

Grossmont-Cuyamaca Community College District

2026/2027 Tentative Budget

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Presented by Sahar Abushaban

Vice Chancellor – Business Services

2026/2027 Proposed State Budget

- In January 2026, the Governor released the preliminary 2026/2027 California State Budget
- In May 2026, the Governor released the revised State budget for the 2026/2027 fiscal year
- May Revisions serve to update initial January estimates of revenue and spending throughout the year
- The May Revision State Budget was:
 - Slightly higher than proposed budget in January
 - Still higher than 2025-26 budget by 8.8%

2026/2027 Proposed State Budget

- The May Budget Revision for the California Community Colleges focused on:
 - Maintaining base funding stability
 - Continuing investment in priorities toward achieving Vision 2030 and Roadmap goals
 - Building Budget Reserve by increasing total reserves to \$29.9 billion, up from \$23 billion estimated in January

2026/2027 Proposed State Budget

On-Going	January Proposal	May Revision
SCFF Statutory Cost of Living Adjustments (COLA)	\$240.6 million (2.41%)	\$291.9 million (2.87%)
SCFF Discretionary COLA	\$0.0	\$146.4 million (1.4%) To fund AB65 to provide paid pregnancy leave up to 14 weeks
SCFF Enrollment Growth – 2025-26	\$55.3 million (1.0%)	\$55.3 million (1.0%)
SCFF Enrollment Growth – 2026-27 The proposal does not address the system’s request to: <ul style="list-style-type: none"> • eliminate the 10% cap on funded growth • fund credit FTES at the higher of the three-year average or the current year 	\$31.9 million (0.5%)	\$33.9 million (0.5%)

2026/2027 Proposed State Budget

On-Going	January Proposal	May Revision
<p>Cost of Living Adjustments (COLA) selected categorical programs</p> <ul style="list-style-type: none"> • EOPS, DSPS, CalWORKs, and CARE • Adult Education programs • Mandates Block Grant • Does not include SEA program 	<p>\$30.6 million (2.41%)</p>	<p>\$36.7 million (2.87%)</p>
<p>Calbright College</p> <ul style="list-style-type: none"> • To support and provide stable funding in base operations as it transitions out of its startup capacity • In addition to the \$15 million per year 	<p>\$38.1 million</p>	<p>\$38.1 million</p>

2026/2027 Proposed State Budget

<u>One-Time</u>	January Proposal	May Revision
Deferred Maintenance to address maintenance needs and facilities repairs	\$120.7 million	\$120.7 million
Student Support Block Grant to provide students with: <ul style="list-style-type: none"> • food, housing, transportation, & other basic needs • Childcare • Academic or financial aid advising • Legal & other support services • Mental health services & job placement • 2025 Budget included \$60 million one-time 	\$100.0 million	\$100.6 million
Expand Nursing program (3 rd year of 5 years funding) <ul style="list-style-type: none"> • To expand nursing programs & Partnerships 	\$60 million	\$60 million

2026/2027 Proposed State Budget

<u>One-Time</u>	January Proposal	May Revision
<p>Create Systemwide Common Cloud Data Platform to include:</p> <ul style="list-style-type: none"> • e-Transcripts • Mapping Articulated Pathways platform • Program Pathways Mapper • To enhance statewide reporting, data sharing across districts and the Chancellor's Office • 2025 budget included \$12 million one-time 	<p>\$36 million (one-time) \$5 million (ongoing)</p>	<p>\$36 million (one-time) \$5 million (ongoing)</p>
<p>Credit for Prior Learning</p> <ul style="list-style-type: none"> • Provide opportunities for veterans, working adults & apprentices with a jumpstart of up to one year on completing a degree • Each college received \$50,000 in 25-26 	<p>\$35 million (one-time) \$2 million (ongoing)</p>	<p>\$35 million (one-time) \$2 million (ongoing)</p>

2026/2027

GCCCD Tentative Budget Assumptions

- Tentative Budget is based on the Governor's proposed January Budget
- Student Centered Funding Formula (SCFF)
 - Cost of Living Adjustment (COLA) – 2.41%
 - 0.5% Funded Growth
 - 2% increase in Supplemental Allocation and Student Success Metrics headcount
- CalSTRS & CalPERS Employer Contribution Rates:
 - STRS = 19.1% - no rate increase
 - PERS = 26.4% decreased from 26.8% in 25-26
- Projected Health Benefits rate increase for 2027: (Same as prior year)
 - Kaiser – 11.7%
 - VEBA Direct HMO – 8.5%
 - United Healthcare Harmony – 10%
 - United Healthcare Alliance – 8.9%
 - Actual 2027 VEBA rates will be announced in August
- 2026-2027 Beginning Balance
 - based on 25-26 estimates for revenue and expenditures

2026/2027 Tentative Budget Summary

Summary of All District Funds Available

General Fund:

Unrestricted \$196,453,748

Restricted 142,998,915

Total General Fund **\$339,452,663**

Total Supplemental Funds \$237,527,823

Total Funds Available \$576,980,486

2026/2027 Tentative Budget Summary

Summary of Supplemental Funds Available

College Bookstore Commission	\$1,433,884
GC Child Development	214,870
CC Child Development	355,863
ASGC	525,824
ASCC	199,687
CC Student Center	564,162
GC Student Rep Fee	387,934
CC Student Rep Fee	160,349
CC Ornamental Horticulture	191,256
Other Post-Employer Benefits	22,132,059
Capital Outlay Projects	99,224,196
Prop V Construction	<u>112,137,739*</u>
Total Supplemental Funds	\$237,527,823

**Includes \$42M anticipated future bond sales*

2026/2027 Tentative Budget Summary

Unrestricted General Fund Revenue (in millions)

	<u>25/26 (est.)</u>	<u>26/27 TB</u>
SCFF (State Apportionment)	\$ 150.1 (90 %)	\$ 154.6 (89 %)
State Revenue	11.5	12.3
Local Revenue	6.8	6.1
Transfers In/Out	(1.8)	1.1
Total Revenue	<u>\$ 166.6</u>	<u>\$ 174.1</u>
Site Beginning Balance	\$ 4.8	\$ 5.6
Contingency Reserve	16.5	16.7
Total Funds Available	<u>\$ 187.9</u>	<u>\$ 196.4</u>

2026/2027 Tentative Budget Summary

Unrestricted General Fund Expenditures (in millions)

	<u>25/26 (est.)</u>		<u>26/27 TB</u>	
Salaries	\$ 88.7		\$ 100.0	
Benefits	38.3		44.2	
Total Salaries & Benefits	<u>\$ 127.0</u>	77%	<u>\$ 144.2</u>	80%
Supplies & Equipment	\$ 6.3		\$ 6.7	
Utilities	6.6		6.9	
Other Operating Cost	13.0		19.0	
Transfers to Fund Deferred Maint.	12.7		2.7	
Transfers Out & Student Pymts.	0.0		0.3	
Total Other Expenditures	<u>\$ 38.6</u>	23%	<u>\$ 35.6</u>	20%
Total Expenditures	<u>\$ 165.6</u>		<u>\$ 179.8</u>	

2026/2027 Tentative Budget Summary

Restricted General Fund Revenue (in millions)

	<u>25/26 (est.)</u>	<u>26/27 TB</u>
Federal Revenue	\$ 2.8	\$ 2.7
State Revenue	41.7	58.6
Local Revenue	1.9	2.2
Pass-thru Grants (Foundation)	39.3	36.8
Transfers In/Out	1.8	0.0
Total Revenue	<u>\$ 87.5</u>	<u>\$ 100.3</u>
Beginning Balance	\$ 46.0	\$ 42.7
Less Expenditures	(90.8)	(136.2)
Total Ending Balance	<u>\$ 42.7</u>	<u>\$ 6.8</u>

2026/2027 Tentative Budget Summary

Restricted General Fund - Federal Funding

Child Development (Childcare Food, Foster Care, Head Start)	848,543	
Financial Aid Administrative Allowance	222,780	
Perkins Vocational Technical Education Act (VTEA)	733,767	
Temporary Assistance for Needy Families (TANF), Federal Portion	117,326	
TRIO Educational Opportunity Centers Grant (Year 4 of 5)	241,332	
Federal Veterans Chapter 33 Reporting Fees	91,460	
Workstudy	<u>520,412</u>	
Total Federal Funding	\$2,775,620	2.8%
Bi National Border Health Grants (Pass-thru Foundation Grant)	\$565,957	

Student Centered Funding Formula - SCFF

- Was adopted in the 2018-19 state budget as a new way to allocate funding to community college districts
- The SCFF provides funding that supports:
 - Access through enrollment-based funding
 - Student Equity by targeting funds to districts serving low-income students
 - Student Success by providing districts with additional funds for student's successful outcomes

SCFF Overview

- The SCFF consists of three components:
 - Base Allocation – Enrollments (FTES) 70%
 - Supplemental Allocation – Headcount of low-income students 20%
 - Student Success Allocation – Headcount of student outcomes 10%
 - “premiums” for outcomes of low-income students

Base Allocation – Basic Funding

- Based on number and size of college
- For Multi-College Districts:

		<u>25/26 Rate</u>
• $\geq 20,000$ FTES		\$8.8 million
• $\geq 10,000$ and $< 20,000$ FTES	Grossmont College	\$7.7 million
• $< 10,000$ FTES	Cuyamaca College	\$6.6 million

Base Allocation – Enrollment/FTES

	<u>25-26 Rate</u>
• Credit	\$5,416
• Based on three year average of CY, PY and PY+1	
• Special Admit/Dual Enrollment	\$7,595
• Enhanced Noncredit	\$7,595
• Incarcerated	\$7,595
• Noncredit	\$4,567

Resident FTES Summary

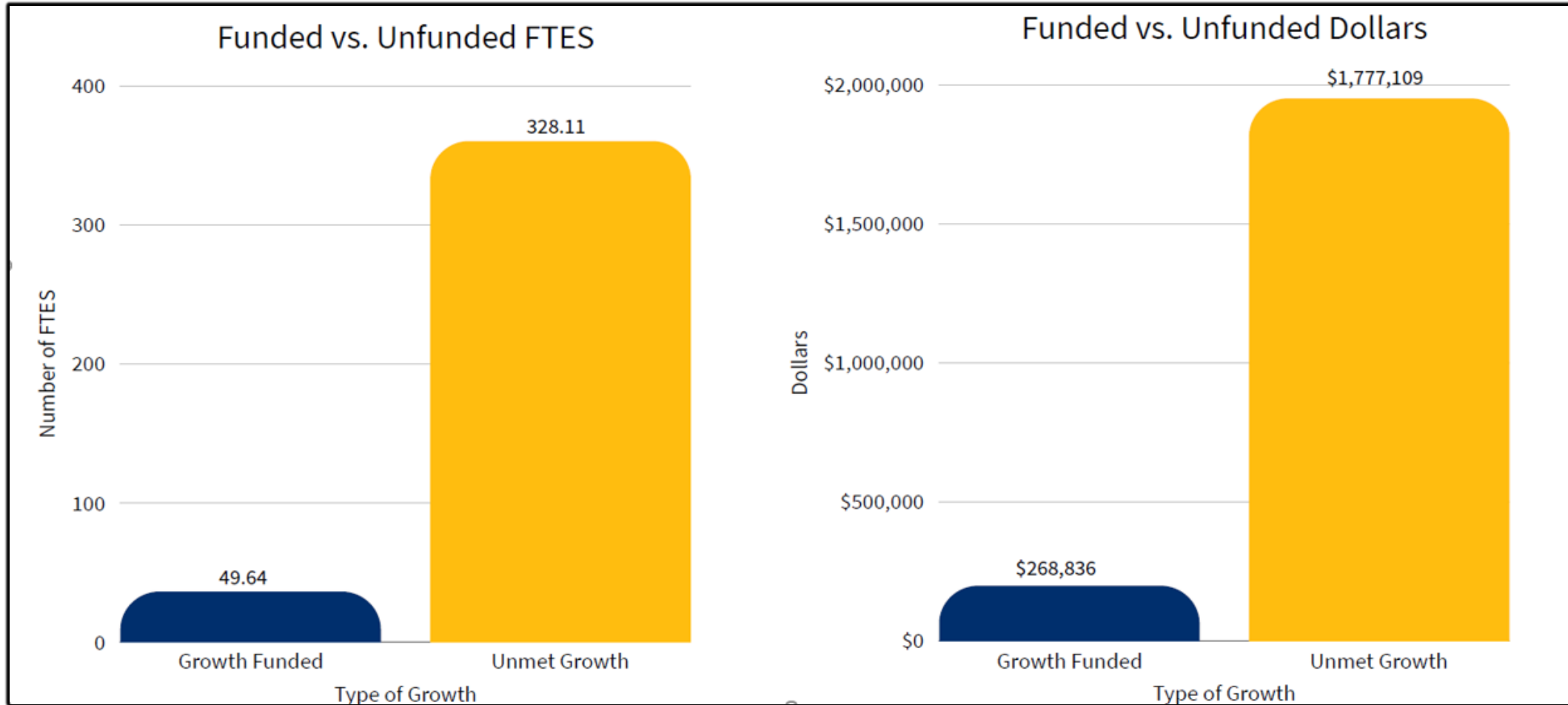
	<u>2020/21</u> Actuals	<u>2021/22</u> Actuals	<u>2022/23</u> Actuals	<u>2023/24</u> Actuals	<u>2024/25</u> Actuals	<u>2025/26</u> Estimates
GC	9,527	8,192	8,634	10,432	10,924	11,360
CC	4,770	4,362	4,655	5,697	5,759	5,823
Total FTES	<u>14,297</u>	<u>12,554</u>	<u>13,289</u>	<u>16,129</u>	<u>16,683</u>	<u>17,183</u>
increase from 20/21						<u>20%</u>

2025/2026 Resident FTES

P1 State Reporting

	<u>Reported</u> <u>FTES</u>	<u>3-Yr Avg. Credit</u> <u>Funded FTES</u>
Credit FTES	16,175	15,650
Special Admit	928	928
Enhanced Noncredit	15	15
Noncredit	62	62
Incarcerated	3	3
Total FTES	<u>17,183</u>	<u>16,658</u>

GCCCD – Unfunded FTES 2025-2026 P1



Supplemental Allocation

- District receives funding based on prior year student headcount:
 - Pell Grant recipients
 - California College Promise Grant recipients (BOG Fee Waivers)
 - AB 540 students
- 2025-2026 Rate = \$1,281

Supplemental Allocation Summary

Student Headcount

	<u>2020/21</u> Actuals	<u>2021/22</u> Actuals	<u>2022/23</u> Actuals	<u>2023/24</u> Actuals	<u>2024/25</u> Actuals
Pell Grant Recipients	6,524	5,762	5,899	6,857	7,910
AB540 Students	558	550	563	708	721
CPG Recipients <small>(Calif. Promise Grant)</small>	14,339	11,804	11,707	12,769	13,492
Total Headcount	<u>21,421</u>	<u>18,116</u>	<u>18,169</u>	<u>20,334</u>	<u>22,123</u>

Increase from Prior Year

9%

Student Success Allocation

- Counts of success outcomes
 - Counts only the highest of the degrees and certificates a student earned in a year
- Based on average of three prior year headcount
- District receives additional funding for Pell and Promise Grant recipients

Student Success Allocation

2025-2026 Rates

	All Students	Pell Grant Recipients	Promise Grant Recipients
Associate Degrees for Transfer	\$3,021	\$1,143	\$762
Associate Degrees	\$2,266	\$857	\$571
Baccalaureate Degrees	\$2,266	\$857	\$571
Credit Certificates	\$1,510	\$571	\$381
Transfer Level Math and English	\$1,510	\$571	\$381
Transfer to Four Year University	\$1,132	\$429	\$286
Nine or More CTE Units	\$755	\$286	\$190
Regional Living Wage	\$755	\$286	\$190

Student Success Outcomes Summary

Student Headcount

	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>3 Yr. Avg.</u>
Associate Degrees for Tfr.	957	988	916	983	1,056	985
Associate Degrees	850	942	930	876	940	915
Credit Certificates	74	88	77	63	93	78
Tfr. Level Math & English	921	838	963	956	1,053	991
Tfr. to 4-Yr. University	1,402	1,187	1,002	993	975	990
Nine or More CTE Units	2,311	1,944	1,977	2,201	2,463	2,214
Regional Living Wage	<u>1,786</u>	<u>1,919</u>	<u>1,939</u>	<u>1,179</u>	<u>1,324</u>	<u>1,481</u>
All Students Total	8,301	7,906	7,804	7,251	7,904	7,653

Strategies For Optimizing Revenue

- Continue intentional focus on enrollment growth
 - Pursue approval Baccalaureate programs at both colleges
 - Continue intentional focus on creating pathways for adult learners
 - Pursue enhanced non-credit courses and certificates programs to meet workforce demands
 - Funded at \$3,028 more than regular non-credit per FTES
 - Pursue expansion of CTE programs to meet workforce needs
 - Continue strong focus on increasing CCAP and dual enrollment opportunities
 - Enhance retention strategies
- Continue a strong focus on increasing supplemental outcomes (financial aid recipients)
- Remain focused on optimizing student success outcomes
- Continue to pursue community enhancement funding from State and Federal legislators

Enrollment Outlook

If the district grows at least 5% in enrollment and 3% with supplemental and student outcomes data, the district will be in strong position for growth funding for 2026-2027, if available, to support potential improvements in programs and for our employees



Questions??