

Chancellor Sonya Christian
February 19, 2024

Budget Update

Since my Jan. 10 budget communication, the Legislative Analyst's Office *Higher Education Overview* was released on January 30th - <https://lao.ca.gov/Publications/Report/4829>.

The recommendations include:

- pulling back on one-time unencumbered funding and
- holding community colleges flat without providing COLA for the SCFF or categorical programs in 2024-25.

These recommendations would still need approval from the Legislature, through budget subcommittee and committee actions, and the Governor, through his signature on the final Budget Act in June. In the meantime, we must ensure that plans are in place at every campus for spending or encumbering all funding received in recent years!

We are also pleased to share that 2022-23 SCFF funds were sufficient to fully fund all districts' total computational revenue, with 60 districts funded completely through the SCFF calculation and 12 districts participating in the hold harmless protection.

For 2023-24, increased enrollments across the state combined with a year-over-year decrease in estimated property tax revenue have led to a small deficit factor of 3.55%. As estimates are re-evaluated throughout the year, we hope to see actual property tax collections increase to reduce or eliminate the deficit.