES	5,429,983.00	0.00	0.00	.0	0.00	5,429,983.00	100.0	
TOTAL: 7000	10,891,533.00	3,506,793.00	3,506,793.00	32.1	0.00	7,384,740.00	67.8	
TOTAL: 1000-7999	83,468,038.68	49,493,215.47	49,493,215.47	59.2	5,261,615.49	28,713,207.72	34.4	

BDX110
 budget summary
 72 San Bernardino Community Col

BEST NET CONSORTIUM
 BUDGET SUMMARY REPORT
 07/01/2009 TO 03/11/2010

#J4242

03/11/2010

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Fund: 01 GENERAL FUND

SUMMARY

SUMMARY BY OBJECT		WORKING BUDGET	EXPENDED/RECEIVED CURRENT YEAR TO DATE		%	PENDED/ ENCUMBERED	UNENCUMBERED BALANCE	%
TOTAL INCOME	(8000 - 8999)	74,272,822.84	45,040,463.70	45,040,463.70	60.6	0.00	29,232,359.14	39.3
TOTAL:	1000-5999	72,037,212.98	45,836,062.59	45,836,062.59	63.6	5,210,270.08	20,990,880.31	29.1
TOTAL:	1000-6999	72,576,505.68	45,986,422.47	45,986,422.47	63.3	5,261,615.49	21,328,467.72	29.3
TOTAL:	1000-7999	83,468,038.68	49,493,215.47	49,493,215.47	59.2	5,261,615.49	28,713,207.72	34.4
TOTAL EXPENSES	(1000 - 7999)	83,468,038.68	49,493,215.47	49,493,215.47	59.2	5,261,615.49	28,713,207.72	34.4

**San Bernardino Community College District
FTES History
2005-2007 to 2008-2009**

	2005- 2006 Actual	%	2006-2007 Actual	%	2007-2008 Actual	%	2008-2009 Actual	%	4 Year Average % of Total
SBVC	9,531.79	72%	9,415.12	68%	9,857.02	70%	10,727.72	70%	70%
CHC	3,756.51	28%	4,359.38	32%	4,245.73	30%	4,585.86	30%	30%
Total	13,288.30	100%	13,774.50	100%	14,102.75	100%	15,313.58	100%	100%

**San Bernardino Community College District
DRAFT Budget Model
2009-2010 Illustration**

	Base Allocation Revenue per SB361 for Medium and Small Colleges	State Funded FTES Credit	%	State Funded Rate Credit FTES	Credit Funding	State Funded FTES Noncredit	%	State Funded Rate Noncredit FTES	Noncredit Funding	Total State Base Revenue
SBVC	\$3,875,136	9,636.51	70.0%	\$4,564.83	\$43,988,983	7.82	70.0%	\$2,744.96	\$21,466	\$47,885,584
CHC	<u>\$3,321,545</u>	<u>4,129.93</u>	30.0%	\$4,564.83	<u>\$18,852,408</u>	<u>3.35</u>	30.0%	\$2,744.96	<u>\$9,196</u>	\$22,183,149
Total	\$7,196,681	13,766.44			\$62,841,391	11.17			\$30,661	\$70,068,733

**San Bernardino Community College District
2009-2010 District Budget Model
Draft Reworking of 2009-2010 Adopted Budget**

	A	B	C	D	E	F	G		H	I	J	K		
	Total Base State Revenue	Growth at 2.20%	COLA -0.38%	Total Base Revenue	Part-Time Faculty	Lottery Funds	Interest Income	Other Campus Revenue	Total Income	Assessment for District Office	Assessment for Auxilliary Operations	Assessment for District-Wide Costs	Assessment for District Reserve	Budget Allocation
SBVC	\$47,885,584	\$967,744	-\$181,965	\$48,671,363	\$135,092	\$878,093	\$234,441	\$396,473	\$50,315,462	(\$9,136,649)	(\$152,565)	(\$1,781,331)	\$0	\$39,244,917
			\$0											
CHC	\$22,183,149	\$415,400	-\$84,296	\$22,514,253	\$57,896	\$376,326	\$100,475	\$206,270	\$23,255,220	(\$3,915,706)	(\$65,385)	(\$763,427)	\$0	\$18,510,702
Total	\$70,068,733	\$1,383,144	-\$266,261	\$71,185,616	\$192,988	\$1,254,419	\$334,916	\$602,743	\$73,570,682	(\$13,052,355)	(\$217,950)	(\$2,544,758)	\$0	\$57,755,619

- A. FTES based computational revenue includes state apportionment, student fees (98%) property taxes.
- B. Based on Governor's Budget for 2010-2011. FTES for credit and noncredit x 2.2% x per credit rate.
Assumes even distribution for 2010-2011 since both colleges are over enrollment cap.
- C. Based on Governor's Budget for 2010-2011 applied to Total Base State Revenue.
- D. Based on 2009-2010 Advance Apportionment revised November 2009 adjusted by proposed Governor's cut of \$120,000.
- E. Preliminary allocation based on 80% of two years previous actual income divided between the campuses based on 4 year rolling average percentage.
Adjustments may occur at Tentative, Final and mid-year.
- F. Preliminary allocation based on 80% of two years previous actual income divided between the campuses based on 4 year rolling average percentage.
Adjustments may occur at Tentative, Final and mid-year.
- G. 80% of Prior Year Actual income generated by each site. Adjustments may occur at Tentative, Final and mid-year.
- H. Includes all District operations including HR, Fiscal, Police, DETS, PDC.
- I. Assessment to Auxilliary Services Accounting Staff (bookstore, cafeteria, trust funds)
- J. Includes transfer for KVCR, Property/Liability Insurance and Retiree funds for GASB 45 compliance.
- K. Potential for funds to meet District reserve requirements.

NOTES:

Does not consider SERP.

Site budgets with life spans other than 00 and subprograms other than 0000 must submit a balanced budget.

[Congress](#) > [Legislation](#)

H.R. 3221: Student Aid and Fiscal Responsibility Act of 2009

111th Congress

2009-2010

Summaries

Congressional Research Service Summary

The following summary was written by the Congressional Research Service, a well-respected nonpartisan arm of the Library of Congress. GovTrack did not write and has no control over these summaries.

9/17/2009--Passed House amended. Student Aid and Fiscal Responsibility Act of 2009 -

Section 4 -

Prohibits funds appropriated pursuant to this Act from being used for Congressional earmarks.

Section 5 -

Requires all savings in federal spending that are generated, and not otherwise allocated, by this Act to be made available for federal deficit reduction.

Title I - Investing in Students and Families

Subtitle A - Increasing College Access and Completion

Section 101 -

Amends the Higher Education Act of 1965 (the Act) to authorize and appropriate such sums as may be necessary to fully fund maximum Pell Grant amounts, beginning in FY2010. Ties increases in the maximum Pell Grant amount, beginning in 2011, to increases in the Consumer Price Index, plus 1%.

Section 102 -

Amends part E (College Access Challenge Grant program) of title VII of the Act to create a new part E (College Access and Completion Innovation Fund) that includes the College Access Challenge Grant program, a new State Innovation and Completion Grants program, and a new Innovation in College Access and Completion National Activities Grants program. Directs the Secretary of Education (Secretary) to award competitive matching State Innovation and Completion grants to states to: (1) implement activities and services that increase students' persistence in and completion of postsecondary school, particularly students now underrepresented at such schools; and (2) develop an interoperable statewide longitudinal data system to track students success in postsecondary schools and the workforce. Permits states to make subgrants to nonprofit organizations in their state, including student loan guaranty agencies and servicers, to implement the program. Gives grant priority to states that partner with philanthropic organizations, student loan guaranty agencies, or nonprofit subsidiaries of such agencies to implement the program. Requires states to use at least one-third of

program funding for activities benefiting students at two-year institutions of higher education (IHEs). Directs the Secretary to award competitive Innovation in College Access and Completion National Activities grants to IHEs, states, nonprofit organizations, philanthropic organizations, and TRIO grantees for innovative programs that advance knowledge about, and the adoption of, policies and practices that increase the number of individuals with postsecondary degrees or certificates. Includes among such programs those providing students with supplemental grant or loan benefits. Gives grant priority to programs that: (1) serve underrepresented students, dislocated workers, or veterans; (2) are offered by IHEs that do not predominantly award bachelor's degrees; (3) increase degree or certificate completion in the fields of science, technology, engineering, and mathematics; (4) enhance the financial literacy of students who are potentially eligible for assistance under the Act; or (5) encourage constructive partnerships between IHEs with high degree completion rates and those without such rates. Allows private, nonprofit IHEs to voluntarily elect to participate in a state's efforts under part E to increase postsecondary enrollment, persistence, and completion. Authorizes and appropriates specified funds for FY2010-FY2014 for part E programs, dedicating 25% of such funds to the College Access Challenge Grant program, 50% to the State Innovation and Completion Grants program, 23% to the Innovation in College Access and Completion National Activities Grants program, and 2% for the evaluation of such programs by the Director of the Institute of Education Sciences. Terminates the Secretary's authority to make part E grants after FY2014.

Section 103 -

Extends funding for grants to historically Black colleges and universities and other minority-serving institutions through FY2019. Terminates the Secretary's authority to award such grants after FY2019. Sets aside \$10 million of such funds each fiscal year for YES Partnership grants, which are for use in encouraging underrepresented minority or low-income students in kindergarten through grade 12 to pursue careers in science, technology, engineering, and mathematics (STEM) through outreach and hands-on, experiential-based learning projects.

Section 104 -

Authorizes and appropriates additional FY2010 funding for Cooperative Education programs that provide students with alternating or parallel periods of study and employment. Terminates the Secretary's authority to award grants for such programs after FY2010.

Section 105 -

Directs the Secretary to provide title IV (Student Assistance) grant repayment waivers and loan forgiveness to students for grant or loan periods for which they do not earn credit due to active duty in the Armed Forces. Restricts such waivers and forgiveness to loans first disbursed before July 1, 2010.

Section 106 -

Requires the Secretary to award three-year grants to IHEs to hire Veterans Resource Officers that provide veterans with certain support services to improve their college completion rates.

Section 107 -

Officer Daniel Faulkner Children of Fallen Heroes Scholarship Act of 2009 - States that, beginning with the 2010-2011 school year, the expected family contribution, used in determining a student's eligibility for federal student aid, shall be zero for students who are eligible for Pell grants and whose parent or guardian died in the line of duty while serving as a public safety officer. (Preserves such consideration for students whose parent or guardian was a member of the Armed Forces and died as a result of performing

military service in Iraq or Afghanistan after September 11, 2001.) Excludes students' total Pell grant from consideration in calculating their educational assistance benefits under the Public Safety Officer's Benefits program, if they receive an increased Pell grant under the preceding provision.

Section 108 -

Authorizes the Secretary to make grants to local educational agencies (LEAs) to improve teacher excellence in public elementary and secondary schools. Requires such grants to be used for the establishment, expansion, or improvement of: (1) professional development activities that are aligned to the curriculum and student academic needs; (2) mentoring and induction programs for new teachers and principals; or (3) career ladders that allow teachers to take on new professional roles. Authorizes appropriations for such program for FY2010-FY2015.

Subtitle B - Student Financial Aid Form Simplification

Section 121 -

Makes revisions to title IV student need analyses, which become effective after June 2011.

Section 122 -

Establishes a \$150,000 asset cap on student eligibility for Pell grants or loans under the part D Direct Loan (DL) program. Bases such cap on combined student and parent assets for dependent students and combined student and spouse assets for independent students. Adjusts the cap annually for inflation. Eliminates assets from the need analyses of students whose family assets do not equal or exceed the cap.

Section 123 -

Excludes child support, workman's compensation, veteran's benefits, living allowances, cash support or money paid on a student's behalf, and other untaxed income and benefits from student need analyses. Excludes employee pension benefit plans from assets. Preserves the student aid eligibility of students convicted of possessing, rather than selling, controlled substances.

Title II - Student Loan Reform

Subtitle A - Stafford Loan Reform

Section 201 -

Prohibits any new loans from being made or insured under the part B Federal Family Education Loan (FFEL) program after June 2010.

Section 210 -

Changes, subject to lender approval, the underlying index for calculating special allowance payments to FFEL lenders for loans first disbursed on or after January 1, 2000, and before July 1, 2010, from three-month commercial paper (CP) rates to the one-month London Inter Bank Offered Rate (LIBOR). (Special allowance payments are made to FFEL lenders to compensate them for the difference between FFEL interest rates and market rates.) Makes such change applicable to the calendar quarter beginning on October 1, 2009.

Section 211 -

Requires DLs for students and the parents of students attending IHEs outside of this country to be disbursed through a financial institution located in this country which is designated by the Secretary to receive DL funds and transfer them to such schools.

Section 214 -

Directs the Secretary to award DL servicing contracts pursuant to a competitive bidding process that includes nonprofit servicers and takes into account price and servicing ability. Provides that such process may take into account servicers' ability to provide default aversion and outreach services. Requires the Secretary to: (1) provide job retention incentive payments to servicers that give hiring priority to individuals from locations at which the servicers performed FFEL origination or servicing activities on the date of this Act's enactment; and (2) consider servicers retention of highly qualified employees as a positive factor when determining their loan allocation. Directs the Secretary to contract with each nonprofit servicer that has its principal place of business in a state to service the DLs of borrowers attending schools within such state, provided its services meet federal standards and are offered at competitive rates. Provides that competitive rates are to be determined by the Secretary in relation to the volume of loans serviced by the servicer and allow such servicer to provide additional services, such as default aversion or outreach. Establishes a formula for allocating a minimum amount of business to a nonprofit servicers. Authorizes the Secretary to contract with student loan guaranty agencies or their nonprofit subsidiaries for delinquency prevention and default aversion services, default collections, financial aid counseling, career and education counseling, financial literacy, guidance counselor and financial aid officer training services, and other outreach services. Requires the Secretary to report to Congress within three years of this Act's enactment on the performance of nonprofit DL servicers.

Section 215 -

Establishes variable interest rates on DLs made to undergraduate students after June 2012. Sets a 6.8% cap on such rates, which are to be calculated on the basis of the bond equivalent rate of 91-day Treasury bills, plus 2.5%.

Section 216 -

Directs the Secretary to provide IHEs participating, or seeking to participate, in the DL programs with technical assistance in establishing and administering such programs. Authorizes and appropriates funds for FY2010, and authorizes appropriations for FY2011-FY2014, for the provision of such technical assistance.

Section 217 -

Requires the Secretary to perform outreach services that inform and educate students and their families about the transition to the DL program effected by this title's amendments.

Subtitle B - Perkins Loan Reform**Section 221 -**

Replaces the Perkins Loans program under part E, after June 2010, with a Direct Perkins Loans program under part D that provides loans that continue to carry the 5% interest rate and loan limits of the part E program, but otherwise have the same terms and conditions as Direct Unsubsidized Stafford loans. (The interest on unsubsidized loans accrues while the borrower is in school.)

Section 224 -

Allocates up to \$6 billion of loan authority annually among IHEs that are eligible to participate in the DL program and enter into agreements with the Secretary to make Direct Perkins Loans to eligible students. Allocates loan authority to eligible IHEs pursuant to a three-part formula, with: (1) one-half allocated on the basis of the financial need of an school's students; (2) one-quarter allocated on the basis of its efforts at keeping tuition and fees low or providing nonfederal need-based grant aid; and (3) one-quarter allocated on the basis of the school's success at graduating Pell Grant recipients.

Provides each IHE that previously participated in the part E Perkins Loan program with a minimum Direct Perkins Loan authority amount equal to the average amount of Perkins Loans it awarded to students from the 2003-2004 school year to the 2007-2008 school year.

Section 225 -

Gives IHEs an annual payment to cover administrative expenses of servicing old part E Perkins Loans that equals 0.5% of the outstanding principal and interest of such loans. Requires IHEs participating in the Direct Perkins Loan program to pay matching funds on a quarterly basis, in an amount agreed to by the school and the Secretary, to an escrow account for purposes of providing loan benefits to borrowers.

Section 228 -

Requires a capital distribution of the balance of each IHE's part E Perkins Loan fund beginning on July 1, 2010, with the federal contribution paid to the Secretary and the school's contribution returned to the school. Permits IHEs, after June 2010, to assign all their outstanding part E Perkins Loans to the Secretary, who thereby assumes responsibility for servicing the loans and returning to the schools the proportion of the loan amount that was made from schools' capital contributions to the revolving loan fund.

Section 229 -

Makes the following amendments affecting the application of the requirement that for-profit IHEs derive at least 10% of their revenues from non-title IV sources (the 90/10 rule) applicable through June 2012. Continues to treat the revenue of for-profit IHEs that is derived from unsubsidized Direct Stafford Loan limit increases established under the Ensuring Continued Access to Student Loans Act of 2008 as being from non-title IV sources. (Such treatment was set to expire on July 1, 2011.) Excludes from revenue calculations amounts for-profit IHEs receive under the new Direct Perkins Loans program. Gives for-profit IHEs three (currently, two) consecutive years of failing the 90/10 rule before becoming ineligible to participate in title IV programs, provided their second consecutive year of failure ends after July 1, 2008, and before July 1, 2011.

Title III - Modernization, Renovation, and Repair

Subtitle A - Elementary and Secondary Education

Chapter 1 - Grants for Modernization, Renovation, or Repair of Public School Facilities

Section 312 -

Requires the Secretary to make grants to states for the modernization, renovation, or repair of public schools, including early learning facilities and charter schools, to make them safe, healthy, high-performing, and technologically up-to-date. Allocates grant funds among states on the basis of the relative portion of school improvement funds provided to local educational agencies (LEAs) in each state under the Elementary and Secondary Education Act of 1965. Reserves 2% of the grant funds for assistance to outlying areas and Indian schools. Reserves 5% of the grant funds for LEAs serving geographic areas with significant economic distress, recovering from a natural disaster, or containing a military installation selected for closure under the base closure and realignment process. Requires states to reallocate such grant funds to LEAs on the basis of each LEA's share of school improvement funds received by LEAs in the state for the previous fiscal year.

Section 314 -

Allows LEAs to give priority to projects involving the abatement, removal, or interim control of asbestos, polychlorinated biphenyls, mold, mildew, lead-based

hazards, or a proven carcinogen.

Chapter 2 - Supplemental Grants for Louisiana, Mississippi, and Alabama

Section 321 -

Requires the Secretary to make grants to LEAs in Louisiana, Mississippi, and Alabama for the construction, modernization, renovation, or repair of public schools, including early learning facilities and charter schools, to make them safe, healthy, high-performing, and technologically up-to-date. Allocates grant funds among such LEAs on the basis of each LEA's share of infrastructure damage inflicted on public school facilities in such states by Hurricane Katrina or Rita in 2005.

Chapter 3 - General Provisions

Section 331 -

Prohibits LEAs from using this subtitle's grants: (1) for maintenance costs; (2) for facilities used primarily for events for which the public is charged admission or for which the purpose is not the education of children; (3) to supplant funds otherwise available for school modernization, renovation, repair, and construction efforts; or (4) to purchase carbon offsets.

Section 333 -

Prohibits states from considering LEAs' receipt of this subtitle's grants in determining their eligibility for state aid or the amount of state aid they receive.

Section 334 -

Conditions LEA grant eligibility on LEA and state spending for free public education remaining above specified levels. Requires states to reduce the amount of grant funds available to an LEA by the proportion by which the LEA's spending falls below such levels. Directs the Secretary to waive such maintenance of effort requirements if such waiver is justified by exceptional or uncontrollable circumstances, or the precipitous decline in an LEA's financial resources.

Section 335 -

Requires grantees' contracting procedures for school modernization, renovation, repair, and construction to ensure the maximum number of qualified bidders through full and open competition.

Section 336 -

Requires the iron and steel used in projects funded under this subtitle to have been produced in this country, subject to specified exceptions.

Section 337 -

Requires all laborers and mechanics employed by contractors or subcontractors in the performance of work assisted under this subtitle to be paid wages at rates not less than those prevailing on similar work in the locality.

Section 339 -

Directs LEA grantees to use at least 50% of their grant in FY2010 and 75% in FY2011 for public school modernization, renovation, repair, or construction that meets Leadership in Energy and Environmental Design (LEED) green building rating standards, Energy Star standards, Collaborative for High Performance Schools (CHPS) criteria, Green Building Initiative environmental design and rating standards (Green Globes), or equivalent standards adopted by the entities that have jurisdiction over such LEAs. Requires the Secretary to provide outreach and

technical assistance to states and LEAs concerning the best practices in school modernization, renovation, repair, and construction.

Section 340 -

Directs: (1) LEAs to report annually to their states, and the public, on their use of such grant funds; (2) states to submit annually to the Secretary a compilation of the information received from their LEAs; and (3) the Secretary to report to Congress annually on grants made under this subtitle.

Section 341 -

Prohibits the use of this subtitle's grants: (1) to employ workers who are illegal aliens or whose status has not been ascertained using the employment verification system; or (2) by LEAs that do not require a criminal background check on all their employees.

Section 342 -

Requires the Secretary to work with grant recipients to promote appropriate opportunities for those enrolled in YouthBuild programs, Job Corps programs, community colleges, or certain preapprenticeship programs to gain employment experience on projects funded under this subtitle.

Section 343 -

Directs the Secretary to establish an Advisory Council on Green, High-Performing Public School Facilities to provide the Secretary with advice on the academic, health, energy, and environmental impact of such schools and assistance in facilitating their creation. Terminates the Advisory Council at the close of FY2011.

Section 344 -

Allows LEAs to encourage schools at which this subtitle's projects are being implemented to educate students about the project and its benefits.

Section 345 -

Authorizes and appropriates funding for this subtitle's grant programs for FY2010-FY2011. Prohibits the use of such funds for Congressional earmarks. Terminates this subtitle's grant program at the close of FY2011.

Subtitle B - Higher Education

Section 351 -

Requires the Secretary to make grants to states for the construction, modernization, renovation, or repair of community college facilities. Allocates grant funds to states on the basis of each state's share of students in who are enrolled in community colleges and who are pursuing a pre-baccalaureate degree or certificate. Requires states to use such funds to: (1) reduce the financing costs of loans for construction, modernization, renovation, and repair; (2) provide matching funds to capital campaigns for such activities; or (3) capitalize a revolving loan fund to finance such activities. Prohibits the use of grant funds for community college facilities that are not primarily used for instruction, research, or student housing. Directs grantees to use 50% of such funding for construction, modernization, renovation, or repair that meets Leadership in Energy and Environmental Design (LEED) green building rating standards, Energy Star standards, Collaborative for High Performance Schools (CHPS) criteria, Green Building Initiative environmental design and rating standards (Green Globes), or equivalent standards adopted by the state. Requires all laborers and mechanics employed by contractors or subcontractors in the performance of work assisted under this subtitle to be paid wages at rates not less than those prevailing on similar work in the locality. Directs states to report

to the Secretary and the Secretary to report to Congress annually on the use of this subtitle's grant funds. Authorizes and appropriates FY2010 funds for this subtitle's grant program. Terminates this subtitle's grant program at the close of FY2010.

Title IV - Early Learning Challenge Fund

Section 402 -

Requires the Secretary to award competitive matching: (1) Quality Pathways grants to states to implement quality initiatives that increase the number of disadvantaged children under age five in high-quality early learning programs and improve program oversight; and (2) Development grants to states to develop the components of a standards-based early learning system that will allow them to compete more effectively for Quality Pathways grants. Reserves 0.25% of this title's funding for competitive grants to Indian tribes for the development and implementation of school readiness plans that are coordinated with LEAs serving their children.

Section 403 -

Establishes Quality Pathways grants as five-year grants which may be renewed on the basis of a state's progress in: (1) increasing the percentage of disadvantaged children in each age group who participate in high-quality early learning programs and the number of such programs in low-income communities; (2) implementing a high-quality early learning system that improves the credentials of early learning providers and makes early learning standards and oversight applicable across a broad range of settings and providers; and (3) committing state resources in support of early learning programs and services. Allow states that the Secretary certifies as having made sufficient progress in implementing grant requirements to apply to the Secretary to reserve up to 25% of their grant to expand disadvantaged children's access to the highest quality early learning programs that offer full-day services.

Section 404 -

Establishes Development grants as nonrenewable three-year grants to assist states in developing a high-quality early learning system that improves the credentials of early learning providers and makes early learning standards and oversight applicable across a broad range of settings and providers.

Section 405 -

Requires the Secretary, acting jointly with the Secretary of Health and Human Services, to: (1) establish a national commission to review and recommend benchmarks for early learning program quality and early learning and development standards; (2) conduct a national evaluation of this title's grants; (3) support a federal research collaborative which supports early learning research that can inform improved standards and child outcomes; and (4) evaluate barriers to increasing access to high-quality early learning programs for low-income children and disseminate relevant findings and best practices for eliminating such barriers.

Section 406 -

Directs states to report to the Secretary and the Secretary to report to Congress annually on activities carried out under this title.

Section 409 -

Authorizes and appropriates funds for this title's programs for FY2010-FY2017. Terminates this title's grant programs at the close of FY2017.

Title V - American Graduation Initiative

Section 501 -

Authorizes and appropriates funds for this title's programs for FY2010-FY2019. Terminates

this title's grant programs at the close of FY2019.

Section 503 -

Directs the Secretary, in coordination with the Secretary of Labor, to award competitive matching four-year grants to eligible entities to carry out innovative programs, or programs of demonstrated effectiveness, that lead to the completion of a postsecondary degree, certificate, or industry-recognized credential leading to a skilled occupation in a high-demand industry. Includes as eligible entities, community colleges, public four-year IHEs offering two-year degrees, tribal colleges or universities, public four-year IHEs in partnership with any of the aforementioned entities, and states that have implemented a comprehensive articulation agreement among their public IHEs and are in partnership with any of the aforementioned entities. Exempts tribal colleges and universities from cost-sharing requirements. Gives grant priority to eligible entities that: (1) partner with philanthropic, research, business, or labor organizations; (2) are IHEs eligible for assistance under title III (Institutional Aid) or V (Developing Institutions) of the Act; (3) are focused on serving low-income, nontraditional students, students who are dislocated workers, or students who are veterans, who do not have a bachelor's degree; or (4) are community colleges located in areas with high unemployment. Requires grantees to carry out at least two of the following activities: (1) expand students' opportunities to earn bachelor's degrees by facilitating the transfer of credits between IHEs; (2) partner with employers to create or enhance academic or training programs for skilled occupations in high-demand industries; (3) provide support services to students; (4) create programs to provide a sequence of education and job training that leads to industry-recognized credentials; (5) strengthen linkages between secondary education and community colleges; (6) implement other innovative activities to increase degree and certificate completion rates and job training for skilled occupations in high-demand industries; (7) create, in a timely and efficient manner, degree and credential programs that are responsive to state and regional workforce needs; (8) provide information technology training for students and members of the public; (9) enhance or create academic or training programs that prepare students for skilled occupations in energy-related fields; and (10) enhance or create academic or training programs that prepare students for occupations critical to serving veterans. Directs grantees to develop quantifiable benchmarks that are approved by the Secretary to gauge program effectiveness. Requires community college grantees, to the extent practicable, to include on their course schedules information on which courses are transferable for credit toward the completion of a four-year baccalaureate degree at a public IHE in their state. Directs the Secretary to: (1) allocate funds to the Institute of Education Sciences to evaluate the effectiveness of grantee's programs by January 30, 2014; and (2) report to Congress annually regarding the use and effectiveness of such grants.

Section 504 -

Directs the Secretary, in coordination with the Secretary of Labor, to award competitive matching six-year grants to states to implement the systematic reform of community colleges in their state by carrying out programs, policies, and services that the Secretary has determined to have demonstrated effectiveness based on the evaluation conducted by the Institute of Education Sciences. Requires such grantees to: (1) have an plan for increasing college persistence and completion that includes community colleges; (2) have a statewide longitudinal data system that includes community college data; (3) have an articulation agreement for the transfer of credits between public IHEs in the state; (4) maintain funding for IHEs in the state at at least the level of such funding for the five preceding years; and (5) develop quantifiable benchmarks to gauge program effectiveness. Gives grant priority to states focused on serving low-income, nontraditional students, students who are dislocated workers, or students who are veterans, who do not have a bachelor's degree. Terminates a state's grant after three years if the Secretary finds that it has not made demonstrable progress toward its benchmarks. Directs state grantees to report annually to the Secretary and the Secretary of Labor on the progress of their reforms, and the Secretary to submit a report to Congress six months after the end of the grant program summarizing the reports received

from such states. Expresses the sense of Congress that: (1) community colleges play an important role in preparing students to enter the workforce; (2) it is vital that all states have access to the resources and assistance needed to compete for these community college reform grants; and (3) the Secretary should provide states with any assistance and support they need to compete for such grants and should work to ensure that the grants are distributed in a fair and equitable manner.

Section 505 -

Authorizes the Secretary to award competitive grants to, or contract with, IHEs, philanthropic organizations, and other appropriate entities to develop, evaluate, and disseminate freely-available high-quality online courses for training and postsecondary education readiness and success. Authorizes the Director of the Institute of Education Sciences award a grant to, or enter into a contract with, an organization with demonstrated expertise in researching and evaluating community colleges to establish and operate the Learning and Earning Research Center. Requires the Center to: (1) develop standardized metrics, data elements, and data sharing protocols that facilitate the evaluation of community college programs and allow relevant data systems to be linked and interoperable; and (2) develop and disseminate materials analyzing best practices and research on successful postsecondary education and training efforts. Authorizes the Secretary to award grants to states to establish cooperative agreements to develop, implement, and expand interoperable statewide longitudinal community college data systems that can be linked to other data systems, including elementary and secondary education and workforce data systems. Directs the Secretary to allocate at least \$1 million for a contract with the National Research Council to study and report to Congress on the quality of distance education programs as compared to campus-based education programs at IHEs. Authorizes the Secretary to develop a model of a service that enables students to determine the transferability of credits between IHEs voluntarily participating in such service. Directs the Secretary to report annually to Congress on the grants and contracts awarded to entities under this section.

Title VI - Defund Acorn Act

Defund Acorn Act -

Section 602 -

Prohibits the federal government from providing any funds to, or entering into agreements with, any organization that: (1) has been indicted for violating federal or state election law; (2) had its state corporate charter terminated due to its failure to comply with federal or state lobbying disclosure requirements; (3) has filed a fraudulent form with any federal or state regulatory agency; or (4) employs, has a contract with, or has acting on its behalf, an individual who has been indicted for violating federal or state election law. Prohibits federal employees or contractors from promoting such organizations. Includes the Association of Community Organizations for Reform Now (ACORN) and any ACORN-related affiliate among the organizations barred from such funding, contracting, and promotion. Requires the Federal Acquisition Regulation to be revised to satisfy these prohibitions.

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Baron, Bruce

From: Skinner, Erik [eskinner@CCCCO.EDU]
Sent: Monday, March 01, 2010 12:51 PM
To: SO2CBO@LISTSERV.CCCNEXT.NET
Subject: Budget Update—LAO Analysis

Dear Colleagues:

On Thursday, February 25th, the Legislative Analyst's Office (LAO) released its analysis of the education proposals contained in the *2010-11 Governor's Budget*. This annual report is significant in that it provides a starting point for legislative deliberations on the state budget for 2010-11. In its publication, the LAO makes both budget and policy recommendations to the Legislature, as well as providing updated fiscal forecasts. Below are highlights from LAO's recent report:

Proposition 98

The LAO's comprehensive analysis of the state's Proposition 98 funding obligation underscores the volatile nature of the formula's calculation given current circumstances. The report describes various scenarios under which the state may be obligated to provide \$5.4 billion or more in additional funding above levels currently proposed by the Governor (\$2.2 billion in 2009-10 and \$3.2 billion 2010-11).

The LAO does not make a specific recommendation on what Proposition 98 funding level the state should plan on, but they do recommend that the Legislature consider suspending Proposition 98 in order to remove the uncertainty regarding the required funding level. Suspension of the Proposition 98 constitutional funding requirement is allowed with a two-thirds majority vote of the Legislature, but is always a politically difficult action. LAO presents other options including making cuts to other areas of the budget in order to allow increased funding for education or raising taxes to fund the higher minimum guarantee. LAO points out that if the Legislature goes the route of raising taxes, it would be necessary to raise taxes by \$6 billion, with all the increased funding going to K-12 schools and community colleges, because the additional revenues raised would have the effect of further increasing the Proposition 98 minimum guarantee. While LAO presents these options for funding Proposition 98 at the higher levels, it is clear from the nuances of the report, as well as from oral briefings by LAO representatives, that they view these options as inadvisable given impacts on other sectors of the budget and/or the state economy.

The uncertainty regarding the Proposition 98 funding guarantee makes it more difficult than usual to anticipate what levels of funding will be provided to the community colleges in 2010-11. While we will continue to advocate for the highest levels of funding possible, it is important that community college districts keep in mind the threats that continue to be present in the state budget process—a sluggish economy, a persistent structural imbalance, low cash reserves, and very optimistic assumptions regarding increased federal funding. Given these continuing threats, I encourage districts to continue to see the Governor's proposed funding level as a best case scenario when doing budget planning. While we will continue to fight for the higher levels of funding our system needs and deserves, downside risks in the state budget warrant a cautious approach.

Community Colleges

LAO's recommendations related to the community colleges include the following:

- **Raise community college student fees to \$40 per credit unit.** LAO recommends raising student fees by over 53 percent in order to generate \$150 million in additional revenues. LAO

recommends dedicating these additional revenues to support community college enrollment funding and to eliminate a negative cost-of-living adjustment (COLA) proposed by the Governor.

- ***Provide Enrollment Growth Funding.*** LAO's analysis clearly describes the tremendous enrollment demand currently being experienced by the community colleges. To respond to this need, LAO recommends directing \$126 million generated from a proposed student fee increase to fund the 2.2 percent enrollment funding proposed in the *2010-11 Governor's Budget*. Doing so would generate an equal amount of budget savings to the state.
- ***Reject Negative COLA.*** LAO recommends rejecting the Governor's proposal to implement a negative 0.38 percent COLA. LAO would use \$23 million in revenues generated by a proposed student fee increase to fund this recommendation.
- ***Reject cuts to EOPS and Part-Time Faculty Compensation.*** LAO recommends rejection of the Governor's proposal to cut these programs by \$10 million each.
- ***Reject \$20 million augmentation to SB 70 CTE.*** LAO recommends rejection of this proposal by the Governor and instead suggests the Legislature provide \$48 million in support (rather than \$68 million as proposed by the Governor).
- ***Increase Flexibility.*** The LAO makes numerous recommendations to provide community colleges with additional flexibility to aid them in weathering budget cuts. These proposals include:
 - ***Suspend the Full-Time Faculty Obligation.*** This proposal was also made by the Governor.
 - ***Suspend or modify the 50 percent Law.*** LAO includes a lengthy analysis that is highly critical of this requirement.
 - ***Suspend limitations on contracting out for non-instructional activities.*** LAO recommends adoption of this proposal originally made by the Governor. (The Governor proposed this change as part of his *2010-11 Governor's Budget*, released in January, although it was not publicized at that time.)
 - ***Add more programs to the CCC categorical flexibility item.*** LAO recommends addition EOPS, Basic Skills, Fund for Student Success, and Financial Aid Administration to those programs currently included in the CCC categorical flexibility item. The Governor had already proposed adding the first three programs; LAO would also add Financial Aid Administration to the list.

As noted above, LAO's report helps to set the stage for upcoming budget hearings and deliberations. Their numerous recommendations, including the fee proposal, are sure to seed significant debate both within and outside the community college system. For me, the main takeaway is the encouraging development that LAO has recognized the unprecedented enrollment demand we face due to high unemployment, students being displaced from UC and CSU, and record numbers of high school graduates. If the Legislature remains focused on how colleges are stepping up to meet these core needs it will benefit the community colleges in the budget process—whether that is securing augmentations or fending off cuts.

The LAO report can be accessed at:

- 1) Higher education sections: http://www.lao.ca.gov/analysis/2010/highered/highered_anl10.pdf
- 2) K-12 and Proposition 98 sections: http://www.lao.ca.gov/analysis/2010/education/ed_anl10.pdf

Hearings on the California Community College budget will begin later this month. Chancellor Scott will address the Assembly Budget Subcommittee on Education on March 17 and the Senate Budget Subcommittee on Education on March 18.

More updates will following as warranted.

Regards,

Erik Skinner

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