

Peralta Community College District



 *McCallum Group, Inc.*
A Catalyst for Change



Presentation Topics

McCallum Group

What we do

Budget

Budget Issues for 2012

Sponsored Legislation

Legislation

Issues for 2012 & Beyond

What we do

- **McCallum Group is Peralta's eyes, ears and voice in Sacramento.**
- **Every two-year session there are thousands of bills and regulatory changes proposed. We monitor every proposed change and analyze its impact on Peralta.**
- **We help build a coalition that includes the Chancellor's Office, the League, faculty groups and other districts.**

MGI - Overview

2011 Successes (Budget)

- Defeated proposed census date change.
- Defeated Increase of fees to \$60/unit.
- Defeated reduced funding rate for credit basic skills.
- Defeated unit cap on the number of taxpayer subsidized credits that a student may take.
- Defeated proposal to eliminate funding for repetition of enrichment courses.
- Reduction taken as a workload reduction.

MGI 2011-12 Budget

<i>Budget Scenario</i>	<i>System Cut</i>	<i>Peralta</i>	<i>Deferral</i>	<i>Potential Student Impact</i>	<i>Fee Level</i>
Governor Jan Proposal (w/ tax extension)	\$400 million	\$ 5.46	\$129 million	2,520	\$36/unit
All Cuts budget (LAO Worst Case Scenario)	\$1.3 billion	\$ 23.4 million	Unknown	8,000	\$66/unit
June Budget	\$400 million	\$ 5.46 million	\$129 million	2,520	\$36/unit
New Worst Case Scenario	\$502 million	\$ 6.7 million	\$129 million	3,090	\$46/unit

MGI 2011-12 Budget

Trigger Cuts:

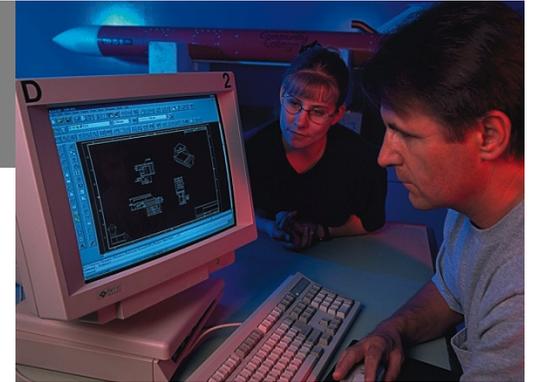
- ✓ Tier 0 (at least \$3 billion of the \$4 billion of new revenue materializes): No additional cuts.
 - ✓ Tier 1 (between \$2 billion and \$3 billion new revenue materializes): \$30 million apportionment cut, increase in fees by \$10/unit effective summer session of 2012.
 - ✓ Tier 2 (between \$0 and \$2 billion of new revenue materializes) Tier 1 cut and fee increase, PLUS additional \$72 million apportionment cut (workload reduction assumed).
- ** Expect Trigger 2 cuts unless Proposition 98 lawsuit succeeds.**

Budget Issues



- Will tier 1 and tier 2 triggers be pulled?
- If pulled, mid-year cuts or will deficit be pushed to next year?
- Student Success Task Force issues - fees, categorical and funding.
- If additional Proposition 98 funding, where will that funding be prioritized by the Governor/Legislature?
- Taxes: What is the proper timing for going to the voters for a tax increase?

2012 Budget Issues



Targeted cuts

- Mandate funding
- Apportionments
- Categorical programs

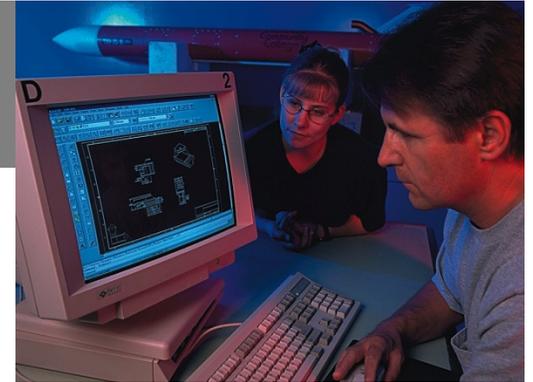


Fees and Financial aid:

- Increase enrollment fees
- Mandatory registration fee for all students
- Limit on BOG waiver eligibility
- Local fees like parking, technology, health

Budget Issues

What is the Solution?



- **Dealing with cuts**
 - Workload reduction
 - Issues of FON and 50% law

- **Priority enrollment and enrollment management locally**

- **Do Revenues become a part of the solutions?**
 - If so, when?
 - How?



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