

S199557

SUPREME COURT  
FILED

SEP 18 2012

Court of Appeal, Fourth Appellate District, Division One – No. D057446

Frank A. McGuire Clerk

Deputy

**IN THE SUPREME COURT  
OF THE STATE OF CALIFORNIA**

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CITY OF SAN DIEGO AND REDEVELOPMENT AGENCY  
OF THE CITY OF SAN DIEGO.

Plaintiffs and Appellants,

v.

BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

Defendant and Respondent.

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**MOTION BY APPELLANTS CITY OF SAN DIEGO AND  
REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO  
FOR REQUEST FOR JUDICIAL NOTICE OF THEIR MOTION TO  
AUGMENT THE RECORD ON APPEAL THAT WAS FILED IN  
THE FOURTH DISTRICT COURT OF APPEAL**

**(DOCUMENTS ATTACHED – VOLUME 4 OF 6)  
(EXHIBIT D – EXHIBIT H)**

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COURT OF APPEAL, STATE OF CALIFORNIA  
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Case Nos. GIC855643 (Lead Case)  
[consolidated with Case Nos. GIC  
855701; 37-2007-00083692-CU-  
WM-CTL; 37-2007-00083768-CU-  
TT-CTL; 37-2007-00083773-CU-  
MC-CTL]

Court of Appeal Fourth District  
**FILED**

OCT 07 2010

Stephen M. Kelly, Clerk  
DEPUTY

Appeal from a Judgment of the  
Superior Court of the State of California  
County of San Diego

The Honorable Thomas Nugent

**MOTION TO AUGMENT RECORD ON APPEAL**

**(DOCUMENTS ATTACHED – VOLUME 4 OF 6)  
(EXHIBIT D – EXHIBIT H)**

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INDEX OF EXHIBITS TO MOTION TO AUGMENT  
THE RECORD ON APPEAL

- EXHIBIT A:** State of California Governor's Office May Revision 2008-09.
- EXHIBIT B:** Relevant portions of the State of California Assembly Bill 1781.
- EXHIBIT C:** State of California 2008-09 Final Budget Summary Pgs 22; 595-606 (Released 10/23/08).
- EXHIBIT D:** State of California Governor's Budget Special Session 2008-09 (Released 11/06/2008).
- EXHIBIT E:** Governor's Budget Process overview 2008-09.
- EXHIBIT F:** Governor's proposed Budget for Higher Education (Released January 2008).
- EXHIBIT G:** California Budget Committee, Agenda: Assembly Budget Subcommittee No. 2 on Education Finance, Dated May 7, 2008.
- EXHIBIT H:** State of California Governor's Budget: August 2008-09 Update, Proposed Compromise.
- EXHIBIT I:** Legislative Analyst Office, 2008-09 Budget Analysis: Education.
- EXHIBIT J:** Declaration of William Eugene Figge, Deputy District Director for Planning of the California Department of Transportation (Caltrans), dated 7/20/2009.

- EXHIBIT K:** Letter from the State of California Department of Finance to the Honorable Denise Moreno Ducheny, Chair of the State Senate Budget and Fiscal Review Committee re: Addition of and Amendment to Various Budget Bill Items, Support, California State University, dated 04/01/2008.
- EXHIBIT L:** Higher Education Compact: Agreement between Governor Arnold Schwarzenegger, the University of California, and the California State University, 2005-2011.
- EXHIBIT M:** CSU Committee on Campus Planning, Buildings and Grounds Action Item 4, July 18-19, 2006: Categories and Criteria for the State Funded Five Year Capital Improvement Program 2008/2009 – 2012/13.
- EXHIBIT N:** CSU Board of Trustees Resolution (RCPBG 07-06-13): Categories and Criteria for the State Funded Five Year-Capital Improvement Program, 2008-9 – 2012-13. July 18-19, 2006 Meeting.
- EXHIBIT O:** The California State University Office of the Chancellor Executive Order No. 876, dated July 18, 2003.
- EXHIBIT P:** The California State University Office of the Chancellor Executive Order No. 1000, dated July 1, 2007.

- EXHIBIT Q:** CSU Board of Trustees Resolution (RFIN 11-07-19): Approval of the student fees for 2008-2009 Support Budget 11/13/2007 Trustee Meeting.
- EXHIBIT R:** CSU Committee on Campus Planning, Buildings and Grounds, Action Item 5, 11/13/2007 Trustee meeting pgs 1-17, including Attachment A and Attachment B.
- EXHIBIT S:** CSU Committee on Campus Planning, Buildings and Grounds: Status Report on the Capital Outlay Program 2008-09, Item 2 1/22/2008 Trustee Meeting.
- EXHIBIT T:** Memorandum from Patrick Lenz, Assistant Vice Chancellor for Budget Development and Rodney Rideau, Budget Director to Chief Fiscal Officers of the California State University System, re: 2006/07 State of California Governor's Budget Allocations, Dated March 9, 2006.
- EXHIBIT U:** CSU Memorandum from Rodney Rideau, Director of the Budget to CSU Financial Officers, Budget Officers, Enrollment Managers, Financial Aid Directors re: 2008\09 Governor's Budget Allocations memo with Attachments A through C, dated February 13, 2008.

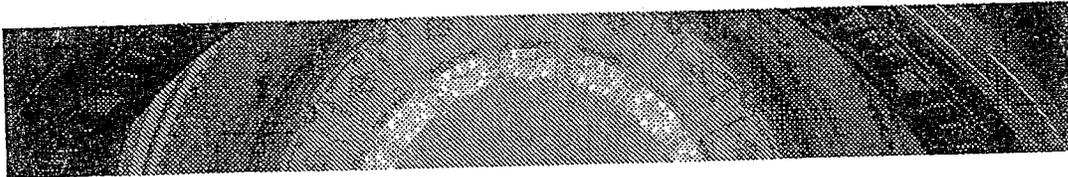
**EXHIBIT V:** CSU Committee on Campus Planning,  
Buildings and Grounds Status Report on the  
2008-2009 State Funded Capital Outlay  
Program, Information item, Agenda Item 2.  
3/11/2008 Trustee Meeting.

**EXHIBIT W:** CSU Committee on Campus Planning,  
Buildings and Grounds Agenda and Minutes,  
01/22/2008.





# GOVERNOR'S BUDGET



## SPECIAL SESSION 2008-09

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### INTRODUCTION

Economic conditions have deteriorated dramatically since the Governor signed the 2008 Budget Act on September 23. This deterioration was reflected in General Fund revenue collections for the month of September that came in \$923 million below forecast. As a result, California faces a revenue shortfall of \$11.2 billion this year. Specifically, the Department of Finance estimates that General Fund revenues will be approximately \$567 million lower in 2007-08, \$10.7 billion lower in 2008-09, and \$13 billion lower in 2009-10 than earlier projections.

This significant revenue shortfall demands immediate action for the following reasons:

- A revenue reduction of this magnitude will reduce total cash resources below acceptable levels next month. If no action is taken to reduce spending, increase revenues, or a combination of both, the state will run out of cash in February and be unable to meet all of its obligations for the rest of the year.
- The revenue reduction will eliminate the \$1.7 billion reserve adopted in the Budget Act and create a General Fund budget gap of \$9.5 billion.
- Quick action to restore balance to the current year budget will lay the groundwork for balancing the budget for 2009-10.

## INTRODUCTION

- Delays in enacting budgetary solutions will significantly reduce the value of those solutions for this year and next, thereby necessitating even more spending reductions and/or revenue increases.

In light of the urgency of the situation, Governor Schwarzenegger has called a special session of the Legislature and is proposing a variety of spending reductions and revenue increases to bring spending closer in line with available revenues. In addition, given the economic downturn and its impact on families and workers, the Governor is proposing numerous measures to help stimulate the economy to help families stay in their homes and to keep Californians employed.

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### **OVERVIEW OF THE PROPOSALS TO ADDRESS THE SHORTFALL**

The Governor's special session proposals include spending reductions totaling \$4.5 billion, or 49 percent of the total proposed solutions, while revenue increases account for \$4.7 billion, or 51 percent of the total solutions. As the figure shows, these proposals are in addition to the \$24.3 billion in solutions enacted in the Budget Act of 2008. When all of the solutions are considered, spending reductions account for 49 percent, revenue increases account for 39 percent and borrowing accounts for 12 percent.

Final spending and revenue projections for the 2009-10 Governor's Budget will not be available until January. Therefore, this special session proposal is based on preliminary projections of the revenue shortfall only and does not reflect the total potential budget gap. The economic situation and the revenue shortfall are so severe that it is clear that there will be a substantial deficit projected for 2009-10. Therefore, the descriptions of the fiscal effects of the special session proposals include estimates of their impact in 2009-10.

Figure INT-01  
Major Solutions  
(Dollars in Millions)

	As of 2008 Budget Act			2008-09		Total
	2007-08 & prior	2008-09	Total	Special Session		
<b>Revenue Increases</b>						
Corporate Penalty for Understatement of Tax	\$1,435	\$75	\$1,510			\$1,510
Net Operating Loss Suspension and Carryback		1,265	1,265			1,265
Tax Credit Limitation and Usage Modification		615	615			615
Limited Liability Corporations Payment Date Change		360	360			360
Accelerate Estimated Payments		1,270	1,270			1,270
Remove Estimated Payment Option for High Income Taxpayers		1,035	1,035			1,035
Accrual Change	416	1,440	1,856			1,856
Additional Tax Revenues (LAO/DOF) (June)	120	-250	-130			-130
Additional Tideland Revenues (LAO/DOF)	24	166	190			190
Additional Revenues from Tribal Compacts		78	78			78
FTB/BOE Revenue Options		226	226			226
Transfers from Special Funds		141	141			141
Justice Settlement (transfer to GF)		11	11			11
Temporary (3-year) 1.5 cent Increase in Sales Tax				\$3,540		3,540
Oil Severance Tax (9.9% tax rate; exception for stripper wells)				530		530
Expand Sales Tax to Some Services				357		357
Nickel a Drink Alcohol Tax				293		293
All Other Changes	63	74	137			137
<b>Total Revenue Increases</b>	<b>\$2,058</b>	<b>\$6,506</b>	<b>\$8,564</b>	<b>\$4,720</b>	51%	<b>\$13,284</b> 40%
<b>Borrowing</b>						
Economic Recovery Bonds	\$3,313		\$3,313			\$3,313
Loans from Special Funds		\$714	714			714
<b>Total Borrowing</b>	<b>\$3,313</b>	<b>\$714</b>	<b>\$4,027</b>	<b>\$0</b>	0%	<b>\$4,027</b> 12%
<b>Expenditure Reductions</b>						
Proposition 98:	\$275	\$423	\$698			\$698
Property Tax		350	350			350
Redevelopment Agency Pass Through		150	150			150
Settle-Up Payment Base	671	2,643	3,314	\$2,500		5,814
Non Proposition 98:	113	2,154	2,267			2,267
Budget Balancing Reductions						
Non Budget Balancing Reductions:	165		165	142		307
Medi-Cal Program Savings		1,509	1,509			1,509
Suspend Prop 58 Transfer		488	488			488
Use of Public Transportation Account for Home-to-School Transportation		250	250			250
Use Spillover Monies for Debt Service Payments		235	235			235
Reimburse of GF for Past Debt Service Payments from TDSF		53	53			53
Reduce Mandates Funding		75	75			75
Eliminate Estimated Claims for N98 Mandates		75	75			75
Defer Third Year Payment of 15-Year Plan for Old N98 Mandates		260	230	490		490
Eliminate Funding for CCPOA Last, Best, and Final Offer	23	81	104			104
Health and Dental Benefits for Annuitants Premium Reductions		60	60			60
State Cash Management Improvement Program		50	50			50
Reduction (Control Section 4.07)		340	340			340
Savings Due to Budget Delay and Executive Order S-09-08				78		78
CDCR-Limit Parole Supervision				250		250
Funding Realignment for Public Safety Grant Programs				132		132
Reduce UC and OSU budgets to the 10% Across-the-Board Reduction Funding Level				34		34
Developmental Services Program Savings				391		391
SSI/SSP Program Savings				274		274
CalWORKs Program Savings				118		118
IHSS Program Savings				230		230
Reduce State Funding for Transit Agencies				35		35
Eliminate Funding for the Williamson Act				320		320
Employee Compensation Changes		60	137			197
All Other Changes						
<b>Total Expenditure Reductions, before vetoes</b>	<b>\$1,717</b>	<b>\$9,153</b>	<b>\$10,870</b>	<b>\$4,504</b>	49%	<b>\$15,374</b> 46%
Vetoes		\$510	\$510			510 2%
Reduce Reserve		\$306	\$306			306 1%
<b>Total Solutions</b>	<b>\$7,098</b>	<b>\$17,189</b>	<b>\$24,277</b>	<b>\$9,224</b>	100%	<b>\$33,501</b> 100%

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## **STIMULATE THE ECONOMY/RETAIN AND CREATE JOBS**

Finally, the special session will focus on various proposals to help stimulate the economy, retain and create jobs, and reduce barriers to job creation and retention.

The economic stimulus proposals include accelerating the appropriation of \$700 million remaining in Proposition 1B funds for improvements to local streets and roads. These funds will be available for cities and counties that agree to encumber the funds by December 31, 2009, certify that their local fund balances for road maintenance do not exceed three months of their Highway Users Tax Account (HUTA) and Transportation Investment Fund (TIF) revenues, and meet accountability requirements.

The economic stimulus proposal also provides an additional \$800 million in Proposition 1B funding in 2008-09 for local transit agencies to accelerate several large local transit projects. Moreover, to create jobs in a sector heavily impacted by the current downturn, some Proposition 1B projects administered by Caltrans totaling \$822 million will be accelerated by waiving some state and federal environmental requirements.

The economic stimulus proposal also includes accelerating the implementation of \$147 million of water and flood projects funded by Propositions 84 and 1E. Under existing law, these funds will not be available until March 1, 2009. The Administration believes urgency legislation is necessary to make these Proposition 84 and 1E funds available immediately. In addition, the Governor will seek action by the federal government to move an additional \$57.1 million in water projects forward now.

The special session proposal will also include the reintroduction of the necessary amendments to AB 900 so that needed construction for the Department of Corrections and Rehabilitation can begin as well as to create valuable jobs in the state. The Administration is also looking forward to continuing to work with the Legislature to address the correctional systems' capital needs for medical and mental health services.

The Governor will propose the following in the special session:

- Easing regulations to allow "in the pipeline" hospital construction projects to move forward.
- Providing flexibility to employers regarding flex time schedules, meal and rest periods, and overtime rules, to reduce the amount of costly litigation and encourage employers to keep jobs in-state.

- Providing tax incentives to new film and television production locating in California and production that has left the state, to return in-state.
- Creating reforms to help homeowners avoid foreclosure and stay in their homes, as well as reforms to the lending process that will help prevent a future mortgage crisis in California.

# ECONOMIC OUTLOOK AND REVENUE ESTIMATES

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## ECONOMIC OUTLOOK

Less than six weeks after the enactment of the 2008-09 budget, a string of weak economic statistics, arriving during a spreading credit crunch and the bankruptcies and rescues of several financial institutions, has convinced most economists that the national economy is in recession. Most persuasive was a sharp fall in consumer spending in the third quarter of 2008 and a stock market collapse in October. Mounting job losses, falling home prices, plunging equity prices, and tight credit conditions have worn down consumers. One widely followed measure of consumer confidence – The Conference Board Consumer Confidence Index – fell to a record low in October. Slower consumer spending is, in turn, dampening business spending on equipment and structures.

While economic statistics on the California economy are fewer and less timely than those on the national economy, there is no doubt that the California economy is experiencing the same pressures as the national economy. Job losses have grown in recent months. The state's unemployment rate has risen quickly in the last year and is considerably higher than the national rate. Housing prices are falling faster in the state than in the nation. Taxable sales were below year-ago levels in the most recent four quarters of available data. Auto sales have dropped farther in the state than the nation.

The outlook for the national and California economies has deteriorated considerably since the budget enactment. Weaker GDP growth, bigger job losses, and smaller personal income gains are now expected in 2009. Whereas a short, modest economic decline was expected before, a deeper and longer decline is much more likely now. How long and how deep depends largely on how long it takes for credit to become much more available.

### **The Nation**

Real GDP decreased 0.3 percent in the third quarter of 2008, with the weakness widely spread across major spending categories. A 3.1-percent drop in consumer spending—the largest percentage decline in 28 years—did most of the damage. Business equipment spending and residential construction also fell, and export growth slowed.

The economy ended the third quarter much weaker than it began, and this was before the stock market delivered its greatest drop in 21 years in October with paper losses of \$2.5 trillion. Retailers are expected to report very weak October sales, which will bode poorly for holiday sales. The fourth quarter of 2008 is expected to be considerably weaker than the third quarter.

The Federal Reserve and U.S. Treasury took dramatic steps in September and October to reinvigorate credit markets. On October 29, the Federal Reserve lowered by one-half percentage point its target for the interest rate banks charge one another for short-term loans. This brought the target rate to 1 percent, leaving the central bank very little room to further ease monetary policy. Thus, it appears increasingly likely that Congress will enact another economic stimulus package.

### **California**

California labor markets have weakened as 2008 has progressed. In the first nine months of the year, California lost 78,600 jobs, but in the first five months the average monthly loss was 5,200 jobs, while in the last four months, it was 13,200 jobs. Seven of the 11 major industry sectors have lost jobs since the end of 2007, with construction, retail trade, and financial activities—which includes real estate and mortgage lending services—accounting for the bulk of the job losses. The state's unemployment rate began 2008 at 5.9 percent and quickly rose to 7.7 percent in August and September.

California's housing slump continues to be a significant drag on the economy. But home sales have started to pick up, especially sales of distressed houses. New home sales remain at low levels. Average home prices continue to drop. In September, the median price of existing homes sold, \$316,500, was 41 percent lower than the median price a

year earlier. Some of the decline is due to a changing mix of homes that have sold—more moderately priced homes and fewer expensive homes. Unsold inventories have stabilized at six months of sales at current monthly sales rates. Single-family home building appears to have stabilized at very low rates.

**The Outlook**

The outlook for the state and national economies darkened considerably as 2008 progressed and accelerated through the end of October. Economic growth was already expected to be low before the credit and stock market turmoil developed. Recent economic statistics point to considerable economic weakness in the fourth quarter of 2008 and in 2009. It appears that consumers will get little reprieve from job losses, falling home prices, and low equity prices. The state's unemployment rate could exceed 10 percent in some months of 2009 and 2010. The impact of the financial rescue measures enacted by Congress in October is uncertain at this point. The national and California economies will face strong headwinds in 2009 and the first half of 2010.

A new forecast will be prepared for the Governor's Budget that will incorporate new economic data released in November and be informed by events and other forecasts that become available in the next few weeks.

Figure Econ-01 shows selected economic indicators used in the current forecast.

Figure ECON-01  
**Economic Outlook**  
 Percentage changes unless otherwise noted.

	2008 (Est.)	2009 (Projected)	2010 (Projected)
<b>Selected United States Economic Indicators</b>			
Real gross domestic product	1.4	-0.9	1.6
Personal income	4.3	1.9	2.6
Corporate profits before taxes	-12.2	1.4	6.3
Nonfarm wage and salary employment	-0.1	-1.6	0.2
Unemployment rate (Percent)	5.7	7.6	8.1
Housing starts (1,000s of units)	931	737	1,013
<b>Selected California Economic Indicators</b>			
Personal income	4.0	2.2	2.6
Nonfarm WAS employment	-0.4	-1.2	-0.4
Unemployment rate (Percent)	7.0	9.0	9.7
Housing permits (1,000s of units)	67	64	83

Forecast based on data available as of October 2008.  
 Percent changes calculated from unrounded data.

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## REVENUE ESTIMATES

To provide the Governor and the Legislature with the most up-to-date assessment of current year revenues, the Department has taken into account available data and input from economists, including experts outside of the department to provide an updated revenue projection. Developing this preliminary revenue assessment is highly unusual and outside the traditional revenue estimates included in the Governor's Budget or the May Revision. Based on the latest available data, the Department now projects that baseline General Fund revenues are expected to be approximately \$102.4 billion in 2007-08, \$91.3 billion in 2008-09, and \$89.5 billion in 2009-10. New revenues from tax law changes proposed in the special session are estimated to be \$4.7 billion in 2008-09 and \$10.3 billion in 2009-10. Proposed total revenues are \$96.1 billion in 2008-09, and \$99.8 billion in 2009-10.

Expected baseline revenues have been reduced from Budget Act estimates by approximately \$567 million in 2007-08, \$10.7 billion in 2008-09, and \$13 billion in 2009-10. The reductions are primarily due to reductions to the economic forecast for personal income, capital gains and corporate profits, and lower tax collections. Expected baseline revenues for 2009-10 also reflect a \$500 million reduction for the sale of the EdFund, which is no longer expected to be completed in 2009-10.

The \$7.2 billion revenue reduction to 2008-09 baseline Personal Income tax revenues is largely due to lower expected capital gains. Capital gains accounts for \$4.0 billion of the 2008-09 personal income tax revenue loss. The remaining approximately \$3.2 billion reduction is due to a lower forecast for personal income components such as wages and salaries and proprietorship income.

The approximately \$1.6 billion reduction to 2008-09 baseline Sales and Use tax revenues is due to lower collections, and lower expected disposable income, auto sales and less construction of new housing.

The approximately \$1.6 billion reduction to baseline Corporation tax revenues is due to lower third-quarter corporate estimated payments and lower expected corporate profits.

Figure REV-01 displays the forecast changes between Budget Act and Special Session.

Figure REV-01  
**2008-09 Special Session**  
**GENERAL FUND REVENUE FORECAST**  
**SUMMARY TABLE**  
**Reconciliation with 2008-09 Budget Act**  
(In millions)

Source	Budget Act	Special Session			
		Baseline	Change between Forecasts	Proposed	Change between Forecasts
<b>Fiscal 07-08</b>					
Personal Income Tax	\$54,380	\$54,289	-\$91	\$54,289	-\$91
Sales & Use Tax	26,813	26,613	-\$200	\$26,613	-\$200
Corporation Tax	11,926	11,690	-\$236	\$11,690	-\$236
Insurance Tax	2,171	2,173	\$2	\$2,173	\$2
Other Revenues	6,525	6,457	-\$68	\$6,457	-\$68
Transfers	<u>1,212</u>	<u>1,238</u>	<u>\$26</u>	<u>\$1,238</u>	<u>\$26</u>
<b>Total</b>	<b>\$103,027</b>	<b>\$102,460</b>	<b>-\$567</b>	<b>\$102,460</b>	<b>-\$567</b>
<b>Fiscal 08-09</b>					
Personal Income Tax	\$55,721	\$48,479	-\$7,242	\$48,479	-\$7,242
Sales & Use Tax **	27,111	25,486	-\$1,625	\$29,383	\$2,272
Corporation Tax	13,073	11,426	-\$1,647	\$11,426	-\$1,647
Insurance Tax	2,029	2,177	\$148	\$2,177	\$148
Other Revenues	3,242	2,967	-\$275	\$3,789	\$547
Transfers	<u>816</u>	<u>798</u>	<u>-\$18</u>	<u>\$798</u>	<u>-\$18</u>
<b>Total</b>	<b>\$101,992</b>	<b>\$91,333</b>	<b>-\$10,659</b>	<b>\$96,053</b>	<b>-\$5,940</b>
Change from Fiscal 07-08	-\$1,035	-\$11,127		-\$6,408	
% Change from Fiscal 07-08	-1.0%	-10.9%		-6.3%	
<b>Fiscal 09-10</b>					
Personal Income Tax	\$55,863	\$48,824	-\$7,039	\$48,824	-\$7,039
Sales & Use Tax **	29,248	25,234	-\$4,014	\$33,709	\$4,461
Corporation Tax	11,982	10,731	-\$1,251	\$10,731	-\$1,251
Insurance Tax	2,135	2,135	\$0	\$2,135	\$0
Other Revenues	3,366	2,603	-\$763	\$4,389	\$1,023
Transfers	<u>15</u>	<u>61</u>	<u>\$46</u>	<u>\$61</u>	<u>\$46</u>
<b>Total</b>	<b>\$102,609</b>	<b>\$89,588</b>	<b>-\$13,021</b>	<b>\$99,849</b>	<b>-\$2,761</b>
Change from Fiscal 08-09	\$617	-\$1,745		\$3,796	
% Change from Fiscal 08-09	0.6%	-1.9%		4.0%	

\*\* Proposed sales and use tax numbers include \$322 million for 2008-09 and \$713 million for 2009-10 that will be transferred under Proposition 42 to the Transportation Investment Fund. Of these amounts, \$678 million will be transferred in 2009-10 and \$359 million in 2010-11.

**Proposed Law Changes**

**Temporary Sales Tax Increase:** Effective January 1, 2009, a temporary rate increase of 1.5 percent is proposed for three years in the General Fund Sales and Use tax. At the end of three years, the Sales and Use tax rate will return to 5 percent. This proposal is expected to generate additional sales tax revenues of \$3.540 billion in 2008-09 and \$7.319 billion in 2009-10 for the General Fund. These amounts include \$322 million for 2008-09 and \$713 million for 2009-10 that will be transferred under Proposition 42 to the Transportation Investment Fund. Of these amounts, \$676 million will be transferred in 2009-10 and \$359 million in 2010-11.

**Broaden the Sales and Use Tax to Include Certain Services:** Effective February 1, 2009, it is proposed to apply the sales and use tax rate to appliance and furniture repair, vehicle repair, golf, and veterinarian services. Effective March 1, 2009, the sales and use tax rate will be applied to amusement parks and sporting events. Assuming a 6.5-percent General Fund tax rate, this proposal is expected to generate additional General Fund sales tax revenue of \$357 million in 2008-09 and \$1.156 billion in 2009-10. These estimates assume initially low collections but significant improvements in collections over time. This proposal will also generate revenues for local government agencies of \$151 million in 2008-09 and \$487 million in 2009-10, including \$27 million for local public safety funds in 2008-09 and \$89 million in 2009-10.

**Oil Severance Tax:** Effective January 1, 2009, it is proposed to impose an oil severance tax upon any oil producer extracting oil from the earth or water in California. The tax shall be applied to the gross value of each barrel of oil at a rate of 9.9 percent. Any oil produced by a stripper well, in which the average value of oil as of January 1 of the prior year is less than fifty dollars (\$50) per barrel, will be exempt from this tax. Also, any oil owned or produced by any political subdivision of California will be exempt from this tax. This proposal is expected to generate additional revenues of \$528 million in 2008-09 and \$1.195 billion in 2009-10.

**Increase Alcohol and Excise Taxes by 5 Cents a Drink:** Alcohol excise taxes are proposed to be raised by five cents per drink beginning on January 1, 2009. A drink is defined as 1.5 ounces of distilled spirits, 12 ounces of beer, or 5 ounces of wine. This increase is estimated to raise \$293 million in 2008-09 and \$585 million in 2009-10. These estimates are adjusted to reflect an estimate of reduced consumption caused by the increase in price. Alcohol taxes were last raised in 1991. See the Funding Realignment portion of Program Reductions for information on uses of these revenues.

**Vehicle Registration Fee Increase:** Effective February 1, 2009, annual vehicle registration fees are proposed to be increased by \$12 to offset a shift of Vehicle License Fee revenue from the support of the Department of Motor Vehicles to support local criminal justice programs. This special fund revenue will provide \$150 million for these programs in 2008-09 and \$359 million in 2009-10 and future years. See the Funding Realignment portion of Program Reductions for information on uses of these revenues.

## PROGRAM REDUCTIONS

The Administration proposes a total of \$4.5 billion of General Fund reductions in 2008-09 program costs. These reductions will generate \$6.1 billion in General Fund savings in 2009-10. The reductions are in addition to the \$11.38 billion in expenditure reductions in the 2008 enacted budget.

### PROPOSITION 98 (K-14)

#### Total Proposition 98

Due to significant declines in anticipated revenues since the budget was enacted, the Administration proposes total Proposition 98 expenditure reductions of \$2.5 billion in 2008-09 in the special session, including eliminating the partial COLA provided to K-12 revenue limits and community college apportionments, Child Care programs savings, and further reducing general purpose funding for all Local Education Agencies, which will be accompanied by dramatic flexibility provisions that will allow LEA's to transfer categorical funds at their discretion to ensure adequate funding for essential classroom instruction and services. Specific savings proposals are summarized below:

#### K-12 Programs

- \$244.3 million is proposed for reduction by eliminating the 0.68-percent COLA provided for school district and county office of education revenue limits.

## PROGRAM REDUCTIONS

- \$1.791 billion is proposed for reduction by further reducing the amount for local education agency (LEA) revenue limits, coupled with flexibility to transfer categorical funds to each LEA's general fund. This strategy is necessary to provide maximum flexibility to local education agencies (LEAs). It is the Administration's expectation that LEAs will maintain as much funding as possible for direct classroom instruction and the most essential support services. Therefore, the Administration proposes to authorize LEAs to transfer any categorical allocations received to their general fund for any purpose up to the amount of their share of the reduction. Districts electing to utilize this flexibility must adopt a transfer plan in a regularly scheduled governing board meeting and agree to report the amounts and categorical programs from which transfers were made and the purposes for which those funds were used.
- \$55 million is proposed for reduction in capped child care programs to reflect the amount of funding that will not be allocated in current year contracts as reported by the Department of Education for General Child Care, Preschool, Alternative Payment and other programs. Because this amount has not been allocated for contracts with providers, it will not result in a reduction of services to families.
- \$42 million is proposed for reduction from Stage 2 and Stage 3 child care programs based on revised estimates for lower than anticipated caseload since the budget was enacted. Stage 2 costs are revised down by \$27 million and Stage 3 costs are revised down by \$15 million.
- It is also proposed that \$108 million in recently identified prior-year child care savings be reappropriated for CalWORKs Stage 2 and 3 programs to offset an estimated shortfall in one-time savings from the After School Safety and Education (ASES) program that was anticipated to fund part of the 2008-09 costs for these caseload-driven programs.
- \$71.2 million in reductions are proposed to specific programs that are currently underutilized. The amounts and programs with recently identified prior-year savings that are proposed for reduction include \$28.6 million for K-3 Class Size Reduction, \$2.6 million for Principal Training, \$3.3 million for Alternative Credentialing, and \$1 million for the Pupil Retention Block Grant. Further, the Administration proposes to reduce the appropriation for the Targeted Instructional Improvement Grant (TIIG) program on a one-time basis and backfill that reduction through reappropriation of the one-time prior-year savings anticipated from the aforementioned programs. The Administration recognizes these savings amounts are subject to refinement and will work with the Legislature to adjust this proposal to conform to any updated information that becomes available.

**Community Colleges (CCC)**

- \$39.8 million is proposed for reduction by eliminating the 0.68-percent COLA for CCC apportionments enacted in the education trailer bill (Section 33 of Chapter 519, Statutes of 2008).
- \$292.4 million is proposed for reduction by further reducing the amount for general purpose apportionments and providing categorical flexibility similar to the proposal for K-12 LEAs. Similarly, it is the Administration's expectation that districts will maintain as much funding as possible to maximize course offerings aligned with the system's highest priorities for transfer, basic skills and vocation/career preparation along with the most essential support services. Thus, it is proposed that community college districts may transfer categorical allocations to the district's general fund for any purpose up to the amount of their share of the \$290.1 million reduction. Districts electing to utilize this flexibility must also adopt plans in public meetings and agree to report the amounts and programs from which transfers were made and the purposes for which those funds were used.

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## HIGHER EDUCATION

\$132 million in ongoing reductions are proposed for the higher education segments, excluding community colleges. Specific amounts are detailed below.

**University of California (UC)**

- A reduction of \$65.5 million is proposed on an unallocated basis. Together with UC's \$33.1 million share of the \$190 million statewide savings requirement for state operations assumed in the enacted 2008 Budget, expenditures for UC will reflect approximately a ten-percent reduction from the workload budget, consistent with the reduction level proposed in the January 2008-09 Governor's Budget.

**California State University (CSU)**

- A reduction of \$66.3 million is proposed on an unallocated basis. Together with CSU's \$31.3 million share of the \$190 million statewide savings requirement for state operations assumed in the enacted 2008 Budget, expenditures for CSU will reflect a ten-percent reduction from the workload budget, consistent with the reduction level proposed in the January 2008-09 Governor's Budget.

**Hastings School of Law (HCL)**

- A reduction of \$402,000 is proposed on an unallocated basis. Together with HCL's \$114,000 share of the \$190 million statewide savings requirement for state operations assumed in the enacted 2008 Budget, expenditures for HCL will reflect a ten-percent reduction from the workload budget, consistent with the reduction level proposed in the January 2008-09 Governor's Budget.

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**CORRECTIONS AND REHABILITATION**

**Parole Reform, Enhanced Credit Earning, and Property Crime Threshold Revisions**

The Administration's special session proposal reflects reductions in the Department of Corrections and Rehabilitation of \$78.1 million in 2008-09 and \$677.6 million in 2009-10, as a result of the following proposals:

- Focus parole efforts on those offenders who have committed serious, violent, or sexual crimes. Under this proposal, offenders without current or previous convictions for serious, violent, or sexual crimes would not receive parole supervision after their release from prison. This would substantially reduce parole costs in the Department, ensure that the highest risk offenders continue to receive full supervision on parole, and reform the current "revolving door" process in which more prison admissions result from parole revocations than court convictions. This proposal is estimated to result in General Fund savings of \$78.7 million in 2008-09 and \$535.9 million in 2009-10.
- Enact statutory changes that would authorize the CDCR to provide up to four months of earned credit for each program successfully completed by an eligible inmate. Incentivizing program participation and completion will reduce inmate violence within the CDCR and will facilitate the inmate's reintegration into society. Additional changes would authorize consistent day-for-day credit for all eligible inmates who comply with institutional rules, continuous day-for-day credits for inmates who are in jail pending transfer to a state prison, and enhanced credits for inmates who are awaiting an assignment at a conservation camp. These proposals result in a cost of \$3.4 million in 2008-09 and a savings of \$90.5 million ongoing beginning in 2009-10, after accounting for savings already included in the 2008-09 Budget Act.
- Implement changes to adjust the statutory threshold values for determining when property crimes are prosecuted as a felony to reflect inflation since 1982. As a result, the special session reflects General Fund savings of \$2.9 million General Fund in 2008-09, growing to \$51.3 million in 2009-10.

## LEGISLATURE

- No specific reductions are proposed for the Legislature; however, the 2008-09 Budgets of other constitutional officers including the Governor's Office, the Attorney General, and the Judicial Branch included reductions in the range of ten percent. The Legislature's 2008-09 Budget reflects a reduction of a lesser level. The Administration hopes the Legislature can achieve savings that are more in line with the savings achieved by constitutional executive officers.

## PUBLIC SAFETY GRANT PROGRAMS

### Reductions for Various Public Safety Grants

- The proposal includes the elimination of a total of \$51.7 million General Fund in 2008-09 and \$103.5 million General Fund in 2009-10 for local public safety funding. This includes the following:
  - \$14.7 million in 2008-09 and \$29.4 million in 2009-10 that is allocated to counties that operate juvenile camps and ranches. While these funds are available to all counties based on the number of beds occupied, these funds currently support the operation of 29 camps or ranches. These funds are administered by the CDCR.
  - \$28.7 million in 2008-09 and \$57.4 million in 2009-10 for various local assistance programs administered by the Office of Emergency Services. Included in this reduction is funding for Vertical Prosecution Block Grants, Rural Crime Prevention, California Multi-jurisdictional Methamphetamine Enforcement Teams, the High Technology Theft Apprehension Program, Sexual Assault Felony Enforcement Teams, and various other public safety programs.
  - \$8.3 million in 2008-09 and \$16.7 million in 2009-10 for grants to county sheriffs of specified small and rural counties for supplemental public safety funding.

## HEALTH AND HUMAN SERVICES

To address the budget shortfall, the Administration proposes legislation to implement the following eligibility and benefit changes effective December 1, 2008.

### Medi-Cal

- Reduce California benefits to the level of optional benefits provided in most states. Cease to provide the following optional benefits for adult (excluding children) dental,

## PROGRAM REDUCTIONS

chiropractic, incontinence creams and washes, acupuncture, audiology, speech therapy, optometry/optometrists, optician/optical lab services, podiatry, and psychology services. California will still be providing more optional benefits than most states. General Fund savings of \$41 million result in 2008-09 and \$129.9 million in 2009-10.

- Limit benefits for newly qualified immigrants and immigrants who permanently reside under the color of law (PRUCOL) to the same level as currently provided for undocumented immigrants. Benefits retained include emergency services, pregnancy-related services, long-term care in a nursing facility, and breast and cervical cancer treatment. General Fund savings of \$29.7 million result in 2008-09 and \$144.4 million in 2009-10.
- Implement a monthly eligibility determination for emergency services for undocumented immigrants. This population currently receives up to six months of health services after an initial eligibility determination. This proposal would limit services to one month unless and until a subsequent emergency ensues. General Fund savings of \$15.1 million result in 2008-09 and \$73.5 million in 2009-10.
- Reduce the income level for new applicants to the Section 1931 (b) program to the pre-March 2000 standard of an average of approximately 72 percent of the federal poverty level, and define under-employment as the principal wage earner working less than 100 hours a month for persons applying for Section 1931 (b) and for the medically needy program. The Section 1931 (b) program provides Medi-Cal eligibility to families with low incomes who meet eligibility requirements. Parents with higher incomes who meet the resource and status requirements would be eligible for the Medi-Cal medically needy program with a share of cost. General Fund savings result of \$8.6 million in 2008-09, \$109 million in 2009-10, and ultimately \$342.5 million in 2011-12.
- Shift federal Safety Net Care Pool funding from designated public hospitals to portions of the California Children's Services, the Genetically Handicapped Persons, the Medically Indigent Adult Long-Term Care, and Breast and Cervical Cancer Treatment programs, which are eligible for these funds. No net reduction in services to beneficiaries will result from this shift. General Fund savings of \$3.7 million result in 2008-09 and \$54.2 million in 2009-10.
- Reinstate share of cost for Medi-Cal for aged, blind and disabled individuals with incomes over the SSI/SSP limits. Eligibility for Medi-Cal without a share of cost for beneficiaries previously expanded in January of 2001 from 69 percent up to 127 percent of the federal poverty level. This proposal would align eligibility with the SSI/SSP limits, and generate General Fund savings of \$43.8 million in 2008-09, \$203.7 million in 2009-10, and \$212.8 million annually thereafter.

### Three-Percent Reduction to Regional Center Operations and Purchase of Services Payments

- Discount payments to regional center service providers by three percent effective December 1, 2008. Certain types of payments will be exempt from this reduction, including supplemental rent/lease payments for consumers receiving supported and independent living services, and "usual and customary" rates for services such as bus fares. The department will also consider exemptions necessary to ensure the health and safety of consumers. Payments for supported employment services will not be discounted. Additionally, to assist in the implementation of the reduction to regional center operations funding, the Administration proposes to provide workload relief such as suspension of reporting requirements for staff salary schedules and contract expenditures, and suspension of the 1:66 coordinator-to-consumer ratio. For those consumers who are on the federal Home and Community Based Services Waiver, are three years of age and younger in the Early Start Program, or are consumers moving from a developmental center into the community, the coordinator-to-consumer ratio will not be suspended. These changes are expected to result in General Fund savings of \$34.2 million in 2008-09 and \$59.8 million in 2009-10.

### Supplemental Security Income/State Supplementary Payment (SSI/SSP)

- Reduce SSI/SSP grants to the federal minimum effective March 1, 2009, which would result in General Fund savings of \$348.9 million in 2008-09 and \$1.1 billion in 2009-10. Currently, the SSI/SSP grant for an aged/disabled individual is \$870 per month and the grant for aged/disabled couples is \$1,524 per month. After provision of a federal cost-of-living adjustment in January, 2009, this proposal would reduce the monthly grants to \$830 and \$1,407 for aged/disabled individuals and couples, respectively.
- Eliminate the Cash Assistance Program for Immigrants effective March 1, 2009, which would result in General Fund savings of \$37.8 million in 2008-09 and \$114.1 million in 2009-10. This state-only program provides benefits to aged, blind, and disabled legal immigrants.

### CalWORKs

- Modify the Safety Net program, by continuing benefits for families beyond their 60-month time limit only if they meet federal work participation requirements. This would result in General Fund savings of \$80.7 million in 2008-09 and \$242 million in 2009-10, assuming March 1, 2009 implementation.
- Provide cash aid for families receiving child-only benefits in a manner consistent with other CalWORKs families, for General Fund savings of \$76.8 million in 2008-09 and

## PROGRAM REDUCTIONS

\$230.3 million in 2009-10. Under this proposal, aid to some families receiving child-only benefits would be limited to 60 months. These families include parents or caretakers who are undocumented non-citizens or certain types of felons.

- Institute a face-to-face self-sufficiency review every six months with a county worker for CalWORKs families who are not meeting work requirements. This proposal would result in General Fund savings of \$23.3 million in 2008-09 and \$94.8 million in 2009-10, assuming March 1, 2009 implementation. These reviews would assess what services or resources may be necessary to address barriers that are preventing participation and help remove a family's dependence upon public assistance.
- Reduce CalWORKs grants by 10 percent effective March 1, 2009, which would result in General Fund savings of \$93.2 million in 2008-09 and \$279.6 million in 2009-10. This proposal would reduce the maximum monthly grant for a family of three from \$723 to \$651.

### **In-Home Supportive Services (IHSS)**

- Provide IHSS domestic and related services to individuals with the highest levels of need, as measured by a functional index score of 4 or higher. This proposal would result in General Fund savings of \$23.1 million in 2008-09 and \$71.4 million in 2009-10, assuming March 1, 2009 implementation. The provision of other IHSS services to all eligible consumers regardless of their functional index score would not be impacted.
- Focus the state buyout program for IHSS recipients whose Medi-Cal share of cost is higher than their IHSS share of cost on persons with the most severe needs. This proposal would result in General Fund savings of \$12.3 million in 2008-09 and \$37 million in 2009-10, assuming March 1, 2009 implementation. Under this proposal, IHSS recipients with average functional index scores below 4 would be required to pay for more of their services before qualifying for subsidies.
- Limit state participation in the wages of IHSS workers to the state minimum wage plus \$0.60 per hour for health benefits. Assuming March 1, 2009 implementation, this proposal would result in General Fund savings of \$82.9 million in 2008-09 and \$248.8 million in 2009-10.

### **California Food Assistance Program (CFAP)**

- Eliminate the CFAP effective July 1, 2009, which would result in General Fund savings of \$30.3 million in 2009-10. This state-only program provides food benefits to low-income legal non-citizens.

## STATE TRANSIT ASSISTANCE PROGRAM

### Eliminate Local Transit Grants

- This proposal eliminates the portion of the State Transit Assistance program that is paid from the Public Transportation Account (\$229.9 million in 2008-09 and \$306 million in 2009-10), but retains \$350 million available from Proposition 1B for local transit programs. This program has historically provided between 3 and 5 percent of total funding for local transit agency operations and capital costs associated with local mass transportation programs. The majority of local funding comes from farebox revenues, federal funds, state capital funding, and other local tax revenues.

## WILLIAMSON ACT

- This proposal eliminates \$34.7 million in state reimbursements to local taxing agencies that partially defray the loss of property tax revenues from contracts with local landowners who agree to limit the use of their land to agricultural, scenic, or open space purposes in exchange for reduced property taxes. This action does not eliminate the ability of local entities to enter into these agreements.

While local governments can cancel contracts if state funding is eliminated, they cannot begin to collect taxes based on the property's full value until four years have elapsed. After four years the property is annually taxed at an incrementally higher value over a five-year period. In the sixth year, the property is taxed at full value.

## FUNDING REALIGNMENT

In an effort to reduce General Fund expenditures and to create permanent, stable funding for certain high-priority programs, the Governor's special session proposal generates additional revenues to fund various public safety programs and drug and alcohol prevention and treatment services. Specifically, the proposal increases revenues by \$442.5 million in 2008-09 and \$944 million in 2009-10 to support these high-priority programs as follows:

### Local Law Enforcement Grants

- The proposal provides \$150 million in 2008-09 and \$359 million in 2009-10 in Vehicle License Fee (VLF) funding for specific law enforcement grant programs. The proposal also eliminates General Fund support for these programs, resulting in savings of \$198.8 million in 2008-09 and \$397.5 million in 2009-10. These VLF funds were previously used to support the Department of Motor Vehicles (DMV) operations,

## PROGRAM REDUCTIONS

which will now be funded by increased revenue in the Motor Vehicle Account derived from a \$12 increase in the annual vehicle registration fee. The specific programs that will be funded from the VLF include the following:

- o \$55.7 million in 2008-09 and \$135.9 million in 2009-10 to support a broad spectrum of local juvenile probation activities statewide.

With this funding realignment proposal, overall funding to support juvenile probation activities will be reduced by \$20.2 million in 2008-09 and \$16 million in 2009-10, but the program will receive a permanent, statutory funding stream.

- o \$94.3 million in 2008-09 and \$223.1 million in 2009-10 to support the COPS/JJCPA Programs and the Booking Fees Program. The COPS/JJCPA Programs will receive \$78.6 million in 2008-09 and \$191.6 million in 2009-10. The Booking Fees Program will receive \$15.8 million in 2008-09 and \$31.5 million in 2009-10.

With this funding realignment proposal, overall funding for the COPS/JJCPA Programs will be reduced by \$28.6 million in 2008-09 and \$22.6 million in 2009-10. Overall funding for the Booking Fee Program will not be impacted in either year.

### **Alcohol Excise Tax for Drug and Alcohol Prevention and Treatment**

- Alcohol excise taxes are proposed to be raised by five cents a drink beginning on January 1, 2009. This increase is estimated to raise \$293 million in 2008-09 and \$585.0 million in 2009-10.

Revenues generated from these taxes will be used to fund drug and alcohol abuse prevention and treatment services, thereby generating General Fund savings of \$293 million in 2008-09 and \$585 million in 2009-10 while maintaining program services. Specifically these revenues will provide: \$27 million for providing substance abuse services to CalWORKs participants; \$116 million for providing alcohol and drug treatment programs to individuals both in-prison and in parole settings; and \$150 million to the Department of Alcohol and Drug Programs to provide a variety of prevention and treatment services, including services currently provided pursuant to Proposition 36, the Drug Offender Treatment Program, and the Drug Medi-Cal program. By establishing this dedicated revenue source, the state can ensure that these critical programs continue to provide alcohol and drug prevention and treatment to California's most needy citizens.

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**EMPLOYEE COMPENSATION CHANGES**

- Require state employees take a one day furlough each month between December 1, 2008 and June 30, 2010. This would result in a savings of approximately \$263 million General Fund in 2008-09 and \$451 million General Fund in 2009-10.
- Eliminate two state holidays and premium pay for hours worked on all remaining holidays. This would result in a savings of approximately \$39.4 million General Fund in 2008-09 and \$74.5 million General Fund in 2009-10.
- Compute overtime based on actual time worked. This change would result in a savings of approximately \$17.5 million General Fund in 2008-09 and \$30 million General Fund in 2009-10.
- Establish alternative work schedules of ten hours per day, four days per week.

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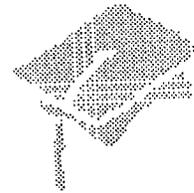


# Budget Process Overview

The Governor's Budget is the result of a process that begins more than one year before the Budget becomes law. When presented to the Legislature on January 10 of each year, the Governor's Budget incorporates revenue and expenditure estimates based upon the most current information available through mid December. In the event that the Governor wants to change the Budget presented to the Legislature, including adjustments resulting from changes in population, caseload, or enrollment estimates, the Department of Finance (Finance) proposes adjustments to the Legislature during budget hearings through Finance Letters. During late spring, usually in May, Finance submits revised revenue and expenditure estimates for both the current and budget years to the Legislature. This update process is referred to as the May Revision. Finance also prepares monthly economic and cash revenue updates during the fiscal year. Listed below are the key documents used in the budget process.

Title	Purpose	Prepared/Issued by Governor/Finance	When January through December
Budget Letters and Management Memos	Convey the Administration's guidelines for budget preparation to agencies and departments.	Governor/Finance	January through December
Budget Change Proposals	Documents that propose to modify or change the existing level of service, propose new programs, or delete existing programs.	Agencies and departments submit to Finance analysts	July through September
Governor's Budget	Governor's proposed budget for the upcoming fiscal year.	Governor/Finance	January 10
Governor's Budget Summary	A summary of the Governor's Budget.	Governor/Finance	January 10
Budget Bill	Requests spending authorization to carry out the Governor's expenditure plan (legislative budget decision document).	Finance/Legislature	January 10
Analysis of the Budget	Analysis of the Budget, including recommendations for changes to the Governor's Budget.	Legislative Analyst	February
May Revision	Update of General Fund revenues, expenditures, and reserve estimates based on the latest economic forecast and changes in population, caseload, or enrollment estimates.	Finance	Mid-May
Budget Act	The primary annual expenditure authorization as approved by the Governor and Legislature, including a listing of the Governor's vetoes.	Legislature/Governor	Late June or enactment of the Budget
Final Budget Summary	Update of the individual Budget Act items with changes by the Governor's vetoes, including certain budget summary schedules.	Finance	Late July - August or 1-2 months after Budget enactment
Final Change Book	Update of changes to the detailed fiscal information in the Governor's Budget.	Finance	Late July - August or 1-2 months after Budget enactment





## Education

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Education programs provide academic services segmented by elementary, secondary, undergraduate and graduate programs as well as credentialing services to ensure schools are staffed with effective instructors. Elementary and secondary instruction is provided to all of California's children to prepare them for higher education or entry into the workforce. Institutions of higher education provide further access to the skills necessary for career goals and participation in a globally competitive workforce, as well as conducting research and providing public services.

### 6110 Department of Education

California's public education system is administered at the state level by the Department of Education, under the direction of the State Board of Education and the Superintendent of Public Instruction, for the education of approximately 6.3 million students. Administrative branches of the Department include the Executive Branch; the Finance, Technology, and Administration Branch; the Curriculum and Instruction Branch; the School and District Operations Branch; and the Assessment and Accountability Branch.

The functions of state staff include:

- Allocation of funds to local education agencies.
- Curriculum and management leadership.
- Assessment and program review.
- Focused school improvement intervention.
- Regulatory and compliance action.
- Child development agency assistance.
- Nutrition services and distribution of United States Department of Agriculture (USDA) surplus donated food.

The primary duties of the Superintendent and the Department are to provide technical assistance to local school districts and to work with the educational community to improve academic performance. Major goals of the Department include: (a) holding local agencies accountable for student achievement in all programs and for all groups of students, (b) building local capacity to enable all students to achieve to state standards, (c) expanding and improving a system of recruiting, developing, and supporting teachers that instills excellence in every classroom, preschool through adult, (d) providing statewide leadership that promotes effective use of technology to improve teaching and learning, (e) increasing efficiency and effectiveness in administration of K-12 education, including student record keeping and good financial management practices, (f) providing broader and more effective communication among the home, school, district, county, and state, (g) establishing and fostering systems of school, home, and community resources that provide the physical, emotional, and intellectual support to help students succeed, (h) advocating for additional resources and additional flexibility, (i) providing statewide leadership that promotes good business practices, so that California schools can target their resources to serve students, and (j) improving the effectiveness and efficiency of the Department.

Since department programs drive the need for infrastructure investment, each department has a related capital outlay program to support this need. For the specifics on the Department of Education's Capital Outlay Program, see "Infrastructure Overview."

#### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 Instruction	1,219.9	1,284.2	1,281.1	\$46,862,549	\$47,846,996	\$50,553,774
20 Instructional Support	500.6	544.8	554.6	2,568,522	2,718,447	2,815,487
30 Special Programs	342.0	374.0	374.0	4,627,482	4,558,108	4,690,043
40 Executive Management and Special Services	52.0	51.7	51.7	13,844	15,056	15,112
42.01 Department Management and Administration Services	249.6	282.9	282.9	27,393	33,131	33,345
42.02 Distributed Department Management and Administration Services	-	-	-	-27,393	-33,131	-33,345
50 State Board of Education	-	8.5	-	-	1,566	-
98 State-Mandated Local Programs	-	-	-	48,789	38	38
99 Unscheduled	-	-	-	2,850,316	3,927,405	3,512,272
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>2,364.1</b>	<b>2,546.1</b>	<b>2,544.3</b>	<b>\$56,971,502</b>	<b>\$59,067,616</b>	<b>\$61,586,726</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				\$501,893	\$944,812	\$383,593
0001 General Fund, Proposition 98				36,845,969	37,386,196	39,791,450
0046 Public Transportation Account, State Transportation Fund				-	99,120	-
0140 California Environmental License Plate Fund				388	406	407
0178 Driver Training Penalty Assessment Fund				1,211	1,505	1,625
0231 Health Education Account, Cigarette and Tobacco Products Surtax Fund				22,785	23,908	23,080
0342 State School Fund				35,224	35,224	35,224
0349 Educational Telecommunication Fund				20,025	3,235	6,561
0606 Charter School Revolving Loan Fund				5,750	-	-
0620 Child Care Facilities Revolving Fund				724	17,713	-
0687 Donated Food Revolving Fund				5,495	8,678	7,405
0814 California State Lottery Education Fund				979,072	936,387	936,387

\* Dollars in thousands, except in Salary Range.



## 6110 Department of Education - Continued

FUNDING	2006-07*	2007-08*	2008-09*
0890 Federal Trust Fund	6,785,697	6,632,836	6,509,170
0942 Special Deposit Fund	3,697	4,285	3,268
0986 Local Property Tax Revenues	11,716,756	12,911,115	13,810,413
0995 Reimbursements	43,675	58,743	74,698
3085 Mental Health Services Fund	592	731	707
6044 2004 State School Facilities Fund	2,549	2,722	-
6057 2006 State School Facilities Fund	-	-	2,738
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$56,971,502</b>	<b>\$59,067,616</b>	<b>\$61,586,726</b>

The Administration will introduce trailer bill legislation to identify potential savings in other programs in an effort to help offset the 2007-08 mid-year reduction of \$360 million to K-12 apportionments.

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Education Code, Section 33300

#### PROGRAM AUTHORITY

California Education Code, and select federal laws including, but not limited to, the No Child Left Behind Act, Elementary and Secondary Education Act, Carl D. Perkins Vocational and Applied Technology Education Act, and Workforce Investment Act.

### MAJOR PROGRAM CHANGES

- **Cost-of-Living Adjustment (COLA) Increases**-The workload Budget includes a \$2.4 billion increase to fund a 4.94-percent statutory COLA: \$1.8 billion for revenue limits, \$168.7 million for special education, \$82.8 million for child care programs, \$62.3 million for class size reduction, \$52.9 million for the Targeted Instructional Improvement Grant, \$49.1 million for Economic Impact Aid and \$247.4 million for various categorical programs.
- **Adjustments for Average Daily Attendance (ADA)**-The workload Budget includes a \$96.4 million net reduction in 2008-09 to reflect the decline in ADA. The majority of this amount consists of a \$142.4 million decrease in school district and county office of education revenue limit apportionments (general purpose funding for schools). Due in part to the decline in attendance, there also is a \$6.2 million decrease in revenue limit apportionments for 2007-08.
- **Local Property Tax Adjustments**-The workload Budget reflects a General Fund increase of \$640 million in school district and county office of education revenue limit apportionments in 2007-08 and a decrease of \$249.3 million in 2008-09 related to school district and county office of education property tax revenues. In general, increases in local property tax revenues reduce the amount of state General Fund costs for revenue limit apportionments.
- **Funding for Ongoing Programs**-The 2007 Budget Act appropriated \$555.6 million in one-time funding to support the ongoing costs of several programs. As a result, the workload Budget backfills the one-time funding with ongoing General Fund by providing increases of \$349.1 million for the Home-to-School Transportation, \$115.5 million for the Deferred Maintenance, \$73 million for the High Priority Schools Grant program, and \$18 million for the Charter School Facilities Block Grant to fully fund these programs in 2008-09.
- **Special Session Reduction**-Due primarily to a significant reduction in General Fund revenues anticipated for 2007-08, the Proposition 98 minimum guarantee is \$1.4 billion lower than the level of Proposition 98 appropriations included in the 2007 Budget Act. However, recognizing a reduction of that magnitude would be very difficult for schools to absorb mid-year, 2007-08 school revenue limit apportionments will be reduced by \$360 million.

### BUDGET-BALANCING REDUCTIONS

- The Budget includes General Fund reductions of \$4,347.1 million in 2008-09. The following programs totaling \$9.1 million General Fund, have been exempted from the budget balancing reductions: Fiscal Insolvency Loan Payments, Proposition 98 Mandate Deferrals, and Lease Payments Securing Lease Revenue Bonds. The major budget balancing reductions in 2008-09 include:
  - A \$2.6 billion reduction for school district and county office of education revenue limit apportionments. This will eliminate the 4.94-percent COLA and reduce existing revenue limit levels, thereby creating a 6.99-percent deficit factor.
  - A \$357.9 million reduction for Special Education. No COLA will be provided and existing state funding for local schools' special education costs will be reduced. Because the program is federally mandated, and to the extent that federal and

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

state funds are insufficient, schools will have to backfill most of this reduction.

- A \$198.9 million reduction for Child Development programs. No COLA or growth will be provided for this program. After accounting for normal program savings, approximately 8,000 existing slots will be reduced.
- A \$59.6 million reduction for Before and After School programs. The Administration will propose a ballot initiative to amend Proposition 49 to achieve these savings. This reduction is expected to have minimal impact because a number of recent grant awardees have not implemented the program or have not had the enrollment levels initially anticipated.
- A \$14.2 million reduction for Child Nutrition programs. This reduction will cut the free and reduced price meal reimbursement rate by approximately \$0.02. However, the program received a \$0.06 per meal augmentation in 2007-08, leaving the rate at approximately \$0.19 to supplement the federal reimbursement rate.
- A \$1,091.4 million reduction for other K-12 categorical programs. COLA adjustments will not be provided and proportional funding rate reductions will be applied to programs such as Class Size Reduction, the Charter School Categorical Block Grant, Instructional Materials, Supplemental Instruction, Home-to-School Transportation, Supplemental School Counseling, and various Career Technical Education.
- A \$5.6 million reduction for the Department of Education administration and program support. The Superintendent of Public Instruction will have discretion to allocate this reduction.
- A \$9.2 million reduction for the Department of Education State Special Schools. This unallocated reduction will provide maximum flexibility to the Superintendent and the State Special Schools.

DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• K-12 Cost-of-Living Adjustment of 4.94 Percent	\$-	\$-	-	\$2,428,099	\$-	-
• 2007-08 Adjustment for Property Tax and Federal Lands Royalties for K-12 District Apportionments	634,015	-	-	634,015	-	-
• Restore Ongoing Funding for Home to School Transportation	-	-	-	349,120	-	-
• Restore Ongoing Funding for the Deferred Maintenance Program	-	-	-	115,479	-	-
• Adjustment to Increase Available Child Care Funds from 2006-07 Savings	-	-	-	111,513	-	-
• Add 2007-08 Child Care Savings to 2008-09	-	-	-	80,529	-	-
• Restore Ongoing Funding for the High Priority Schools Grant Program	-	-	-	73,000	-	-
• Technical Adjustment for Outstanding Loan Repayments	62,620	-	-	62,620	-	-
• Add 2006-07 General Fund Child Care Carryover Funds	-	-	-	47,612	-	-
• Add Ongoing Funding for the Charter School Facility Grant Program	-	-	-	18,000	-	-
• Add Deferred Maintenance Program Cost-of-Living and Growth Adjustments	-	-	-	16,920	-	-
• Add 2003-04 General Fund Child Care Carryover Funds	-	-	-	11,987	-	-
• Add After School Education and Safety Program Carryover Funds	-	-	-	8,993	-	-
• Restore Preschool Wrap Around Funds	5,000	-	-	5,000	-	-
• Add 2004-05 General Fund Child Care Carryover Funds	-	-	-	3,777	-	-
• 2007-08 Growth Adjustment for K-12 District Apportionments	3,620	-	-	3,620	-	-
• Employee Compensation Adjustment: State Special Schools	1,612	-	-	2,247	-	-
• Add Funding for Development of the Longitudinal Pupil Achievement Data System (CALPADS)	-	-	-	2,181	5,942	-

\* Dollars in thousands, except in Salary Range.



6110 Department of Education - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Employee Compensation Adjustment	1,880	3,154	-	2,149	3,352	-
• Increase Child Nutrition Program Reimbursement Rate for Halls, Shelters, Homes, Camps, and Private Schools	-	-	-	1,866	-	-
• Lease Revenue Debt Service Adjustments	-121	-	-	848	-	-
• Add 2005-06 General Fund Child Care Carryover Funds	-	-	-	703	-	-
• COLA Adjustment: Child Nutrition Program	-	-	-	601	-	-
• Augment Student Transportation Costs for the State Special Schools	-	-	-	582	-	-
• Price Increase	-	-	-	575	1,975	-
• Align Testing Contract Appropriations to Actual Contract Costs	-	-	-	276	-	-
• Add Funding for District of Choice and Interdistrict Transfer Programs per Ch. 174/2007 (SB 80)	-	-	0.5	131	-	0.9
• Continue Position for Math and Reading Professional Development Program	-	-	-	109	-	0.9
• Augment Contract for the 2008 Reading/Language Arts Adoption and Regulation Changes	-	-	-	102	-	-
• Increase Funding for CTE Web Site Development and Maintenance per Ch. 529/2007 (AB 597)	-	-	-	100	-	0.5
• Price Increase: State Special Schools	-	-	-	75	-	-
• Pending Executive Order: Career Executive Assignment General Salary Increase Allocation	48	59	-	48	59	-
• Position to Monitor Discrimination and Harrassment in Schools per Ch. 566/2007 (AB 394)	-	-	-	40	-	0.3
• Align Expenditure Authority with Actual Staff Costs for the Proposition 49 After School Advisory Committee	-	-	-	14	-	-
• Increase Support for CalCRN Interagency Agreement	-	-	-	7	6	-
• Align District Local Property Tax Apportionments with Estimate	-	-656,071	-	-	187,396	-
• Adjust Federal Funds for Child Care	-	-	-	-	63,769	-
• Align County Office Property Tax Apportionment with Estimate	-	-5,473	-	-	24,377	-
• Align Special Education Property Tax Revenue with Estimate	-	-1,643	-	-	24,338	-
• Add Reimbursements for SB 70 CTE Funding	-	-	-	-	15,703	-
• Increase Federal Funds for the Public Charter School Grant Program (Local Assistance)	-	-	-	-	14,929	-
• Adjust Federal Lands Royalties for K-12 District Apportionments	-	13,767	-	-	13,767	-
• SWCAP Adjustment (Federal Cost Recovery)	-	-	-	-	2,398	-
• Special Education Federal Professional Development Grant	-	-	-	-	2,196	-
• Extend Limited-Term Positions for the Child Nutrition Information and Payment System	-	-	-	-	1,874	6.8
• Technical Adjustment to Conform to Instructional Materials Fund Transfer	-	1,590	-	-	1,590	-
• Augment Federal Funds for Special Education Instruction	-	-	-	-	1,050	-

\* Dollars in thousands, except in Salary Range.



6110 Department of Education - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Align Miscellaneous Donations Expenditures with Actuals	-	909	-	-	909	-
• Increase Staffing for Alternative Payment Monitoring Unit	-	-	-	-	742	6.6
• Increase Federal Funds for the Public Charter School Grant Program (State Operations)	-	-	-	-	553	-
• Position to Monitor High School Exit Exam Program Changes per Ch. 526/2007 (AB 347)	-	-	-	-	103	0.9
• Increase Funding for Transportation Facilities Lease Costs	-	-	-	-	65	-
• Align Appropriation with Actual Costs for Unemployment Insurance Administration	-	56	-	-	52	-
• Increase Funding for School Bus Training	-	-	-	-	50	-
• Adjust Federal Funds for the Public Charter School Grant Program	-	-	-	-	20	-
• Reappropriate Charter School Facility Grant Program Funds	18,000	-	-	-	-	-
• Reflect 2007-08 Child Care Savings	-80,529	-	-	-	-	-0.2
• Remove 0.2 Career Technical Education Limited-Term Position	-	-	-	-	-	-
• Reappropriation for the After School Education and Safety Program	1,500	-	-	-	-	-
• Add Funding for California School Information Services per Ch. 498/2007	-	2,010	-	-	-	-
• Add State Operations English Learner Best Practices Pilot Program Carryover Funds	-	20	-	-	-	-
• Add Nell Soto Parent/Teacher Program Carryover Funds	48	-	-	-	-	-
• One-Time Appropriation for Valley Center-Pauma Unified School District	55	-	-	-	-	-
• Reappropriation of 2005-06 High Priority Schools Grant Program Funds	35,500	-	-	-	-	-
• Reappropriation of 2006-07 High Priority Schools Grant Program Funds	66,500	-	-	-	-	-
• Add Preschool Wrap Around Carryover Funds	5,000	-	-	-	-	-
• Remove After School Education and Safety Program Carryover Funds	-1,500	-	-	-	-	-
• Reappropriate Fresh Start Pilot Program Position Funds	129	-	-	-	-	-0.9
• Add 2007-08 General Fund Child Care Carryover Funds	188,851	-	-	-	-	-
• Add State Operations Quality Education Investment Act Carryover Funds	215	-	-	-	-	-
• Remove English Learner Best Practices Program Support Funds	-	-20	-	-	-	-
• Blue Ribbon Commission on Autism Carryover Funds per Ch. 783/2006	48	-	-	-	-	-
• Add 2005-06 Drug Free Schools Program Carryover Funds	-	89	-	-	-	-
• Carryover of Williams Settlement State Operations Funds per Ch. 900/2004	127	-	-	-	-	-
• Add Math and Reading Professional Development Program Carryover Funds per Ch. 524/2006	119	-	-	-	-	-

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Add English Learner Best Practices Program Evaluation Carryover Funds	50	-	-	-	-	-
• Remove Limited-Term Math and Reading Professional Development Program Position Provided by Ch. 524/06 (SB 472)	-	-	-	-	-	-0.9
• Add School Breakfast Study Carryover Funds	26	-	-	-	-	-
• Add Instructional School Garden Grant Program Carryover Funds	15,000	-	-	-	-	-
• Add Food Distribution Program Carryover Funds	-	1,200	-	-	-	-
• Add 2006-07 School Safety Competitive Grant Program Carryover Funds	17,001	-	-	-	-	-
• Add 2006-07 Drug Free Schools Program Carryover Funds	-	750	-	-	-	-
• Reappropriate Fresh Start Pilot Program Grant Funds	2,438	-	-	-	-	-
• Add Golden State Merit Diploma Program Carryover Funds	106	-	-	-	-	-
• Remove One-time Costs for 3.5 Permanent Positions Provided in 2007-08	-	-	-	-	-	-7
• Department of Technology Services Rate Adjustment	-	-12	-	-	-	-12
• Align Appropriation for Apprenticeship Manuals with Actual Costs	-	-7	-	-	-	-14
• Align State Special Schools Expenditures with Revised Lottery Revenue Estimates	-	-19	-	-	-	-23
• Adjustment to Miscellaneous Donations State Operations Expenditures	-	974	-	-	-	-33
• Remove One-Time Federal Local Wellness Grant Funds	-	-	-	-	-	-50
• Remove One-Time Funds for Longitudinal Growth Study	-	-	-	-	-	-150
• Pro Rata Adjustment (Special Fund Cost Recovery)	-	-	-	-	-	-157
• Remove Federal Learn and Serve America Program Carryover Funds	-	-	-	-	-	-162
• Remove Federal Direct Certification Grant Carryover Funds	-	-	-	-	-	-172
• Remove One-Time Federal Nutrition Local Wellness Program Grant Funds	-	-	-	-	-	-218
• Remove 2.0 Limited-Term English Learner Materials Positions	-	-	-	-	-	-220
• Remove Mental Health Services Act Carryover Funds	-	-289	-	-	-	-289
• Remove 3.0 Limited-Term Special Education Information Technology Positions	-	-	-	-	-	-318
• Remove One-Time Special Education Dispute Resolution Funds	-	-	-	-	-	-450
• Remove One-Time Funds for English Learner Best Practice Pilot Program Evaluation	-	-	-	-	-	-500
• Remove Translation of Parental Notification Documents Carryover Funds	-	-	-	-	-	-500
• Remove Federal Migrant Education Program Oversight Carryover Funds	-	-	-	-	-	-800
• Remove Title II CALTIDES Carryover Funds	-	-	-	-	-	-1,142

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Remove Title III Carryover Funds for Kindergarten and Grade 1 English Language Test Development	-	-	-	-	-1,400	-
• Remove Federal Adult Education Carryover Funds	-	-	-	-	-2,348	-
• Remove Safe and Drug Free Schools Carryover Funds	-	-	-	-	-2,400	-
• Remove 2007-08 Child Nutrition Information and Payment Systems (CNIPS) Federal Funds and 6.2 Positions	-	-	-	-	-2,639	-5.9
• Remove Title II California Math and Science Partnership Program Carryover Funds	-	-	-	-	-3,602	-
• Remove Title I Even Start Program Carryover Funds	-	-	-	-	-5,000	-
• Remove Title III English Language Acquisition Program and Title I Migrant Education Program Carryover Funds	-	-	-	-	-5,500	-
• Remove Veto Set-Aside Funds for Title I School Improvement	-	-7,100	-	-	-7,100	-
• Remove Federal Vocational Education Carryover Funds	-	-	-	-	-10,718	-
• Align State Operations Appropriation with Actual Federal Funding Authority	-	-	-	-	-11,500	-
• Remove Title I Basic Grant Program Carryover Funds	-	-	-	-	-12,000	-
• Remove Child Care Facilities Revolving Fund Resources	-	-	-	-	-17,713	-
• Remove Title I School Improvement Carryover Funds	-	-	-	-	-23,800	-
• Remove Title I Reading First Program Carryover Funds	-	-	-	-	-34,900	-
• Remove Federal 21st Century Community Learning Centers Program Carryover Funds	-	-	-	-	-61,000	-
• Remove Base Federal Child Care Carryover Funds	-	-	-	-	-63,030	-
• Align Lottery Funding with Estimate	-	-75,922	-	-	-75,922	-
• Remove Public Transportation Account Expenditure Authority for 2008-09	-	-	-	-	-99,120	-
• Technical Adjustment to After School Education and Safety Program Local Assistance	-62	-	-	-99	-	-
• Retirement Rate Adjustment: State Special Schools	-106	-	-	-106	-	-
• Retirement Rate Adjustment	-177	-241	-	-177	-241	-
• Remove After School Education and Safety Program State Operations Carryover Funds	-	-	-	-300	-	-
• Remove One-Time Funds for Attorney Settlement Fees	-330	-	-	-330	-	-
• Technical Adjustment for Loan Repayment (Vallejo Unified)	-	-	-	-671	-	-
• Remove After School Education and Safety Program Carryover Funds	-	-	-	-1,500	-	-
• Technical Adjustment to Move Veto Setaside to Child Care Item	-5,000	-	-	-5,000	-	-
• Remove One-Time Funding for the Charter School Facilities Grant Program	-18,000	-	-	-18,000	-	-
• Special Education Base Adjustment to Reflect Impact of Higher Property Tax	-	-	-	-25,981	-	-

\* Dollars in thousands, except in Salary Range.



6110 Department of Education - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Reflect Anticipated Child Care General Fund Savings	-	-	-	-27,075	-	-
• Unemployment Insurance and PERS Adjustment for K-12 District Apportionments	-	-	-	-30,355	-	-
• Align County Office of Education Apportionments to reflect current ADA	-3,879	-	-	-33,729	-	-
• K-12 Growth Adjustment of -0.51 Percent	-	-	-	-90,115	-	-
• Technical Adjustment to the High Priority Schools Grant Program	-102,000	-	-	-102,000	-	-
• Remove Base One-Time Child Care Funds	-188,851	-	-	-188,851	-	-
• Remove 2007-08 Reversion Account Appropriations	-	-	-	-480,674	-	-
• Property Tax and Federal Lands Royalties Adjustment for K-12 District Apportionments	-	-	-	-833,466	-	-
<b>Totals, Baseline Adjustments</b>	<b>\$658,953</b>	<b>-\$722,219</b>	<b>0.5</b>	<b>\$2,144,509</b>	<b>-\$77,935</b>	<b>4.3</b>
<b>Policy Adjustment Descriptions</b>						
• NCLB Title I Corrective Action Funding	\$-	\$-	-	\$-	\$29,000	-
• Add Funding and Positions for CALTIDES	-	-	-	-	1,844	1.9
• Increase Administrative Flexibility for Local Education Agencies (Revise Control Section 12.40)	-	-	-	-	-	-
• One-Time Mid-Year Reduction for K-12 District Apportionments	-360,000	-	-	-	-	-
• Combine Governance of Board of Education and Secretary of Education	-	-	-	-1,522	-54	-7.6
<b>Totals, Policy Adjustments</b>	<b>-\$360,000</b>	<b>\$-</b>	<b>-</b>	<b>-\$1,522</b>	<b>\$30,790</b>	<b>-5.7</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$298,953</b>	<b>-\$722,219</b>	<b>0.5</b>	<b>\$2,142,987</b>	<b>-\$47,145</b>	<b>-1.4</b>
<b>Other Adjustments<sup>v</sup></b>						
• Budget-Balancing Reductions	-	-	-	-4,347,087	-278,000	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$298,953</b>	<b>-\$722,219</b>	<b>0.5</b>	<b>-\$2,204,100</b>	<b>-\$325,145</b>	<b>-1.4</b>

<sup>v</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

Revenue Limit Apportionments

	2006-07	2007-08	2008-09
District Revenue Limit <sup>1</sup>	\$33,650,465	\$34,730,692	\$36,618,026
Less Local Revenue <sup>2</sup>	<u>11,019,219</u>	<u>12,151,690</u>	<u>12,985,156</u>
Total District Revenue Limit State Share <sup>3</sup>	\$22,631,246	\$22,579,002	\$23,632,870
County Office of Education Revenue Limit	634,588	666,641	731,536
Less Local Revenue	<u>360,103</u>	<u>398,218</u>	<u>428,068</u>
Total County Office Revenue Limit State Share	\$274,485	\$268,423	\$303,468
<b>TOTAL K-12 REVENUE LIMIT--STATE SHARE</b>	<u>\$22,905,731</u>	<u>\$22,847,425</u>	<u>\$23,936,338</u>

<sup>1</sup> K-12 District Revenue Limit includes funding for general purposes, meals for needy pupils, and necessary small schools.

<sup>2</sup> Local Revenue is composed of local property tax collections, state subventions for homeowners' exemptions, timber tax collections, miscellaneous income, and federal oil and mineral revenues. Local revenue excludes the share of property taxes allocated to county special education programs.

<sup>3</sup> K-12 District Revenue Limit does not include revenues from the State Lottery.

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

Categorical Programs, Proposition 98 (Includes funding for Programs 10, 20 and 30)

		2006-07*	2007-08*	2008-09*(g)
6110-156-0001	Adult Education	\$703,467	\$753,717	810,725
6110-158-0001	Adults in Correctional Facilities	16,369	17,771	19,040
6110-240-0001	Advanced Placement Programs	2,954	3,073	3,208
6110-649-0001	After School Programs	547,384	546,981	546,944
6110-167-0001	Agricultural Vocational Education	5,000	5,201	5,430
6110-150-0001	American Indian Early Childhood Education Centers	633	662	695
6110-151-0001	American Indian Education Centers	4,343	4,540	4,764
6110-265-0001	Arts and Music Block Grant	105,000	109,757	115,179
6110-193-0001	Bilingual Teacher Training	2,066	2,149	2,244
6110-242-0001	California Association of Student Councils	33	33	33
6110-204-0001	California High School Exit Exam-Instructional Support and Services	69,599	72,752	76,346
6110-198-0001	California School Age Families Education (CalSAFE)	56,133	58,395	60,967
6110-140-0001	California School Information Services Project	5,094	5,094	5,094
6110-267-0001	Certificated Staff Mentoring	11,200	11,707	12,285
6110-211-0001	Charter School Categorical Block Grant	101,032	151,474	208,948
6110-220-0001 (f)	Charter School Facility Grant Program	-	18,000	18,000
6110-650-0001	Chief Business Officers Training Program	1,050	-	-
6110-605-0001	Chief Business Officers Training Program	-	-	2,000
6110-196-0001	Child Development	1,388,623	1,761,366	1,825,186
6110-203-0001	Child Nutrition	93,092	123,281	130,420
6110-201-0001	Child Nutrition Breakfast Startup	1,017	1,017	1,017
6110-268-0001	Child Oral Health Assessments	4,400	4,400	4,400
6110-208-0001	Civic Education	250	250	250
6110-232-0001	Class Size Reduction (9th Grade)	102,000	106,621	111,373
6110-234-0001	Class Size Reduction (K-3)	1,763,462	1,829,662	1,895,760
6110-190-0001	Community Day Schools	49,746	51,999	54,568
6110-266-0001	County Office of Education: Williams Audits	10,000	10,000	10,000
6110-107-0001	County Offices of Education Fiscal Oversight	11,174	11,680	12,257
6110-188-0001 (c)	Deferred Maintenance	269,900	277,382	294,302
6110-128-0001	Economic Impact Aid	973,388	994,279	1,043,396
6110-181-0001	Educational Technology - CTAP	17,020	17,705	18,485
6110-125-0001	English Learners Student Assistance	61,137	63,600	66,402
6110-119-0001 (a)	Foster Youth Programs	18,257	18,992	19,828
6110-124-0001	Gifted and Talented	53,480	55,634	58,084
6110-650-0001	Healthy Start	10,000	-	-
6110-123-0001	High Priority Schools Grant Program	243,209	143,209	114,209
6110-111-0001	Home to School Transportation	596,926	222,239	660,822
6110-111-0046	Home to School Transportation	-	99,120	-
6110-189-0001	Instructional Materials Block Grant	403,519	419,774	438,264
6110-182-0001 (c)	K-12 Internet Access	15,600	15,600	15,600
6110-650-0001	Low Performing School Enhancement Block Grant	50,000	-	-
6110-137-0001	Mathematics and Reading Professional Development Program	56,728	56,728	56,728
6110-195-0001	National Board Certification Incentives	7,535	6,000	6,000
6110-166-0001	Partnership Academies	23,490	23,490	23,490
6110-193-0001	Peer Assistance and Review	28,935	30,101	31,426
6110-260-0001	Physical Education Teacher Incentive Program	40,000	41,812	43,878
6110-144-0001	Principal Training Program	5,000	5,000	5,000
6110-245-0001	Professional Development Block Grant	264,081	274,718	286,819
6110-617-0001 (d)	Proposition 227: Community-Based English Tutoring Program	50,000	-	-
6110-227-0001 (d)	Community-Based English Tutoring Program	-	50,000	50,000
6110-139-0001 (b)	Pupil Residency Verification	-	-	-
6110-243-0001	Pupil Retention Block Grant	93,687	97,461	101,754
6110-193-0001	Reader Services for the Blind	388	404	422

\* Dollars in thousands, except in Salary Range.

**6110 Department of Education - Continued**

**Categorical Programs, Proposition 98 (Includes funding for Programs 10, 20 and 30)**

6110-105-0001	ROC/Ps	457,608	485,656	506,845
6110-123-0001	Sanctions	6,000	6,000	6,000
6110-247-0001	School and Library Improvement Block Grant	447,428	465,451	485,953
6110-228-0001	School Safety Block Grant (8-12)	96,659	100,553	104,983
6110-248-0001	School Safety Competitive Grants	17,351	18,050	18,845
6110-103-0001	Schools Apportionment, Apprentice Program	18,255	18,990	19,928
6110-111-0001	Small School District Bus Replacement	5,498	5,772	6,086
6110-161-0001	Special Education	3,065,640	3,158,993	3,285,094
6110-122-0001	Specialized Secondary Program Grants	5,916	6,155	6,427
6110-113-0001	Student Assessment Testing	88,945	85,123	85,399
6110-104-0001	Supplemental Instruction (Summer School)	402,554	420,789	441,576
6110-108-0001	Supplemental School Counseling Program	200,000	209,060	219,388
6110-246-0001	Targeted Instructional Improvement Block Grant	1,034,076	1,075,731	1,123,114
6110-244-0001	Teacher Credentialing Block Grant	102,986	128,671	135,027
6110-209-0001	Teacher Dismissal Apportionment	46	48	50
6110-224-0001	Year Round Schools	93,540	97,308	101,595
	Amount Deferred from 2005-06 to 2006-07	368,151		-
	Amount Deferred from 2006-07 to 2007-08	-388,283	388,283	-
	Amount Deferred from 2007-08 to 2008-09	-	-388,283	388,283
	Amount Deferred from 2008-09 to 2009-10	-	-	-388,283
	<b>Totals, Categorical Programs</b>	<b>\$14,359,771</b>	<b>\$14,857,180</b>	<b>15,818,352</b>

(a) Includes Funding for Student Vocational Organizations.

(b) Beginning in 2006-07, funding transferred to mandate item 6110-295-0001.

(c) The 2006-07, 2007-08, and 2008-09 contain funding from ongoing Proposition 98 General Fund, E-Rate and California Teleconnect Funds, and unexpended cash reserves.

(d) Chapter 632, Statutes of 2006, made the program permanent. Funding is contingent upon an annual Budget Act appropriation.

(e) Includes \$115.5 million that was reappropriated from the Proposition 98 Reversion account. See Item 6110-485 (12) of the 2007 Budget Act.

(f) SB 20 (Ch. 215/07) provided \$18 Million for the Charter School Facility Grant Program in 2007-08.

(g) 2008-09 totals do not include necessary budget balancing reductions contained in Control Section 4.44.

For individual programs, deferred funding is reflected in the year earned for services provided rather in the year of appropriation. In contrast, funding totals include an adjustment for deferrals to reflect the total amount appropriated in the fiscal year. Also, the figures shown in some instances include one-time appropriations of Proposition 98 Reversion Account funds.

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

State-Mandated Local Programs

		2006-07	2007-08	2008-09
K-12				
CSM 4422, 99-TC-07, 00-TC-01	AIDS Prevention Instruction I and II	1	1	1
CSM 4445, 4453, 4461, 4462, 4474, 4488, 97-TC-24, 99-TC-09 & 00-TC-12	(b) Annual Parent Notification III	1	1	1
CSM 4497	Caregiver Affidavits	1	1	1
CSM 4437	Charter Schools	1	1	1
99-TC-03	Charter Schools II	1	1	1
98-TC-01 & 99-TC-10	Comprehensive School Safety Plans			
97-TC-20	County Office of Education Fiscal Accountability Reporting	1	1	1
97-TC-16	Criminal Background Check	1	1	1
00-TC-05	Criminal Background Checks II	1	1	1
99-TC-02	Differential Pay and Recmployment	1	1	1
Ch. 1253/75	Expulsion Transcripts	1	1	1
CSM 4498 & 4498-A	Financial and Compliance Audits	1	1	1
CSM 4435	Graduation Requirements	1	1	1
CSM 4487 & 4487-A	Habitual Truant	1	1	1
SB 90-1120	Immunization Records	1	1	1
98-TC-05	Immunization Records-Hepatitis B	1	1	1
CSM 4454	Intradistrict Attendance	1	1	1
CSM 4475	Juvenile Court Notices II	1	1	1
CSM 4505 & 4505-2	Law Enforcement Agency	1	1	1
CSM 4133	Notification of Truancy	1	1	1
CSM 4452	Notification to Teachers of Public Expulsion	1	1	1
98-TC-08	Physical Education Reports	1	1	1
96-365-01	Physical Performance Tests	1	1	1
CSM 4456, 4455, 4463	(d) Pupil Expulsions/Expulsion Appeals	1	1	1
CSM 4440	Pupil Health Screenings	1	1	1
98-TC-19	Pupil Promotion and Retention	1	1	1
96-348-01	Pupil Residency Verification and Appeals	1	1	1
97-TC-19	School District Fiscal Accountability Reporting	1	1	1
98-TC-24	School District Reorganization	1	1	1
CSM 4195	Scoliosis Screening	1	1	1
99-TC-15	Teacher Incentive Program			
K-14				
CSM 4425 & 97-TC-08	(c) Collective Bargaining	1	1	1
98-TC-27	Grand Jury Proceedings	-	-	1
97-TC-25	Health Benefits for Survivors of Peace Officers and Firefighters	1	1	-
CSM 4485	(f) Mandate Reimbursement Process	1	1	1
CSM 4499	Peace Officers Procedural Bill of Rights	1	1	1
CSM 4211 & 4298	Removal of Chemicals	1	1	1
Other				
Ch. 799/80	PERS Death Benefits	1	1	1
Ch. 1398/74	PERS Unused Sick Leave Credit	1	1	1
<b>Totals, Local Assistance</b>		<b>\$38</b>	<b>\$38</b>	<b>\$38</b>

- (a) Mandates suspended commencing in 2002-03 and 2003-04.
- (b) Mandates consolidated in 2003-04 as Annual Parent Notification.
- (c) Mandates consolidated in 2003-04 as Collective Bargaining.
- (d) Mandates consolidated in 2003-04 as Pupil Suspensions, Expulsions, and Expulsion Appeals.
- (e) Mandates Suspended, Repealed, or Made Permissive Prior to 2005-06.

\* Dollars in thousands, except in Salary Range.

## 6110 Department of Education - Continued

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 - INSTRUCTION

This program provides direct educational services to children and adults in the state's public elementary and secondary school system. The following elements are included in this program:

10.10 - School Apportionments:  
Supplements local resources to fund general education programs.

10.25 - Class Size Reduction and Language Arts Enrichment:  
Provides incentive funding for school districts to implement class size reduction programs in kindergarten and grades 1-3 and 9.

10.30 - Other Compensatory Programs:  
Includes Migrant Education, California Indian Education Centers, Education for Homeless Children, Federal Title I, and Economic Impact Aid.

10.40 - Special Programs for English Learners:  
Addresses the needs of English learners through direct local assistance to school districts.

10.50 - Adult Education:  
Provides citizenship training and education to improve literacy skills, employability, and parenting abilities to adults served by public high school and unified districts. Adult education programs also meet the special needs of the disabled, older persons, and non-limited-English speaking adults.

10.60 - Special Education Programs for Exceptional Children:  
Provides special education services. Under state law and the federal Individuals with Disabilities Education Act (20 USC 1400 et seq.), individuals with exceptional needs are entitled to a free, appropriate public education. Students requiring special education are served either by local educational agencies using state, federal, and local property tax funds or by the State Special Schools operated by the Department of Education. The Special Schools (three centers for diagnostic services, two residential schools for the deaf and one residential school for the blind) provide highly specialized services including educational assessments and individual educational recommendations and a comprehensive residential and nonresidential educational program composed of academic, nonacademic and extracurricular activities.

10.70 - Vocational Education:  
Offers a sequence of courses that provide the academic knowledge and skills needed to prepare for further education and careers in current or emerging employment sectors. Programs include School-to-Career, Partnership Academies, Agricultural Education, and Carl D. Perkins Vocational and Applied Technology Education.

10.80 - Special Instructional Programs:  
Includes Gifted and Talented Education, and university and college opportunity programs.

#### 20 - INSTRUCTIONAL SUPPORT

Instructional Support provides resources to complement the Instruction Program. The following elements are included in this program:

20.10 - Curriculum Services:  
Provides materials and resources for curriculum planning and development in language arts, mathematics, science, history-social science, foreign language, visual and performing arts, health, nutrition, safety, physical education, and environmental/energy education. Provides funding for the use of educational technology in schools. Includes funding for Safe and Drug Free Schools and Rural and Low Income Schools Grants.

20.20 - Instructional Materials Management and Distribution:  
Assists in the development of curriculum frameworks and evaluation and distribution of instructional materials, including electronic resources. This element includes the Clearinghouse for Specialized Media and Technology.

20.30 - Administrative Services to Local Educational Agencies:  
Provides leadership, guidance and technical expertise to schools to manage and improve operations, and more efficiently use scarce resources, in addition to publishing specified documents.

20.40 - Supplementary Program Services:  
Identifies, develops and disseminates innovative and exemplary programs and practices to schools and aids in the development of alternative educational options. Examples include Independent Study, Library Services, Foster Youth Services, Alternative Educational Programs/Opportunity School Incentives, and Specialized Secondary Programs.

20.60 - Improving School Effectiveness:  
Improves educational quality through: School Safety, Community Day Schools, Charter Schools, Administrator Training, Family-School Partnerships, Teacher Credentialing Block Grant, Bilingual Teacher Training, Readers for Blind Teachers, Teaching Improvement, High Priority Schools Grant Program, Learn and Serve America Program, Alternative Schools Accountability, Title V Innovative Programs, Title I Reading First, Title II Math and Science Partnership Grants, and Teacher and Principal Training.

\* Dollars in thousands, except in Salary Range.

**6110 Department of Education - Continued**

20.70 - Assessments:  
Includes the Standardized Testing and Reporting (STAR) Program, which provides funding to districts for assessments in grades 2 through 11, the High School Exit Exam, the English Language Development Test, and Advanced Placement Test Fee Waivers.

**30 - SPECIAL PROGRAMS**

30.10 - Child Development:  
Provides a full range of child care and development services, including part- and full-time child care and development and supportive services to children from low-income families and families with special needs. Several different programs exist to target resources to specific populations or to address specific needs. The State Preschool Program provides a wide range of educational services in part-day settings for pre-kindergarten (three-four year old) children from low-income families and parent education for the parents of eligible children. The After School Education and Safety program provides students in grades K-9 with academic support, homework assistance, and enrichment programs, in a safe after-school environment. Child care services for families participating in the California Work Opportunity and Responsibility to Kids (CalWORKs) program help public assistance recipients achieve and maintain self-sufficiency. The Department of Education administers child care for CalWORKs Stages 2 and 3.

30.20 - Child Nutrition:  
Assists participating public and private schools, county offices of education, public and private residential child care institutions, camps, family day care homes, and non-residential adult day care centers in serving nutritious meals by providing educational and technical assistance, and federal and state subsidies. Subsidies are received from the United States Department of Agriculture (USDA) to fund the National School Lunch Program, School Breakfast Program, Special Milk Program, Child Care Food Program, Adult Day Care Food Program, Summer Food Service Program, After School Meals Program, and the Nutrition Education and Training Program. Subsidies also are received from the state through the state-mandated Child Nutrition Programs, the School Breakfast start-up grants program, and the Meal Supplement for Pregnant and Lactating Students Program.

30.50 - Food Distribution:  
Makes surplus USDA donated food available to certain California public, private, and nonprofit agencies. The Department of Education is designated as the California State Agency for USDA surplus food distribution.

**40 - EXECUTIVE MANAGEMENT AND SPECIAL SERVICES**

Executive Management and Special Services consists of the offices of the Superintendent of Public Instruction, Deputy Superintendents, Communications, and Government Affairs.

**42 - DEPARTMENT MANAGEMENT AND ADMINISTRATIVE SERVICES**

Department Management and Administrative Services consists of Accounting, Budgeting, Contracting, Personnel, and Technology Services. The effective provision of these services ensures the delivery of timely, reliable, and accountable educational services to students in California.

**50 - STATE BOARD OF EDUCATION**

The State Board of Education sets K-12 education policy in the areas of standards, instructional materials, assessment, and accountability.

**98 - STATE-MANDATED LOCAL PROGRAMS**

This program provides funding, pursuant to Section 6 of Article XIII B of the California Constitution, to reimburse local entities for costs they incur in complying with certain state-mandated education programs.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	<u>2006-07*</u>	<u>2007-08*</u>	<u>2008-09*</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>10 INSTRUCTION</b>			
<b>State Operations:</b>			
0001 General Fund	\$89,039	\$90,787	\$88,027
0890 Federal Trust Fund	43,162	51,728	-
0942 Special Deposit Fund	483	1,516	-
0995 Reimbursements	<u>8,303</u>	<u>11,315</u>	<u>6,210</u>
<b>Totals, State Operations</b>	<b>\$140,987</b>	<b>\$155,346</b>	<b>\$94,237</b>
<b>Local Assistance:</b>			
0001 General Fund	\$31,726,781	\$31,430,058	\$33,407,284
0046 Public Transportation Account, State Transportation Fund	-	99,120	-

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
0890 Federal Trust Fund	3,248,804	3,217,797	3,192,577
0942 Special Deposit Fund	1,714	1,460	1,460
0986 Local Property Tax Revenues	11,716,756	12,911,115	13,810,413
0995 Reimbursements	27,507	32,100	47,803
<b>Totals, Local Assistance</b>	<b>\$46,721,562</b>	<b>\$47,691,650</b>	<b>\$50,459,537</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>20 INSTRUCTIONAL SUPPORT</b>			
<b>State Operations:</b>			
0001 General Fund	\$27,212	\$32,716	\$38,897
0140 California Environmental License Plate Fund	30	46	47
0178 Driver Training Penalty Assessment Fund	1,211	1,505	1,625
0231 Health Education Account, Cigarette and Tobacco Products Surtax Fund	869	965	976
0349 Educational Telecommunication Fund	-	-	5,336
0890 Federal Trust Fund	47,610	60,550	106,611
0942 Special Deposit Fund	1,499	1,227	1,738
0995 Reimbursements	6,177	10,361	15,732
3085 Mental Health Services Fund	592	731	707
6044 2004 State School Facilities Fund	2,549	2,722	-
6057 2006 State School Facilities Fund	-	-	2,738
<b>Totals, State Operations</b>	<b>\$87,749</b>	<b>\$110,823</b>	<b>\$174,407</b>
<b>Local Assistance:</b>			
0001 General Fund	\$1,629,643	\$1,762,791	\$1,828,662
0140 California Environmental License Plate Fund	358	360	360
0231 Health Education Account, Cigarette and Tobacco Products Surtax Fund	21,916	22,943	22,104
0349 Educational Telecommunication Fund	20,025	3,235	1,225
0606 Charter School Revolving Loan Fund	5,750	-	-
0890 Federal Trust Fund	801,915	816,963	787,397
0995 Reimbursements	1,166	1,332	1,332
<b>Totals, Local Assistance</b>	<b>\$2,480,773</b>	<b>\$2,607,624</b>	<b>\$2,641,080</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>30 SPECIAL PROGRAMS</b>			
<b>State Operations:</b>			
0001 General Fund	\$4,679	\$7,118	\$7,427
0687 Donated Food Revolving Fund	5,495	8,678	7,405
0890 Federal Trust Fund	37,993	48,604	45,870
0995 Reimbursements	411	3,115	3,153
<b>Totals, State Operations</b>	<b>\$48,578</b>	<b>\$67,515</b>	<b>\$63,855</b>
<b>Local Assistance:</b>			
0001 General Fund	\$1,977,094	\$2,040,585	\$2,254,372
0620 Child Care Facilities Revolving Fund	724	17,713	-
0890 Federal Trust Fund	2,601,086	2,431,953	2,371,474
0995 Reimbursements	-	342	342
<b>Totals, Local Assistance</b>	<b>\$4,578,904</b>	<b>\$4,490,593</b>	<b>\$4,626,188</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>40 EXECUTIVE MANAGEMENT AND SPECIAL SERVICES</b>			
<b>State Operations:</b>			

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
0001 General Fund	\$8,605	\$9,608	\$9,675
0942 Special Deposit Fund	1	82	70
0995 Reimbursements	111	125	126
<b>Totals, State Operations</b>	<b>\$8,717</b>	<b>\$9,815</b>	<b>\$9,871</b>
<b>Local Assistance:</b>			
0890 Federal Trust Fund	\$5,127	\$5,241	\$5,241
<b>Totals, Local Assistance</b>	<b>\$5,127</b>	<b>\$5,241</b>	<b>\$5,241</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>42 DEPARTMENT MANAGEMENT AND ADMINISTRATION SERVICES</b>			
<b>ELEMENT REQUIREMENTS</b>			
42.01 Department Management and Administration Services	27,393	33,131	33,345
42.02 Distributed Department Management and Administration Services	-27,393	-33,131	-33,345
<b>PROGRAM REQUIREMENTS</b>			
<b>50 STATE BOARD OF EDUCATION</b>			
<b>State Operations:</b>			
0001 General Fund	\$-	\$1,513	\$-
0995 Reimbursements	-	53	-
<b>Totals, State Operations</b>	<b>\$-</b>	<b>\$1,566</b>	<b>\$-</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>98 STATE-MANDATED LOCAL PROGRAMS</b>			
<b>Local Assistance:</b>			
0001 General Fund	\$48,789	\$38	\$38
<b>Totals, Local Assistance</b>	<b>\$48,789</b>	<b>\$38</b>	<b>\$38</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>99 UNSCHEDULED</b>			
<b>State Operations:</b>			
0001 General Fund	\$-	\$-	\$969
0814 California State Lottery Education Fund	35	127	127
<b>Totals, State Operations</b>	<b>\$35</b>	<b>\$127</b>	<b>\$1,096</b>
<b>Local Assistance:</b>			
0001 General Fund	\$1,836,020	\$2,955,794	\$2,539,692
0342 State School Fund	35,224	35,224	35,224
0814 California State Lottery Education Fund	979,037	936,260	936,260
<b>Totals, Local Assistance</b>	<b>\$2,850,281</b>	<b>\$3,927,278</b>	<b>\$3,511,176</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	286,066	345,192	343,466
Local Assistance	56,685,436	58,722,424	61,243,260
<b>Totals, Expenditures</b>	<b>\$56,971,502</b>	<b>\$59,067,616</b>	<b>\$61,586,726</b>

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	2,364.1	2,747.4	2,734.0	\$142,527	\$162,095	\$163,625
Total Adjustments	-	0.5	12.0	-	4,928	5,987
Estimated Salary Savings	-	-137.4	-137.3	-	-8,433	-8,515

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Estimated Salary Savings for Visiting Educators	-	-31.4	-31.4	-	-2,664	-2,664
Supplemental Salary Savings for 10-11 month positions	-	-33.0	-33.0	-	-1,350	-1,367
<b>Net Totals, Salaries and Wages</b>	<b>2,364.1</b>	<b>2,546.1</b>	<b>2,544.3</b>	<b>\$142,527</b>	<b>\$154,576</b>	<b>\$157,066</b>
Staff Benefits	-	-	-	48,559	52,568	53,965
<b>Totals, Personal Services</b>	<b>2,364.1</b>	<b>2,546.1</b>	<b>2,544.3</b>	<b>\$191,086</b>	<b>\$207,144</b>	<b>\$211,031</b>
OPERATING EXPENSES AND EQUIPMENT				\$94,980	\$138,048	\$132,435
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$286,066</b>	<b>\$345,192</b>	<b>\$343,466</b>

2 Local Assistance	Expenditures		
	2006-07*	2007-08*	2008-09*
661701 Grants and Subventions	\$56,636,647	\$58,722,386	\$61,243,222
662711 State-Mandated Local Programs	48,789	38	38
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$56,685,436</b>	<b>\$58,722,424</b>	<b>\$61,243,260</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0001 General Fund, Proposition 98			
APPROPRIATIONS	\$43,177	\$44,253	\$46,469
006 Budget Act appropriation	1,029	1,612	-
Allocation for employee compensation	283	-106	-
Adjustment per Section 3.60	44	-	-
Adjustment per Section 4.75 Statewide Surcharge	\$44,533	\$45,759	\$46,469
<b>Totals Available</b>	<b>-31</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	\$44,502	\$45,759	\$46,469
<b>TOTALS, EXPENDITURES</b>			
0001 General Fund			
APPROPRIATIONS	\$47,816	\$47,127	\$51,650
001 Budget Act appropriation (Support)	1,550	780	-
Allocation for employee compensation	224	-84	-
Adjustment per Section 3.60	65	-	-
Adjustment per Section 4.75 Statewide Surcharge	-1	-	-
Transfer to Legislative Claims (9670)	118	121	969
002 Budget Act appropriation (State Schools Lease Revenue Debt Service Adjustment)	-3	-121	-
Adjustment per Section 4.30 (Lease-Revenue)	1,089	1,252	1,293
003 Budget Act appropriation (Standardized Account Code Structure)	42	34	-
Allocation for employee compensation	6	-3	-
Adjustment per Section 3.60	2	-	-
Adjustment per Section 4.75 Statewide Surcharge	34,483	37,174	38,414
005 Budget Act appropriation (State Special Schools)	2,011	987	-
Allocation for employee compensation	206	-80	-
Adjustment per Section 3.60	36	-	-
Adjustment per Section 4.75 Statewide Surcharge	124	131	-
007 Budget Act appropriation (Instructional Materials Management and Distribution)	6	5	-
Allocation for employee compensation	1	-	-
Adjustment per Section 3.60	2,452	2,503	3,144
008 Budget Act appropriation (State Special Schools Transportation)			

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>	16	4	-
Allocation for employee compensation	1	-1	-
Adjustment per Section 3.60	3	-	-
Adjustment per Section 4.75 Statewide Surcharge	-	1,483	-
009 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	-	33	-
Allocation for employee compensation	-	-3	-
Adjustment per Section 3.60	495	519	-
015 Budget Act appropriation (transfer to State Instructional Material Fund)	24	17	-
Allocation for employee compensation	-	-1	-
Adjustment per Section 3.60	72	72	-
021 Budget Act appropriation (Nutrition Education)	170	-	-
Chapter 702, Statutes of 2006, Section 3 (School Breakfast Study)	120	-	-
Chapter 524, Statutes of 2006	150	-	-
Chapter 211, Statutes of 2006	350	-	-
Chapter 751, Statutes of 2006 (Quality Education Investment Act)	-	2,957	3,056
Education Code Section 8483.5 (After School Education and Safety Program)	-	67	-
Allocation for employee compensation	-	-5	-
Adjustment per Section 3.60	100	-	-
Chapter 783, Statutes of 2006 (Section 2)	-	479	-
Prior year balances available:	-	479	-
Item 6110-001-0001, Budget Act of 2006 as reappropriated by Item 6110-492 and 493, Budget Act of 2007	58	-	-
Item 6110-011-0001, Budget Act of 2000	81	-	-
Item 6110-011-0001, Budget Act of 2001	127	127	-
Chapter 900, Statutes of 2004 (Williams-Instructional Materials)	-	26	-
Chapter 702, Statutes of 2006, Section 3	-	119	-
Chapter 524, Statutes of 2006	-	215	-
Chapter 751, Statutes of 2006 (Quality Education Investment Act)	-	48	-
Chapter 783, Statutes of 2006 (Section 2)	<u>\$91,994</u>	<u>\$95,982</u>	<u>\$98,526</u>
<b>Totals Available</b>	-6,125	-	-
Unexpended balance, estimated savings	<u>-835</u>	-	-
Balance available in subsequent years	<u>\$85,034</u>	<u>\$95,982</u>	<u>\$98,526</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$129,536</b>	<b>\$141,741</b>	<b>\$144,995</b>
<b>TOTALS, GENERAL FUND EXPENDITURES</b>			
<b>0140 California Environmental License Plate Fund</b>			
APPROPRIATIONS	<u>\$42</u>	<u>\$46</u>	<u>\$47</u>
001 Budget Act appropriation	\$42	\$46	\$47
<b>Totals Available</b>	<u>-12</u>	-	-
Unexpended balance, estimated savings	<u>\$30</u>	<u>\$46</u>	<u>\$47</u>
<b>TOTALS, EXPENDITURES</b>			
<b>0178 Driver Training Penalty Assessment Fund</b>			
APPROPRIATIONS	\$1,156	\$1,475	\$1,625
001 Budget Act appropriation	47	32	-
Allocation for employee compensation	7	-2	-
Adjustment per Section 3.60	<u>2</u>	-	-
Adjustment per Section 4.75 Statewide Surcharge	<u>\$1,212</u>	<u>\$1,505</u>	<u>\$1,625</u>
<b>Totals Available</b>	<u>-1</u>	-	-
Unexpended balance, estimated savings	<u>\$1,211</u>	<u>\$1,505</u>	<u>\$1,625</u>
<b>TOTALS, EXPENDITURES</b>			
<b>0231 Health Education Account, Cigarette and Tobacco Products Surtax Fund</b>			

\* Dollars in thousands, except in Salary Range.

## 6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
APPROPRIATIONS	\$899	\$944	\$976
001 Budget Act appropriation	34	23	-
Allocation for employee compensation	5	-2	-
Adjustment per Section 3.60	2	-	-
Adjustment per Section 4.75 Statewide Surcharge	<u>940</u>	<u>965</u>	<u>976</u>
Totals Available	-71	-	-
Unexpended balance, estimated savings	\$869	\$965	\$976
<b>TOTALS, EXPENDITURES</b>			
<b>0349 Educational Telecommunication Fund</b>			
APPROPRIATIONS	\$-	\$-	\$5,336
001 Budget Act appropriation	<u>\$-</u>	<u>\$-</u>	<u>\$5,336</u>
<b>TOTALS, EXPENDITURES</b>			
<b>0687 Donated Food Revolving Fund</b>			
APPROPRIATIONS	\$6,772	\$7,366	\$7,405
001 Budget Act appropriation	185	121	-
Allocation for employee compensation	23	-9	-
Adjustment per Section 3.60	7	-	-
Adjustment per Section 4.75 Statewide Surcharge	<u>1,200</u>	<u>1,200</u>	<u>-</u>
Prior year balances available:			
Chapter 118, Statutes of 2005, Section 19	\$8,187	\$8,678	\$7,405
Totals Available	-1,492	-	-
Unexpended balance, estimated savings	-1,200	-	-
Balance available in subsequent years	<u>\$5,495</u>	<u>\$8,678</u>	<u>\$7,405</u>
<b>TOTALS, EXPENDITURES</b>			
<b>0814 California State Lottery Education Fund</b>			
APPROPRIATIONS	\$35	\$127	\$127
Government Code Section 8880.5	<u>\$35</u>	<u>\$127</u>	<u>\$127</u>
<b>TOTALS, EXPENDITURES</b>			
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$156,280	\$158,337	\$152,481
001 Budget Act appropriation	3,970	2,768	-
Allocation for employee compensation	570	-210	-
Adjustment per Section 3.60	-168	-	-
Adjustment per Section 4.75 Statewide Surcharge	-	-12	-
Adjustment per Section 15.25	-31,968	-	-
Budget Adjustment	100	-	-
Chapter 561, Statutes of 2006	<u>\$128,784</u>	<u>\$160,883</u>	<u>\$152,481</u>
Totals Available	-20	-	-
Unexpended balance, estimated savings	\$128,764	\$160,883	\$152,481
<b>TOTALS, EXPENDITURES</b>			
<b>0942 Special Deposit Fund</b>			
APPROPRIATIONS	\$-	\$161	\$161
Government Code Section 16370 (Education Technology Software Royalties)	1,426	1,012	-
Education Code Section 33332 (Miscellaneous Donations)	-	77	70
Government Code Section 16370 (Apprenticeship Manuals)	74	59	64
Vehicle Code Section 12804.6 (Transit Bus Driver Instructor Certification)	475	1,409	1,410
Government Code Section 16370 (General Education Diplomas)	8	107	103
Education Code Section 1330 (UI Administration)	<u>\$1,983</u>	<u>\$2,825</u>	<u>\$1,808</u>
<b>TOTALS, EXPENDITURES</b>			

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0955 State Instructional Materials Fund</b>			
APPROPRIATIONS	\$511	\$535	\$536
Education Code Section 60246 (Instructional Materials)	\$511	\$535	\$536
<b>TOTALS, EXPENDITURES</b>	-511	-535	-536
Less funding provided by the General Fund	\$-	\$-	\$-
<b>NET TOTALS, EXPENDITURES</b>	\$-	\$-	\$-
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$15,002	\$24,969	\$25,221
Reimbursements	\$15,002	\$24,969	\$25,221
<b>3085 Mental Health Services Fund</b>			
APPROPRIATIONS	\$396	\$722	\$707
001 Budget Act appropriation	14	10	-
Allocation for employee compensation	2	-1	-
Adjustment per Section 3.60			
Prior year balances available:	289	-	-
Item 6110-001-3085, Budget Act of 2005, as reappropriated by Item 6110-491, Budget Act of 2006			
<b>Totals Available</b>	\$701	\$731	\$707
Unexpended balance, estimated savings	-109	-	-
<b>TOTALS, EXPENDITURES</b>	\$592	\$731	\$707
<b>6044 2004 State School Facilities Fund</b>			
APPROPRIATIONS	\$2,516	\$2,629	\$-
001 Budget Act appropriation	123	99	-
Allocation for employee compensation	16	-6	-
Adjustment per Section 3.60	3	-	-
Adjustment per Section 4.75 Statewide Surcharge			
<b>Totals Available</b>	\$2,658	\$2,722	\$-
Unexpended balance, estimated savings	-109	-	-
<b>TOTALS, EXPENDITURES</b>	\$2,549	\$2,722	\$-
<b>6057 2006 State School Facilities Fund</b>			
APPROPRIATIONS	\$-	\$-	\$2,738
001 Budget Act appropriation	\$-	\$-	\$2,738
<b>TOTALS, EXPENDITURES</b>	\$286,066	\$345,192	\$343,466
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>			
	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>0001 General Fund, Proposition 98</b>			
APPROPRIATIONS	\$12,028	\$12,763	\$13,701
103 Budget Act appropriation (Apprentice Programs)	312,437	330,672	351,459
104 Budget Act appropriation (Summer School/Supplemental Instruction)	417,978	446,026	467,215
105 Budget Act appropriation (ROCPs)	11,174	11,680	12,257
107 Budget Act appropriation (County Offices of Education Fiscal Oversight)	200,000	-	-
108 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006	-	209,060	219,388
108 Budget Act appropriation	549,841	-	-
111 Budget Act appropriation (School Apportionment-Transportation)	-	228,011	-
111 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (School Apportionment-Transportation)	-	-	608,239
111 Budget Act appropriation (School Apportionment-Transportation)	88,945	-	-
113 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Student Assessment Program)			

\* Dollars in thousands, except in Salary Range.

## 6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
113 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (Student Assessment Program)	-	85,123	-
113 Budget Act appropriation (Student Assessment Program)	-	-	85,399
119 Budget Act appropriation (Foster Youth Programs)	18,257	18,992	19,828
122 Budget Act appropriation (Specialized Secondary Program Grants)	5,916	6,155	6,427
123 Budget Act appropriation (School Accountability, Rewards and Interventions)	249,209	47,209	120,209
124 Budget Act appropriation (Gifted and Talented)	49,186	51,340	53,790
125 Budget Act appropriation (English Language Learner Implementation Reading First)	61,137	63,600	66,402
128 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Economic Impact Aid)	973,388	-	-
128 Budget Act appropriation (Economic Impact Aid)	-	994,279	1,043,396
137 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Mathematics and Reading Professional Development Program)	56,728	-	-
137 Budget Act appropriation (Mathematics and Reading Professional Development Program)	-	56,728	56,728
140 Budget Act appropriation (California School Information Services Local Implementation)	5,094	5,094	5,094
144 Budget Act appropriation (Administrator Training Program)	5,000	5,000	5,000
150 Budget Act appropriation (American Indian Early Education Program)	633	662	695
151 Budget Act appropriation (American Indian Education Centers)	4,343	4,540	4,764
156 Budget Act appropriation (Adult Education)	657,571	707,821	764,829
158 Budget Act appropriation (Adults in Correctional Facilities)	16,369	17,771	19,040
161 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Special Education)	3,065,640	-	-
161 Budget Act appropriation (Special Education)	-	3,158,993	3,285,094
166 Budget Act appropriation (Partnership Academies)	23,490	23,490	23,490
167 Budget Act appropriation (Agricultural Vocational Education)	5,000	5,201	5,430
181 Budget Act appropriation (Education Technology)	17,020	17,705	18,485
182 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (K-12 Internet Access)	0	-	-
182 Budget Act appropriation (K-12 High Speed Network)	-	10,404	10,404
188 Budget Act appropriation (transfer to State School Deferred Maintenance Fund)	269,900	-	-
188 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (transfer to State School Deferred Maintenance Fund)	-	161,903	-
188 Budget Act appropriation (transfer to State School Deferred Maintenance Fund)	-	-	294,302
189 Budget Act appropriation (transfer to Instructional Materials Fund) (Instructional Materials Block Grants)	403,519	419,774	438,264
190 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Community Day Schools)	44,995	-	-
190 Budget Act appropriation (Community Day Schools)	-	47,248	49,817
193 Budget Act appropriation (Staff Development)	31,389	32,654	34,092
195 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (National Board Certification)	7,535	-	-
195 Budget Act appropriation (National Board Certification)	-	6,000	6,000
196 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Child Development)	1,388,623	-	-
196 Budget Act appropriation (Child Development)	-	1,756,366	1,825,186
Amended by Chapter 489, Statutes of 2007, Section 8	-	5,000	-
198 Budget Act appropriation (California School Age Families Education Program)	56,133	58,395	60,967
201 Budget Act appropriation (Breakfast Startup Grants)	1,017	-	-
201 Budget Act appropriation (Child Nutrition)	-	1,017	1,017
203 Budget Act appropriation (Child Nutrition)	93,092	123,281	130,420
204 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (California High School Exit Exam)	69,599	-	-

\* Dollars in thousands, except in Salary Range.

## 6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
204 Budget Act appropriation (California High School Exit Exam)	-	72,752	76,346
208 Budget Act appropriation (Civic Education)	250	250	250
209 Budget Act appropriation (Teacher Dismissal Apportionments)	46	48	50
211 Budget Act appropriation (Charter Schools Categorical Block Grant)	95,085	145,527	203,001
220 Budget Act appropriation Charter School Facility Grant Program	-	-	18,000
224 Budget Act appropriation (Year Round Schools)	93,540	97,308	101,595
227 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	-	50,000	-
227 Budget Act appropriation	-	-	50,000
228 Budget Act appropriation (School Safety Block Grants)	57,939	61,833	66,263
232 Budget Act appropriation (Class Size Reduction Program 9th Grade)	102,000	106,621	111,373
234 Budget Act appropriation (Class Size Reduction K-3)	1,763,462	1,829,662	1,895,760
240 Budget Act appropriation (College Preparation)	2,954	3,073	3,208
242 Budget Act appropriation	33	33	33
243 Budget Act appropriation (Pupil Retention Block Grant)	93,687	97,461	101,754
244 Budget Act appropriation (Teacher Credentialing Block Grant)	102,986	128,671	135,027
245 Budget Act appropriation (Professional Development Block Grant)	264,081	274,718	286,819
246 Budget Act appropriation (Targeted Instructional Improvement Block Grant)	933,958	975,613	1,022,996
247 Budget Act appropriation (School and Library Improvement Block Grant)	447,428	465,451	485,953
248 Budget Act appropriation (School Safety Competitive Grant)	17,351	18,050	18,845
260 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Physical Education Block Grant)	40,000	-	-
260 Budget Act appropriation (Physical Education Block Grant)	-	41,812	43,878
265 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Arts and Music Block Grant)	105,000	-	-
265 Budget Act appropriation (Arts and Music Block Grant)	-	109,757	115,179
266 Budget Act appropriation (County Office of Education: Williams)	10,000	10,000	10,000
267 Budget Act appropriation (Certificated Staff Mentoring Program)	11,200	11,707	12,285
268 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (Oral Health Assessments for Kindergartner Pupils)	4,400	-	-
268 Budget Act appropriation (Oral Health Assessments for Kindergarten Pupils)	-	4,400	4,400
295 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006 (State Mandates)	38	-	-
295 Budget Act appropriation (State Mandates)	-	38	38
Education Code Section 42238 (School District Apportionments)	22,631,246	22,579,002	23,632,870
Education Code Section 2550 (County Office of Education Apportionments)	274,485	268,423	303,468
Education Code 41329.57 (a) (1) Oakland Unified School District	2,754	2,684	2,684
Education Code 41329.57 (a) (1) Vallejo City Unified School District	499	493	493
Education Code 41329.57 (a) (1) West Contra Costa Unified School District	367	358	358
Chapter 73, Statutes of 2005, Section 31 (a)(2)(E) as amended by Chapter 491, Statutes of 2005, Section 21 (Transportation Deferral)	52,583	-	-
Chapter 174, Statutes of 2007, Section 38,(a)(4)	-	-	52,583
Chapter 79, Statutes of 2006, Section 37 (a)(5)	-	52,583	-
Education Code Section 315 (Proposition 227)	50,000	-	-
Chapter 73, Statutes of 2005, Section 31 (a)(2)(H) as amended by Chapter 491, Statutes of 2005, Section 21 (Community Day Schools)	4,751	-	-
Chapter 79, Statutes of 2006, Section 37 (a)(8)(Community Day Schools)	-	4,751	-
Chapter 174, Statutes of 2007, Section 38 (a)(7) Community Day Schools	-	-	4,751
Chapter 73, Statutes of 2005, Section 31 (a)(2)(I) as amended by Chapter 491, Statutes of 2005 Section 21 (Categorical Programs for Charter Schools)	5,947	-	-
Chapter 79, Statutes of 2006, Section 37 Provision (a)(9)	-	5,947	-

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
Chapter 73, Statutes of 2005, Section 31 (a)(2)(F) as amended by Chapter 491, Statutes of 2005, Section 21 (Gate Deferral)	4,294	-	-
Chapter 79, Statutes of 2006, Section 37(a)(6)	-	4,294	-
Chapter 174, Statutes of 2007, Section 38 (a)(8)	-	-	5,947
Chapter 73, Statutes of 2005, Section 31 (a)(2)(J) as amended by Chapter 491, Statutes of 2005, Section 21 (School Safety Deferral)	38,720	-	-
Chapter 79, Statutes of 2006, Section 37 (a)(10)	-	38,720	-
Chapter 73, Statutes of 2005, Section 31 (a)(2)(K) as amended by Chapter 491, Statutes of 2005, Section 21	100,118	-	-
Chapter 79, Statutes of 2006, Section 37 (a)(11)	-	100,118	-
Chapter 174, Statutes of 2007, Section 38 (a)(10)	-	-	100,118
Chapter 73, Statutes of 2005, Section 31 (a)(2)(A) as amended by Chapter 491, Statutes of 2005, Section 21	6,227	-	-
Chapter 174, Statutes of 2007, Section 38 (a)(9)	-	-	38,720
Chapter 174, Statutes of 2007, Section 38 (a)(10)	-	-	4,294
Chapter 79, Statutes of 2006, Section 37 (a)(1)	-	6,227	-
Chapter 174, Statutes of 2007, Section 38 (a)(1)	-	-	6,227
Education Code Section 8483.5 (After School Education and Safety Program)	547,384	546,981	546,944
Chapter 73, Statutes of 2005 Section 31 (a)(2)(G) as amended by Chapter 491, Statutes of 2005 Section 21	45,896	-	-
Chapter 79, Statutes of 2006, Section 37 (a)(7)	-	45,896	-
Chapter 174, Statutes of 2007, Section 38 (a)(6)	-	-	45,896
Chapter 73, Statutes of 2005, Section 31 (a)(2)(B) as amended by Chapter 491, Statutes of 2005, Section 21	90,117	-	-
Chapter 79, Statutes of 2006, Section 37 (a)(2) and Section 37 (2)(3)	-	90,117	-
Chapter 174, Statutes of 2007, Section 38 (a)(10)	-	-	90,117
Chapter 73, Statutes of 2005, Section 31 (a)(2)(D) as amended by Chapter 491, Statutes of 2005, Section 21	39,630	-	-
Chapter 174, Statutes of 2007, Section 38 (a)(3)	-	-	39,630
Chapter 79, Statutes of 2006, Section 37(a)(4)	-	39,630	-
<b>Totals Available</b>	<b>\$37,212,642</b>	<b>\$37,420,966</b>	<b>\$39,744,981</b>
Unexpended balance, estimated savings	-198,272	-80,529	-
Balance available in subsequent years	-212,903	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$36,801,467</b>	<b>\$37,340,437</b>	<b>\$39,744,981</b>

0001 General Fund

<b>APPROPRIATIONS</b>			
117 Budget Act appropriation (California Association of Student Councils/Vocational Education)	\$514	\$514	\$514
130 Budget Act appropriation (Advancement via Individual Determination)	9,035	9,035	9,035
152 Budget Act appropriation (American Indian Education Centers)	376	376	376
170 Budget Act appropriation	-	-	0
202 Budget Act appropriation (Child Nutrition)	11,636	12,163	14,630
Education Code Section 10554 (less funding provided by audit exceptions)	-3,021	-	-
Education Code Section 10554 (Transfer to Educational Telecommunication Fund)	3,021	-	-
Chapter 215, Statutes of 2007	-	18,000	-
Education Code Section 8238.6 (Direct Child Care Services Chapter 211, Statutes of 2006)	5,000	-	-
Chapter 559, Statutes of 2007, Valley Center-Pauma USD One-Time Support	-	55	-
Prior year balances available:			
Item 6110-123-0001, Budget Act of 2005 as reappropriated by Item 6110-491, Budget Act of 2007	-	35,500	-
Item 6110-123-0001, Budget Act of 2006 as reappropriated by 6110-491, Budget Act of 2007	-	66,500	-

\* Dollars in thousands, except in Salary Range.



**6110 Department of Education - Continued**

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
Item 6110-161-0001, Budget Act of 2003, as reappropriated by Item 6110-491, Budget Act of 2006	17,325	-	-
Item 6110-196-0001, Budget Act of 2002, as reappropriated by Item 6110-494, Budget Act of 2007	-	421	-
Item 6110-196-0001, Budget Act of 2003 as reappropriated by Item 6110-494, Budget Act of 2006	2,365	-	-
Item 6110-196-0001, Budget Act of 2003 as proposed reappropriated by Item 6110- 494, Budget Act of 2007	-	556	-
Item 6110-196-0001, Budget Act of 2003 as reappropriated by Item 6110-494, Budget Act of 2008	-	-	11,987
Item 6110-196-0001, Budget Act of 2004	78,852	-	-
Item 6110-196-0001, Budget Act of 2004 as proposed reappropriated by Item 6110- 494, Budget Act of 2007	-	9,278	-
Item 6110-196-0001, Budget Act of 2004 as reappropriated by Item 6110-494, Budget Act of 2008	-	-	3,777
Item 6110-196-0001, Budget Act of 2005 as reappropriated by Item 6110-494, Budget Act of 2006	124,513	-	-
Item 6110-196-0001, Budget Act of 2005	-	107,298	-
Item 6110-196-0001, Budget Act of 2005 as reappropriated by 6110-494, Budget Act of 2008	-	-	703
Item 6110-196-0001, Budget Act of 2006 as reappropriated by Item 6110-494, Budget Acts of 2007 and 2008	-	118,910	47,612
Item 6110-196-0001, Budget Act of 2007 as reappropriated by 6100-494, Budget Act of 2008	-	-	80,529
Item 6110-248-0001, Budget Act of 2006 (School Safety Competitive Grant)	16,134	-	-
Item 6110-248-0001, Budget Act of 2006	-	17,001	-
Education Code Section 315 (Proposition 227) Budget Appropriation of 2005	11	-	-
Reappropriation from the Proposition 98 Reversion Account per Item 6110-485, Budget Acts	48,765	-	-
Reappropriation from the Proposition 98 Reversion Account per Item 6110-485, Budget Acts	162,275	480,674	-
Reappropriation from the Proposition 98 Reversion Account per Item 6110-485, Budget Acts, as amended by Ch 437, Stat. of 2006, Sec. 6 (School Gardens)	15,000	-	-
Reappropriation from the Proposition 98 Reversion Account per Item 6110-485, Budget Acts, as amended by Ch 437, Statutes of 2006, Section 6	-	15,000	-
Reappropriation from the Proposition 98 Reversion Account per Item 6110-486, Budget Act of 2006 (Fresh Start Program)	15,782	2,438	-
Chapter 53, Statutes of 2004 (loan to Vallejo USD)	10,000	-	-
Education Code Section 8238.6 (Direct Child Care Services Chapter 211, Statutes of 2006)	-	5,000	-
Education Code Section 8483.5 (After School Education and Safety Program)	-	10,493	8,993
Chapter 204, Statutes of 1996, Section 47 (Golden State Merit Diploma)	106	106	-
Item 6110-196-0001, Budget Act of 2004 as reappropriated by Item 6110-494, Budget Act of 2006	14,867	-	-
6110-196-0001, Budget Act of 2006 as reappropriated by 6110-494, Budget Act of 2008	-	-	111,513
Chapter 734, Statutes of 1999 (Parental Involvement Programs)	51	48	-
<b>Totals Available</b>	<b>\$532,607</b>	<b>\$909,366</b>	<b>\$289,669</b>
Unexpended balance, estimated savings	-13,788	-	-
Balance available in subsequent years	-101,719	-56,605	-
<b>TOTALS, EXPENDITURES</b>	<b>\$417,100</b>	<b>\$852,761</b>	<b>\$289,669</b>
Loan Repayment per Chapter 1, Statutes of 2003 (West Fresno School District)	-144	-144	-144
Loan Repayment per Chapter 14, Statutes of 2003 (Oakland Unified School District)	-	-2,095	-2,095
Loan Repayment per Chapter 53, Statutes of 2004 (Vallejo Unified School District)	-	-1,595	-2,266
Loan Repayment per Chapter 135, Statutes of 2001 (Emery Unified School District)	-97	-97	-97
<b>NET TOTALS, EXPENDITURES</b>	<b>\$416,859</b>	<b>\$848,830</b>	<b>\$285,067</b>
<b>TOTALS, GENERAL FUND EXPENDITURES</b>	<b>\$37,218,326</b>	<b>\$38,189,267</b>	<b>\$40,030,048</b>

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>0030 County School Service Fund Contingency Account</b>			
APPROPRIATIONS	\$70	\$100	\$100
Education Code Section 14035	\$70	\$100	\$100
<b>TOTALS, EXPENDITURES</b>	<u>-70</u>	<u>-100</u>	<u>-100</u>
Less funding provided by the General Fund	\$-	\$-	\$-
<b>NET TOTALS, EXPENDITURES</b>			
<b>0046 Public Transportation Account, State Transportation Fund</b>			
APPROPRIATIONS	\$-	\$99,120	\$-
111 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (School Apportionment-Transportation)	\$-	\$99,120	\$-
<b>TOTALS, EXPENDITURES</b>	<u>\$-</u>	<u>\$99,120</u>	<u>\$-</u>
<b>0140 California Environmental License Plate Fund</b>			
APPROPRIATIONS	\$360	\$360	\$360
181 Budget Act appropriation (Environmental Education)	\$360	\$360	\$360
<b>Totals Available</b>	<u>-2</u>	<u>-</u>	<u>-</u>
Unexpended balance, estimated savings	\$358	\$360	\$360
<b>TOTALS, EXPENDITURES</b>			
<b>0178 Driver Training Penalty Assessment Fund</b>			
APPROPRIATIONS	(\$42,000)	(\$42,277)	(\$42,412)
Transfer to Various Funds per Section 24.10	\$-	\$-	\$-
<b>TOTALS, EXPENDITURES</b>			
<b>0231 Health Education Account, Cigarette and Tobacco Products Surtax Fund</b>			
APPROPRIATIONS	\$3,106	\$3,106	\$3,106
101 Budget Act appropriation (Grants to County Offices)	18,998	18,998	18,998
102 Budget Act appropriation (District Grants)			
Prior year balances available:	1,296	-	-
Item 6110-102-0231, Budget Act of 2004 (District Grants) as amended by Health and Safety Code Section 104466	41	-	-
Item 6110-102-0231, Budget Act of 2005 as amended by Health and Safety Code Section 104466 (Drug Free Schools)	-	89	-
Item 6110-102-0231, Budget Act of 2005 as amended by Health and Safety Code Section 104466	-	750	-
Item 6110-102-0231, Budget Act of 2006 (District Grants)	\$23,441	\$22,943	\$22,104
<b>Totals Available</b>	-686	-	-
Unexpended balance, estimated savings	-839	-	-
Balance available in subsequent years	\$21,916	\$22,943	\$22,104
<b>TOTALS, EXPENDITURES</b>			
<b>0342 State School Fund</b>			
APPROPRIATIONS	\$35,164,172	\$36,267,245	\$37,977,932
Education Code Section 14002	\$35,164,172	\$36,267,245	\$37,977,932
<b>TOTALS, EXPENDITURES</b>	<u>-35,128,948</u>	<u>-36,232,021</u>	<u>-37,942,708</u>
Less funding provided by General Fund	\$35,224	\$35,224	\$35,224
<b>NET TOTALS, EXPENDITURES</b>			
<b>0349 Educational Telecommunication Fund</b>			
APPROPRIATIONS	\$23,046	\$1,225	\$1,225
101 Budget Act appropriation	-	2,010	-
Amended by Chapter 489, Statutes of 2007	\$23,046	\$3,235	\$1,225
<b>TOTALS, EXPENDITURES</b>	<u>-3,021</u>	<u>-</u>	<u>-</u>
Less funding provided by the General Fund	\$20,025	\$3,235	\$1,225
<b>NET TOTALS, EXPENDITURES</b>			
<b>0606 Charter School Revolving Loan Fund</b>			

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>APPROPRIATIONS</b>	<u>\$5,750</u>	<u>\$-</u>	<u>\$-</u>
Education Code Section 41365	\$5,750	\$-	\$-
<b>TOTALS, EXPENDITURES</b>			
<b>0620 Child Care Facilities Revolving Fund</b>			
<b>APPROPRIATIONS</b>	<u>\$-</u>	<u>\$17,713</u>	<u>\$-</u>
101 Budget Act appropriation	724	-	-
Education Code Section 8277.5 (Child Care Facility)	<u>\$724</u>	<u>\$17,713</u>	<u>\$-</u>
<b>TOTALS, EXPENDITURES</b>			
<b>0812 Reader Employment Fund</b>			
<b>APPROPRIATIONS</b>	<u>\$388</u>	<u>\$404</u>	<u>\$422</u>
Education Code Section 45371 (Reader Services for Blind Teachers)	\$388	\$404	\$422
<b>TOTALS, EXPENDITURES</b>	<u>-388</u>	<u>-404</u>	<u>-422</u>
Less funding provided by the General Fund	\$-	\$-	\$-
<b>NET TOTALS, EXPENDITURES</b>			
<b>0814 California State Lottery Education Fund</b>			
<b>APPROPRIATIONS</b>	<u>\$979,037</u>	<u>\$936,260</u>	<u>\$936,260</u>
Government Code Section 8880.5	\$979,037	\$936,260	\$936,260
<b>TOTALS, EXPENDITURES</b>			
<b>0890 Federal Trust Fund</b>			
<b>APPROPRIATIONS</b>			
102 Budget Act appropriation (Cal-Serve/Service America)	\$2,619	\$1,964	\$1,802
Budget Adjustment	-103	-	-
103 Budget Act appropriation (Robert C. Byrd Honors Scholarship)	5,127	5,241	5,241
112 Budget Act appropriation (Public Charter Schools)	23,869	21,446	36,395
Budget Adjustment	8,429	-	-
113 Budget Act appropriation (Assessments and Data Reporting)	32,778	32,828	31,278
Budget Adjustment	-1,536	-	-
119 Budget Act appropriation (Title I, Neglected and Delinquent)	2,781	2,783	2,783
Budget Adjustment	26	-	-
123 Budget Act appropriation (Low Performing Schools)	26,925	10,870	10,870
Budget Adjustment	-1,032	-	-
125 Budget Act appropriation (NCLB- Language Instruction for Limited English and Migrant Students)	301,974	297,443	291,943
Budget Adjustment	9,140	-	-
126 Budget Act appropriation (Title I, Part B--Reading First)	143,837	170,474	135,574
Budget Adjustment	-7,824	-	-
134 Budget Act appropriation (Title I School Improvement)	-	70,800	76,000
136 Budget Act appropriation (ESEA-Title I)	1,760,816	1,632,152	1,615,152
Budget Adjustment	-20,691	-	-
137 Budget Act appropriation (Rural and Low Income Schools Grant)	1,616	1,118	1,118
Budget Adjustment	-205	-	-
156 Budget Act appropriation (Adult Education)	78,868	77,174	74,826
Budget Adjustment	-4,830	-	-
161 Budget Act appropriation (Special Education)	1,151,367	1,161,356	1,164,602
Budget Adjustment	-5,793	-	-
166 Budget Act appropriation (Vocational Education)	141,177	140,467	129,749
Budget Adjustment	-7,565	-	-
180 Budget Act appropriation (Technology Literacy Challenge Fund Grants)	34,025	31,792	31,792
Budget Adjustment	-234	-	-

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
183 Budget Act appropriation (Drugfree Schools and Communities Program)	34,125	35,127	32,727
Budget Adjustment	-1,950	-	-
193 Budget Act appropriation (Title II, Mathematics and Science Partnership Grants)	25,821	26,997	23,395
Budget Adjustment	-1,911	-	-
195 Budget Act appropriation (Title II, Part A-Improving Teacher Quality Grant)	321,542	316,859	316,859
Budget Adjustment	-167	-	-
196 Budget Act appropriation (Child Development)	963,288	600,679	601,418
Budget Adjustment	-21,751	-	-
197 Budget Act appropriation (21st Century Community Learning Centers)	162,626	186,252	125,252
Budget Adjustment	-82,891	-	-
201 Budget Act appropriation (Child Nutrition)	1,627,085	1,645,022	1,644,804
Budget Adjustment	-70,078	-	-
240 Budget Act appropriation (Advanced Placement Exam Fees)	2,926	3,109	3,109
Budget Adjustment	-100	-	-
Prior year balances available:			
Item 6110-196-0890, Budget Act of 2003 as Reappropriated by Item 6110-494, Budget Act of 2006	9,431	-	-
Item 6110-196-0890, Budget Act of 2004 as Reappropriated by Item 6110-494, Budget Act of 2006	13,376	-	-
<b>TOTALS, EXPENDITURES</b>	<u>\$6,656,933</u>	<u>\$6,471,953</u>	<u>\$6,356,689</u>
<b>0942 Special Deposit Fund</b>			
APPROPRIATIONS	<u>\$1,714</u>	<u>\$1,460</u>	<u>\$1,460</u>
Education Code Section 1330 (UI Admin)	\$1,714	\$1,460	\$1,460
<b>TOTALS, EXPENDITURES</b>			
<b>0955 State Instructional Materials Fund</b>			
APPROPRIATIONS	<u>\$403,519</u>	<u>\$419,774</u>	<u>\$438,264</u>
Education Code Section 60240	\$403,519	\$419,774	\$438,264
<b>TOTALS, EXPENDITURES</b>	<u>-403,519</u>	<u>-419,774</u>	<u>-438,264</u>
Less funding provided by the General Fund	\$-	\$-	\$-
<b>NET TOTALS, EXPENDITURES</b>			
<b>0986 Local Property Tax Revenues</b>			
APPROPRIATIONS	\$10,983,995	\$12,106,465	\$12,949,932
District Local Revenue	360,103	398,218	428,068
County Offices Local Revenue	<u>372,658</u>	<u>406,432</u>	<u>432,413</u>
Special Education Local Revenue	\$11,716,756	\$12,911,115	\$13,810,413
<b>TOTALS, EXPENDITURES</b>			
<b>0995 Reimbursements</b>			
APPROPRIATIONS	<u>\$28,673</u>	<u>\$33,774</u>	<u>\$49,477</u>
Reimbursements	\$56,685,436	\$58,722,424	\$61,243,260
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>			
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<u>\$56,971,502</u>	<u>\$59,067,616</u>	<u>\$61,586,726</u>

FUND CONDITION STATEMENTS

	2006-07*	2007-08*	2008-09*
<b>0030 County School Service Fund Contingency Account<sup>s</sup></b>			
BEGINNING BALANCE			
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	\$70	\$100	\$100
6110 Department of Education (Local Assistance)			
Expenditure Adjustments:			

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
6110 Department of Education	-70	-100	-100
Less funding provided by the General Fund (Local Assistance)	-	-	-
Total Expenditures and Expenditure Adjustments	-	-	-
FUND BALANCE			
<b>0178 Driver Training Penalty Assessment Fund<sup>s</sup></b>			
BEGINNING BALANCE	\$1,190	\$1,085	\$685
Prior year adjustments	1	-	-
Adjusted Beginning Balance	\$1,191	\$1,085	\$685
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:	43,106	43,383	44,038
130700 Penalties on Traffic Violations			
Transfers and Other Adjustments:	-14,079	-14,356	-14,491
TO0001 To General Fund per CS 24.10, Budget Acts of 2006, 2007, and 2008	-9,800	-9,800	-9,800
TO0170 To Corrections Training Fund per CS 24.10, Budget Acts of 2006, 2007, and 2008	-14,000	-14,000	-14,000
TO0268 To Peace Officers' Training Fund per CS 24.10, Budget Acts of 2006, 2007, and 2008	-4,121	-4,121	-4,121
TO0425 To Victim - Witness Assistance Fund per CS 24.10, Budget Acts of 2006, 2007, and 2008			
Total Revenues, Transfers, and Other Adjustments	\$1,106	\$1,106	\$1,626
Total Resources	\$2,297	\$2,191	\$2,311
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	1	1	1
0840 State Controller (State Operations)	1,211	1,505	1,625
6110 Department of Education (State Operations)	\$1,212	\$1,506	\$1,626
Total Expenditures and Expenditure Adjustments	\$1,085	\$685	\$685
FUND BALANCE	1,085	685	685
Reserve for economic uncertainties			
<b>0342 State School Fund<sup>s</sup></b>			
BEGINNING BALANCE	\$12,202	\$12,203	\$12,204
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:	41,441	41,441	41,441
151800 Federal Lands Royalties	\$41,441	\$41,441	\$41,441
Total Revenues, Transfers, and Other Adjustments	\$53,643	\$53,644	\$53,645
Total Resources			
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	35,164,172	36,267,245	37,977,932
6110 Department of Education (Local Assistance)	3,959,679	4,182,005	4,532,475
6870 Board of Governors of the California Community Colleges (Local Assistance)			
Expenditure Adjustments:			
6110 Department of Education	-35,128,948	-36,232,021	-37,942,708
Less funding provided by General Fund (Local Assistance)			
6870 Board of Governors of the California Community Colleges	-3,953,463	-4,175,789	-4,526,259
Less funding provided by the General Fund (Local Assistance)			
Total Expenditures and Expenditure Adjustments	\$41,440	\$41,440	\$41,440
FUND BALANCE	\$12,203	\$12,204	\$12,205
Reserve for economic uncertainties	12,203	12,204	12,205
<b>0349 Educational Telecommunication Fund<sup>s</sup></b>			
BEGINNING BALANCE	\$31,502	\$11,521	\$8,286
Prior year adjustments	44	-	-

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	2006-07*	2007-08*	2008-09*
Adjusted Beginning Balance	\$31,546	\$11,521	\$8,286
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
6110 Department of Education	-	-	5,336
State Operations	23,046	3,235	1,225
Local Assistance	-	-	-
Expenditure Adjustments:			
6110 Department of Education	-3,021	-	-
Less funding provided by the General Fund (Local Assistance)	-	-	-
Total Expenditures and Expenditure Adjustments	\$20,025	\$3,235	\$6,561
FUND BALANCE	\$11,521	\$8,286	\$1,725
Reserve for economic uncertainties	11,521	8,286	1,725

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	2,364.1	2,747.4	2,734.0	\$142,527	\$162,095	\$163,625
Salary Adjustments	-	-	-	-	4,870	5,334
<b>Proposed New Positions:</b>				<b>Salary Range</b>		
Executive Branch:						
State Board of Education:						
Chief Counsel	-	-	-1.0	10,672-11,544	-	-133
Exec Director	-	-	-1.0	9,755-10,549	-	-122
Dep Exec Director	-	-	-1.0	8,369-9,053	-	-105
Educ Policy Consultant	-	-	-1.0	6,922-7,485	-	-86
Educ Prog Consultant	-	-	-1.0	5,724-6,954	-	-76
Legal Asst	-	-	-1.0	3,386-4,116	-	-45
Legal Secty	-	-	-1.0	3,038-3,878	-	-41
Exec Secty I	-	-	-1.0	3,020-3,672	-	-40
Totals, Executive Branch	-	-	-8.0	\$-	\$-	-\$648
Assessment & Accountability Branch:						
Data Management Division:						
Educ Prog Consultant (1.0 LT pos exp 6-30-09)	-	-	2.0	5,724-6,954	-	152
Sr Programmer Analyst-Spec (1.0 LT pos exp 6-30-09)	-	-	1.0	5,571-7,109	-	76
Educ Research & Eval Asst	-	0.5	1.0	4,314-6,329	-	64
Totals, Assessment & Accountability Branch	-	0.5	4.0	\$-	\$-	\$292
Curriculum and Instruction Branch:						
Child Development Division:						
Staff Svcs Mgr II-Supvry	-	-	1.0	5,576-6,727	-	74
Assoc Govtl Prog Analyst	-	-	6.0	4,400-5,348	-	348
Professional Development and Curriculum Support Division:						
Educ Prog Consultant	-	-	1.0	5,724-6,954	-	76
Secondary, Postsecondary and Adult Leadership:						
Assoc Govtl Prog Analyst (0.5 LT pos exp 6-30-09)	-	-	0.5	4,400-5,348	-	29
Totals, Curriculum & Instruction Branch	-	-	8.5	\$-	\$-	\$527
School and District Operations Branch:						
Nutrition Services Division:						

\* Dollars in thousands, except in Salary Range.

6110 Department of Education - Continued

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Sr Programmer Analyst-Spec (1.0 LT pos exp 6-30-09)	-	-	1.0	5,571-7,109	-	76
Educ Prog Consultant (1.0 LT pos exp 6-30-09)	-	-	1.3	5,724-6,954	-	99
Assoc Info Sys Analyst-Spec (1.0 LT pos exp 6-30-09)	-	-	1.0	4,619-5,897	-	83
Assoc Govtl Prog Analyst (4.2 LT pos exp 6-30-09)	-	-	4.2	4,400-5,348	58	244
Totals, School and District Operations Branch	-	-	7.5	\$-	\$58	\$482
Totals Proposed New Positions	-	0.5	12.0	\$-	\$58	\$653
Total Adjustments	-	0.5	12.0	\$-	\$4,928	\$5,987
<b>TOTALS, SALARIES AND WAGES</b>	<b>2,364.1</b>	<b>2,747.9</b>	<b>2,746.0</b>	<b>\$142,527</b>	<b>\$167,023</b>	<b>\$169,612</b>

INFRASTRUCTURE OVERVIEW

The State Special Schools Division has six facilities under its jurisdiction: three residential schools and three diagnostic centers. The residential schools, which serve students ranging in age from three to 22, include Schools for the Deaf in Riverside and Fremont, and a School for the Blind in Fremont. The California Schools for the Deaf provide comprehensive educational programs composed of academic, extracurricular, and residential activities for students. The California School for the Blind is a statewide residential campus that provides intensive, disability-specific educational services for pupils who are blind, visually impaired or deaf-blind. The diagnostic centers are regionally located in Fresno, Fremont, and Los Angeles, and address the unique educational needs of California's most difficult to serve special education students. The diagnostic centers provide comprehensive assessment services for students with complex learning and behavioral problems in addition to providing Local Education Agencies staff with professional development and training opportunities. These facilities comprise a total of 960,000 gross square feet on 176 acres.

MAJOR PROJECT CHANGES

- The Governor's Budget proposes \$31.5 million lease-revenue bonds for construction and renovation of the athletic facilities at the California School for the Deaf, Riverside, and California School for the Deaf, Fremont.

SUMMARY OF PROJECTS

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
80	<b>CAPITAL OUTLAY</b>			
	Major Projects			
80.75	<b>CALIFORNIA SCHOOL FOR THE DEAF, FREMONT</b>	\$163	\$150	\$929
80.75.020	Pupil Personnel Services Building	163 <sup>Cn</sup>	150 <sup>Cn</sup>	-
80.75.105	Football Field and Track	-	-	929 <sup>Pn</sup>
80.80	<b>CALIFORNIA SCHOOL FOR THE DEAF, RIVERSIDE</b>	\$1,689	\$77,410	\$50,081
80.80.030	Multipurpose/Activity Center	-	8,648 <sup>WCEn</sup>	-
80.80.050	Career and Technical Education Complex and Service Yard	-	1,043 <sup>Wn</sup>	18,406 <sup>CEn</sup>
80.80.051	Athletic Complex	-	-	869 <sup>Pn</sup>
80.80.052	New Gym and Pool Center	1,077 <sup>Pn</sup>	1,195 <sup>Wn</sup>	22,691 <sup>CEn</sup>
80.80.065	Academic Support Cores, Bus Loop and Renovation	-	626 <sup>Pn</sup>	710 <sup>Wn</sup>
80.80.067	Dormitory Replacement and Chiller	-	65,053 <sup>CEn</sup>	-
80.80.089	Kitchen and Dining Hall Renovation	612 <sup>Pn</sup>	845 <sup>PWn</sup>	7,405 <sup>CEn</sup>
	<b>Totals, Major Projects</b>	<b>\$1,852</b>	<b>\$77,560</b>	<b>\$51,010</b>
	<b>TOTALS, EXPENDITURES, ALL PROJECTS</b>	<b>\$1,852</b>	<b>\$77,560</b>	<b>\$51,010</b>
<b>FUNDING</b>				
0660	Public Buildings Construction Fund		\$1,852	\$77,560
	<b>TOTALS, EXPENDITURES, ALL FUNDS</b>		<b>\$1,852</b>	<b>\$77,560</b>
				<b>\$51,010</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

\* Dollars in thousands, except in Salary Range.

**6110 Department of Education - Continued**

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
<b>0660 Public Buildings Construction Fund</b>			
APPROPRIATIONS	\$33,825	\$16,570	\$31,494
301 Budget Act appropriation			
Prior year balances available:			
Item 6110-301-0660, Budget Act of 2003 as reappropriated by Item 6110-490, Budget Acts of 2005 and 2007	5,003	5,003	-
Item 6110-301-0660, Budget Act of 2004	62,083	62,083	-
Augmentation per Government Code Sections 16352, 16409 and 16354	163	3,120	-
Item 6110-301-0660, Budget Act of 2005 as reappropriated by Item 6110-490, Budget Act of 2007 and 2008	16,907	16,907	14,677
Item 6110-301-0660, Budget Act of 2006 as reappropriated by Item 6110-490, Budget Act of 2008	-	32,136	30,096
Item 6110-301-0660, Budget Act of 2007	-	-	13,486
<b>Totals Available</b>	<u>\$117,981</u>	<u>\$135,819</u>	<u>\$89,753</u>
Balance available in subsequent years	<u>-116,129</u>	<u>-58,259</u>	<u>-38,743</u>
<b>TOTALS, EXPENDITURES</b>	<u>\$1,852</u>	<u>\$77,560</u>	<u>\$51,010</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)</b>	<u>\$1,852</u>	<u>\$77,560</u>	<u>\$51,010</u>

**6120 California State Library**

The State Library is California's public research library that helps a diverse people; their governments and their libraries meet their knowledge and information needs. The goal of the State Library is to make information available to users in a coordinated, effective, and efficient manner. The State Library provides services to the Legislative and Executive Branches of state government, to members of the public and to California public libraries; develops and promotes outreach programs such as California Library Literacy Services; and improves access to information through information technology and the use of resource sharing.

Since department programs drive the need for infrastructure investment, each department has a related capital outlay program to support this need. For the specifics on the State Library's Capital Outlay Program, see "Infrastructure Overview."

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 State Library Services	112.0	126.0	126.0	\$17,430	\$19,457	\$22,396
20 Library Development Services	30.7	34.7	34.7	63,490	54,920	54,987
30 Information Technology Bureau	7.6	7.5	7.5	1,159	1,326	2,711
40.01 Administration	14.8	16.9	16.9	1,685	1,991	2,019
40.02 Distributed Administration	-	-	-	-1,685	-1,991	-2,019
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<u>165.1</u>	<u>185.1</u>	<u>185.1</u>	<u>\$82,079</u>	<u>\$75,703</u>	<u>\$80,094</u>
<b>FUNDING</b>				2006-07*	2007-08*	2008-09*
0001 General Fund				\$62,592	\$48,990	\$53,220
0020 California State Law Library Special Account				416	594	706
0483 Deaf and Disabled Telecommunications Program Administrative Committee Fund				456	552	552
0890 Federal Trust Fund				16,563	19,641	19,633
0995 Reimbursements				330	1,730	1,704
6000 California Public Library Construction and Renovation Fund				773	2,354	2,407
6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund				949	1,842	1,872
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<u>\$82,079</u>	<u>\$75,703</u>	<u>\$80,094</u>

\* Dollars in thousands, except in Salary Range.



## 6120 California State Library - Continued

### LEGAL CITATIONS AND AUTHORITY

#### PROGRAM AUTHORITY

10-State Library Services:

Education Code Sections 19320(h), 19320(k), 19323, 19324.

20-Library Development Services:

Education Code Sections 18010, 18700, 18880, 19985.

30-Information Technology Services:

Education Code Section 19320(d).

### MAJOR PROGRAM CHANGES

- The Budget provides \$1,420,000 General Fund to acquire and implement the California State Library's new Integrated Library System.
- The Budget provides \$2,620,000 General Fund to relocate State Library staff and materials during the renovation of the Library and Courts Building.

### BUDGET-BALANCING REDUCTIONS

- Total budget-balancing reductions for the California State Library amount to \$5.1 million in 2008-09.
- The only program exempted from reductions is debt service (\$2.4 million budgeted).
- The major reductions in 2008-09 are described below:
  - A \$1.6 million reduction for State Operations - Support. The actual impact depends on how the State Library implements this unallocated reduction.
  - A \$1.4 million reduction for the Transaction-Based Reimbursement Program. The reduction would reduce state reimbursement of the local costs for library book loan programs.
  - A \$1.4 million reduction for the Public Library Foundation Program. This would reduce state support for local library operating costs. Local libraries may need to delay purchases of new materials or reduce the hours or days of operation.

### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Fund Temporary Relocation of Staff and Materials during Building Renovation	\$-	\$-	-	\$2,620	\$-	-
• Continue Integrated Library System Replacement Project	-	-	-	1,420	-	-
• Employee Compensation	259	153	-	298	180	-
• Price Increase	-117	-	-	149	187	-
• Lease Revenue Debt Service	12	-	-	41	-26	-
• Technology Services Rate Adjustment	5	-	-	5	-	-
• Centralized Service Costs	-	-	-	-	-26	-
• Removal of One-Time Costs	-	-534	-6.5	-52	-534	-6.5
• Align Budget with Federal Grant	-	-	-	-93	-	-

\* Dollars in thousands, except in Salary Range.

6120 California State Library - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Totals, Baseline Adjustments	\$159	-\$381	-6.5	\$4,388	-\$219	-6.5
TOTALS, BUDGET ADJUSTMENTS	\$159	-\$381	-6.5	\$4,388	-\$219	-6.5
Other Adjustments <sup>u</sup>						
• Budget-Balancing Reductions				-5,083		
REVISED TOTALS, BUDGET ADJUSTMENTS	\$159	-\$381	-6.5	-\$695	-\$219	-6.5

<sup>u</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - STATE LIBRARY SERVICES

The State Library Services (SLS) program serves as the central reference and research library for the Governor, the State Legislature and state government officials and staff. The SLS also provides library services to the public by making available collections and services in its branch libraries and special collections. In order to perform its functions, the SLS gathers, catalogs, preserves and protects information and materials so they may be easily used.

The interlibrary loan service supplements the collections of California libraries. Reference and informational questions are also answered for local libraries. The SLS also coordinates the distribution of state and federal publications to libraries so residents using local libraries have convenient access to official government publications.

Through the Braille and Talking Book Library, which is a regional library designated by the Library of Congress National Library Service for the Blind and Physically Handicapped, Braille and recorded books (records and cassettes) and special playback equipment are provided to blind and physically disabled residents of Northern California who are unable to use standard print materials. Funds are provided for the Braille Institute in Los Angeles to operate the Southern California Regional Library.

To support the Bernard E. Witkin State Law Library, Government Code Section 68926.3 provides an estimated \$465,000 annually from appellate court filing fees to partially support its collections, which contain primary and secondary sources in American law; Federal and state appellate court opinions, session laws, codes/statutes; federal agency decisions, and attorney general opinions of the U.S. and its fifty four jurisdictions.

The California Research Bureau (CRB) provides nonpartisan analytical research and specialized library services on major state issues for both houses of the Legislature, the Governor's Office and other constitutional officers. It maintains a growing publications program on state policy matters, including CRB Briefs that provide current summaries of state issues, as well as more in-depth research works.

20 - LIBRARY DEVELOPMENT SERVICES

The Library Development Services program provides state and federal financial assistance to libraries and provides technical consulting assistance to help local libraries extend and improve services to all residents. The primary components of the program are: (a) the California Library Services Act, (b) the California State Library Literacy and English Acquisition Services Program, (c) the Public Library Foundation Program, and (d) the Library Services and Technology Act Program.

The California Library Services Act promotes resource sharing and reimburses public libraries for loans to people living outside their jurisdiction.

The California Library Literacy and English Acquisition Services Program provide community-centered literacy assistance to adults who have missed the opportunity to learn to read English.

The Public Library Foundation Act is a funding formula under which the state contributes funding for basic local library services under specified conditions.

The federal Library Services and Technology Act provides grants to libraries of all types on a competitive basis for (a) developing new and innovative library services, (b) providing technology assistance, (c) library networking and resource sharing, and (d) providing library services to underserved populations.

The California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act was enacted as Proposition 14 in the spring of 2000 to provide \$350 million in bond funds for the construction and renovation of public libraries.

30 - INFORMATION TECHNOLOGY SERVICES

The Information Technology Services program supports library technology operations and infrastructure, including the integrated bibliographic library system, network infrastructure, data communications, microcomputer systems and applications, electronic mail, web-related interfaces and services, access to the Internet, specialized applications of

\* Dollars in thousands, except in Salary Range.

6120 California State Library - Continued

technology, and related support services.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 STATE LIBRARY SERVICES</b>			
<b>State Operations:</b>			
0001 General Fund	\$11,887	\$11,598	\$14,468
0020 California State Law Library Special Account	416	594	706
0890 Federal Trust Fund	3,848	4,121	4,074
0995 Reimbursements	330	1,302	1,276
6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	949	1,842	1,872
<b>Totals, State Operations</b>	<u>\$17,430</u>	<u>\$19,457</u>	<u>\$22,396</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>20 LIBRARY DEVELOPMENT SERVICES</b>			
<b>State Operations:</b>			
0001 General Fund	\$1,386	\$1,930	\$1,909
0890 Federal Trust Fund	2,091	2,632	2,667
0995 Reimbursement	-	428	428
6000 California Public Library Construction and Renovation Fund	773	2,354	2,407
<b>Totals, State Operations</b>	<u>\$4,250</u>	<u>\$7,344</u>	<u>\$7,411</u>
<b>Local Assistance:</b>			
0001 General Fund	\$48,506	\$34,506	\$34,506
0483 Deaf and Disabled Telecommunications Program Administrative Committee Fund	456	552	552
0890 Federal Trust Fund	10,278	12,518	12,518
<b>Totals, Local Assistance</b>	<u>\$59,240</u>	<u>\$47,576</u>	<u>\$47,576</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>30 INFORMATION TECHNOLOGY BUREAU</b>			
<b>State Operations:</b>			
0001 General Fund	\$813	\$956	\$2,337
0890 Federal Trust Fund	346	370	374
<b>Totals, State Operations</b>	<u>\$1,159</u>	<u>\$1,326</u>	<u>\$2,711</u>
<b>TOTALS, EXPENDITURES</b>			
State Operations	22,839	28,127	32,518
Local Assistance	59,240	47,576	47,576
<b>Totals, Expenditures</b>	<u>\$82,079</u>	<u>\$75,703</u>	<u>\$80,094</u>

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	165.1	197.3	197.3	\$9,595	\$10,969	\$11,124
Total Adjustments	-	-	-	-	266	630
Estimated Salary Savings	-	-12.2	-12.2	-	-699	-1,488
<b>Net Totals, Salaries and Wages</b>	<u>165.1</u>	<u>185.1</u>	<u>185.1</u>	<u>\$9,595</u>	<u>\$10,536</u>	<u>\$10,266</u>
Staff Benefits	-	-	-	3,432	3,991	4,049

\* Dollars in thousands, except in Salary Range.

6120 California State Library - Continued

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Personal Services	165.1	185.1	185.1	\$13,027	\$14,527	\$14,315
OPERATING EXPENSES AND EQUIPMENT				\$7,370	\$11,240	\$15,814
SPECIAL ITEMS OF EXPENSE				\$2,442	\$2,360	\$2,389
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				\$22,839	\$28,127	\$32,518

2 Local Assistance	Expenditures		
	2006-07*	2007-08*	2008-09*
California Library Services Act	\$21,342	\$14,342	\$14,342
Public Library Foundation	21,360	14,360	14,360
California English Acquisition and Literacy Program	5,064	5,064	5,064
California Deaf and Disabled Telecommunications Program	456	552	552
Administrative Committee Fund	10,278	12,518	12,518
Library Services and Technology Act	240	240	240
California Newspaper Project	500	500	500
California Civil Liberties Public Education Act			
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	\$59,240	\$47,576	\$47,576

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0001 General Fund			
APPROPRIATIONS	\$11,100	\$11,961	\$16,308
011 Budget Act appropriation	552	282	-
Allocation for employee compensation	66	-24	-
Adjustment per Section 3.60	-	-117	-
Adjustment per Section 4.04	6	-	-
Adjustment per Section 4.75 Statewide Surcharge	-	5	-
Adjustment per Section 15.25	2,454	2,348	2,389
012 Budget Act appropriation	-11	12	-
Adjustment per Section 4.30 (Lease-Revenue)	17	17	17
013 Budget Act appropriation	\$14,184	\$14,484	\$18,714
<b>Totals Available</b>	-98	-	-
Unexpended balance, estimated savings	\$14,086	\$14,484	\$18,714
<b>TOTALS, EXPENDITURES</b>			
0020 California State Law Library Special Account			
APPROPRIATIONS	\$548	\$580	\$706
011 Budget Act appropriation	30	15	-
Allocation for employee compensation	3	-1	-
Adjustment per Section 3.60	\$581	\$594	\$706
<b>Totals Available</b>	-165	-	-
Unexpended balance, estimated savings	\$416	\$594	\$706
<b>TOTALS, EXPENDITURES</b>			
0890 Federal Trust Fund			
APPROPRIATIONS	\$6,832	\$7,022	\$7,115
011 Budget Act appropriation	204	109	-
Allocation for employee compensation	24	-8	-
Adjustment per Section 3.60	-6	-	-
Adjustment per Section 4.75 Statewide Surcharge	-769	-	-
Budget Adjustment			

\* Dollars in thousands, except in Salary Range.

6120 California State Library - Continued

1 STATE OPERATIONS  
TOTALS, EXPENDITURES

2006-07*	2007-08*	2008-09*
\$6,285	\$7,123	\$7,115

0995 Reimbursements

APPROPRIATIONS  
Reimbursements

\$330	\$1,730	\$1,704
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6000 California Public Library Construction and Renovation Fund

APPROPRIATIONS

\$2,755	\$2,874	\$2,407
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011 Budget Act appropriation

62	15	-
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Allocation for employee compensation

8	-1	-
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Adjustment per Section 3.60

\$2,825	\$2,868	\$2,407
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Totals Available

-2,052	-534	-
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Unexpended balance, estimated savings

\$773	\$2,354	\$2,407
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TOTALS, EXPENDITURES

6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

APPROPRIATIONS

\$1,718	\$1,817	\$1,872
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011 Budget Act appropriation

55	27	-
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Allocation for employee compensation

7	-2	-
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Adjustment per Section 3.60

\$1,780	\$1,842	\$1,872
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Totals Available

-831	-	-
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Unexpended balance, estimated savings

\$949	\$1,842	\$1,872
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TOTALS, EXPENDITURES

\$22,839	\$28,127	\$32,518
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TOTALS, EXPENDITURES, ALL FUNDS (State Operations)

2 LOCAL ASSISTANCE

2006-07*	2007-08*	2008-09*
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0001 General Fund

APPROPRIATIONS

\$500	\$500	\$500
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150 Budget Act appropriation

240	240	240
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160 Budget Act appropriation

21,342	14,342	14,342
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211 Budget Act appropriation

5,064	5,064	5,064
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213 Budget Act appropriation

21,360	14,360	14,360
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221 Budget Act appropriation

\$48,506	\$34,506	\$34,506
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TOTALS, EXPENDITURES

0483 Deaf and Disabled Telecommunications Program Administrative Committee Fund

APPROPRIATIONS

\$552	\$552	\$552
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151 Budget Act appropriation

\$552	\$552	\$552
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Totals Available

-96	-	-
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Unexpended balance, estimated savings

\$456	\$552	\$552
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TOTALS, EXPENDITURES

0890 Federal Trust Fund

APPROPRIATIONS

\$12,518	\$12,518	\$12,518
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211 Budget Act appropriation

-2,240	-	-
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Budget Adjustment

\$10,278	\$12,518	\$12,518
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TOTALS, EXPENDITURES

\$59,240	\$47,576	\$47,576
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TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)

\$82,079	\$75,703	\$80,094
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TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)

FUND CONDITION STATEMENTS

2006-07*	2007-08*	2008-09*
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0020 California State Law Library Special Account \*

\* Dollars in thousands, except in Salary Range.

6120 California State Library - Continued

	2006-07*	2007-08*	2008-09*
BEGINNING BALANCE	\$595	\$629	\$499
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:	451	465	465
131700 Misc Revenue From Local Agencies	\$451	\$465	\$465
Total Revenues, Transfers, and Other Adjustments	\$1,046	\$1,094	\$964
Total Resources			
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	1	1	1
0840 State Controller (State Operations)	416	594	706
6120 California State Library (State Operations)	\$417	\$595	\$707
Total Expenditures and Expenditure Adjustments	\$629	\$499	\$257
FUND BALANCE	629	499	257
Reserve for economic uncertainties			

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	165.1	197.3	197.3	\$9,595	\$10,969	\$11,124
Salary Adjustments	-	-	-	-	266	630
Total Adjustments	-	-	-	\$-	\$266	\$630
<b>TOTALS, SALARIES AND WAGES</b>	<b>165.1</b>	<b>197.3</b>	<b>197.3</b>	<b>\$9,595</b>	<b>\$11,235</b>	<b>\$11,754</b>

INFRASTRUCTURE OVERVIEW

The California State Library operates two facilities in Sacramento and one in San Francisco. In Sacramento, the facilities are the Stanley Mosk Library and Courts Building, and the Library and Courts Building II that total 267,722 gross square feet. In San Francisco, a temporary 21,231 square foot facility is being used to house the Sutro Library collection, until a joint use library with the California State University, San Francisco, is constructed.

SUMMARY OF PROJECTS

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
10	<b>CAPITAL OUTLAY</b>			
	Major Projects	\$-	\$11,554	\$546
10.04	<b>SUTRO LIBRARY</b>		11,554 <sup>Bn</sup>	546 <sup>En</sup>
10.04.004	Joint Library: J. Paul Leonard Library and Sutro Library	\$-	\$11,554	\$546
	Totals, Major Projects	\$-	\$11,554	\$546
<b>TOTALS, EXPENDITURES, ALL PROJECTS</b>				
FUNDING		2006-07*	2007-08*	2008-09*
0660	Public Buildings Construction Fund	\$-	\$11,554	\$546
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY		2006-07*	2007-08*	2008-09*
0660 Public Buildings Construction Fund				
APPROPRIATIONS				
Prior year balances available:		\$10,166	\$12,100	\$546
Chapter 33, Statutes of 2002		1,934	-	-
Chapter 509, Statutes of 2006		\$12,100	\$12,100	\$546
<b>Totals Available</b>		-12,100	-546	-
Balance available in subsequent years				

\* Dollars in thousands, except in Salary Range.

6120 California State Library - Continued

	2006-07*	2007-08*	2008-09*
3 CAPITAL OUTLAY			
TOTALS, EXPENDITURES	\$-	\$11,554	\$546
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)	\$-	\$11,554	\$546

6125 Education Audit Appeals Panel

The Education Audit Appeals Panel adopts the annual guide for audits of K-12 education entities and independently resolves disputes arising from those audits. These activities set clear standards for compliance with education funding requirements, and allow both the state and local schools to avoid lengthy and expensive litigation over disputed funding.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 Education Audit Appeals Panel	3.3	3.8	3.8	\$707	\$1,273	\$1,273
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	3.3	3.8	3.8	\$707	\$1,273	\$1,273
FUNDING				2006-07*	2007-08*	2008-09*
0001 General Fund				\$707	\$1,273	\$1,273
TOTALS, EXPENDITURES, ALL FUNDS				\$707	\$1,273	\$1,273

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Education Code Sections 14502.1, 41344, and 41344.1.

BUDGET-BALANCING REDUCTIONS

- The Budget includes an unallocated General Fund reduction of \$127,000 in 2008-09.

DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Baseline Adjustment Descriptions						
• Retirement Rate Adjustment	-\$1	\$-	-	-\$1	\$-	-
• Remove 2007-08 Price Increase	-24	-	-	-24	-	-
• Remove Abolished Vacant Position	-40	-	-0.5	-40	-	-0.5
Totals, Baseline Adjustments	-\$65	\$-	-0.5	-\$65	\$-	-0.5
TOTALS, BUDGET ADJUSTMENTS	-\$65	\$-	-0.5	-\$65	\$-	-0.5
Other Adjustments <sup>11</sup>						
• Budget-Balancing Reductions	-	-	-	-127	-	-
REVISED TOTALS, BUDGET ADJUSTMENTS	-\$65	\$-	-0.5	-\$192	\$-	-0.5

<sup>11</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

EXPENDITURES BY CATEGORY (Summary By Object)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
1 State Operations						
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	3.3	4.0	4.0	\$316	\$309	\$313
Estimated Salary Savings	-	-0.2	-0.2	-	-15	-16

\* Dollars in thousands, except in Salary Range.

### 6125 Education Audit Appeals Panel - Continued

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Net Totals, Salaries and Wages	3.3	3.8	3.8	\$316	\$294	\$297
Staff Benefits	-	-	-	92	113	114
Totals, Personal Services	3.3	3.8	3.8	\$408	\$407	\$411
OPERATING EXPENSES AND EQUIPMENT				\$299	\$866	\$862
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$707</b>	<b>\$1,273</b>	<b>\$1,273</b>

#### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0001 General Fund			
APPROPRIATIONS	\$1,311	\$1,338	\$1,273
001 Budget Act appropriation	3	-1	-
Adjustment per Section 3.60	-	-24	-
Adjustment per Section 4.04	\$1,314	\$1,313	\$1,273
Totals Available	-607	-40	-
Unexpended balance, estimated savings	\$707	\$1,273	\$1,273
<b>TOTALS, EXPENDITURES</b>	<b>\$707</b>	<b>\$1,273</b>	<b>\$1,273</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>			

### 6255 California State Summer School for the Arts

The California State Summer School for the Arts provides a training ground for artistically gifted and talented students to receive intensive instruction in the arts, with the goal of preserving the artistic and economic benefits derived from a workforce pursuing careers in performing arts companies, and commercial and fine arts institutions in California.

#### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

10 California State Summer School for the Arts	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	3.8	4.0	4.0	\$2,046	\$2,234	\$2,307
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>3.8</b>	<b>4.0</b>	<b>4.0</b>	<b>\$2,046</b>	<b>\$2,234</b>	<b>\$2,307</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				\$1,493	\$1,497	\$1,534
0942 Special Deposit Fund				553	737	773
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$2,046</b>	<b>\$2,234</b>	<b>\$2,307</b>

#### LEGAL CITATIONS AND AUTHORITY

##### DEPARTMENT AUTHORITY

Education Code Section 8950 et seq.

#### BUDGET-BALANCING REDUCTIONS

- Total budget-balancing reductions for the California State Summer School for the Arts amount to \$153,000 in 2008-09. The reduction would result in fewer grants provided to students to attend the Summer School for the Arts.

#### DETAILED BUDGET ADJUSTMENTS

\* Dollars in thousands, except in Salary Range.

6255 California State Summer School for the Arts - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Price Adjustment	\$-	\$-	-	\$35	\$-	-
• Employee Compensation Adjustment	5	-	-	7	-	-
• Special Deposit Fund Adjustment	-	-	-	-	36	-
• Reduction Per Control Section 4.04	-36	-	-	-36	-	-
<b>Totals, Baseline Adjustments</b>	<b>-\$31</b>	<b>\$-</b>	<b>-</b>	<b>\$6</b>	<b>\$36</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$31</b>	<b>\$-</b>	<b>-</b>	<b>\$6</b>	<b>\$36</b>	<b>-</b>
<b>Other Adjustments <sup>v</sup></b>						
• Budget-Balancing Reductions	-	-	-	-153	-	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$31</b>	<b>\$-</b>	<b>-</b>	<b>-\$147</b>	<b>\$36</b>	<b>-</b>

<sup>v</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 - CALIFORNIA STATE SUMMER SCHOOL FOR THE ARTS

This program provides a four-week residential summer instruction program in Animation, Creative Writing, Dance, Film/Video, Music, Theatre Arts, and Visual Arts. Funds support the competitive selection of applicant high school students, contracts with arts faculty, course equipment and materials, rental of classroom and residential space, and program staff costs.

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	3.8	4.0	4.0	\$222	\$239	\$244
Total Adjustments	-	-	-	-	5	7
<b>Net Totals, Salaries and Wages</b>	<b>3.8</b>	<b>4.0</b>	<b>4.0</b>	<b>\$222</b>	<b>\$244</b>	<b>\$251</b>
Staff Benefits	-	-	-	80	85	87
<b>Totals, Personal Services</b>	<b>3.8</b>	<b>4.0</b>	<b>4.0</b>	<b>\$302</b>	<b>\$329</b>	<b>\$338</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>\$1,744</b>	<b>\$1,905</b>	<b>\$1,969</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$2,046</b>	<b>\$2,234</b>	<b>\$2,307</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$1,481	\$1,528	\$1,534
Allocation for employee compensation	11	6	-
Adjustment per Section 3.60	2	-1	-
Adjustment per Section 4.04	-	-36	-
<b>Totals Available</b>	<b>\$1,494</b>	<b>\$1,497</b>	<b>\$1,534</b>
Unexpended balance, estimated savings	-1	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,493</b>	<b>\$1,497</b>	<b>\$1,534</b>
<b>0942 Special Deposit Fund</b>			

\* Dollars in thousands, except in Salary Range.

**6255 California State Summer School for the Arts - Continued**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
APPROPRIATIONS	\$553	\$737	\$773
Government Code Section 16370 and Education Code Section 8957	\$553	\$737	\$773
<b>TOTALS, EXPENDITURES</b>	\$2,046	\$2,234	\$2,307
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>			

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	3.8	4.0	4.0	\$222	\$239	\$244
Salary Adjustments	-	-	-	-	5	7
<b>Total Adjustments</b>	-	-	-	\$-	\$5	\$7
<b>TOTALS, SALARIES AND WAGES</b>	3.8	4.0	4.0	\$222	\$244	\$251

**6300 State Contributions to the State Teachers' Retirement System**

The state General Fund makes annual payments to the California State Teachers' Retirement System (CalSTRS) in order to reduce the retirement contribution burden on members and school districts.

Effective July 1, 2003, the annual General Fund contribution to the CalSTRS is based on 2.017 percent of the members' creditable earnings of the fiscal year ending in the immediately preceding calendar year. Current law also provides for an additional state contribution when the State Teachers' Retirement Fund has a normal cost deficit or unfunded obligation for benefits in place on July 1, 1990. This contribution is 0.524 percent of the members' creditable earnings of the fiscal year ending in the immediately preceding calendar year. If the unfunded obligation continues, the 0.524 percent factor may be adjusted upwards annually in increments of no more than 0.25 percent and is capped at 1.505 percent of members' creditable earnings of the fiscal year ending in the immediately preceding calendar year. No state contribution is required for this purpose in 2008-09. The state contributions are not appropriated through the annual Budget Act.

The Supplemental Benefit Maintenance Account (SBMA) was established in 1989 to maintain purchasing power of retired members. In 2001, the purchasing power threshold was increased from 75 percent to 80 percent of the value of the original benefit. The state General Fund provides a statutory transfer to the CalSTRS of an amount equal to 2.5 percent of the members' creditable earnings of the fiscal year ending in the immediately preceding calendar year to be deposited in the SBMA. If, at anytime the funds in the SBMA are insufficient to support 80 percent purchasing power, the Teachers' Retirement Board can: (1) transfer funds from the Teachers' Retirement Fund if no CalSTRS unfunded obligation exists; (2) increase employer contributions; or (3) reduce the SBMA benefit payment. A recent actuarial analysis performed at the direction of the Department of Finance concluded that the currently required state contributions are more than sufficient to maintain purchasing power at 80 percent, based on current economic assumptions. The state's basic contributions (2.5 percent of members' creditable earnings of the fiscal year ending in the immediately preceding calendar year) for purchasing power protection are not appropriated through the annual Budget Act. Any increase in employer contributions must be approved through the Budget Act.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 Benefits Funding	-	-	-	\$360,183	\$501,416	\$535,603
20 Supplemental Benefits Maintenance	-	-	-	598,391	1,121,501	663,860
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	-	-	-	<b>\$958,574</b>	<b>\$1,622,917</b>	<b>\$1,199,463</b>
<b>FUNDING</b>				2006-07*	2007-08*	2008-09*
0001 General Fund				\$958,574	\$1,622,917	\$1,199,463
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$958,574</b>	<b>\$1,622,917</b>	<b>\$1,199,463</b>

**LEGAL CITATIONS AND AUTHORITY**

**DEPARTMENT AUTHORITY**

Education Code, Title 1, Division 1, Part 13, Chapter 16.

\* Dollars in thousands, except in Salary Range.

## 6300 State Contributions to the State Teachers' Retirement System - Continued

### MAJOR PROGRAM CHANGES

- The state makes annual General Fund contributions to the Supplemental Benefit Maintenance Account (SBMA) of 2.5 percent of teacher payroll for purchasing power protection. An actuarial analysis performed in 2005 at the direction of the Department of Finance shows that the SBMA has more than enough money to provide the purchasing power protection for current and future retired teachers. The Administration is proposing to fully vest the benefit at 80 percent purchasing power protection, which would provide increases to the future value of this program for retired teachers. As a result of the funded status of the SBMA, the state will be able to fully vest the purchasing power protection and reduce the state's contributions to the SBMA from 2.5 percent to 2.2 percent of salary consistent with the actuarial calculation. The savings from the reduced contribution equates to \$80 million in 2008-09. In addition, payments of 1.1 percent each would be made on November 1 and April 1, instead of July 1 of each fiscal year.
- In May 2003, the Legislature enacted legislation (Chapter 6, Statutes of 2003-04, First Extraordinary Session, Senate Bill No. 20, 'SBX1 20') that reduced the payment by \$500 million to CalSTRS's SBMA. On October 14, 2003, the CalSTRS board and certain CalSTRS members filed a complaint in the Sacramento County Superior Court as Teachers' Retirement Board, as Manager of the California State Teachers' Retirement System, et al. v. Tom Campbell, Director of California Department of Finance, and Steve Westly, California State Controller (Case No. 03CS01503). This lawsuit sought, primarily, to compel the State Controller to transfer funds from the state's General Fund to the SBMA in an amount equal to \$500 million plus interest. The court declared SBX1 20 unconstitutional as it impairs CalSTRS members' vested contractual rights. The court ordered the State Controller to transfer \$500 million from the General Fund to the SBMA. The state appealed the decision, and plaintiffs and the intervening California Retired Teachers' Association filed cross-appeals (Court of Appeal, Third Appellate District, Case No. C050889). The Third District Court of Appeals issued its decision, which affirms the portion of the trial court's judgment that found the amendment of Education Code section 22954 by SBX1 20 to be an unconstitutional impairment of contract and ordered the Controller to transfer funds to the SBMA in accordance with the provisions of Education Code 22954 as it existed prior to SBX1 20. That decision was final on September 29, 2007. Education Code 22954 contains a continuous appropriation that is available for the payment of the \$500 million. No appropriation currently exists, but is required, for the payment of any costs to petitioners or the pre-judgment interest ordered by the court. The Administration is proposing to pay the \$210 million interest in three annual installments, the first to be made in fiscal year 2008-09 in the amount of approximately \$80 million.

### DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• SBMA Interest	\$-	\$-	-	\$79,663	\$-	-
• Revised Creditable Compensation	-	-	-	76,546	-	-
• SBMA Lawsuit Payment	500,000	-	-	-	-	-
<b>Totals, Baseline Adjustments</b>	<b>\$500,000</b>	<b>\$-</b>	<b>-</b>	<b>\$156,209</b>	<b>\$-</b>	<b>-</b>
<b>Policy Adjustment Descriptions</b>						
• Reduce SBMA Contributions from 2.5% to 2.2%	\$-	\$-	-	-\$79,663	\$-	-
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>-\$79,663</b>	<b>\$-</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$500,000</b>	<b>\$-</b>	<b>-</b>	<b>\$76,546</b>	<b>\$-</b>	<b>-</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
Education Code Section 22955(a) (Benefits Funding)	\$360,183	\$501,416	\$535,603
Education Code Sec 22954 (Supplemental Benefit Maintenance Account)	598,391	1,121,501	584,197
SBMA Interest	-	-	79,663
<b>TOTALS, EXPENDITURES</b>	<b>\$958,574</b>	<b>\$1,622,917</b>	<b>\$1,199,463</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$958,574</b>	<b>\$1,622,917</b>	<b>\$1,199,463</b>

\* Dollars in thousands, except in Salary Range.

### 6330 California Career Resource Network

The California Career Resource Network (CaCRN), formerly the California Occupational Information Coordinating Committee, provides youth and adults with the career development information and resources they need to enable them to reach their career goals. The primary duty of the CaCRN is to develop and distribute career information, resources, and training materials to middle school and high school counselors, educators, and administrators in order to ensure that students are provided the guidance and educational tools needed to help them achieve their career goals.

#### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 California Career Resource Network	2.0	2.0	2.0	\$473	\$522	\$532
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>\$473</b>	<b>\$522</b>	<b>\$532</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0942 Special Deposit Fund				\$38	\$80	\$82
0995 Reimbursements				435	442	450
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$473</b>	<b>\$522</b>	<b>\$532</b>

#### LEGAL CITATIONS AND AUTHORITY

##### DEPARTMENT AUTHORITY

Chapter 17.5, of Part 28, of Title 2 (commencing with Section 53086) of the California Education Code.

#### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Price Increase	\$-	\$-	-	\$-	\$9	-
• Salary Adjustment	-	4	-	-	4	-
• Employee Benefits Adjustment	-	2	-	-	2	-
<b>Totals, Baseline Adjustments</b>	<b>\$-</b>	<b>\$6</b>	<b>-</b>	<b>\$-</b>	<b>\$15</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$-</b>	<b>\$6</b>	<b>-</b>	<b>\$-</b>	<b>\$15</b>	<b>-</b>

#### PROGRAM DESCRIPTIONS (Program Objectives Statement)

##### 10 - CALIFORNIA CAREER RESOURCE NETWORK

Empirical research shows that effective career self-management programs and services result in significant educational, social, and economic benefits. Providing these programs and services is the central objective of the California Career Resource Network. Major focuses of this organization include the following:

##### Educational Outcomes

- Improved educational achievement
- Improved preparation and participation in postsecondary education
- Better articulation among levels of education and between education and work
- Shorter time to graduation
- Higher graduation and retention rates

##### Social Benefits

- Benefits to family, peers, and community
- Higher levels of worker satisfaction and career retention
- Shorter path to primary labor market for young workers
- Lower incidence of work-related stress and depression
- Reduced likelihood of work-related or school violence

##### Economic Consequences

- Higher incomes and increased tax revenues
- Lower rates and shorter periods of unemployment
- Lower costs of worker turnover
- Lower healthcare costs

\* Dollars in thousands, except in Salary Range.

**6330 California Career Resource Network - Continued**

- Lower incarceration and criminal justice costs
- Increased worker productivity

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 California Career Resource Network</b>			
<b>State Operations:</b>			
0942 Special Deposit Fund	\$38	\$80	\$82
0995 Reimbursements	435	442	450
<b>Totals, State Operations</b>	<b>\$473</b>	<b>\$522</b>	<b>\$532</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	473	522	532
<b>Totals, Expenditures</b>	<b>\$473</b>	<b>\$522</b>	<b>\$532</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	2.0	2.0	2.0	\$118	\$120	\$120
<b>Net Totals, Salaries and Wages</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>\$118</b>	<b>\$120</b>	<b>\$120</b>
Staff Benefits	-	-	-	42	42	42
<b>Totals, Personal Services</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>\$160</b>	<b>\$162</b>	<b>\$162</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>\$313</b>	<b>\$360</b>	<b>\$370</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$473</b>	<b>\$522</b>	<b>\$532</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	0	0	0
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>TOTALS, GENERAL FUND EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>0942 Special Deposit Fund</b>			
<b>APPROPRIATIONS</b>			
Government Code Section 16370	\$38	\$80	\$82
<b>TOTALS, EXPENDITURES</b>	<b>\$38</b>	<b>\$80</b>	<b>\$82</b>
<b>0995 Reimbursements</b>			
<b>APPROPRIATIONS</b>			
Reimbursements	\$435	\$442	\$450
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$473</b>	<b>\$522</b>	<b>\$532</b>

**6350 School Facilities Aid Program**

The School Facilities Aid Program provides financing to school districts for K-12 school facility-related activities such as school construction, deferred maintenance and emergency repairs.

The Leroy F. Greene School Facilities Act of 1998, Chapter 407, Statutes of 1998 (SB 50), created the School Facility Program (SFP) to streamline school construction funding. The SFP provides grants from State General Obligation Bonds to school districts for new construction and modernization projects. Proposition 1D, approved in November 2006, provides

\* Dollars in thousands, except in Salary Range.

### 6350 School Facilities Aid Program - Continued

\$500 million for the Career Technical Education Facilities Program, to create and equip facilities so that students can acquire high-demand skills necessary for the technical careers of today and tomorrow; and \$100 million for the High Performance Incentive Grant Program which promotes the use of high performance attributes in new construction and modernization projects. High performance attributes include using designs and materials that promote energy and water efficiency, maximize the use of natural lights, improve indoor air quality, and utilize recycled materials. The SFP also contains provisions for Charter Schools, Overcrowding Relief, Critically Overcrowded Schools, Joint-Use, Seismic Mitigation, and Small High Schools.

The State School Deferred Maintenance Program, established by Chapter 282, Statutes of 1979 (AB 8), provides state matching funds, on a dollar-for-dollar basis, to assist school districts with expenditures for major repair or replacement of school building components, such as roofing, plumbing, heating, air conditioning, electrical systems, interior/exterior painting, and floor systems. The program also provides funds for critical hardship projects where the work must be completed within one year.

As a part of the Williams vs. State of California settlement, Chapter 899, Statutes of 2004 (SB 6) established the Emergency Repair Program (ERP). In order to help meet emergency repair costs, the School Facilities Emergency Repair Account is funded from the Proposition 98 Reversion Account at a minimum of \$100 million per year until a total of \$800 million has been disbursed for the purpose of addressing emergency facilities needs at school sites in deciles 1 through 3 based on the 2006 Academic Performance Index. As a continuation of the provisions of the settlement, Chapter 704, Statutes of 2006 (AB 607) adopts and encourages participation in the ERP by providing grant funding as well as funding to reimburse applicants for emergency repairs, and provides for a permanent state standard of good repair.

#### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 School Facilities Aid Program	-	-	-	\$2,106,162	\$3,076,578	\$4,484,967
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	-	-	-	<b>\$2,106,162</b>	<b>\$3,076,578</b>	<b>\$4,484,967</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				-\$5,791	-\$1,821	-\$910
0001 General Fund, Proposition 98				5,791	1,821	910
0119 1998 State School Facilities Fund				266	-	19,434
0739 State School Building Aid Fund				2,830	3,265	2,355
0961 State School Deferred Maintenance Fund				2,018	2,012	2,011
3082 School Facilities Emergency Repair Account				-111,047	245,798	60,000
6036 2002 State School Facilities Fund				110,525	-601,741	643,859
6044 2004 State School Facilities Fund				1,904,209	1,086,243	609,308
6057 2006 State School Facilities Fund				197,361	2,341,001	3,148,000
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$2,106,162</b>	<b>\$3,076,578</b>	<b>\$4,484,967</b>

#### MAJOR PROGRAM CHANGES

- The 2006 State School Facilities Fund, authorized by the passage of the Kindergarten-University Public Education Facilities Bond Act of 2006, will provide \$7.3 billion for K-12 school facility needs. Of this amount, over \$197 million was allocated to school districts in 2006-07. For 2007-08 and 2008-09, the Governor's Budget projects expenditures of \$2.341 billion and \$3.148 billion respectively. These funds will be allocated to school districts for the construction and modernization of classrooms, including career technical education and charter school facilities, for the replacement of portable classrooms with permanent new classrooms to relieve overcrowded school sites, and to repair, reconstruct, or replace school facilities that are most vulnerable to a seismic event. In addition, funding is provided for high performance schools for design and materials costs that promote energy and water efficiency, maximize the use of natural lighting, enhance indoor air quality, and improve acoustics to enhance the K-12 learning environment.

#### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Adjust Repayments to the General Fund from the School Building Aid Fund	\$3,189	\$-	-	\$4,099	\$-	-
• Increase to tie to State Operations Adjustments for Deferred Maintenance	5	-	-	6	-	-

\* Dollars in thousands, except in Salary Range.

**6350 School Facilities Aid Program - Continued**

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Adjustment to 2006 State School Facilities Fund	-	199,014	-	-	1,023,384	-
• Adjustment to 2002 State School Facilities Fund	-	-601,741	-	-	643,859	-
• Technical Adjustment for Emergency Repair Account	-	-	-	-	100,000	-
• Adjustment in Funding Levels for the Deferred Maintenance Program	-	32,910	-	-	48,920	-
• Change in Estimated Expenditures for the Emergency Repair Program	-	75,000	-	-	35,000	-
• Adjustment to 1998 State School Facilities Fund	-	-	-	-	19,434	-
• Adjustment to Reflect State Operations Costs and a Shift in Funding for DGS Positions	-	-323	-	-	12,525	-
• Adjustment for State Operations for CDE and SCO	-	-122	-	-	3,558	-
• Adjust State Operations Funding for State Relocatable Classroom Program	-	6	-	-	8	-
• Increase to Emergency Repair Account per Ch. 899/Stats. 2004	-	-4,202	-	-	-	-
• Transfer to the P98 Reversion Account from the Emergency Repair Account	-	250,000	-	-	-	-
• Change in State Operations Costs for Deferred Maintenance Program	-	-5	-	-	-6	-
• Adjust State Operations Funding for State Relocatable Classroom Program	-	-6	-	-	-8	-
• Adjustment to Reflect State Operations Adjustments and a Shift in Funding for the CDE and SCO	-	-	-	-	-3,706	-
• Change in Abatement to General Fund from State School Building Aid Fund	-	-3,189	-	-	-4,099	-
• Adjustment to State Operations Costs for Transfer to DGS	-	-13	-	-	-13,678	-
• Changes in Funding Provided by the General Fund for Deferred Maintenance	-	-32,290	-	-	-48,300	-
• Adjustment to 2004 State School Facilities Fund	-	-753,969	-	-	-1,247,432	-
• Reduce Excess Loan Repayments from General Fund for Deferred Maintenance	-3,194	-	-	-4,105	-	-
<b>Totals, Baseline Adjustments</b>	<b>\$-</b>	<b>-\$838,930</b>	<b>-</b>	<b>\$-</b>	<b>\$569,459</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$-</b>	<b>-\$838,930</b>	<b>-</b>	<b>\$-</b>	<b>\$569,459</b>	<b>-</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>0001 General Fund, Proposition 98</b>			
<b>APPROPRIATIONS</b>			
Education Code Section 17080 (transfer to State School Deferred Maintenance Fund)	\$5,791	\$1,821	\$910
<b>TOTALS, EXPENDITURES</b>	<b>\$5,791</b>	<b>\$1,821</b>	<b>\$910</b>
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
Education Code Sections 16096 and 16504	\$-5,943	\$-1,979	\$-1,069
Education Code Section 17080 (transfer to State School Deferred Maintenance Fund)	152	158	159
<b>TOTALS, EXPENDITURES</b>	<b>-\$5,791</b>	<b>-\$1,821</b>	<b>-\$910</b>
<b>TOTALS, GENERAL FUND EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>0119 1998 State School Facilities Fund</b>			
<b>APPROPRIATIONS</b>			

\* Dollars in thousands, except in Salary Range.

**6350 School Facilities Aid Program - Continued**

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
Prior year balances available:			
Education Code Section 100420 (a)(b) as added by Chapter 407, Statutes of 1998	\$19,700	\$19,434	\$19,434
<b>Totals Available</b>	<u>\$19,700</u>	<u>\$19,434</u>	<u>\$19,434</u>
Balance available in subsequent years	-19,434	-19,434	-
<b>TOTALS, EXPENDITURES</b>	<u>\$266</u>	<u>\$-</u>	<u>\$19,434</u>
<b>0739 State School Building Aid Fund</b>			
APPROPRIATIONS			
Education Code Section 17088(f)	\$798	\$1,631	\$1,928
Transfer to Department of General Services for State Operations	-	-	-297
Education Code Sections 16096 and 16504 (Abatement to General Fund)	5,943	1,979	1,069
<b>TOTALS, EXPENDITURES</b>	<u>\$6,741</u>	<u>\$3,610</u>	<u>\$2,700</u>
Loan Repayments from School Districts per Education Code Section 16080	-3,911	-345	-345
<b>NET TOTALS, EXPENDITURES</b>	<u>\$2,830</u>	<u>\$3,265</u>	<u>\$2,355</u>
<b>0961 State School Deferred Maintenance Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Education Code Section 17080	\$278,013	\$281,531	\$297,541
Transfer to Department of General Services for State Operations	-152	-158	-
Transfer to Department of General Services for State Operations	-	-	-159
<b>TOTALS, EXPENDITURES</b>	<u>\$277,861</u>	<u>\$281,373</u>	<u>\$297,382</u>
Less funding provided by the General Fund	-275,843	-279,361	-295,371
<b>NET TOTALS, EXPENDITURES</b>	<u>\$2,018</u>	<u>\$2,012</u>	<u>\$2,011</u>
<b>3082 School Facilities Emergency Repair Account</b>			
APPROPRIATIONS			
Transfer to the Proposition 98 Reversion Account per Item 6110-485, Budget Act of 2007	\$-	\$250,000	\$-
Education Code Section 17592.71	25,932	100,000	60,000
<b>TOTALS, EXPENDITURES</b>	<u>\$25,932</u>	<u>\$350,000</u>	<u>\$60,000</u>
Less funding provided by the General Fund	-136,979	-100,000	-
Less funding Provided by the General Fund	-	-4,202	-
<b>NET TOTALS, EXPENDITURES</b>	<u>\$-111,047</u>	<u>\$245,798</u>	<u>\$60,000</u>
<b>6036 2002 State School Facilities Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Education Code Sections 100620 (a)(f) and 100625(a)	\$152,643	\$42,118	\$643,859
<b>Totals Available</b>	<u>\$152,643</u>	<u>\$42,118</u>	<u>\$643,859</u>
Balance available in subsequent years	-42,118	-643,859	-
<b>TOTALS, EXPENDITURES</b>	<u>\$110,525</u>	<u>\$-601,741</u>	<u>\$643,859</u>
<b>6044 2004 State School Facilities Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Education Code Sections 100820 (a)(f) and 100825(a)	\$3,631,875	\$1,712,079	\$609,308
Transfer to Department of Education for State Operations	-2,549	-3,680	-
Transfer to State Controller's Office for State Operations	-802	-	-
Transfer to Department of General Services for State Operations	-12,233	-12,848	-
Transfer to HRMS for State Operations	-	-	-
<b>Totals Available</b>	<u>\$3,616,288</u>	<u>\$1,695,551</u>	<u>\$609,308</u>
Balance available in subsequent years	-1,712,079	-609,308	-
<b>TOTALS, EXPENDITURES</b>	<u>\$1,904,209</u>	<u>\$1,086,243</u>	<u>\$609,308</u>
<b>6057 2006 State School Facilities Fund</b>			
APPROPRIATIONS			

\* Dollars in thousands, except in Salary Range.

## 6350 School Facilities Aid Program - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
Transfer to Department of General Services for State Operations	\$-	\$-	\$-14,253
Prior year balances available:			
Education Code Sections 101010 and 101012	7,329,000	7,131,639	4,811,050
Chapter 35, Statutes of 2006-Section 20	-	21,000	-
Transfer to Department of General Services for State Operations	-	-588	-
Transfer to Various Departments for State Operations	-	-	-3,706
<b>Totals Available</b>	<u>\$7,329,000</u>	<u>\$7,152,051</u>	<u>\$4,793,091</u>
Balance available in subsequent years	<u>-7,131,639</u>	<u>-4,811,050</u>	<u>-1,645,091</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$197,361</b>	<b>\$2,341,001</b>	<b>\$3,148,000</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$2,106,162</b>	<b>\$3,076,578</b>	<b>\$4,484,967</b>

### FUND CONDITION STATEMENTS

	2006-07*	2007-08*	2008-09*
<b>0739 State School Building Aid Fund<sup>N</sup></b>			
<b>BEGINNING BALANCE</b>	\$21,981	\$47,656	\$64,982
Prior year adjustments	-204	-	-
Adjusted Beginning Balance	<u>\$21,777</u>	<u>\$47,656</u>	<u>\$64,982</u>
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
213000 Property and Natural Resources (Rental of State Property, Education Code Section 17094)	28,434	19,252	14,700
Lease	(19,400)	(14,800)	(6,700)
Sale	(9,034)	(4,452)	(8,000)
214000 Interest Income Portion of Loan Repayments Received From School Districts	<u>2,033</u>	<u>1,634</u>	<u>723</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$30,467</u>	<u>\$20,886</u>	<u>\$15,423</u>
Total Resources	<u>\$52,244</u>	<u>\$68,542</u>	<u>\$80,405</u>
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
1760 Department of General Services (State Operations)	1,758	295	297
6350 School Facilities Aid Program (Local Assistance)	6,741	3,610	2,700
Expenditure Adjustments:			
6350 School Facilities Aid Program	-3,911	-345	-345
Loan Repayments from School Districts per Education Code Section 16080 (Local Assistance)	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Expenditure Adjustments	<u>\$4,588</u>	<u>\$3,560</u>	<u>\$2,652</u>
<b>FUND BALANCE</b>	<b>\$47,656</b>	<b>\$64,982</b>	<b>\$77,753</b>
<b>0743 Bond Proceeds Account, State School Building Lease-Purchase Fund<sup>B</sup></b>			
<b>BEGINNING BALANCE</b>	\$6,857	\$37,441	\$37,441
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
299000 Close Out Audits and Other Project Adjustments	30,584	21,000	-
Transfers and Other Adjustments:			
TO6057 2006 State School Facilities Fund per Chapter 35, Statutes of 2006, Section 20	<u>-</u>	<u>-21,000</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$30,584</u>	<u>-</u>	<u>-</u>
Total Resources	<u>\$37,441</u>	<u>\$37,441</u>	<u>\$37,441</u>
<b>FUND BALANCE</b>	<b>\$37,441</b>	<b>\$37,441</b>	<b>\$37,441</b>

### 0961 State School Deferred Maintenance Fund<sup>N</sup>

BEGINNING BALANCE  
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS

\* Dollars in thousands, except in Salary Range.

**6350 School Facilities Aid Program - Continued**

	2006-07*	2007-08*	2008-09*
Transfers and Other Adjustments:			
FO0956 From School Site Utilization Fund per Education Code Section 17224	\$2,170	\$2,170	\$2,170
Total Revenues, Transfers, and Other Adjustments	<u>\$2,170</u>	<u>\$2,170</u>	<u>\$2,170</u>
Total Resources	\$2,170	\$2,170	\$2,170
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
1760 Department of General Services (State Operations)	152	158	159
6350 School Facilities Aid Program (Local Assistance)	277,861	281,373	297,382
Expenditure Adjustments:			
6350 School Facilities Aid Program	-275,843	-279,361	-295,371
Less funding provided by the General Fund (Local Assistance)	<u>\$2,170</u>	<u>\$2,170</u>	<u>\$2,170</u>
Total Expenditures and Expenditure Adjustments			
<b>FUND BALANCE</b>			
<b>3082 School Facilities Emergency Repair Account<sup>s</sup></b>	\$198,401	\$309,448	\$63,650
BEGINNING BALANCE			
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
6350 School Facilities Aid Program (Local Assistance)	25,932	350,000	60,000
Expenditure Adjustments:			
6350 School Facilities Aid Program	-136,979	-100,000	-
Less funding provided by the General Fund (Local Assistance)	-	-4,202	-
Less funding Provided by the General Fund (Local Assistance)	<u>-\$111,047</u>	<u>\$245,798</u>	<u>\$60,000</u>
Total Expenditures and Expenditure Adjustments	\$309,448	\$63,650	\$3,650
FUND BALANCE	309,448	63,650	3,650
Reserve for economic uncertainties			

**6360 Commission on Teacher Credentialing**

The purpose of the Commission on Teacher Credentialing (Commission) is to ensure integrity and high quality in the preparation, conduct and professional growth of the educators who serve California's public schools. Its work shall reflect both statutory mandates that govern the Commission and research on professional practices.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10.10 Certification, Assignment and Waivers	66.8	71.1	64.3	\$10,048	\$9,121	\$9,135
10.20 Professional Services	28.1	30.7	34.6	36,263	45,289	46,161
10.30 Professional Practices	29.9	27.6	27.6	5,551	5,257	5,090
10.40 Administration	37.4	33.0	33.0	4,639	4,644	4,426
10.50 Distributed Administration	-	-	-	-4,639	-4,644	-4,426
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>162.2</b>	<b>162.4</b>	<b>159.5</b>	<b>\$51,862</b>	<b>\$59,667</b>	<b>\$60,386</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund, Proposition 98				\$31,034	\$39,881	\$39,881
0407 Teacher Credentials Fund				15,323	15,273	15,366
0408 Test Development and Administration Account, Teacher Credentials Fund				4,602	4,265	4,741
0995 Reimbursements				<u>903</u>	<u>248</u>	<u>398</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$51,862</b>	<b>\$59,667</b>	<b>\$60,386</b>

\* Dollars in thousands, except in Salary Range.

## 6360 Commission on Teacher Credentialing - Continued

The amounts included as General Fund, Proposition 98 are for the purposes of meeting the minimum funding guarantee for education programs pursuant to Section 8 of Article XVI of the California Constitution. Specific appropriations are identified in the Detail of Appropriations and Adjustments.

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Education Code Sections 44210 and 44225.

### BUDGET-BALANCING REDUCTIONS

- The Budget includes General Fund reductions of \$4.3 million in 2008-09. However, because the Commission's state operations are paid entirely from special fund revenues derived from the credentialing and examination fees paid by K-12 teachers, administrators and professional services personnel, there are no administrative reductions for the Commission. The major budget balancing local assistance reductions include:
  - A \$3.5 million reduction for the Alternative Certification Program which partners school districts and colleges to train individuals pursuing teaching as a second career. The impact of this reduction will be minimal due to lower-than-anticipated program participation which has resulted in program savings in recent years.
  - A \$855,000 reduction for the Paraprofessional Teacher Training Program which provides assistance to teachers' aides with completing their baccalaureate and teacher preparation programs. Similar to that of the Alternative Certification Program, the impact of this reduction will be minimal because the program has experienced savings in recent years.

### DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Pro Rata Adjustment for 2008-09 for the Teacher Credentials Fund	\$-	\$-	-	\$-	\$678	-
• Revalidation of the California Formative Assessment and Support System	-	-	-	-	500	-
• General Salary Increase for Teacher Credentials Fund	-	237	-	-	235	-
• Control Section 3.60 Employee Compensation Adjustment for Teacher Credentials Fund	-	106	-	-	141	-
• General Salary Increase for the Test Administration and Development Account, Teacher Credentials Fund	-	56	-	-	57	-
• Control Section 3.60 Employee Compensation Adjustment for Test Administration and Development Account, Teacher Credentials Fund	-	23	-	-	31	-
• Control Section 4.26 CEA General Salary Adjustment	-	17	-	-	17	-
• Control Section 15.25 Mid-year Technology Rate Adjustment	-	3	-	-	3	-
• Control Section 3.60 PERS Adjustment For Test Administration and Development Account, Teacher Credentials Fund	-	-5	-	-	-5	-
• Remove One-time Costs for 5.0 Positions Provided in 2007-08	-	-	-	-	-10	-
• Control Section 3.60 PERS Adjustment for Teacher Credentials Fund	-	-28	-	-	-28	-
• Reduce Funding to Remove Reimbursement Authority for One-time Federal Title II Provided in 2007-08	-	-	-	-	-248	-

\* Dollars in thousands, except in Salary Range.

6360 Commission on Teacher Credentialing - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Pro Rata Adjustment for 2007-08 For Commission on Teacher Credentialing's Special Funds	-	-	-	-	-641	-
<b>Totals, Baseline Adjustments</b>	\$-	\$409	-	\$-	\$730	-
<b>Policy Adjustment Descriptions</b>						
• Fund Positions for the Next Phase of CALTIDES Development	\$-	\$-	-	\$-	\$398	-
<b>Totals, Policy Adjustments</b>	\$-	\$-	-	\$-	\$398	-
<b>TOTALS, BUDGET ADJUSTMENTS</b>	\$-	\$409	-	\$-	\$1,128	-
<b>Other Adjustments <sup>11</sup></b>						
• Budget-Balancing Reductions	-	-	-	-4,345	-	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	\$-	\$409	-	-\$4,345	\$1,128	-

<sup>11</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 - STANDARDS FOR THE PREPARATION AND LICENSING OF TEACHERS

10.10 - Certification, Assignment and Waivers:  
 Certification, Assignment and Waivers is the licensing division of the Commission, responsible for evaluating and processing over 250,000 applications annually for credentials, permits, certificates and waivers for authorization to serve in California's public schools. Certification, Assignment and Waivers serves as the Commission's primary point of contact, providing information to credential applicants and holders and credential personnel at the college, university, county, and school district levels regarding specific requirements for the licenses issued. It is also responsible for monitoring certificated assignments in collaboration with county and district offices of education.

10.20 - Professional Services:  
 Professional Services is responsible for: the development of licensure standards for all credential areas for which the Commission issues credentials; the accreditation of colleges, universities and local education agencies that offer educator preparation; the development and implementation of licensing examinations as required in the Education Code; and the administration of state funded programs including the Paraprofessional Teacher Training Program, the Alternative Certification/Intern Program, and in conjunction with the California Department of Education, the Beginning Teacher Support and Assessment Program. Related activities include data collection and reporting and policy research.

10.30 - Professional Practices:  
 Professional Practices is responsible for both the discipline of credential applicants and holders and the legal activities of the Commission. Professional Practices supports the Committee of Credentials, a statutory body that is responsible for conducting investigations of charges of misconduct against a credential holder or applicant upon initial application for a credential, when a credential is renewed, or when there are allegations against a credential holder relating to criminal activity, unprofessional conduct or misconduct that would impact the status of a license. The professional practices legal staff provides legal counsel and advice to the Commission, the Committee of Credentials and program divisions within the Commission.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 STANDARD FOR THE PREPARATION AND LICENSING OF TEACHERS</b>			
<b>State Operations:</b>			
0407 Teacher Credentials Fund	\$15,323	\$15,273	\$15,366
0408 Test Development and Administration Account, Teacher Credentials Fund	4,602	4,265	4,741
0995 Reimbursements	903	248	398
<b>Totals, State Operations</b>	<b>\$20,828</b>	<b>\$19,786</b>	<b>\$20,505</b>
<b>Local Assistance:</b>			
0001 General Fund	\$31,034	\$39,881	\$39,881
<b>Totals, Local Assistance</b>	<b>\$31,034</b>	<b>\$39,881</b>	<b>\$39,881</b>

\* Dollars in thousands, except in Salary Range.

**6360 Commission on Teacher Credentialing - Continued**

	2006-07*	2007-08*	2008-09*
<b>ELEMENT REQUIREMENTS</b>			
<b>10.10 Certification, Assignment and Waivers</b>	\$10,048	\$9,121	\$9,135
<b>State Operations:</b>			
0407 Teacher Credentials Fund	7,975	7,831	7,695
0408 Test Development and Administration Account, Teacher Credentials Fund	1,513	734	734
0995 Reimbursements	252	248	398
<b>Local Assistance:</b>			
0001 General Fund	308	308	308
<b>10.20 Professional Services</b>	\$36,263	\$45,289	\$46,161
<b>State Operations:</b>			
0407 Teacher Credentials Fund	2,386	2,880	3,248
0408 Test Development and Administration Account, Teacher Credentials Fund	2,500	2,836	3,340
0995 Reimbursements	651	-	-
<b>Local Assistance:</b>			
0001 General Fund	30,726	39,573	39,573
<b>10.30 Professional Practices</b>	\$5,551	\$5,257	\$5,090
<b>State Operations:</b>			
0407 Teacher Credentials Fund	4,962	4,562	4,423
0408 Test Development and Administration Account, Teacher Credentials Fund	589	695	667
<b>TOTALS, EXPENDITURES</b>			
State Operations	20,828	19,786	20,505
Local Assistance	31,034	39,881	39,881
<b>Totals, Expenditures</b>	<b>\$51,862</b>	<b>\$59,667</b>	<b>\$60,386</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	162.2	170.9	167.9	\$9,310	\$9,660	\$9,628
Total Adjustments	-	-	-	-	326	325
Estimated Salary Savings	-	-8.5	-8.4	-	-498	-497
<b>Net Totals, Salaries and Wages</b>	<b>162.2</b>	<b>162.4</b>	<b>159.5</b>	<b>\$9,310</b>	<b>\$9,488</b>	<b>\$9,456</b>
Staff Benefits	-	-	-	3,147	3,489	3,478
<b>Totals, Personal Services</b>	<b>162.2</b>	<b>162.4</b>	<b>159.5</b>	<b>\$12,457</b>	<b>\$12,977</b>	<b>\$12,934</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				\$8,371	\$6,809	\$7,571
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$20,828</b>	<b>\$19,786</b>	<b>\$20,505</b>
2 Local Assistance						
Grants and Subventions				\$31,034	\$39,881	\$39,881
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>				<b>\$31,034</b>	<b>\$39,881</b>	<b>\$39,881</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

\* Dollars in thousands, except in Salary Range.

**6360 Commission on Teacher Credentialing - Continued**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0407 Teacher Credentials Fund</b>			
APPROPRIATIONS	\$14,779	\$14,941	\$15,366
001 Budget Act appropriation	526	357	-
Allocation for employee compensation	64	-28	-
Adjustment per Section 3.60	-	3	-
Adjustment per Section 15.25	\$15,369	\$15,273	\$15,366
Totals Available	-46	-	-
Unexpended balance, estimated savings	\$15,323	\$15,273	\$15,366
<b>TOTALS, EXPENDITURES</b>			
<b>0408 Test Development and Administration Account, Teacher Credentials Fund</b>			
APPROPRIATIONS	\$4,628	\$4,188	\$4,741
001 Budget Act appropriation	143	82	-
Allocation for employee compensation	21	-5	-
Adjustment per Section 3.60	\$4,792	\$4,265	\$4,741
Totals Available	-190	-	-
Unexpended balance, estimated savings	\$4,602	\$4,265	\$4,741
<b>TOTALS, EXPENDITURES</b>			
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$903	\$248	\$398
Reimbursements	\$20,828	\$19,786	\$20,505
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>			
	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>0001 General Fund, Proposition 98</b>			
APPROPRIATIONS	\$39,881	\$-	\$-
101 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006	-	39,881	39,881
101 Budget Act appropriation	\$39,881	\$39,881	\$39,881
Totals Available	-8,847	-	-
Unexpended balance, estimated savings	\$31,034	\$39,881	\$39,881
<b>TOTALS, EXPENDITURES</b>	\$31,034	\$39,881	\$39,881
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	\$51,862	\$59,667	\$60,386
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>			

**FUND CONDITION STATEMENTS**

	2006-07*	2007-08*	2008-09*
<b>0407 Teacher Credentials Fund *</b>			
BEGINNING BALANCE	\$5,644	\$5,135	\$4,505
Prior year adjustments	182	-	-
Adjusted Beginning Balance	\$5,826	\$5,135	\$4,505
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:	14,385	14,396	14,396
122900 Teacher Credential Fees	46	46	46
131600 Fingerprint ID Card Fees	1	1	1
141200 Sales of Documents	1	1	1
142500 Miscellaneous Services to the Public	205	205	205
150300 Income From Surplus Money Investments	4	4	4
161000 Escheat of Unclaimed Checks & Warrants	2	2	2
161400 Miscellaneous Revenue	\$14,644	\$14,655	\$14,655
Total Revenues, Transfers, and Other Adjustments			

\* Dollars in thousands, except in Salary Range.

### 6360 Commission on Teacher Credentialing - Continued

	2006-07*	2007-08*	2008-09*
Total Resources	\$20,470	\$19,790	\$19,160
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:	12	12	18
0840 State Controller (State Operations)	15,323	15,273	15,366
6360 Commission on Teacher Credentialing (State Operations)	\$15,335	\$15,285	\$15,384
Total Expenditures and Expenditure Adjustments	\$5,135	\$4,505	\$3,776
FUND BALANCE	5,135	4,505	3,776
Reserve for economic uncertainties			
0408 Test Development and Administration Account, Teacher Credentials Fund <sup>s</sup>	\$3,283	\$3,125	\$5,174
BEGINNING BALANCE	1	-	-
Prior year adjustments	\$3,284	\$3,125	\$5,174
Adjusted Beginning Balance			
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:	4,257	6,128	5,923
123000 Teacher Examination Fees	190	190	190
150300 Income From Surplus Money Investments	\$4,447	\$6,318	\$6,113
Total Revenues, Transfers, and Other Adjustments	\$7,731	\$9,443	\$11,287
Total Resources			
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:	4	4	5
0840 State Controller (State Operations)	4,602	4,265	4,741
6360 Commission on Teacher Credentialing (State Operations)	\$4,606	\$4,269	\$4,746
Total Expenditures and Expenditure Adjustments	\$3,125	\$5,174	\$6,541
FUND BALANCE	3,125	5,174	6,541
Reserve for economic uncertainties			

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	162.2	170.9	167.9	\$9,310	\$9,660	\$9,628
Salary Adjustments	-	-	-	-	326	325
Total Adjustments	-	-	-	\$-	\$326	\$325
<b>TOTALS, SALARIES AND WAGES</b>	<b>162.2</b>	<b>170.9</b>	<b>167.9</b>	<b>\$9,310</b>	<b>\$9,986</b>	<b>\$9,953</b>

### 6420 California Postsecondary Education Commission

The California Postsecondary Education Commission is responsible for the planning and coordination of education beyond high school. The Commission provides policy analyses, advice and recommendations to the Legislature and the Governor on statewide policy and funding priorities for colleges, universities, and other postsecondary education institutions. The Commission has 16 members: one member each from the governing boards of the University of California, the California State University, and the California Community Colleges; one representative of the independent colleges and universities, appointed by the Governor; one representative from the State Board of Education; two student representatives, appointed by the Governor; and nine representatives of the general public, three each appointed by the Governor, the Speaker of the Assembly, and the Senate Rules Committee. The Commission selects its chairperson from among the public members.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 California Postsecondary Education Commission	22.4	21.9	21.9	\$10,852	\$11,244	\$11,269
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>22.4</b>	<b>21.9</b>	<b>21.9</b>	<b>\$10,852</b>	<b>\$11,244</b>	<b>\$11,269</b>

\* Dollars in thousands, except in Salary Range.

6420 California Postsecondary Education Commission - Continued

	2006-07*	2007-08*	2008-09*
<b>FUNDING</b>	\$2,155	\$2,209	\$2,228
0001 General Fund	8,695	9,032	9,038
0890 Federal Trust Fund	2	3	3
0995 Reimbursements			
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$10,852</b>	<b>\$11,244</b>	<b>\$11,269</b>

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Education Code Sections 66010.6, 66900-6, and 67002.

**BUDGET-BALANCING REDUCTIONS**

- The Budget includes a General Fund reduction of \$223,000 in State Operations in 2008-09.

**DETAILED BUDGET ADJUSTMENTS**

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Employee Compensation Adjustments	\$46	\$5	-	\$52	\$5	-
• Price Increase Adjustment	-	-	-	12	3	-
• Remove 2007-08 Price Increase Per Control Section 4.04	-13	-	-	-13	-	-
• Retirement Adjustment Per Control Section 3.60	-5	-	-	-5	-	-
• SWCAP Adjustment	-	-	-	-	3	-
• Department of Technology Services Adjustment Per Control Section 15.25	-4	-1	-	-4	-1	-
<b>Totals, Baseline Adjustments</b>	<b>\$24</b>	<b>\$4</b>	<b>-</b>	<b>\$42</b>	<b>\$10</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$24</b>	<b>\$4</b>	<b>-</b>	<b>\$42</b>	<b>\$10</b>	<b>-</b>
<b>Other Adjustments</b> <sup>1</sup>						
• Budget-Balancing Reductions	-	-	-	-223	-	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$24</b>	<b>\$4</b>	<b>-</b>	<b>-\$181</b>	<b>\$10</b>	<b>-</b>

<sup>1</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 - The Commission has organized its staff into three broad units to carry out its responsibilities: Executive, Policy and Federal Programs, and Information Systems and Administrative Services.

**EXECUTIVE**

Under general policies established by the Commission, the Executive Unit provides leadership to staff in the long-range planning and coordinating efforts of the Commission, and advises the Governor, the Legislature, and other state agencies concerning policies and funding priorities for postsecondary education. The Executive Director works closely with the voluntarily-created Education Roundtable and a Statutory Advisory Committee established pursuant to Section 66901 of the Education Code. The governmental relations activities of the Executive area are the primary means by which the Commission establishes and maintains liaison with the Legislature, the Legislative Analyst's Office, the Governor's Office, and the Department of Finance. Major activities include reviewing, monitoring, and providing summaries of all legislation and budget proposals related to postsecondary education in California, as well as providing direct testimony to appropriate legislative committees.

**POLICY AND FEDERAL PROGRAMS**

The Policy and Federal Programs Unit is responsible for policy analyses and evaluation activities. It also is responsible for program and facilities review, fiscal and policy analysis, and for carrying out many of the Commission's specific charges delineated in Sections 66903 and 66904 of the Education Code. This unit also has primary responsibility for preparing

\* Dollars in thousands, except in Salary Range.

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responses to legislative or gubernatorial requests for information on postsecondary education pursuant to Section 66902 of the Education Code. The Federal Programs component of the unit is responsible for administration of the federally-funded Improving Teacher Quality Grant Program.

**INFORMATION SYSTEMS AND ADMINISTRATIVE SERVICES**

The Information Systems and Administrative Services Unit is responsible for the collection of data and maintenance of a comprehensive data system on postsecondary education. The unit is also responsible for the accounting and contract services of the Commission, and provides general support services to the public and to Commission staff. This unit coordinates the annual collection of data for the Integrated Postsecondary Education Data System survey by the National Center for Educational Statistics and maintains historical data on the enrollment characteristics and degrees awarded to students in all public, and many independent, colleges and universities. The Commission's database provides the foundation for its policy analyses, annual publication of data abstracts on various postsecondary education outcomes, and research by members of the education and public policy communities.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 CALIFORNIA POSTSECONDARY EDUCATION COMMISSION</b>			
<b>State Operations:</b>			
0001 General Fund	\$2,155	\$2,209	\$2,228
0890 Federal Trust Fund	393	453	459
0995 Reimbursements	2	3	3
<b>Totals, State Operations</b>	<b>\$2,550</b>	<b>\$2,665</b>	<b>\$2,690</b>
<b>Local Assistance:</b>			
0890 Federal Trust Fund	\$8,302	\$8,579	\$8,579
<b>Totals, Local Assistance</b>	<b>\$8,302</b>	<b>\$8,579</b>	<b>\$8,579</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	2,550	2,665	2,690
Local Assistance	8,302	8,579	8,579
<b>Totals, Expenditures</b>	<b>\$10,852</b>	<b>\$11,244</b>	<b>\$11,269</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>1 State Operations</b>						
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	22.4	22.7	22.7	\$1,567	\$1,576	\$1,587
Total Adjustments	-	-	-	-	35	35
Estimated Salary Savings	-	-0.8	-0.8	-	-61	-62
<b>Net Totals, Salaries and Wages</b>	<b>22.4</b>	<b>21.9</b>	<b>21.9</b>	<b>\$1,567</b>	<b>\$1,550</b>	<b>\$1,560</b>
Staff Benefits	-	-	-	499	493	489
<b>Totals, Personal Services</b>	<b>22.4</b>	<b>21.9</b>	<b>21.9</b>	<b>\$2,066</b>	<b>\$2,043</b>	<b>\$2,049</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>\$484</b>	<b>\$622</b>	<b>\$641</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$2,550</b>	<b>\$2,665</b>	<b>\$2,690</b>
<b>2 Local Assistance</b>						
Grants and Subventions				\$8,302	\$8,579	\$8,579
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>				<b>\$8,302</b>	<b>\$8,579</b>	<b>\$8,579</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

\* Dollars in thousands, except in Salary Range.

**6420 California Postsecondary Education Commission - Continued**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0001 General Fund</b>			
APPROPRIATIONS	\$2,065	\$2,186	\$2,228
001 Budget Act appropriation	100	45	-
Allocation for employee compensation	13	-5	-
Adjustment per Section 3.60	-	-13	-
Adjustment per Section 4.04	-1	-	-
Adjustment per Section 4.75 Statewide Surcharge	-	-4	-
Adjustment per Section 15.25			
<b>Totals Available</b>	<b>\$2,177</b>	<b>\$2,209</b>	<b>\$2,228</b>
Unexpended balance, estimated savings	-22	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$2,155</b>	<b>\$2,209</b>	<b>\$2,228</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$437	\$449	\$459
001 Budget Act appropriation	9	5	-
Allocation for employee compensation	1	-	-
Adjustment per Section 3.60	-	-1	-
Adjustment per Section 15.25	-54	-	-
Budget Adjustment			
<b>TOTALS, EXPENDITURES</b>	<b>\$393</b>	<b>\$453</b>	<b>\$459</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$2	\$3	\$3
Reimbursements			
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$2,550</b>	<b>\$2,665</b>	<b>\$2,690</b>
<b>2 LOCAL ASSISTANCE</b>			
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$8,579	\$8,579	\$8,579
101 Budget Act appropriation	-277	-	-
Budget Adjustment			
<b>TOTALS, EXPENDITURES</b>	<b>\$8,302</b>	<b>\$8,579</b>	<b>\$8,579</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$8,302</b>	<b>\$8,579</b>	<b>\$8,579</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$10,852</b>	<b>\$11,244</b>	<b>\$11,269</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	22.4	22.7	22.7	\$1,567	\$1,576	\$1,587
Salary Adjustments	-	-	-	-	35	35
<b>Total Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$-</b>	<b>\$35</b>	<b>\$35</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>22.4</b>	<b>22.7</b>	<b>22.7</b>	<b>\$1,567</b>	<b>\$1,611</b>	<b>\$1,622</b>

**6440 University of California**

The University of California was founded in 1868 as a public, state-supported land-grant institution. It was written into the State Constitution of 1879 as a public trust, to be administered by an independent governing board - the Regents of the University of California. The Board of Regents includes 28 members: seven ex officio, 20 appointed by the Governor with the approval of the Senate for staggered terms, and one student appointed by the Board.

The 1960 Master Plan for Higher Education designates the University of California as the primary state-supported academic agency for research, with exclusive jurisdiction in public higher education over instruction in law, medicine, dentistry, and veterinary medicine. Sole authority is also vested in the University to award doctoral degrees in all fields, with the exception of the doctorate in Education that may be awarded by the California State University. Joint doctoral degrees may also be awarded with the California State University. The University is headed by a President who is responsible for overall policy

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

development, planning, and resource allocations. Chancellors are responsible for the management of individual campuses. The Regents have delegated authority to the Academic Senate to determine conditions for admission, degree requirements, and approval of courses and curricula. Special faculty committees serve in an advisory capacity to the Regents, the President, and the Chancellors in a variety of matters.

There are ten campuses: Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, San Francisco, Santa Barbara, and Santa Cruz. Each campus offers undergraduate, graduate, and professional education, with the San Francisco campus devoted exclusively to the health sciences. The University operates five teaching hospitals in Los Angeles, San Francisco, Sacramento, San Diego, and Orange counties. Approximately 150 University institutes, centers, bureaus, and research laboratories operate in all parts of the state. The University also provides oversight of one Department of Energy Laboratory and is in partnerships with private industry to manage two additional Department of Energy Laboratories.

The University of California conducts higher education programs in four major areas:

- Instruction of qualified individuals through offering lower division, upper division, graduate, professional, and postdoctoral degree programs on each of its general campuses.
- Research directed toward advancing the understanding of arts and sciences and the interpretation of human history.
- Education for professional careers.
- Public service contributing to the fulfillment of the University's obligation to disseminate knowledge.

Because department programs drive the need for infrastructure investment, each department has a related capital outlay program to support this need. For the specifics on the University of California's Capital Outlay Program see "Infrastructure Overview."

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
05 Instruction	33,077.0	33,808.1	34,395.0	\$3,214,685	\$3,540,133	\$3,643,995
05.10 General Campuses Instruction	22,582.8	23,090.1	23,596.1	2,090,767	2,405,796	2,493,390
05.20 Health Sciences Instruction	9,077.5	9,268.9	9,349.8	915,911	918,845	929,051
05.30 Summer Sessions Instruction	101.9	104.1	104.1	12,905	13,421	13,421
05.40 University Extension Instruction	1,314.8	1,345.0	1,345.0	195,102	202,071	208,133
10 Research	3,290.3	3,361.4	3,361.4	602,998	602,003	618,594
15 Public Service	2,016.3	2,060.0	2,060.0	204,221	222,650	226,650
20 Academic Support	5,253.2	5,368.1	5,368.1	869,533	943,526	976,333
20.10 Libraries Academic Support	2,415.5	2,471.6	2,471.6	242,875	278,158	285,965
20.20 Other Academic Support	2,837.7	2,896.5	2,896.5	626,658	665,368	690,368
25 Teaching Hospitals	26,054.1	27,410.2	27,410.2	4,172,220	4,316,962	4,572,766
30 Student Services	4,837.8	4,939.9	4,939.9	466,111	490,197	517,052
35 Institutional Support	6,225.5	6,349.6	6,349.6	731,723	651,421	666,303
40 Operation and Maintenance of Plant	5,545.3	5,663.1	5,788.1	464,419	562,520	593,703
45 Student Financial Aid	-	-	-	607,819	618,270	694,375
50 Auxiliary Enterprises	-	-	-	799,261	816,579	857,408
55 Provisions for Allocation	-	-3,000.0	-3,000.0	165,820	86,772	101,192
60 Program Maintenance - Fixed Costs, Economic Factors and Salary Increases	-	-	-	-	-	188,311
65 Special Regents' Programs	-	-	-	125,106	204,545	210,100
65.10 Special Regents' Programs - Opportunity Fund Programs	-	-	-	125,106	204,545	210,100
70 Extramural Programs	-	-	-	4,275,800	4,359,936	4,515,141
70.10 Instruction Extramural Programs	-	-	-	550,084	558,902	581,603
70.20 Research Extramural Programs	-	-	-	2,709,316	2,771,274	2,864,003
70.30 Public Service Extramural Programs	-	-	-	219,784	223,081	232,004
70.40 Academic Support Extramural Programs	-	-	-	249,847	253,595	263,739
70.50 Teaching Hospitals Extramural Programs	-	-	-	14,404	14,548	14,984
70.60 Student Services Extramural Programs	-	-	-	36,766	37,134	38,248
70.70 Institutional Support Extramural Programs	-	-	-	89,363	89,363	92,296

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
70.80 Operation and Maintenance of Plant Extramural Programs	-	-	-	9,150	9,242	9,519
70.90 Student Financial Aid Extramural Programs	-	-	-	380,705	386,416	401,873
70.95 Auxiliary Enterprises Extramural Programs	-	-	-	16,381	16,381	16,872
80 Major Department of Energy Laboratories	-	-	-	2,169,750	653,638	653,638
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>86,299.5</b>	<b>85,960.4</b>	<b>86,672.3</b>	<b>\$18,869,466</b>	<b>\$18,069,152</b>	<b>\$19,035,561</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				\$3,069,339	\$3,260,748	\$3,494,102
0007 Breast Cancer Research Account				12,776	12,776	12,776
0046 Public Transportation Account, State Transportation Fund				980	980	5,980
0234 Research Account, Cigarette and Tobacco Products Surtax Fund				14,553	16,553	14,553
0308 Earthquake Risk Reduction Fund of 1996				1,000	1,000	1,000
0321 Oil Spill Response Trust Fund				1,300	1,300	1,300
0814 California State Lottery Education Fund				31,370	30,143	30,143
0890 Federal Trust Fund				3,500	3,500	3,500
0895 Federal Funds - Not In State Treasury				16,191	17,000	17,000
0945 California Breast Cancer Research Fund				473	778	778
0992 Higher Education Fees and Income				2,014,409	2,151,520	2,331,343
0993 University Funds--Unclassified				7,256,294	7,551,143	7,942,775
0995 Reimbursements				1,496	4,820	9,624
3054 Health Care Benefits Fund				235	3,317	1,908
7895 Extramural Federal Funds - Not in State Treasury				4,407,910	2,954,243	3,011,758
9993 Extramural Nonfederal Unclassified Funds				2,037,640	2,059,331	2,157,021
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$18,869,466</b>	<b>\$18,069,152</b>	<b>\$19,035,561</b>

Budgeted programs expenditures total: 06-07=\$12,423,916,000; 07-08=\$13,055,578,000; 08-09=\$13,866,782,000. Extramural programs expenditures total: 06-07=\$4,275,800,000 and Department of Energy Laboratories total \$2,169,750,000 for a combined total of \$6,445,550,000; 07-08=\$4,359,936,000 and Department of Energy Laboratories total \$653,638,000 for a combined total of \$5,013,574,000; 08-09=\$4,515,141,000 and Department of Energy Laboratories total \$653,638,000 for a combined total of \$5,168,779,000.

Restricted funds include the following: 0007, 0046, 0234, 0308, 0321, 0814, 0890, 0895, 0945, 0992 (06-07=\$1,453,815,000; 07-08=\$1,574,221,000; 08-09=\$1,734,566,000), 0993, 0995, 3054.

This summary includes expenditures, but not personnel years for auxiliary organizations or extramural programs.

**MAJOR PROGRAM CHANGES**

- In accordance with the Higher Education Compact signed by the Administration and UC in 2004, the workload budget includes a 5 percent increase of \$154.8 million for basic budget and core instructional support and an increase of \$56.4 million for 2.5 percent enrollment growth, sufficient to fund 5,000 full-time equivalent students.
- The workload budget reflects an increase in fee revenues of \$124.8 million associated with an increase of 7.4 percent in mandatory systemwide fees, and fee increases ranging from 7 percent to 19 percent for specified professional school programs.
- The Budget proposes a \$5 million increase in funding from the Public Transportation Account for the Institute of Transportation Studies within the University of California to study land use, air quality, and other environmental issues related to transportation.

**BUDGET-BALANCING REDUCTIONS**

- The Budget includes a General Fund reduction of \$331.9 million in 2008-09.
- The following program totaling \$175.1 million General Fund has been exempted from the budget balancing reduction: Lease Payments Securing Lease Revenue Bonds.

\* Dollars in thousands, except in Salary Range.

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- The budget balancing reduction includes: a reduction of \$32.3 million from Institutional Support and an unallocated reduction of \$299.6 million.

DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Increase Basic Budget Support by 4.0 Percent Per Higher Education Compact	\$-	\$-	-	\$123,832	\$-	-
• Add 1.0 Percent for Core Instructional Support Needs Per Compact	-	-	-	30,958	-	-
• 2.5 Percent Increase for Enrollment Growth Per Compact	-	-	-	56,370	-	-
• Lease Purchase Adjustment	-13,168	-	-	970	4,804	-
• Increase Funding for Retired Annuitant Benefit Costs	-	-	-	11,081	-	-
• Provide Funding for Next Cohort of PRIME Program	-	-	-	975	-	-
• Retirement Cost Adjustment Per Control Section 3.60	-1	-	-	-1	-	-
• Student Fee Increase of 7.4 Percent	-	-	-	-	124,766	-
• Adjust Base Student Fee Revenues	-	-	-	-	35,579	-
• Adjust Lottery Revenues	-	-1,227	-	-	-1,227	-
• Remove One-Time Funding for UC Merced	-	-	-	-14,000	-	-
• Add One-Time Funding for UC Merced	-	-	-	10,000	-	-
• Miscellaneous Baseline Adjustments in Extramural and Other Non-State Funds	-	-1,083,534	-	-	-518,628	-
• Remove One-Time Funding for Tobacco Research	-	-	-	-	-2,000	-
<b>Totals, Baseline Adjustments</b>	<b>-\$13,169</b>	<b>-\$1,084,761</b>	<b>-</b>	<b>\$220,185</b>	<b>-\$356,706</b>	<b>-</b>
<b>Policy Adjustment Descriptions</b>						
• UC Transportation Research	\$-	\$-	-	\$-	\$5,000	-
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>\$5,000</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$13,169</b>	<b>-\$1,084,761</b>	<b>-</b>	<b>\$220,185</b>	<b>-\$351,706</b>	<b>-</b>
<b>Other Adjustments<sup>1/</sup></b>						
• Budget-Balancing Reductions	-	-	-	-331,902	333,000	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$13,169</b>	<b>-\$1,084,761</b>	<b>-</b>	<b>-\$111,717</b>	<b>-\$18,706</b>	<b>-</b>

<sup>1/</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

\* Dollars in thousands, except in Salary Range.

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Enrollment-FTE

	2006-07		2007-08		2008-09
	Budgeted	Actual	Budgeted <sup>1/</sup>	Estimated Actual	Budgeted
<b>General Campuses:</b>					
<b>Academic Year</b>					
Undergraduate:					
Lower Division	55,083	56,932	57,155	59,719	58,080
Resident	52,043	54,456	54,115	57,024	55,040
Nonresident	3,040	2,476	3,040	2,695	3,040
Upper Division	95,065	96,667	96,597	97,817	98,372
Resident	90,505	92,310	92,037	93,404	93,812
Nonresident	4,560	4,357	4,560	4,413	4,560
<b>Totals, Undergraduate</b>	<b>150,148</b>	<b>153,599</b>	<b>153,752</b>	<b>157,536</b>	<b>156,452</b>
Resident	142,548	146,766	146,152	150,428	148,852
Nonresident	7,600	6,833	7,600	7,108	7,600
Postbaccalaureate	525	331	525	374	525
Resident	525	324	525	374	525
Nonresident	-	7	-	-	-
Graduate	33,110	32,139	33,120	32,981	34,175
Resident	23,710	23,192	23,720	23,679	24,775
Nonresident	9,400	8,947	9,400	9,302	9,400
<b>Subtotal</b>	<b>183,783</b>	<b>186,069</b>	<b>187,397</b>	<b>190,891</b>	<b>191,152</b>
Resident	166,783	170,282	170,397	174,481	174,152
Nonresident	17,000	15,787	17,000	16,410	17,000
<b>State Supported Summer Enrollment:</b>					
Undergraduate	13,615	13,015	14,672	14,105	15,617
Postbaccalaureate	75	21	75	25	75
Graduate	1,045	743	1,080	793	1,080
<b>Subtotal</b>	<b>14,735</b>	<b>13,779</b>	<b>15,827</b>	<b>14,923</b>	<b>16,772</b>
Resident	14,735	13,779	15,827	14,923	16,772
Nonresident	-	-	-	-	-
<b>Totals, General Campuses</b>	<b>198,518</b>	<b>199,848</b>	<b>203,224</b>	<b>205,814</b>	<b>207,924</b>
Resident	181,518	184,061	186,224	189,404	190,924
Nonresident	17,000	15,787	17,000	16,410	17,000
<b>Health Sciences:</b>					
Undergraduate	300	202	366	376	476
Graduate:					
Academic	1,834	2,472	1,881	2,429	1,972
Professional	10,603	11,124	10,784	11,206	10,883
<b>Totals, Health Sciences</b>	<b>12,737</b>	<b>13,798</b>	<b>13,031</b>	<b>14,011</b>	<b>13,331</b>
Resident	11,937	13,030	12,231	13,212	12,531
Nonresident	800	768	800	799	800
<b>TOTALS</b>	<b>211,255</b>	<b>213,646</b>	<b>216,255</b>	<b>219,825</b>	<b>221,255</b>
Resident	193,455	197,091	198,455	202,616	203,455
Nonresident	17,800	16,555	17,800	17,209	17,800

<sup>1/</sup> Total full-time equivalent students (FTES) as determined in the final 2007 Budget Act.

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

Student Fees per Annual Full-Time Student (Whole Dollars)

	2006-07		2007-08 <sup>4</sup>		2008-09 <sup>4</sup>	
	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate
<b>Resident Students:</b>						
Educational Fee	\$5,406	\$6,162	\$5,850	\$6,654	\$6,262	\$7,122
Registration Fee	735	735	786	786	864	864
<b>Totals, Mandatory Fees</b>	<b>\$6,141</b>	<b>\$6,897</b>	<b>\$6,636</b>	<b>\$7,440</b>	<b>\$7,126</b>	<b>\$7,986</b>
Miscellaneous Fees <sup>1</sup>	711	2,041	881	2,335	881	2,335
<b>Totals, Resident Fees</b>	<b>\$6,852</b>	<b>\$8,938</b>	<b>\$7,517</b>	<b>\$9,775</b>	<b>\$8,007</b>	<b>\$10,321</b>
<b>Nonresident Students:</b>						
Educational, Registration and Miscellaneous Fees	\$7,318	\$9,205	\$8,069	\$10,069	\$8,597	\$10,633
Nonresident Tuition	18,168	14,694	19,068	14,694	20,021	14,694
<b>Totals, Nonresident Charges</b>	<b>\$25,486</b>	<b>\$23,899</b>	<b>\$27,137</b>	<b>\$24,763</b>	<b>\$28,618</b>	<b>\$25,327</b>
<b>Special Fee--For Selected Professional Students (residents)</b>	<b>Professional Fee <sup>2,3</sup></b>	<b>Average Total Charges</b>	<b>Professional Fee <sup>3</sup></b>	<b>Average Total Charges</b>	<b>Professional Fee <sup>3</sup></b>	<b>Average Total Charges</b>
Students in Veterinary Medicine	\$10,882	\$22,233	\$11,646	\$22,403	\$12,459	\$23,702
Students in Dentistry	15,798	25,396	16,902	26,111	18,087	27,782
Students in Business/Management	14,276-17,371	24,634	15,276-19,287	25,601	16,345-22,049	28,004
Students in Law	15,013-16,334	25,101	16,514-17,967	26,480	18,439-21,242	29,932
Students in Medicine	13,440	22,753	14,380	23,655	15,360	25,125
Students in Optometry	9,542	18,655	10,210	18,931	10,925	20,132
Students in Pharmacy	11,098	20,234	11,874	20,668	13,635	22,914
Students in Nursing	3,218	12,153	3,444	11,988	3,685	12,472
Students in Theater, Film and TV	5,959	14,494	6,375	14,485	6,821	15,417
Students in Public Health	4,000	12,766	4,284	13,683	4,584	14,529
Students in Public Policy	4,000	12,579	4,284	13,557	4,584	14,403
Students in International Relations and Pacific Studies	4,000	12,689	4,284	13,726	4,584	14,572

<sup>1</sup> Represents weighted average of nine campuses. Miscellaneous fees for 2008-09 have not yet been determined. Beginning Fall 2001, undergraduate students must show proof of health insurance or purchase a campus undergraduate health insurance plan. The average cost of health insurance in 2007-08 for undergraduates is \$878.

<sup>2</sup> There were no increases in professional degree fees for 2006-07. However, fee levels include increases approved for 2005-06 but deferred to 2006-07.

<sup>3</sup> Some degree programs charge different fee levels to reflect individual program needs. The range of fee levels is shown for those programs.

<sup>4</sup> In July 2005, the Regents approved a schedule of temporary increases in mandatory systemwide fees to cover income losses associated with a student fee lawsuit. A temporary fee of \$700 for professional school students only was implemented in 2005-06 and increased to \$1,050 for 2006-07. For 2007-08, the temporary fee for professional school students is eliminated and replaced by a \$60 temporary surcharge for all UC students. Until all losses are covered, the temporary surcharge will be included in total charges.

## 6440 University of California - Continued

## Income and Funds Available

	2006-07*	2007-08*	2008-09*
General Funds	\$3,069,339	\$3,260,748	\$3,494,102
Special and Nongovernmental Cost Funds	64,183	71,667	78,062
<b>Totals, State Appropriations</b>	<b>\$3,133,522</b>	<b>\$3,332,415</b>	<b>\$3,572,164</b>
<b>UNIVERSITY SOURCES</b>			
General Funds Income:			
Student Fees:			
Nonresident tuition	\$226,245	\$250,000	\$256,000
Application for admission and other fees	26,746	25,000	25,000
Interest on General Fund Balances	36,359	31,800	33,800
Contract and Grant Overhead:			
Contract and Grant Overhead	239,744	248,000	258,000
Contract and Grant Overhead--Neuropsychiatric Institutes	377	377	377
Allowance for Overhead and Management - Department of Energy	5,237	1,300	1,300
Overhead on State agency agreements	14,288	11,500	13,500
Prior year balances (instructional equipment/deferred maint.)	3,817	522	-
Other	8,303	8,800	8,800
Other	(522)	-	-
Available in subsequent years	\$560,594	\$577,299	\$596,777
<b>Totals, General Funds Income</b>			
Special Funds Income:			
United States appropriations	16,191	17,000	17,000
Gear Up-State Grant Program	3,500	3,500	3,500
Local government	90,337	90,337	90,337
Student Fees:			
Educational fee	1,171,290	1,269,791	1,391,234
Registration fee	161,427	167,474	188,329
Selected professional fees	121,098	136,956	155,003
(Subtotals, mandatory systemwide and professional fees)	<u>\$1,453,815</u>	<u>\$1,574,221</u>	<u>\$1,734,566</u>
University extension	195,102	202,071	208,133
Summer session	12,905	13,421	13,421
Other fees	243,048	245,150	254,956
Sales and services - Educational activities	775,489	780,941	812,179
Sales and services - Teaching hospitals	4,126,066	4,263,424	4,519,228
Sales and services - Support activities	312,917	318,713	331,462
Endowments	185,123	201,853	215,983
Auxiliary enterprises	799,261	816,579	857,408
Contract and grant administration	94,852	112,927	116,000
Department of Energy Management Fee	23,987	25,937	25,937
University Opportunity Fund	125,106	204,545	210,100
Other	272,101	275,245	287,631
Other	<u>\$8,729,800</u>	<u>\$9,145,864</u>	<u>\$9,697,841</u>
<b>Totals, Special Funds Income</b>	<b>\$9,290,394</b>	<b>\$9,723,163</b>	<b>\$10,294,618</b>
<b>Totals, University Sources</b>	<b>\$12,423,916</b>	<b>\$13,055,578</b>	<b>\$13,866,782</b>
<b>TOTAL INCOME AND FUNDS AVAILABLE</b>			

\* Dollars in thousands, except in Salary Range.



## 6440 University of California - Continued

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 05 - INSTRUCTION AND DEPARTMENTAL RESEARCH

**General Campuses**  
Instruction includes most of the direct instructional resources associated with the schools and colleges located on the general campuses. Included are classroom and laboratory instruction, instructional technology, and joint scholarly research activities of students and faculty.

**Health Sciences**  
The instructional program in the health sciences is carried on in 15 schools that provide education in various health fields to students preparing for careers in health care, teaching and research. The health science schools are located on six campuses and include five schools of medicine, two schools of dentistry, three schools of nursing, two schools of public health, two schools of pharmacy, one school of veterinary medicine, and one school of optometry. In addition, four programs in medical education are conducted at Berkeley, Fresno, Riverside, and the Charles R. Drew University of Medicine and Science in Los Angeles. The physical, biological and behavioral science programs of the general campuses complement the programs of the health science schools.

**Summer Sessions**  
Non-UC matriculated students may enroll in summer sessions as self-supported students; funding for these students remains in the Summer Session budget. In summer 2007, 9,060 non-UC students registered for UC summer sessions. Many of these students are regularly enrolled at the California State University, California Community Colleges, and other institutions. All general campuses currently offer state-supported summer instruction to UC-matriculated students, funding for which is included in the general campus instruction portion of the budget.

**University Extension**  
University Extension is the largest institution of its kind, with an annual estimated enrollment of nearly 300,000 registrants participating in classes, short courses, seminars, field studies, and similar activities throughout California and in several foreign countries. It has open admissions, optional credit, and free student selection of curriculum. University Extension is self-supporting, and its offerings depend entirely on student fees. Almost 60 percent of Extension's offerings are designed to serve the continuing educational needs of professionals. Overall, 500 certificate programs are offered.

#### 10 - RESEARCH

The University is designated by the 1960 Master Plan as the primary state-supported academic agency for research. Its research activities contribute to the social, economic, and technological progress of the state and the nation. Knowledge discovered in the University's research programs has yielded a multitude of benefits, ranging from technological applications that increase industrial and agricultural productivity to insights into social and personal behaviors that help improve the quality of human life. The research process also is essential to training scholars in the methodology of inquiry, particularly in graduate and professional programs.

#### 15 - PUBLIC SERVICE

Public service includes a broad range of activities organized by the University to serve state and local communities, students, teachers and staff in K-12 schools and community colleges, and the public in general. Consistent with its mission as a land grant institution, the University's public service programs help improve the quality of life in California by focusing on major challenges, whether in business, education, health care, community development, or civic engagement, that impact the economic and social well-being of its citizens. One component of public service is the University's Student Academic Preparation and Educational Partnerships, which work collaboratively with schools and other partners to help educationally disadvantaged students meet rigorous standards of academic preparation needed to be successful in higher education and the world of work. Public service also includes Cooperative Extension, which is the University's largest public service program. Cooperative Extension provides applied research and educational programs in agriculture and natural resources, family and consumer sciences, community resource development, and 4-H youth development. Campuses also conduct other public service programs, generally supported by user fees and other non-state fund sources such as arts and lecture programs, and student-initiated community service projects. The University's public service programs also include a health sciences program jointly operated with the Charles R. Drew University of Medicine and Science.

#### 20 - ACADEMIC SUPPORT

**Libraries**  
The University libraries identify, acquire, organize and provide access to publications and scholarly materials in all formats. Access is provided for the University's students, faculty and staff, the faculty and students of other California colleges and universities, other California libraries, business and industry, and the general public. The University library system serves both instructional and research needs, and provides a critical archival function. The rapid expansion of knowledge requires extensive efforts to keep materials current and of a high quality. The accelerating impact of changes in information technology and the dynamic information needs of its faculty and students obligates the University to develop new digital library collections and services while also maintaining and enhancing its traditional collections.

**Academic Support - Other**  
Academic Support - General Campus Programs: Other academic support on the general campuses is comprised of a number of partially self-supporting activities organized and operated in connection with educational departments, and conducted as a basic support for the departments' educational programs. Many diversified programs are included, such as a demonstration school that serves as an interdepartmental teaching laboratory for experimentation, research and teacher

\* Dollars in thousands, except in Salary Range.



## 6440 University of California - Continued

training.

Academic Support - Health Sciences Programs: The University operates dental clinics and neuropsychiatric institutes at Los Angeles and San Francisco, a veterinary medicine teaching facility at Davis and one in the San Joaquin Valley (near Tulare), an optometry clinic at Berkeley and two occupational health centers. These facilities are extensions of the health sciences schools and provide both clinical experience and community health services.

Other activities supporting both general campus and health sciences programs include vivaria, which provide centralized facilities for ordering, receiving and care of all animals necessary for teaching and research in the biological sciences; support for arts by direct sponsorship of performances and exhibits; support of specialized physical science and engineering projects; and support for professional journals.

### 25 - TEACHING HOSPITALS

The University owns and operates five academic medical centers - Davis, Irvine, Los Angeles, San Diego, and San Francisco. Their primary mission is to support the clinical teaching programs of the five schools of medicine and the educational programs in the University's other health science schools. The academic medical centers also provide a full range of health care services to their community and are sites for the development and testing of new diagnostic and therapeutic techniques. The medical centers provide health care to thousands of patients who generally have more serious illnesses and fewer financial resources than patients at non-teaching hospitals. Based on their tripartite mission of teaching, research and public service, the University of California's academic medical centers are a major resource for California and the nation.

The state appropriates funds, called Clinical Teaching Support, for the University medical centers in recognition of the need to maintain a sufficiently large and diverse patient population for teaching purposes. The funds are primarily used to provide financial support for patients who are essential for the clinical teaching programs, but who are unable to pay the full cost of their care.

### 30 - STUDENT SERVICES

Student Services programs support activities whose primary purpose is to contribute to the students' emotional and physical well-being, including their intellectual, cultural and social development outside the context of the formal instruction program. It includes expenditures for organized Student Service administrative activities that provide assistance and support for the needs of students.

### 35 - INSTITUTIONAL SUPPORT

This includes a wide variety of activities including police, accounting, payroll, personnel, administrative computing, material management, environmental health and safety, and publications. Institutional Support also includes the planning, policy making, and coordination activities that occur within the offices of the Chancellors, President, and the Regents.

### 40 - OPERATION AND MAINTENANCE OF PLANT

This function includes resources for the maintenance, preservation, and renewal of the University's State and Educational Fee-supported physical plant. The physical plant includes site infrastructure and over 56 million gross square feet of buildings and related fixed equipment. Major component elements include purchased utilities, building and grounds maintenance, refuse, and janitorial services, with additional administrative and support services.

### 45 - STUDENT FINANCIAL AID

University of California students receive financial aid from University resources, the federal government, the state, and from private donors and outside agencies. The primary sources of University support are the state General Fund, student fee income, and support from the Regents. The federal government provides loans, work-study, veterans' benefits, and grants. In addition, graduate students receive traineeships and fellowships through various federal sources. The California Student Aid Commission provides scholarships, loans, and grants directly to students. Private donors and outside agencies also provide scholarships, loans and grants.

### 50 - AUXILIARY ENTERPRISES

Auxiliary Enterprises are those non-instructional services provided to individuals, primarily students, in return for specific user charges. These services include student housing, intercollegiate athletics, food services, and parking. Auxiliary Enterprises are self-supporting and are not subsidized by the state.

### 55 - PROVISIONS FOR ALLOCATION

These budgetary provisions serve as a temporary repository for lump sum appropriations which are destined for allocation (1) from systemwide provisions to campus provisions and (2) from campus provisions to operating programs and subprograms where expenditures will occur. Provisions for allocation may include funds for academic position upgrades, staff reclassifications, price increases, employee benefits, unallocated state funding increases, and University endowment income. These provisions also include funds for lease-purchase bond payments. They are partially offset by the University budgetary savings target.

### 65 - SPECIAL REGENTS' PROGRAMS

After provision for costs related to federal contract and grant activity, and the funding of buildings supported under

\* Dollars in thousands, except in Salary Range.

## 6440 University of California - Continued

Garamendi (wherein the University may use federal indirect cost monies received for research activities to pay debt service and maintenance costs for specifically approved research buildings), 55 percent of the federal overhead on contracts and grants is used to fund the University's general purpose budget for current operations. The other 45 percent is the source of the University Opportunity Fund. This fund supports high priority programs that are not adequately supported from other sources, such as faculty recruitment and retention, special research programs, instructional programs and administrative programs, and support for external fund raising. In addition, the Department of Energy pays the University a performance management fee to cover costs related to operational oversight of the Lawrence Berkeley National Laboratory. The fee also cover costs related to audit disallowances and federally unreimbursed costs, and provides support to University research programs. The University also receives a net fee for its partial ownership of two limited liability companies, each of which holds a contract, one to manage the Los Alamos National Laboratory and the other to manage the Lawrence Livermore National Laboratory. The fees are used for value-added oversight and University research.

## DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>05.10 GENERAL CAMPUSES INSTRUCTION</b>			
<b>State Operations:</b>			
0001 General Fund	\$1,218,876	\$1,426,810	\$1,487,447
0992 Higher Education Fees and Income (UC General Funds)	239,920	262,536	265,255
0992 Higher Education Fees and Income (Student Fees)	496,821	536,931	561,169
9999 Restricted Fund Sources	<u>135,150</u>	<u>179,519</u>	<u>179,519</u>
<b>Totals, State Operations</b>	<b>\$2,090,767</b>	<b>\$2,405,796</b>	<b>\$2,493,390</b>
<b>ELEMENT REQUIREMENTS</b>			
05.11 Faculty Salaries and Related Benefits	1,032,404	1,186,608	1,231,989
05.12 Teaching Assistant Salaries	113,625	117,335	120,645
05.13 Instructional Support and Related Benefits	713,289	857,046	891,060
05.14 Equipment Replacement	56,414	62,382	63,942
05.15 Instructional Technology	17,100	17,100	17,100
05.16 Equipment Backlog Reduction	1,170	1,170	1,170
05.17 Instructional Computing	24,500	24,500	24,500
05.18 Technical Education Program	1,156	1,156	1,156
05.19 Summer	124,665	133,167	136,496
05.29 Other	6,444	5,332	5,332
<b>PROGRAM REQUIREMENTS</b>			
<b>05.20 HEALTH SCIENCES INSTRUCTION</b>			
<b>State Operations:</b>			
0001 General Fund	\$298,006	\$319,064	\$324,383
0992 Higher Education Fees and Income (UC General Funds)	58,658	58,709	57,847
0992 Higher Education Fees and Income (Student Fees)	53,989	57,321	63,070
9999 Restricted Fund Sources	<u>505,258</u>	<u>483,751</u>	<u>483,751</u>
<b>Totals, State Operations</b>	<b>\$915,911</b>	<b>\$918,845</b>	<b>\$929,051</b>
<b>ELEMENT REQUIREMENTS</b>			
05.21 Medicine	751,511	753,934	761,854
05.22 Dentistry	53,421	53,592	54,010
05.23 Nursing	22,707	22,780	23,821
05.24 Optometry	5,347	5,364	5,406
05.25 Pharmacy	12,094	12,133	12,680
05.26 Public Health	28,194	28,284	28,225
05.27 Veterinary Medicine	37,911	38,032	38,329
05.28 Drew	4,726	4,726	4,726
<b>PROGRAM REQUIREMENTS</b>			
<b>05.30 SUMMER SESSIONS INSTRUCTION</b>			
<b>State Operations:</b>			

\* Dollars in thousands, except in Salary Range.

## 6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
9999 Restricted Fund Sources	\$12,905	\$13,421	\$13,421
Totals, State Operations	\$12,905	\$13,421	\$13,421
<b>PROGRAM REQUIREMENTS</b>			
<b>05.40 UNIVERSITY EXTENSION INSTRUCTION</b>			
State Operations:			
9999 Restricted Fund Sources	\$195,102	\$202,071	\$208,133
Totals, State Operations	\$195,102	\$202,071	\$208,133
<b>PROGRAM REQUIREMENTS</b>			
<b>10 RESEARCH</b>			
State Operations:			
0001 General Fund	\$281,699	\$246,578	\$247,765
0992 Higher Education Fees and Income (UC General Funds)	55,449	45,371	44,184
9999 Restricted Fund Sources	265,850	310,054	326,645
Totals, State Operations	\$602,998	\$602,003	\$618,594
<b>ELEMENT REQUIREMENTS</b>			
10.10 General Campuses	322,767	365,113	379,743
10.20 Health Sciences	133,286	114,241	118,202
10.30 Agriculture	114,183	87,582	87,582
10.40 Tobacco-Related Diseases	14,553	16,553	14,553
10.50 Breast Cancer Research	13,249	13,554	13,554
10.60 Faculty Grants and Travel	4,960	4,960	4,960
<b>PROGRAM REQUIREMENTS</b>			
<b>15 PUBLIC SERVICE</b>			
State Operations:			
0001 General Fund	\$83,384	\$89,995	\$90,428
0992 Higher Education Fees and Income (UC General Funds)	16,413	16,559	16,126
0992 Higher Education Fees and Income (Student Fees)	4,263	4,489	4,489
9999 Restricted Fund Sources	100,161	111,607	115,607
Totals, State Operations	\$204,221	\$222,650	\$226,650
<b>ELEMENT REQUIREMENTS</b>			
15.10 Student Academic Preparation and Educational Partnerships (Subtotal)	35,179	34,823	34,823
15.11 Preuss Charter School	700	1,000	1,000
15.12 UC College Preparatory Initiative (Online Courses)	3,127	3,106	3,106
15.13 ASSIST	376	429	429
15.14 Community College Articulation	600	600	600
15.15 Community College Transfer Programs	2,207	3,279	3,279
15.16 EAOP	9,216	8,914	8,914
15.17 Graduate and Professional School Programs	2,804	2,661	2,661
15.18 Math, Engineering, Science Achievement (MESA)	6,034	5,188	5,188
15.19 Puente	1,079	1,501	1,501
15.20 Student Initiated Programs	684	440	440
15.21 GEAR UP	3,500	3,500	3,500
15.22 UC Links	677	694	694
15.23 K-20 Intersegmental Alliances	2,331	1,395	1,395
15.24 Evaluation	1,301	1,180	1,180
15.25 Other Student Academic Preparation and Educational Partnership Programs	543	936	936
15.27 Other Public Service Programs (Subtotal):	169,042	187,827	191,827

\* Dollars in thousands, except in Salary Range.

## 6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
15.28 California Subject Matter Projects	5,163	5,000	5,000
15.30 New Teacher Centers	334	326	326
15.31 California State Summer School for Math and Science	1,167	2,108	2,108
15.32 Lawrence Hall of Science	1,645	1,332	1,332
15.33 EQUALS	189	208	208
15.33 EQUALS	404	346	346
15.34 Teratogen Registry	61,988	62,464	62,964
15.35 Cooperative Extension	4,785	4,785	4,785
15.36 C.R. Drew University of Medicine and Science	93,367	111,258	114,758
15.37 Other			
<b>PROGRAM REQUIREMENTS</b>			
<b>20.10 LIBRARIES ACADEMIC SUPPORT</b>			
<b>State Operations:</b>			
0001 General Fund	\$135,007	\$157,510	\$161,923
0992 Higher Education Fees and Income (UC General Funds)	26,574	28,982	28,876
0992 Higher Education Fees and Income (Student Fees)	24,932	26,888	26,888
9999 Restricted Fund Sources	56,362	64,778	68,278
<b>Totals, State Operations</b>	<b>\$242,875</b>	<b>\$278,158</b>	<b>\$285,965</b>
<b>ELEMENT REQUIREMENTS</b>			
20.11 Books and Binding	77,238	69,058	74,281
20.12 Acquisitions/Processing	67,571	87,471	88,631
20.13 Reference/Circulation	84,375	107,420	108,844
20.14 Automation	6,319	5,689	5,689
20.14 Automation	7,372	8,520	8,520
20.15 California Digital Library			
<b>PROGRAM REQUIREMENTS</b>			
<b>20.20 OTHER ACADEMIC SUPPORT</b>			
<b>State Operations:</b>			
0001 General Fund	\$163,183	\$163,720	\$164,508
0992 Higher Education Fees and Income (UC General Funds)	32,121	30,125	29,337
0992 Higher Education Fees and Income (Student Fees)	54,911	58,399	58,399
9999 Restricted Fund Sources	376,443	413,124	438,124
<b>Totals, State Operations</b>	<b>\$626,658</b>	<b>\$665,368</b>	<b>\$690,368</b>
<b>ELEMENT REQUIREMENTS</b>			
20.21 Museums and Galleries	20,059	21,298	22,098
20.24 Demonstration Schools	4,667	4,955	5,141
20.25 Vivaria and Other (includes Employee Benefits)	230,737	244,990	254,195
20.27 Dental Clinics	13,648	14,491	15,036
20.28 Optometry Clinics	6,945	7,374	7,651
20.29 Neuropsychiatric Institutes	74,679	79,292	82,271
20.30 Veterinary Medical Teaching Facility	34,285	36,403	37,771
20.31 Vivaria and Other (Health Sciences)	232,502	246,865	256,140
20.32 Occupational Health Centers	9,136	9,700	10,065
<b>PROGRAM REQUIREMENTS</b>			
<b>25 TEACHING HOSPITALS</b>			
<b>State Operations:</b>			
0001 General Fund	\$46,154	\$53,538	\$53,538
9999 Restricted Fund Sources	4,126,066	4,263,424	4,519,228
<b>Totals, State Operations</b>	<b>\$4,172,220</b>	<b>\$4,316,962</b>	<b>\$4,572,766</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>30 STUDENT SERVICES</b>			

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
<b>State Operations:</b>			
0992 Higher Education Fees and Income (Student Fees)	\$288,885	\$306,850	\$327,705
9999 Restricted Fund Sources	<u>177,226</u>	<u>183,347</u>	<u>189,347</u>
<b>Totals, State Operations</b>	<b>\$466,111</b>	<b>\$490,197</b>	<b>\$517,052</b>
<b>ELEMENT REQUIREMENTS</b>			
30.10 Social and Cultural Activities	186,594	171,935	180,918
30.20 Supplementary Educational Services	14,231	14,583	15,345
30.30 Counseling and Career Guidance	57,341	62,940	66,229
30.40 Financial Aid Administration	30,190	36,710	38,628
30.50 Student Admissions and Records	65,035	72,112	75,880
30.60 Student Health Services	112,720	131,917	140,052
<b>PROGRAM REQUIREMENTS</b>			
<b>35 INSTITUTIONAL SUPPORT</b>			
<b>State Operations:</b>			
0001 General Fund	\$328,361	\$308,716	\$310,202
0992 Higher Education Fees and Income (UC General Funds)	64,633	56,804	55,318
0992 Higher Education Fees and Income (Student Fees)	85,322	90,759	90,759
9999 Restricted Fund Sources	<u>253,407</u>	<u>195,142</u>	<u>210,024</u>
<b>Totals, State Operations</b>	<b>\$731,723</b>	<b>\$651,421</b>	<b>\$666,303</b>
<b>ELEMENT REQUIREMENTS</b>			
35.10 Executive Management	191,482	168,495	174,363
35.20 Fiscal Operations	135,428	128,419	123,320
35.30 General Administrative Services	178,534	158,915	162,572
35.40 Logistical Services	84,589	74,237	77,026
35.50 Community Relations	141,690	121,355	129,022
<b>PROGRAM REQUIREMENTS</b>			
<b>40 OPERATION AND MAINTENANCE OF PLANT</b>			
<b>State Operations:</b>			
0001 General Fund	\$298,146	\$377,991	\$402,031
0992 Higher Education Fees and Income (UC General Funds)	58,686	69,551	71,694
0992 Higher Education Fees and Income (Student Fees)	65,697	70,465	70,465
9999 Restricted Fund Sources	<u>41,890</u>	<u>44,513</u>	<u>49,513</u>
<b>Totals, State Operations</b>	<b>\$464,419</b>	<b>\$562,520</b>	<b>\$593,703</b>
<b>ELEMENT REQUIREMENTS</b>			
40.10 Plant Administration	20,944	22,500	26,710
40.20 Building Maintenance	131,359	149,068	166,350
40.30 Grounds Maintenance	20,668	28,126	26,710
40.40 Janitorial	63,722	92,816	86,064
40.50 Utilities Operation	26,472	33,751	33,239
40.60 Utilities Purchase	188,174	219,363	237,418
40.70 Refuse	8,863	10,688	11,277
40.80 Fire Departments	4,217	6,188	5,935
<b>PROGRAM REQUIREMENTS</b>			
<b>45 STUDENT FINANCIAL AID</b>			
<b>State Operations:</b>			
0001 General Fund	\$52,199	\$52,199	\$52,199
0992 Higher Education Fees and Income (UC General Funds)	8,140	8,140	8,140
0992 Higher Education Fees and Income (Student Fees)	378,995	422,119	488,224
9999 Restricted Fund Sources	<u>168,485</u>	<u>135,812</u>	<u>145,812</u>

\* Dollars in thousands, except in Salary Range.



6440 University of California - Continued

	<u>2006-07*</u>	<u>2007-08*</u>	<u>2008-09*</u>
Totals, State Operations	\$607,819	\$618,270	\$694,375
PROGRAM REQUIREMENTS			
50 AUXILIARY ENTERPRISES			
State Operations:			
9999 Restricted Fund Sources	<u>\$799,261</u>	<u>\$816,579</u>	<u>\$857,408</u>
Totals, State Operations	\$799,261	\$816,579	\$857,408
PROGRAM REQUIREMENTS			
55 PROVISIONS FOR ALLOCATION			
State Operations:			
0001 General Fund	\$164,324	\$64,627	\$74,765
0992 Higher Education Fees and Income (UC General Funds)	-	522	-
9999 Restricted Fund Sources	<u>1,496</u>	<u>21,623</u>	<u>26,427</u>
Totals, State Operations	\$165,820	\$86,772	\$101,192
PROGRAM REQUIREMENTS			
60 PROGRAM MAINTENANCE - FIXED COSTS, ECONOMIC FACTORS AND SALARY INCREASES			
State Operations:			
0001 General Fund	\$-	\$-	\$124,913
0992 Higher Education Fees and Income (UC General Funds)	-	-	20,000
0992 Higher Education Fees and Income (Student Fees)	<u>-</u>	<u>-</u>	<u>43,398</u>
Totals, State Operations	\$-	\$-	\$188,311
PROGRAM REQUIREMENTS			
65.10 SPECIAL REGENTS' PROGRAMS - OPPORTUNITY FUND PROGRAMS			
State Operations:			
9999 Restricted Fund Sources	<u>\$125,106</u>	<u>\$204,545</u>	<u>\$210,100</u>
Totals, State Operations	\$125,106	\$204,545	\$210,100
ELEMENT REQUIREMENTS			
65.11 Instruction	48,260	48,500	48,500
65.12 Research (the 2006-07 expenditures does not include the \$68.2 million capital related expenditures that principally related to research)	26,610	124,045	129,600
65.13 Institutional Support	40,811	24,500	24,500
65.14 Deferred Maintenance	3,105	3,000	3,000
65.15 Student Services/Student Academic Preparation and Educational Partnership Programs	6,320	4,500	4,500
PROGRAM REQUIREMENTS			
70.10 INSTRUCTION EXTRAMURAL PROGRAMS			
State Operations:			
9999 Restricted Fund Sources	<u>\$550,084</u>	<u>\$558,902</u>	<u>\$581,603</u>
Totals, State Operations	\$550,084	\$558,902	\$581,603
PROGRAM REQUIREMENTS			
70.20 RESEARCH EXTRAMURAL PROGRAMS			
State Operations:			
9999 Restricted Fund Sources	<u>\$2,709,316</u>	<u>\$2,771,274</u>	<u>\$2,864,003</u>
Totals, State Operations	\$2,709,316	\$2,771,274	\$2,864,003
PROGRAM REQUIREMENTS			
70.30 PUBLIC SERVICE EXTRAMURAL PROGRAMS			
State Operations:			

\* Dollars in thousands, except in Salary Range.

## 6440 University of California - Continued

	<u>2006-07*</u>	<u>2007-08*</u>	<u>2008-09*</u>
9999 Restricted Fund Sources	\$219,784	\$223,081	\$232,004
Totals, State Operations	\$219,784	\$223,081	\$232,004
PROGRAM REQUIREMENTS			
70.40 ACADEMIC SUPPORT EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$249,847</u>	<u>\$253,595</u>	<u>\$263,739</u>
9999 Restricted Fund Sources	\$249,847	\$253,595	\$263,739
Totals, State Operations			
PROGRAM REQUIREMENTS			
70.50 TEACHING HOSPITALS EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$14,404</u>	<u>\$14,548</u>	<u>\$14,984</u>
9999 Restricted Fund Sources	\$14,404	\$14,548	\$14,984
Totals, State Operations			
PROGRAM REQUIREMENTS			
70.60 STUDENT SERVICES EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$36,766</u>	<u>\$37,134</u>	<u>\$38,248</u>
9999 Restricted Fund Sources	\$36,766	\$37,134	\$38,248
Totals, State Operations			
PROGRAM REQUIREMENTS			
70.70 INSTITUTIONAL SUPPORT EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$89,363</u>	<u>\$89,363</u>	<u>\$92,296</u>
9999 Restricted Fund Sources	\$89,363	\$89,363	\$92,296
Totals, State Operations			
PROGRAM REQUIREMENTS			
70.80 OPERATION AND MAINTENANCE OF PLANT EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$9,150</u>	<u>\$9,242</u>	<u>\$9,519</u>
9999 Restricted Fund Sources	\$9,150	\$9,242	\$9,519
Totals, State Operations			
PROGRAM REQUIREMENTS			
70.90 STUDENT FINANCIAL AID EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$380,705</u>	<u>\$386,416</u>	<u>\$401,873</u>
9999 Restricted Fund Sources	\$380,705	\$386,416	\$401,873
Totals, State Operations			
PROGRAM REQUIREMENTS			
70.95 AUXILIARY ENTERPRISES EXTRAMURAL PROGRAMS			
State Operations:			
	<u>\$16,381</u>	<u>\$16,381</u>	<u>\$16,872</u>
9999 Restricted Fund Sources	\$16,381	\$16,381	\$16,872
Totals, State Operations			
PROGRAM REQUIREMENTS			
80 MAJOR DEPARTMENT OF ENERGY LABORATORIES			
State Operations:			
	<u>\$2,169,750</u>	<u>\$653,638</u>	<u>\$653,638</u>
9999 Restricted Fund Sources	\$2,169,750	\$653,638	\$653,638
Totals, State Operations			
TOTALS, EXPENDITURES			
0001 General Fund	3,069,339	3,260,748	3,494,102

\* Dollars in thousands, except in Salary Range.



6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
0992 Higher Education Fees and Income (UC General Funds)	560,594	577,299	596,777
0007 Breast Cancer Research Account	12,776	12,776	12,776
0046 Public Transportation Account, State Transportation Fund	980	980	5,980
0234 Research Account, Cigarette and Tobacco Products Surtax Fund	14,553	16,553	14,553
0308 Earthquake Risk Reduction Fund of 1996	1,000	1,000	1,000
0321 Oil Spill Response Trust Fund	1,300	1,300	1,300
0814 California State Lottery Education Fund	31,370	30,143	30,143
0890 California State Lottery Education Fund	3,500	3,500	3,500
0890 Federal Trust Fund (GEAR-UP)	16,191	17,000	17,000
0895 Federal Funds - Not In State Treasury	473	778	778
0945 California Breast Cancer Research Fund	1,453,815	1,574,221	1,734,566
0992 Higher Education Fees and Income (Student Fees)	7,256,294	7,551,143	7,942,775
0993 University Funds--Unclassified	1,496	4,820	9,624
0995 Reimbursements	235	3,317	1,908
3054 Health Care Benefit Fund	2,238,160	2,300,605	2,358,120
7895 Extramural Federal Funds - Not In State Treasury	2,169,750	653,638	653,638
7895 Extramural Federal Funds (Department of Energy)	263,837	263,837	271,752
9993 Extramural Nonfederal Unclassified Funds (State Agency Agreements)	1,153,233	1,169,895	1,228,390
9993 Extramural Nonfederal Unclassified Funds (Private Gifts, Contracts, and Grants)	620,570	625,599	656,879
9993 Extramural Nonfederal Unclassified Funds (Other University Funds)			
<b>Totals, Expenditures</b>	<b>\$18,869,466</b>	<b>\$18,069,152</b>	<b>\$19,035,561</b>

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	86,299.5	88,960.4	88,960.4	\$5,350,040	\$5,563,730	\$5,563,730
Total Adjustments	-	-	711.9	-	-	146,245
Estimated Salary Savings	-	-3,000.0	-3,000.0	-	-187,626	-187,626
<b>Net Totals, Salaries and Wages</b>	<b>86,299.5</b>	<b>85,960.4</b>	<b>86,672.3</b>	<b>\$5,350,040</b>	<b>\$5,376,104</b>	<b>\$5,522,349</b>
Staff Benefits	-	-	-	1,102,108	1,107,477	1,137,604
<b>Totals, Personal Services</b>	<b>86,299.5</b>	<b>85,960.4</b>	<b>86,672.3</b>	<b>\$6,452,148</b>	<b>\$6,483,581</b>	<b>\$6,659,953</b>
OPERATING EXPENSES AND EQUIPMENT				\$5,971,768	\$6,571,997	\$7,206,829
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$12,423,916</b>	<b>\$13,055,578</b>	<b>\$13,866,782</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

	2006-07*	2007-08*	2008-09*
1 STATE OPERATIONS			
0001 General Fund			
APPROPRIATIONS	\$2,834,604	\$-	\$-
001 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006	6	-	-
Adjustment per Section 3.60	-	3,016,059	3,239,274
001 Budget Act appropriation			

\* Dollars in thousands, except in Salary Range.



6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
Adjustment per Section 3.60	(55,000)	(55,000)	(55,000)
002 Budget Act appropriation (cash available in subsequent years)	158,327	174,108	175,078
003 Budget Act appropriation	1,297	-13,168	-
Adjustment per Section 4.30 (Lease-Revenue)	24,000	24,000	20,000
004 Budget Act appropriation	4,750	4,750	4,750
005 Budget Act appropriation	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>
Payment of prior year claims per Provision 1	\$3,077,984	\$3,260,748	\$3,494,102
<b>Totals Available</b>	<u>-8,645</u>	<u>-</u>	<u>-</u>
Unexpended balance, estimated savings	\$3,069,339	\$3,260,748	\$3,494,102
<b>TOTALS, EXPENDITURES</b>			
<b>0007 Breast Cancer Research Account</b>			
APPROPRIATIONS	<u>\$12,776</u>	<u>\$12,776</u>	<u>\$12,776</u>
001 Budget Act appropriation	\$12,776	\$12,776	\$12,776
<b>TOTALS, EXPENDITURES</b>			
<b>0042 State Highway Account, State Transportation Fund</b>			
APPROPRIATIONS	<u>(\$1,000)</u>	<u>(\$1,000)</u>	<u>(\$1,000)</u>
011 Budget Act appropriation (transfer to Earthquake Risk Reduction Fund of 1996)	\$-	\$-	\$-
<b>TOTALS, EXPENDITURES</b>			
<b>0046 Public Transportation Account, State Transportation Fund</b>			
APPROPRIATIONS	<u>\$980</u>	<u>\$980</u>	<u>\$5,980</u>
001 Budget Act appropriation	\$980	\$980	\$5,980
<b>TOTALS, EXPENDITURES</b>			
<b>0234 Research Account, Cigarette and Tobacco Products Surtax Fund</b>			
APPROPRIATIONS	<u>\$14,553</u>	<u>\$16,553</u>	<u>\$14,553</u>
001 Budget Act appropriation	\$14,553	\$16,553	\$14,553
<b>TOTALS, EXPENDITURES</b>			
<b>0308 Earthquake Risk Reduction Fund of 1996</b>			
APPROPRIATIONS	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>
001 Budget Act appropriation	\$1,500	\$1,500	\$1,500
<b>TOTALS, EXPENDITURES</b>	<u>-500</u>	<u>-500</u>	<u>-500</u>
Less funding provided by the General Fund	\$1,000	\$1,000	\$1,000
<b>NET TOTALS, EXPENDITURES</b>			
<b>0321 Oil Spill Response Trust Fund</b>			
APPROPRIATIONS	<u>\$1,300</u>	<u>\$1,300</u>	<u>\$1,300</u>
001 Budget Act appropriation	\$1,300	\$1,300	\$1,300
<b>TOTALS, EXPENDITURES</b>			
<b>0814 California State Lottery Education Fund</b>			
APPROPRIATIONS	<u>\$31,370</u>	<u>\$30,143</u>	<u>\$30,143</u>
Government Code Section 8880.5	\$31,370	\$30,143	\$30,143
<b>TOTALS, EXPENDITURES</b>			
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$3,500	\$3,500	\$3,500
001 Budget Act appropriation	\$3,500	\$3,500	\$3,500
<b>TOTALS, EXPENDITURES</b>			
<b>0895 Federal Funds - Not In State Treasury</b>			
APPROPRIATIONS	<u>\$16,191</u>	<u>\$17,000</u>	<u>\$17,000</u>
United States appropriations	\$16,191	\$17,000	\$17,000
<b>TOTALS, EXPENDITURES</b>			
<b>0945 California Breast Cancer Research Fund</b>			
APPROPRIATIONS			

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
001 Budget Act appropriation	\$473	\$778	\$778
<b>TOTALS, EXPENDITURES</b>	\$473	\$778	\$778
<b>0992 Higher Education Fees and Income</b>			
APPROPRIATIONS	\$1,453,815	\$1,574,221	\$1,734,566
Student fee revenue	560,594	577,299	596,777
General Fund income	\$2,014,409	\$2,151,520	\$2,331,343
<b>TOTALS, EXPENDITURES</b>			
<b>0993 University Funds--Unclassified</b>			
APPROPRIATIONS	\$7,256,294	\$7,551,143	\$7,942,775
Current revenues--budgeted funds	\$7,256,294	\$7,551,143	\$7,942,775
<b>TOTALS, EXPENDITURES</b>			
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$1,496	\$4,820	\$9,624
Reimbursements			
<b>3054 Health Care Benefits Fund</b>			
APPROPRIATIONS	\$235	\$3,883	\$1,908
001 Budget Act appropriation	\$235	\$3,883	\$1,908
<b>Totals Available</b>	-	-566	-
Unexpended balance, estimated savings	\$235	\$3,317	\$1,908
<b>TOTALS, EXPENDITURES</b>			
<b>7895 Extramural Federal Funds - Not in State Treasury</b>			
APPROPRIATIONS	\$2,238,160	\$2,300,605	\$2,358,120
Federal contracts and grants	(294,427)	(302,671)	(310,238)
Student financial aid	2,169,750	653,638	653,638
Major Department of Energy-supported laboratories	\$4,407,910	\$2,954,243	\$3,011,758
<b>TOTALS, EXPENDITURES</b>			
<b>9993 Extramural Nonfederal Unclassified Funds</b>			
APPROPRIATIONS	\$263,837	\$263,837	\$271,752
State of California (State agency agreements)	1,153,233	1,169,895	1,228,390
Private gifts, contracts and grants	620,570	625,599	656,879
Other university funds	\$2,037,640	\$2,059,331	\$2,157,021
<b>TOTALS, EXPENDITURES</b>	\$18,869,466	\$18,069,152	\$19,035,561

**FUND CONDITION STATEMENTS**

	2006-07*	2007-08*	2008-09*
<b>0308 Earthquake Risk Reduction Fund of 1996<sup>5</sup></b>			
BEGINNING BALANCE			
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
FO0042 From State Highway Account, State Transportation Fund per Item 6440-011-	\$1,000	\$1,000	\$1,000
0042, Budget Acts of 2006, 2007, and 2008	\$1,000	\$1,000	\$1,000
Total Revenues, Transfers, and Other Adjustments	\$1,000	\$1,000	\$1,000
Total Resources			
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	1,500	1,500	1,500
6440 University of California (State Operations)			
Expenditure Adjustments:			
6440 University of California	-500	-500	-500
Less funding provided by the General Fund (State Operations)			

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
	\$1,000	\$1,000	\$1,000
Total Expenditures and Expenditure Adjustments	-	-	-
FUND BALANCE			
0945 California Breast Cancer Research Fund <sup>N</sup>			
BEGINNING BALANCE	\$277	\$483	\$272
Prior year adjustments	112	-	-
Adjusted Beginning Balance	\$389	\$483	\$272
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:	574	574	574
216000 Fees and Licenses	\$574	\$574	\$574
Total Revenues, Transfers, and Other Adjustments	\$963	\$1,057	\$846
Total Resources			
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	7	7	7
1730 Franchise Tax Board (State Operations)	473	778	778
6440 University of California (State Operations)	\$480	\$785	\$785
Total Expenditures and Expenditure Adjustments	\$483	\$272	\$61
FUND BALANCE			
3054 Health Care Benefits Fund <sup>O</sup>			
BEGINNING BALANCE	\$196	\$1,625	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:	1,664	1,692	\$1,908
125700 Other Regulatory Licenses and Permits	\$1,664	\$1,692	\$1,908
Total Revenues, Transfers, and Other Adjustments	\$1,860	\$3,317	\$1,908
Total Resources			
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:	235	3,317	1,908
6440 University of California (State Operations)	\$235	\$3,317	\$1,908
Total Expenditures and Expenditure Adjustments	\$1,625	-	-
FUND BALANCE	1,625	-	-
Reserve for economic uncertainties			

INFRASTRUCTURE OVERVIEW

The University of California (UC) system comprises 10 campuses, which are located in Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, San Francisco, Santa Barbara, and Santa Cruz, that operate 150 institutes, centers, bureaus, and research laboratories throughout the state serving more than 216,000 students. All of the campuses offer undergraduate, graduate, and professional education with one, San Francisco, devoted exclusively to the health sciences. In addition, the University operates teaching hospitals and clinics in five counties. The UC system has more than 5,500 buildings with 116 million gross square feet on approximately 30,000 acres.

MAJOR PROJECT CHANGES

- The Governor's Budget proposes \$336.4 million from the 2008 University Capital Outlay Bond Fund for 24 projects for the construction and renovation of buildings. These buildings are needed for critical infrastructure deficiencies to meet enrollment and facility renewal needs at UC campuses.

SUMMARY OF PROJECTS

	2006-07*	2007-08*	2008-09*
State Building Program Expenditures			
99 CAPITAL OUTLAY			
Major Projects	\$185,215	\$-	\$-
99.00 UNIVERSITY-WIDE			
99.00.000 Nonstate Funded Projects	179,844 <sup>PWCEh</sup>	-	-
99.00.065 Teaching Hospital Infrastructure	5,371 <sup>PWCh</sup>	-	-

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
<b>99.01</b>	<b>BERKELEY CAMPUS</b>	<b>\$408,011</b>	<b>\$185,770</b>	<b>\$110,732</b>
99.01.000	Nonstate Funded Projects	358,226 <sup>PWCEn</sup>	-	-
99.01.240	Doe Library Seismic Corrections, Step 4	49,435 <sup>Cbn</sup>	-	-
99.01.245	Campbell Hall Seismic Replacement Building	-	6,400 <sup>PWb</sup>	58,032 <sup>Cb</sup>
99.01.250	Birge Hall Infrastructure Improvements	350 <sup>Pb</sup>	10,000 <sup>PWcb</sup>	-
99.01.260	Helios Energy Research Facility	-	159,400 <sup>PWCEb</sup>	-
99.01.265	Durant Hall Renovation	-	9,970 <sup>PWcb</sup>	-
99.01.270	Biomedical and Health Sciences Building, Step 2	-	-	52,700 <sup>PWcb</sup>
<b>99.02</b>	<b>SAN FRANCISCO CAMPUS</b>	<b>\$150,911</b>	<b>\$6,792</b>	<b>\$42,229</b>
99.02.000	Nonstate Funded Projects	118,241 <sup>PWCEn</sup>	-	-
99.02.145	Medical Sciences Building Improvements, Phase 2	32,145 <sup>Cbn</sup>	-	-
99.02.150	Electrical Distribution Improvements, Phase 2	525 <sup>Pb</sup>	892 <sup>Wb</sup>	13,129 <sup>Cb</sup>
99.02.155	Telemedicine and PRIME (Programs in Medical Education)-Urban Underserved Education Facility	-	5,900 <sup>PWEb</sup>	29,100 <sup>CEbn</sup>
<b>99.03</b>	<b>DAVIS CAMPUS</b>	<b>\$401,718</b>	<b>\$131,993</b>	<b>\$87,804</b>
99.03.000	Nonstate Funded Projects	348,130 <sup>PWCEn</sup>	-	-
99.03.305	Robert Mondavi Institute for Wine and Food Science	35,309 <sup>Cb</sup>	-	-
99.03.310	Seismic Corrections, Phase 4	7,385 <sup>Cb</sup>	-	-
99.03.315	Electrical Improvements, Phase 3	550 <sup>Wb</sup>	11,166 <sup>WCbn</sup>	-
99.03.325	Physical Sciences Expansion	-	44,953 <sup>WCbn</sup>	-
99.03.330	Campus Wastewater Treatment Plant Expansion, Phase 1	5,819 <sup>WCbn</sup>	-	-
99.03.345	Steam Expansion, Phase 1	-	11,364 <sup>WCbn</sup>	-
99.03.350	Veterinary Medicine 3B	3,100 <sup>Pb</sup>	4,751 <sup>Wb</sup>	84,380 <sup>Cbn</sup>
99.03.355	King Hall Renovation and Expansion	1,425 <sup>PWb</sup>	20,424 <sup>Cbn</sup>	-
99.03.360	Electrical Improvements, Phase 4	-	4,335 <sup>PWcb</sup>	-
99.03.365	Telemedicine Resource Center and Rural PRIME (Programs in Medical Education) Facility	-	35,000 <sup>PWcb</sup>	-
99.03.370	Chilled Water System Improvements, Phase 7	-	-	1,638 <sup>PWb</sup>
99.03.375	Music Instruction and Recital Building	-	-	1,786 <sup>PWbn</sup>
<b>99.04</b>	<b>LOS ANGELES CAMPUS</b>	<b>\$520,698</b>	<b>\$26,822</b>	<b>\$67,127</b>
99.04.000	Nonstate Funded Projects	434,820 <sup>PWCEn</sup>	-	-
99.04.200	FEMA Expenditures (Chapter 15/94) for Northridge Earthquake Damage	-	248 <sup>PWcb</sup>	-
99.04.265	Life Sciences Replacement Building	85,878 <sup>WCEb</sup>	-	-
99.04.270	Telemedicine and PRIME (Programs in Medical Education) Facilities, Phase 1	-	19,700 <sup>Eb</sup>	-
99.04.275	Electrical Distribution System Expansion, Step 6C	-	281 <sup>Pn</sup>	9,969 <sup>Wb</sup>
99.04.280	School of Medicine High-Rise Fire Safety, Phase 1	-	358 <sup>Pn</sup>	13,408 <sup>Wb</sup>
99.04.285	Hershey Hall Seismic Renovation	-	1,000 <sup>Pn</sup>	23,100 <sup>Wcb</sup>
99.04.325	Center for Health Sciences South Tower Seismic Renovation	-	5,235 <sup>Pn</sup>	20,650 <sup>Wcb</sup>
<b>99.05</b>	<b>RIVERSIDE CAMPUS</b>	<b>\$92,380</b>	<b>\$127,908</b>	<b>\$26,155</b>
99.05.000	Nonstate Funded Projects	25,448 <sup>PWCEn</sup>	-	-
99.05.170	East Campus Infrastructure Improvements	-	11,702 <sup>PWcbn</sup>	-
99.05.175	College of Humanities and Social Sciences Instruction and Research Facility	-	940 <sup>Eb</sup>	-
99.05.180	Psychology Building	-	1,612 <sup>Eb</sup>	-
99.05.190	Materials Science and Engineering Building	2,149 <sup>Wb</sup>	55,300 <sup>Cbn</sup>	4,620 <sup>Eb</sup>
99.05.195	Genomics Building	47,564 <sup>Cn</sup>	2,670 <sup>En</sup>	-

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
99.05.200	Environmental Health and Safety Expansion	400 <sup>Pb</sup>	-	17,701 <sup>WCbn</sup>
99.05.205	Student Academic Support Services Building	14,739 <sup>Cb</sup>	3,296 <sup>Cb</sup>	910 <sup>Eb</sup>
99.05.210	Culver Center for the Arts	650 <sup>Wbn</sup>	11,715 <sup>WCbn</sup>	-
99.05.215	Geology Building Renovations, Phase 2	530 <sup>Pb</sup>	8,495 <sup>PWcb</sup>	-
99.05.220	Boyce Hall and Webber Hall Renovations	900 <sup>Pb</sup>	31,776 <sup>Wcb</sup>	-
99.05.230	Batchelor Hall Building Systems Renewal	-	402 <sup>Pb</sup>	716 <sup>Wb</sup>
99.05.235	Engineering Building Unit 3	-	-	2,208 <sup>Pb</sup>
<b>99.06</b>	<b>SAN DIEGO CAMPUS</b>	<b>\$270,998</b>	<b>\$190,650</b>	<b>\$50,230</b>
99.06.000	Nonstate Funded Projects	227,733 <sup>PWCEn</sup>	-	-
99.06.215	UCSD Medical Center SB 1953 Hospital Seismic Upgrade Program	-	40,000 <sup>PWcn</sup>	-
99.06.355	Mayer Hall Addition and Renovation	-	13,126 <sup>Cb</sup>	-
99.06.370	Music Building	39,701 <sup>Cb</sup>	2,204 <sup>Eb</sup>	-
99.06.375	Structural and Materials Engineering Building	3,378 <sup>Pb</sup>	71,679 <sup>Wcb</sup>	-
99.06.385	Chilled Water and Electrical Distribution Improvements	186 <sup>Wb</sup>	2,971 <sup>Wcb</sup>	-
99.06.390	Management School Facility, Phase 2	-	2,000 <sup>Pbn</sup>	43,179 <sup>WCbn</sup>
99.06.395	Telemedicine and PRIME (Programs in Medical Education)-Health Equity Education Facility	-	58,670 <sup>n</sup>	-
99.06.400	Biological and Physical Sciences Building	-	-	6,860 <sup>PWb</sup>
99.06.405	Campus Storm Water Management, Phase 2	-	-	191 <sup>Pb</sup>
<b>99.07</b>	<b>SANTA CRUZ CAMPUS</b>	<b>\$77,986</b>	<b>\$141,166</b>	<b>\$7,930</b>
99.07.000	Nonstate Funded Projects	34,305 <sup>PWCEn</sup>	-	-
99.07.165	McHenry Project	35,566 <sup>Wcb</sup>	43,221 <sup>CEb</sup>	-
99.07.175	Digital Arts Facility	888 <sup>Wb</sup>	20,795 <sup>CEb</sup>	-
99.07.180	Infrastructure Improvements, Phase 1	370 <sup>Wb</sup>	7,463 <sup>Wcb</sup>	-
99.07.185	Infrastructure Improvements, Phase 2	367 <sup>Pb</sup>	317 <sup>Wb</sup>	6,731 <sup>Cb</sup>
99.07.190	Biomedical Sciences Facility	6,490 <sup>PWb</sup>	69,370 <sup>Cb</sup>	-
99.07.195	Alterations for Physical, Biological, and Social Sciences	-	-	1,199 <sup>PWb</sup>
<b>99.08</b>	<b>SANTA BARBARA CAMPUS</b>	<b>\$127,380</b>	<b>\$18,352</b>	<b>\$32,518</b>
99.08.000	Nonstate Funded Projects	21,269 <sup>PWCEn</sup>	-	-
99.08.130	Education and Social Sciences Building	93,645 <sup>Cbn</sup>	-	2,822 <sup>Ebn</sup>
99.08.135	Arts Building Seismic Correction and Renewal	865 <sup>Pb</sup>	990 <sup>Wb</sup>	21,406 <sup>Cb</sup>
99.08.140	Electrical Infrastructure Renewal, Phase 2	8,695 <sup>Cbn</sup>	-	-
99.08.145	Davidson Library Addition and Renovation	1,250 <sup>Pb</sup>	1,055 <sup>Wb</sup>	-
99.08.150	Phelps Hall Renovation	550 <sup>Pb</sup>	550 <sup>Wb</sup>	-
99.08.155	Infrastructure Renewal, Phase 1	740 <sup>Pbn</sup>	382 <sup>Wbn</sup>	7,760 <sup>Cbn</sup>
99.08.160	Engineering II Life Safety Improvements and Addition	366 <sup>Pn</sup>	15,375 <sup>WCbn</sup>	-
99.08.165	Infrastructure Renewal, Phase 2	-	-	530 <sup>Pbn</sup>
<b>99.09</b>	<b>IRVINE CAMPUS</b>	<b>\$156,702</b>	<b>\$122,568</b>	<b>\$5,710</b>
99.09.000	Nonstate Funded Projects	47,988 <sup>PWCEn</sup>	-	-
99.09.345	Biological Sciences Unit 3	6,536 <sup>Ebn</sup>	-	-
99.09.350	Engineering Unit 3	47,347 <sup>Cb</sup>	6,584 <sup>Ebn</sup>	-
99.09.355	Social and Behavioral Sciences Building	52,982 <sup>WCbn</sup>	-	5,710 <sup>Ebn</sup>
99.09.360	Primary Electrical Improvements, Step 3	100 <sup>Vb</sup>	2,471 <sup>Vb</sup>	-
99.09.365	Humanities Building	1,749 <sup>Vb</sup>	23,977 <sup>Bb</sup>	-
99.09.370	Arts Building	-	39,855 <sup>PWcb</sup>	-
99.09.375	Steinhaus Hall Seismic Improvements	-	9,681 <sup>PWcb</sup>	-
99.09.380	Telemedicine and PRIME (Programs in Medical Education)-Latino Community Facilities	-	40,000 <sup>n</sup>	-

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
<b>99.10</b>	<b>AGRICULTURE AND NATURAL RESOURCES</b>	\$80	\$3,606	\$-
99.10.055	Lincove Research and Extension Center Laboratory Facility	60 <sup>Pb</sup>	920 <sup>Wcb</sup>	-
99.10.060	Kearney Research and Extension Center Pressure Irrigation System	20 <sup>Pb</sup>	978 <sup>PWcb</sup>	-
99.10.065	Hopland Research and Extension Center Field Laboratory and Multipurpose Facility	-	1,708 <sup>PWcb</sup>	-
<b>99.11</b>	<b>MERCED CAMPUS</b>	\$19,458	\$63,579	\$2,755
99.11.000	Nonstate Funded Projects	16,791 <sup>PWCEa</sup>	-	-
99.11.020	Science and Engineering Building	-	12,298 <sup>EB</sup>	-
99.11.035	Logistical Support/Service Facilities	-	8,326 <sup>CEB</sup>	-
99.11.045	Social Sciences and Management Building	2,667 <sup>PWb</sup>	42,955 <sup>Cb</sup>	-
99.11.050	Science and Engineering Building 2	-	-	2,380 <sup>Pbn</sup>
99.11.055	Site Development and Infrastructure, Phase 4	-	-	375 <sup>PWb</sup>
<b>99.12</b>	<b>DREW UNIVERSITY</b>	\$-	\$10,000	\$-
99.12.005	Drew University of Medicine and Science: Life Sciences Research and Nursing Education Building	-	10,000 <sup>PWcb</sup>	-
<b>Totals, Major Projects</b>		<b>\$2,411,537</b>	<b>\$1,029,206</b>	<b>\$433,190</b>
<b>TOTALS, EXPENDITURES, ALL PROJECTS</b>		<b>\$2,411,537</b>	<b>\$1,029,206</b>	<b>\$433,190</b>

	2006-07*	2007-08*	2008-09*
<b>FUNDING</b>	\$5,371	\$-	\$-
0001 General Fund	9,000	-	-
0574 1998 Higher Education Capital Outlay Bond Fund	47,564	124,968	-
0660 Public Buildings Construction Fund	-	133	4,500
0705 Higher Education Capital Outlay Bond Fund of 1992	-	115	1,570
0791 June 1990 Higher Education Capital Outlay Bond Fund	1,874,978	161,951	45,027
0994 Other Unclassified Funds	5,802	-	-
6028 2002 Higher Education Capital Outlay Bond Fund	299,589	120,852	-
6041 2004 Higher Education Capital Outlay Bond Fund	169,233	621,187	45,719
6048 2006 University Capital Outlay Bond Fund	-	-	336,374
6074 2008 University Capital Outlay Bond Fund	-	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$2,411,537</b>	<b>\$1,029,206</b>	<b>\$433,190</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY		2006-07*	2007-08*	2008-09*
<b>0001 General Fund</b>				
<b>APPROPRIATIONS</b>				
Prior year balances available:		\$5,371	\$-	\$-
Item 6440-301-0001, Budget Act of 2000, as partially reverted by Item 6440-495, Budget Act of 2003		\$5,371	\$-	\$-
<b>TOTALS, EXPENDITURES</b>				
<b>0574 1998 Higher Education Capital Outlay Bond Fund</b>				
<b>APPROPRIATIONS</b>				
Prior year balances available:		\$9,000	\$-	\$-
Item 6440-302-0574, Budget Act of 2005 as reappropriated by Item 6440-491, Budget Act of 2006		\$9,000	\$-	\$-
<b>TOTALS, EXPENDITURES</b>				
<b>0660 Public Buildings Construction Fund</b>				
<b>APPROPRIATIONS</b>				
301 Budget Act appropriation		\$-	\$70,000	\$-
Prior year balances available:				

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
Item 6440-301-0660, Budget Act of 2001, as reappropriated by Item 6440-491, Budget Acts of 2002, 2003, and 2007	-	12,298	-
Item 6440-301-0660, Budget Act of 2004, as reappropriated by Item 6440-491, Budget Act of 2007	51,434	2,670	-
Reversion per Government Code Sections 16351, 16351.5 and 16408	-1,200	-	-
Government Code Section 15820.84	40,000	40,000	-
<b>Totals Available</b>	<b>\$90,234</b>	<b>\$124,968</b>	<b>\$-</b>
Balance available in subsequent years	-42,670	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$47,564</b>	<b>\$124,968</b>	<b>\$-</b>
<b>0705 Higher Education Capital Outlay Bond Fund of 1992</b>			
APPROPRIATIONS	\$-	\$-	\$3,900
301 Budget Act appropriation	-	-	600
302 Budget Act appropriation	-	-	-
Prior year balances available:	133	133	-
Education Code Section 67359.20	\$133	\$133	\$4,500
<b>Totals Available</b>	<b>-133</b>	<b>-</b>	<b>-</b>
Balance available in subsequent years	\$-	\$133	\$4,500
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$133</b>	<b>\$4,500</b>
<b>0791 June 1990 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS	\$-	\$-	\$1,570
301 Budget Act appropriation	-	-	-
Prior year balances available:	115	115	-
Education Code Section 67359.20	\$115	\$115	\$1,570
<b>Totals Available</b>	<b>-115</b>	<b>-</b>	<b>-</b>
Balance available in subsequent years	\$-	\$115	\$1,570
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$115</b>	<b>\$1,570</b>
<b>0994 Other Unclassified Funds</b>			
APPROPRIATIONS	\$1,874,978	\$161,951	\$45,027
Nonstate funds	\$1,874,978	\$161,951	\$45,027
<b>TOTALS, EXPENDITURES</b>	<b>\$1,874,978</b>	<b>\$161,951</b>	<b>\$45,027</b>
<b>6028 2002 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS			
Prior year balances available:	\$5,802	\$-	\$-
Item 6440-302-6028, Budget Act of 2005 as reappropriated by Item 6440-491, Budget Act of 2006	5,802	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$5,802</b>	<b>\$-</b>	<b>\$-</b>
<b>6041 2004 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS	\$65,025	\$-	\$-
301 Budget Act appropriation	-	-	-
Prior year balances available:	50,349	8,326	-
Item 6440-301-6041, Budget Act of 2004 as reappropriated by Item 6440-491, Budget Act of 2005	671	-	-
Augmentation per Government Code Sections 16352, 16409 and 16354	102,605	-	-
Item 6440-301-6041, Budget Act of 2005, as reappropriated by Item 6440-491, Budget Act of 2006	3,576	-	-
Augmentation per Government Code Sections 16352, 16409 and 16354	3,113	-	-
Item 6440-302-6041, Budget Act of 2004	195,702	112,526	-
Item 6440-302-6041, Budget Act of 2005 as reappropriated by Item 6440-491, Budget Act of 2006	421,041	120,852	-
<b>Totals Available</b>	<b>-600</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	-	-	-

\* Dollars in thousands, except in Salary Range.

6440 University of California - Continued

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
Balance available in subsequent years	-120,852	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$299,589</b>	<b>\$120,852</b>	<b>\$-</b>
6048 2006 University Capital Outlay Bond Fund			
APPROPRIATIONS	\$160,290	\$215,781	\$-
301 Budget Act appropriation	179,665	94,084	16,619
302 Budget Act appropriation	-	60,600	29,100
304 Budget Act appropriation	-	80,000	-
305 Budget Act appropriation	-	-	-
Prior year balances available:		79,570	-
Item 6440-301-6048, Budget Act of 2006, as reappropriated by Item 6440-491, Budget Act of 2007	-	91,152	-
Item 6440-302-6048, Budget Act of 2006	\$339,955	\$621,187	\$45,719
<b>Totals Available</b>	<b>-170,722</b>	<b>-</b>	<b>-</b>
Balance available in subsequent years	\$169,233	\$621,187	\$45,719
<b>TOTALS, EXPENDITURES</b>			
6074 2008 University Capital Outlay Bond Fund			
APPROPRIATIONS	\$-	\$-	\$284,274
301 Budget Act appropriation	-	-	52,100
302 Budget Act appropriation	\$-	\$-	\$336,374
<b>TOTALS, EXPENDITURES</b>	<b>\$2,411,537</b>	<b>\$1,029,206</b>	<b>\$433,190</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)</b>			

6445 California Institute for Regenerative Medicine

Proposition 71, the California Stem Cell Research and Cures Act, was approved by California voters on November 2, 2004, providing \$3 billion in funding for stem cell research at California universities and research institutions, and calling for the establishment of a new state agency to make grants and provide loans for stem cell research, research facilities, and other vital research opportunities. The California Institute for Regenerative Medicine (Institute) was established in early 2005.

The Independent Citizens Oversight Committee (ICOC) is the 29-member governing board for the Institute. The ICOC members are public officials, appointed on the basis of their experience earned in California's leading public universities, non-profit academic and research institutions, patient advocacy groups, and the biotechnology industry.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 California Institute for Regenerative Medicine	23.2	34.8	37.9	\$13,812	\$113,893	\$176,854
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>23.2</b>	<b>34.8</b>	<b>37.9</b>	<b>\$13,812</b>	<b>\$113,893</b>	<b>\$176,854</b>
<b>FUNDING</b>						
6047 California Stem Cell Research and Cures Fund				\$13,812	\$113,893	\$176,854
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$13,812</b>	<b>\$113,893</b>	<b>\$176,854</b>

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

California Constitution, Article XXXV; Health and Safety Code, Section 125290.10 et seq.

MAJOR PROGRAM CHANGES

- With the resolution of the litigation preventing the General Obligation Bond sale, and in accordance with the California Stem Cell Research and Cures Bond Act of 2004, the state has issued \$250 million in stem cell bonds, the net proceeds of which will support stem cell research and operating costs.

\* Dollars in thousands, except in Salary Range.

6445 California Institute for Regenerative Medicine - Continued

DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Repayment of Bond Anticipation Notes	\$-	\$45,000	-	\$-	\$-	-
• Stem Cell State Operations Funding	-	-23,374	-	-	-20,413	-
• Stem Cell Local Assistance Grants	-	-740,000	-	-	-635,000	-
<b>Totals, Baseline Adjustments</b>	<b>\$-</b>	<b>-\$718,374</b>	<b>-</b>	<b>\$-</b>	<b>-\$655,413</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$-</b>	<b>-\$718,374</b>	<b>-</b>	<b>\$-</b>	<b>-\$655,413</b>	<b>-</b>

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE</b>			
	<b>State Operations:</b>			
6047	California Stem Cell Research and Cures Fund	\$13,811	\$8,893	\$11,854
	<b>Totals, State Operations</b>	<b>\$13,811</b>	<b>\$8,893</b>	<b>\$11,854</b>
	<b>Local Assistance:</b>			
6047	California Stem Cell Research and Cures Fund	\$1	\$105,000	\$165,000
	<b>Totals, Local Assistance</b>	<b>\$1</b>	<b>\$105,000</b>	<b>\$165,000</b>
	<b>TOTALS, EXPENDITURES</b>			
	State Operations	13,811	8,893	11,854
	Local Assistance	1	105,000	165,000
	<b>Totals, Expenditures</b>	<b>\$13,812</b>	<b>\$113,893</b>	<b>\$176,854</b>

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	23.2	30.0	30.0	\$2,964	\$3,980	\$3,971
Total Adjustments	-	6.7	10.0	-	566	897
Estimated Salary Savings	-	-1.9	-2.1	-	-208	-443
<b>Net Totals, Salaries and Wages</b>	<b>23.2</b>	<b>34.8</b>	<b>37.9</b>	<b>\$2,964</b>	<b>\$4,338</b>	<b>\$4,425</b>
Staff Benefits	-	-	-	523	737	796
<b>Totals, Personal Services</b>	<b>23.2</b>	<b>34.8</b>	<b>37.9</b>	<b>\$3,487</b>	<b>\$5,075</b>	<b>\$5,221</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>\$10,324</b>	<b>\$3,818</b>	<b>\$6,633</b>
<b>TOTALS, POSITIONS AND EXPENDITURES (State Operations)</b>				<b>\$13,811</b>	<b>\$8,893</b>	<b>\$11,854</b>
<b>2 Local Assistance</b>						
Grants and Subventions				\$1	\$105,000	\$165,000
<b>TOTALS, EXPENDITURES (Local Assistance)</b>				<b>\$1</b>	<b>\$105,000</b>	<b>\$165,000</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

\* Dollars in thousands, except in Salary Range.

**6445 California Institute for Regenerative Medicine - Continued**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>6047 California Stem Cell Research and Cures Fund</b>			
APPROPRIATIONS			
Health and Safety Code Section 125291.20 and Government Code Section 16724.5	\$166	\$250	\$250
Health and Safety Code Section 125290.70(a)(2)	5,181	5,269	6,382
Health and Safety Code Section 125290.70 (a)(1)(C)	1,778	3,374	5,222
Interest Expense on General Fund Loan per Health and Safety Code Section 125291.6	<u>6,686</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$13,811</b>	<b>\$8,893</b>	<b>\$11,854</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$13,811</b>	<b>\$8,893</b>	<b>\$11,854</b>
<b>2 LOCAL ASSISTANCE</b>			
<b>6047 California Stem Cell Research and Cures Fund</b>			
APPROPRIATIONS			
Health and Safety Code Section 125290.70 (a)(1)(A) (Grants and Loans)	\$1	\$60,000	\$165,000
Health and Safety Code Section 125290.70 (Bond Anticipation Notes - Repayment)	-	45,000	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1</b>	<b>\$105,000</b>	<b>\$165,000</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$1</b>	<b>\$105,000</b>	<b>\$165,000</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$13,812</b>	<b>\$113,893</b>	<b>\$176,854</b>

**FUND CONDITION STATEMENTS**

	2006-07*	2007-08*	2008-09*
<b>6047 California Stem Cell Research and Cures Fund</b>			
BEGINNING BALANCE	\$1,189	\$20,371	\$162,978
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
250300 Income From Surplus Money Investment Fund	4,994	6,500	6,500
520000 Bond Proceeds per Proposition 71	-	250,000	250,000
590000 Sale of Bond Anticipation Notes (BANS)	31,000	-	-
Transfers and Other Adjustments:			
FO0001 From General Fund loan per Health and Safety Code Section 125291.60	150,000	-	-
TO0001 To General Fund loan repayment per Health and Safety Code Section 125291.60	-150,000	-	-
TO0001 To General Fund loan repayment per Proposition 71	<u>-3,000</u>	<u>-</u>	<u>-</u>
<b>Total Revenues, Transfers, and Other Adjustments</b>	<b>\$32,994</b>	<b>\$256,500</b>	<b>\$256,500</b>
<b>Total Resources</b>	<b>\$34,183</b>	<b>\$276,871</b>	<b>\$419,478</b>
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
6445 California Institute for Regenerative Medicine	13,811	8,893	11,854
State Operations	1	105,000	165,000
Local Assistance		(45,000)	
Repayment of Bond Anticipation Notes			
<b>Total Expenditures and Expenditure Adjustments</b>	<b>\$13,812</b>	<b>\$113,893</b>	<b>\$176,854</b>
<b>FUND BALANCE</b>	<b>\$20,371</b>	<b>\$162,978</b>	<b>\$242,624</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	23.2	30.0	30.0	\$2,964	\$3,980	\$3,971
<b>Staffing Per Health and Safety Code Section 125290.45 (b)(1)</b>				<b>Salary Range</b>		
Scientific Officer I/II	-	1.0	2.0	6,667-12,500	95	195
Scientific Analyst	-	1.0	1.0	5,000-7,500	75	75

\* Dollars in thousands, except in Salary Range.

**6445 California Institute for Regenerative Medicine - Continued**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Grants Management Specialist II	-	1.8	2.0	5,000-7,500	112	120
For Profit Director	-	0.4	1.0	8,333-12,500	56	134
Grants Technical Assistant	-	1.0	2.0	3,333-5,000	53	148
Assoc. Legal Council to the Vice Chair	-	1.0	1.0	6,667-11,250	125	125
Sr Officer for Facilities	-	0.5	1.0	8,333-12,500	50	100
<b>Total Staffing Per Health and Safety Code Section 125290.45 (b)(1)</b>	-	<b>6.7</b>	<b>10.0</b>	<b>\$-</b>	<b>\$566</b>	<b>\$897</b>
<b>Total Adjustments</b>	-	<b>6.7</b>	<b>10.0</b>	<b>\$-</b>	<b>\$566</b>	<b>\$897</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>23.2</b>	<b>36.7</b>	<b>40.0</b>	<b>\$2,964</b>	<b>\$4,545.6</b>	<b>\$4,868</b>

**6600 Hastings College of the Law**

Hastings College of the Law was founded in 1878 by Serranus Clinton Hastings, the first Chief Justice of the State of California. On March 26, 1878, the Legislature provided for affiliation with the University of California. Hastings is the oldest law school and one of the largest public law schools in the West. Policy for the College is established by the Board of Directors and is carried out by the Chancellor, Dean, and other officers of the College. The Board has 11 directors: one is an heir or representative of S.C. Hastings and the other 10 are appointed by the Governor and approved by a majority of the Senate. Directors serve for twelve-year terms. Hastings is a charter member of the Association of American Law Schools and is fully accredited by the American Bar Association. The juris doctor degree is granted by The Regents of the University of California, and is signed by the President of the University of California and the Chancellor and Dean of Hastings College of the Law.

The mission of the University of California, Hastings College of the Law is to provide an academic program of the highest quality, based upon scholarship, teaching, and research, to a diverse student body and to assure that its graduates have a comprehensive understanding and appreciation of the law and are well trained for the multiplicity of roles they will play in a society and profession that are subject to continually changing demands and needs.

Because an institution's programs drive the need for infrastructure investment, each entity has a related capital outlay program to support this need. For the specifics on the Hastings College of the Law's Capital Outlay Program see "Infrastructure Overview."

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 Instruction	112.7	116.5	124.5	\$14,451	\$15,676	\$17,485
30 Academic Support--Law Library	22.7	22.8	22.8	3,489	3,781	3,994
40 Student Services	30.6	32.6	32.6	8,201	9,271	11,021
50 Institutional Support	60.9	59.8	61.8	8,109	9,168	10,234
60 Operation and Maintenance of Plant	4.9	3.8	3.8	3,930	2,490	2,513
70 Extramural	-	-	-	12,434	11,424	32,501
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>231.8</b>	<b>235.5</b>	<b>245.5</b>	<b>\$50,614</b>	<b>\$51,810</b>	<b>\$77,748</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				\$10,671	\$10,631	\$11,239
0814 California State Lottery Education Fund				162	178	178
0993 University Funds--Unclassified				27,347	29,577	33,830
9994 Extramural Funds				12,434	11,424	32,501
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$50,614</b>	<b>\$51,810</b>	<b>\$77,748</b>

**LEGAL CITATIONS AND AUTHORITY**

**DEPARTMENT AUTHORITY**

Education Code, Section 92200 et seq.

\* Dollars in thousands, except in Salary Range.

6600 Hastings College of the Law - Continued

**MAJOR PROGRAM CHANGES**

- Consistent with the Higher Education Compact the Governor entered into with the University of California and California State University, the workload budget reflects a 5 percent increase of \$531,000 for basic budget and core instructional support for Hastings College of the Law.
- The workload budget reflects an increase in fee revenue of \$4.9 million associated with an 18 percent scheduled fee increase that has been adopted by the Hastings Board of Directors.

**BUDGET-BALANCING REDUCTIONS**

- The Budget includes a General Fund reduction of \$1.1 million in 2008-09. The budget balancing reduction includes:
  - A reduction of \$252,000 from Institutional Support.
  - An unallocated reduction of \$872,000.

**DETAILED BUDGET ADJUSTMENTS**

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Increase Basic Budget Support by 4.0 Percent Per Higher Education Compact	\$-	\$-	-	\$425	\$-	-
• Add 1.0 Percent for Core Instructional Support Needs Per Compact	-	-	-	106	-	-
• Increase Funding for Retired Annuitant Benefit Costs	-	-	-	77	-	-
• Adjustments for Student Fee Revenues	-	362	-	-	5,254	-
• Miscellaneous Baseline Adjustments in Extramural and Other Non-State Funds	-	3,585	-	-	24,023	-
• Adjust Lottery Revenues	-	-18	-	-	-18	-
<b>Totals, Baseline Adjustments</b>	<b>\$-</b>	<b>\$3,929</b>	<b>-</b>	<b>\$608</b>	<b>\$29,259</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$-</b>	<b>\$3,929</b>	<b>-</b>	<b>\$608</b>	<b>\$29,259</b>	<b>-</b>
<b>Other Adjustments "</b>						
• Budget-Balancing Reductions	-	-	-	-1,124	-	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$-</b>	<b>\$3,929</b>	<b>-</b>	<b>-\$516</b>	<b>\$29,259</b>	<b>-</b>

" These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

\* Dollars in thousands, except in Salary Range.

6600 Hastings College of the Law - Continued

Student Fees Per Annual Full-Time Student (Whole Dollars)

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Full-Time Equivalent Students .....	1,264	1,263	1,225
Resident Students <sup>1</sup> :			
Enrollment Fees .....	\$19,725	\$21,303	\$26,003
Activity Fees .....	82	82	82
Academic Enhancement Fee .....	200	200	-
Exam Materials and Processing Fee .....	120	120	-
Health Insurance Fee <sup>2,3</sup> .....	1,707	2,035	2,035
Health Services Fee <sup>2</sup> .....	356	380	380
<b>Totals, Resident Fees .....</b>	<b>\$22,190</b>	<b>\$24,120</b>	<b>\$28,500</b>
Non-Resident Students <sup>1</sup> :			
Non-Resident Tuition .....	\$11,225	\$11,225	\$11,225
Resident Student Fees Charged to Non-Residents .....	22,190	24,120	28,500
<b>Totals, Non-Resident Fees .....</b>	<b>\$33,415</b>	<b>\$35,345</b>	<b>\$39,725</b>

<sup>1</sup> Student Fees are subject to change without notice.

<sup>2</sup> The Health Insurance and Health Services Fees for 2008-09 will be determined in Spring 2008.

<sup>3</sup> The Health Insurance Fee may be waived with proof of alternative coverage.

6600 Hastings College of the Law - Continued

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - INSTRUCTION PROGRAM

The Instruction program is designed to provide thorough and systematic instruction in those branches of the law, which will best prepare students for their responsibilities to the community as members of the legal profession. It is composed of three elements: classroom, theory-practice, and instructional support. Through these elements, students receive a combination of theoretical instruction, practical experience, specialized training as lawyers, and necessary support services.

The principal objectives of the program are to: (1) develop in the students the required competency in substantive law demanded by the legal profession; (2) develop students' skills in research and writing; (3) provide students with an adequate background in the law through the study of the development of the legal system and the role of the legal profession, both in the United States and abroad; (4) instill in students, through theory-practice clinical courses, a level of professional competence and skill that will shorten the period of training in the law office; and (5) develop special skills in advocacy for trial lawyers.

30 - ACADEMIC SUPPORT PROGRAM-LAW LIBRARY

The primary objective of the Law Library is to support the legal education curriculum of Hastings by providing sufficient access to reference and research materials to allow students and faculty members to research questions of law in preparation for classroom presentations and assignments, for moot court, trial practice, legal clinic assignments, and to support legal scholarships. A secondary objective of the Law Library is to support the legal research needs of the larger community, including local attorneys.

40 - STUDENT SERVICES PROGRAM

The Student Services program includes Admissions, Records, Financial Aid, Career Services, the Academic Support Program, the Legal Education Opportunity Program (LEOP) and the Disability Resource Program. Through these offices, students are provided a fair system for admittance to the law school and information about their academic performance. Students are assisted in securing necessary financial assistance to complete the instructional program, and are also assisted in identifying employment opportunities. Supportive services include academic advising, accommodations for students with disabilities, the Academic Support Program, which provides analytical skills and writing instruction to qualifying students, and the LEOP program, which includes small group tutorials and other services to supplement regular instructional activities for the educationally, socially, economically, or otherwise disadvantaged students. In 2007-08, the 246 LEOP students comprised 19 percent of the student body.

50 - INSTITUTIONAL SUPPORT PROGRAM

The Institutional Support program includes Executive Management and Management Support, Personnel, Fiscal Services, Public Safety, Community Relations and Administrative Services. This program provides administrative support to all the programs provided by the Hastings College of the Law.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 INSTRUCTION</b>			
<b>State Operations:</b>			
0001 General Fund	\$4,011	\$4,098	\$4,294
0814 California State Lottery Education Fund	162	178	178
0993 University Funds--Unclassified	<u>10,278</u>	<u>11,400</u>	<u>13,013</u>
<b>Totals, State Operations</b>	<b>\$14,451</b>	<b>\$15,676</b>	<b>\$17,485</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>10.10 Classroom</b>	<b>\$10,557</b>	<b>\$11,783</b>	<b>\$13,333</b>
<b>State Operations:</b>			
0001 General Fund	2,918	3,068	3,264
0814 California State Lottery Education Fund	162	178	178
0993 University Funds--Unclassified	7,477	8,537	9,891
<b>Totals, State Operations</b>	<b>\$3,506</b>	<b>\$3,497</b>	<b>\$3,617</b>
<b>10.20 Theory Practice</b>			
<b>State Operations:</b>			
0001 General Fund	984	925	897
0993 University Funds--Unclassified	2,522	2,572	2,720
<b>Totals, State Operations</b>	<b>\$388</b>	<b>\$396</b>	<b>\$535</b>
<b>10.35 Instructional Support</b>			

\* Dollars in thousands, except in Salary Range.

6600 Hastings College of the Law - Continued

	<u>2006-07*</u>	<u>2007-08*</u>	<u>2008-09*</u>
<b>State Operations:</b>			
0001 General Fund	109	105	133
0993 University Funds--Unclassified	279	291	402
<b>PROGRAM REQUIREMENTS</b>			
<b>30 ACADEMIC SUPPORT--LAW LIBRARY</b>			
<b>State Operations:</b>			
0001 General Fund	\$979	\$1,000	\$991
0993 University Funds--Unclassified	<u>2,510</u>	<u>2,781</u>	<u>3,003</u>
<b>Totals, State Operations</b>	<b>\$3,489</b>	<b>\$3,781</b>	<b>\$3,994</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>40 STUDENT SERVICES</b>			
<b>State Operations:</b>			
0001 General Fund	\$2,301	\$2,452	\$2,735
0993 University Funds--Unclassified	<u>5,900</u>	<u>6,819</u>	<u>8,286</u>
<b>Totals, State Operations</b>	<b>\$8,201</b>	<b>\$9,271</b>	<b>\$11,021</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>40.10 Admissions and Enrollment Management</b>	<b>\$575</b>	<b>\$589</b>	<b>\$613</b>
<b>State Operations:</b>			
0001 General Fund	161	156	152
0993 University Funds--Unclassified	414	433	461
<b>Totals, State Operations</b>	<b>\$355</b>	<b>\$401</b>	<b>\$420</b>
<b>40.20 Records Office</b>			
<b>State Operations:</b>			
0001 General Fund	100	106	104
0993 University Funds--Unclassified	255	295	316
<b>Totals, State Operations</b>	<b>\$5,685</b>	<b>\$6,473</b>	<b>\$8,109</b>
<b>40.30 Financial Aid</b>			
<b>State Operations:</b>			
0001 General Fund	1,596	1,712	2,012
0993 University Funds--Unclassified	4,089	4,761	6,097
<b>Totals, State Operations</b>	<b>\$428</b>	<b>\$517</b>	<b>\$540</b>
<b>40.40 Student Placement</b>			
<b>State Operations:</b>			
0001 General Fund	120	137	134
0993 University Funds--Unclassified	308	380	406
<b>Totals, State Operations</b>	<b>\$360</b>	<b>\$314</b>	<b>\$332</b>
<b>40.50 Legal Education Opportunity Program</b>			
<b>State Operations:</b>			
0001 General Fund	101	83	82
0993 University Funds--Unclassified	259	231	250
<b>Totals, State Operations</b>	<b>\$283</b>	<b>\$310</b>	<b>\$324</b>
<b>40.60 Academic Support Program</b>			
<b>State Operations:</b>			
0001 General Fund	79	82	80
0993 University Funds--Unclassified	204	228	244
<b>Totals, State Operations</b>	<b>\$228</b>	<b>\$420</b>	<b>\$428</b>
<b>40.70 Disability Resource Program</b>			
<b>State Operations:</b>			
0001 General Fund	64	111	107
0993 University Funds--Unclassified	164	309	321
<b>Totals, State Operations</b>	<b>\$216</b>	<b>\$168</b>	<b>\$176</b>
<b>40.80 Student Services Office</b>			
<b>State Operations:</b>			
0001 General Fund	60	44	44
0993 University Funds--Unclassified	156	124	132
<b>Totals, State Operations</b>	<b>\$71</b>	<b>\$79</b>	<b>\$79</b>
<b>40.90 Student Orientation and Graduation</b>			

\* Dollars in thousands, except in Salary Range.

## 6600 Hastings College of the Law - Continued

	2006-07*	2007-08*	2008-09*
<b>State Operations:</b>			
0001 General Fund	20	21	20
0993 University Funds--Unclassified	51	58	59
<b>PROGRAM REQUIREMENTS</b>			
<b>50 INSTITUTIONAL SUPPORT</b>			
<b>State Operations:</b>			
0001 General Fund	\$2,277	\$2,423	\$2,596
0993 University Funds--Unclassified	5,832	6,745	7,638
<b>Totals, State Operations</b>	<b>\$8,109</b>	<b>\$9,168</b>	<b>\$10,234</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>50.10 Executive Management and Management Support</b>	<b>\$3,754</b>	<b>\$4,468</b>	<b>\$4,848</b>
<b>State Operations:</b>			
0001 General Fund	1,054	1,181	1,203
0993 University Funds--Unclassified	2,700	3,287	3,645
	\$357	\$417	\$383
<b>50.20 Human Resources</b>			
<b>State Operations:</b>			
0001 General Fund	100	110	95
0993 University Funds--Unclassified	257	307	288
	\$1,157	\$1,396	\$1,456
<b>50.30 Fiscal Services</b>			
<b>State Operations:</b>			
0001 General Fund	325	369	361
0993 University Funds--Unclassified	832	1,027	1,095
	\$1,036	\$1,038	\$1,088
<b>50.40 Public Safety</b>			
<b>State Operations:</b>			
0001 General Fund	291	274	270
0993 University Funds--Unclassified	745	764	818
	\$1,043	\$1,036	\$1,077
<b>50.50 Community Relations</b>			
<b>State Operations:</b>			
0001 General Fund	293	274	267
0993 University Funds--Unclassified	750	762	810
	\$762	\$813	\$1,382
<b>50.60 Administrative Services</b>			
<b>State Operations:</b>			
0001 General Fund	214	215	400
0993 University Funds--Unclassified	548	598	982
<b>PROGRAM REQUIREMENTS</b>			
<b>60 OPERATION AND MAINTENANCE OF PLANT</b>			
<b>State Operations:</b>			
0001 General Fund	\$1,103	\$658	\$623
0993 University Funds--Unclassified	2,827	1,832	1,890
<b>Totals, State Operations</b>	<b>\$3,930</b>	<b>\$2,490</b>	<b>\$2,513</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>60.10 Building Services</b>	<b>\$525</b>	<b>\$867</b>	<b>\$867</b>
<b>State Operations:</b>			
0001 General Fund	147	229	215
0993 University Funds--Unclassified	378	638	652
	\$3,405	\$1,623	\$1,646
<b>60.20 Building Maintenance</b>			
<b>State Operations:</b>			
0001 General Fund	956	429	408
0993 University Funds--Unclassified	2,449	1,194	1,238

\* Dollars in thousands, except in Salary Range.

6600 Hastings College of the Law - Continued

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>70 EXTRAMURAL</b>			
Extramural Funds:			
9994 Extramural Funds	\$12,434	\$11,424	\$32,501
<b>Totals, Extramural Funds</b>	<b>\$12,434</b>	<b>\$11,424</b>	<b>\$32,501</b>
<b>ELEMENT REQUIREMENTS</b>			
Extramural Funds:			
70.10 Instruction and Research	1,246	1,844	1,746
70.20 Public and Professional Services	48	95	95
70.30 Academic Support	34	95	95
70.40 Student Services	259	285	285
70.50 Institutional Support	474	805	805
70.60 Operation and Maintenance of Plant	4,502	1,700	-
70.70 Auxiliary Enterprises	4,712	5,366	28,242
70.80 Student Financial Aid	1,159	1,234	1,233
<b>TOTALS, EXPENDITURES</b>	<b>38,180</b>	<b>40,386</b>	<b>45,247</b>
State Operations	12,434	11,424	32,501
Extramural Funds	\$50,614	\$51,810	\$77,748
<b>Totals, Expenditures</b>			

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	231.8	238.8	238.8	\$20,226	\$20,991	\$20,991
Total Adjustments	-	4.0	14.0	-	984	3,256
Estimated Salary Savings	-	-7.3	-7.3	-	-300	-300
<b>Net Totals, Salaries and Wages</b>	<b>231.8</b>	<b>235.5</b>	<b>245.5</b>	<b>\$20,226</b>	<b>\$21,675</b>	<b>\$23,947</b>
Staff Benefits	-	-	-	3,139	3,658	4,085
<b>Totals, Personal Services</b>	<b>231.8</b>	<b>235.5</b>	<b>245.5</b>	<b>\$23,365</b>	<b>\$25,333</b>	<b>\$28,032</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
<b>SPECIAL ITEMS OF EXPENSE</b>				\$5,392	\$6,082	\$7,696
Student Financial Aid				\$5,392	\$6,082	\$7,696
<b>Totals, Special Items of Expense</b>				<b>\$5,392</b>	<b>\$6,082</b>	<b>\$7,696</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$38,180</b>	<b>\$40,386</b>	<b>\$45,247</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0001 General Fund			
<b>APPROPRIATIONS</b>	\$10,671	\$10,631	\$11,239
001 Budget Act appropriation	\$10,671	\$10,631	\$11,239
<b>TOTALS, EXPENDITURES</b>			
0814 California State Lottery Education Fund			
<b>APPROPRIATIONS</b>	\$162	\$178	\$178
Government Code Section 8880.5	\$162	\$178	\$178
<b>TOTALS, EXPENDITURES</b>			

\* Dollars in thousands, except in Salary Range.

6600 Hastings College of the Law - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0993 University Funds--Unclassified</b>			
APPROPRIATIONS	\$24,340	\$26,650	\$31,542
Student enrollment fees	1,936	2,081	1,657
Other student fees	131	111	111
Scholarly publications	196	82	82
Allowance for overhead-DOE	744	653	438
Other	\$27,347	\$29,577	\$33,830
<b>TOTALS, EXPENDITURES</b>			
<b>9994 Extramural Funds</b>			
APPROPRIATIONS	\$462	\$497	\$494
Federal funds	3,728	2,165	1,701
Private gifts, contracts and grants	-	-	23,794
Bond Financing	8,244	8,762	6,512
Other Hastings funds	\$12,434	\$11,424	\$32,501
<b>TOTALS, EXPENDITURES</b>	\$50,614	\$51,810	\$77,748
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>			

**INFRASTRUCTURE OVERVIEW**

Hastings College of the Law is a stand-alone institution with over 1,200 students and is affiliated with the University of California. The College's academic mission is dedicated exclusively to providing legal education of the highest quality. Hastings is located in San Francisco's Civic Center area. The campus is on 2.6 acres in an urban setting with three buildings totaling 581,000 gross square feet along with a parking lot of 37,000 gross square feet.

**SUMMARY OF PROJECTS**

	2006-07*	2007-08*	2008-09*
<b>State Building Program Expenditures</b>			
<b>60 CAPITAL OUTLAY</b>			
<b>Major Projects</b>			
<b>60.10 HASTINGS COLLEGE OF THE LAW</b>	\$1,690	\$125	\$-
60.10.002 200 McAllister Street--Code Compliance Upgrade	1,690 <sup>Cbn</sup>	125 <sup>Cn</sup>	-
<b>Totals, Major Projects</b>	\$1,690	\$125	\$-
<b>TOTALS, EXPENDITURES, ALL PROJECTS</b>			
<b>FUNDING</b>			
6028 2002 Higher Education Capital Outlay Bond Fund		\$820	\$-
9994 Extramural Funds		870	125
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>		\$1,690	\$125

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
<b>6028 2002 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS			
Prior year balances available:		0	\$-
Item 6600-301-6028, Budget Act of 2004		\$820	-
Augmentation per Government Code Sections 16352, 16409 and 16354		\$820	\$-
<b>TOTALS, EXPENDITURES</b>		\$870	\$125
<b>9994 Extramural Funds</b>			
APPROPRIATIONS		\$870	\$125
Other Hastings Funds		\$870	\$125
<b>TOTALS, EXPENDITURES</b>		\$870	\$125

\* Dollars in thousands, except in Salary Range.

6600 Hastings College of the Law - Continued

	2006-07*	2007-08*	2008-09*
3 CAPITAL OUTLAY			
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)	\$1,690	\$125	\$-

6610 California State University

The California State University (CSU) system is comprised of 23 campuses, including 22 university campuses and the California Maritime Academy. The system is administered by an independent governing Board of Trustees that includes 25 members: 5 ex officio, 16 appointed by the Governor to four-year terms and 4 members appointed to two-year terms (two student representatives-one voting and one non-voting; and one representative each from faculty and alumni). The Trustees appoint the Chancellor, who is the chief executive officer of the system, and the Presidents, who are the chief executive officers of the respective campuses.

The California State Colleges were brought together as a system by the Donahoe Higher Education Act of 1960. In 1972, the system became the California State University and Colleges (CSUC); the name of the system was changed to the California State University in January 1982. The oldest campus, San Jose State University, was founded in 1857 and became the first institution of public higher education in California.

The Trustees, the Chancellor, and the Presidents develop systemwide policy, with actual implementation at the campus level taking place through a broadly based consultative process. The Academic Senate, made up of elected faculty representatives from each campus, recommends academic policy to the Board of Trustees through the Chancellor. While each campus has its own unique geographic and curricular character, all campuses offer undergraduate and graduate instruction for professional and occupational goals, as well as broad liberal education programs. For graduation, each campus requires a basic program of general education, regardless of the major selected by the student. CSU offers the doctorate in Education, as well as a limited number of doctoral degrees offered jointly with the University of California and with Claremont Graduate School.

The program goals of the University are:

- To provide instruction in the liberal arts and sciences, the professions, applied fields which require more than two years of college education, and teacher education-both for undergraduate and graduate students through the master's degree.
- To provide public services to the people of the State of California.
- To provide services to students enrolled in the University.
- To support the primary functions of instruction, research, public services, and student services in the University, and to ensure legal obligations related to executive and business affairs are met.
- To prepare administrative leaders for California public elementary and secondary schools and community colleges with the knowledge and skills needed to be effective leaders by awarding the doctorate degree in Education.

Because department programs drive the need for infrastructure investment, each department has a related capital outlay program to support this need. For the specifics on the California State University's Capital Outlay Program see "Infrastructure Overview."

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
01 Instruction	21,572.7	22,472.6	22,472.6	\$1,907,231	\$2,067,889	\$2,206,608
02 Research	260.4	54.8	54.8	5,299	4,667	4,845
03 Public Services	546.5	79.8	79.8	15,082	8,620	8,959
04 Academic Support	5,553.4	5,677.1	5,677.1	538,544	578,207	618,516
05 Student Services	5,738.7	5,678.4	5,678.4	454,037	445,961	474,901
06 Institutional Support	5,051.6	5,215.2	5,215.2	736,039	647,320	662,641
07 Operations and Maintenance of Plant	3,838.3	3,844.1	3,844.1	544,332	592,356	633,870
08 Student Financial Aid	-	-	-	596,557	658,118	701,387
09 Auxiliary Enterprises	1,490.5	1,476.1	1,476.1	1,741,548	1,941,304	1,941,303
11 Reimbursed Activities	1,327.5	982.0	982.0	148,743	1,862	4,573
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>45,379.6</b>	<b>45,480.1</b>	<b>45,480.1</b>	<b>\$6,687,412</b>	<b>\$6,946,304</b>	<b>\$7,257,603</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				\$2,807,970	\$2,970,706	\$3,185,988
0573 State University Continuing Education Revenue Fund				133,766	143,648	143,648
0580 California State University Dormitory Revenue Fund				194,819	230,577	230,577
0583 California State University Parking Revenue Fund				42,950	64,307	64,307

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

FUNDING	2006-07*	2007-08*	2008-09*
0839 California State University Lottery Education Fund	48,844	61,299	49,881
0890 Federal Trust Fund	8,029	39,500	-
0895 Federal Funds - Not In State Treasury	361,338	361,000	361,000
0948 California State University Trust Fund	1,296,549	1,376,853	1,521,077
0994 Other Unclassified Funds	1,309,568	1,336,759	1,336,759
0995 Reimbursements	148,743	1,862	4,573
6048 2006 University Capital Outlay Bond Fund	50,000	50,000	-
6074 2008 University Capital Outlay Bond Fund	-	-	50,000
7896 Auxiliary Organizations	284,836	309,793	309,793
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$6,687,412</b>	<b>\$6,946,304</b>	<b>\$7,257,603</b>

Beginning in fiscal year 2006-07, Higher Education Fees and Income are continuously appropriated and deposited in CSU local trust accounts.

**MAJOR PROGRAM CHANGES**

- In accordance with the Higher Education Compact signed by the Administration and CSU in 2004, the workload budget includes a 5 percent increase of \$146.2 million for basic budget and core instructional support and an increase of \$70.1 million for 2.5 percent enrollment growth, sufficient to fund 8,572 full-time equivalent students.
- The workload budget reflects an increase in fee revenue of \$109.8 million associated with fee increases of 10 percent for undergraduates, graduates, and teacher credential candidates.

**BUDGET-BALANCING REDUCTIONS**

- The Budget includes a General Fund reduction of \$312.9 million in 2008-09.
- The following program totaling \$57 million General Fund has been exempted from the budget balancing reduction: Lease Payments Securing Lease Revenue Bonds.
- The budget balancing reduction includes: a reduction of \$43.2 million from Institutional Support and an unallocated reduction of \$269.7 million.

**DETAILED BUDGET ADJUSTMENTS**

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Increase Basic Budget Support by 4.0 Percent Per Higher Education Compact	\$-	\$-	-	\$116,835	\$-	-
• Add 1.0 Percent for Core Instructional Support Needs Per Compact	-	-	-	29,209	-	-
• Increase Basic Budget Support by 4.0 Percent for Fellows Program Per Compact	-	-	-	124	-	-
• 2.5 Percent Increase for Enrollment Growth Per Compact	-	-	-	70,059	-	-
• Retirement Cost Adjustment Per Control Section 3.60	-8,578	-18	-	-8,578	-18	-
• Remove One-Time 2007-08 Base Reduction Related to Student Fee Shift	-	-	-	4,837	-	-
• 2008-09 Base Reduction Related to Student Fee Shift	-	-	-	-7,908	-	-
• Student Fee Increase of 10 Percent	-	-	-	-	109,780	-
• Adjust Base Student Fee Revenues and Income	-	10,455	-	-	44,899	-
• Increase Funding for Retired Annuitant Benefit Costs	-	-	-	425	-	-
• Adjust Lottery Revenues	-	10,215	-	-	-1,203	-

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Lease Purchase Adjustment	-6,584	-	-	-4,884	2,711	-
• Transfer to Leg Claims	-1	-	-	-	-	-
• Department of Technology Services Adjustment Per Control Section 15.25	-5	-	-	-5	-	-
• Miscellaneous Baseline Adjustments in Extramural and Other Non-State Funds	-	155,363	-	-	115,863	-
• Add Funding for Capital Renewal Program	-	-	-	-	50,000	-
• Remove One-Time Funding for Capital Renewal Program	-	-	-	-	-50,000	-
<b>Totals, Baseline Adjustments</b>	<b>-\$15,168</b>	<b>\$176,015</b>	<b>-</b>	<b>\$200,114</b>	<b>\$272,032</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$15,168</b>	<b>\$176,015</b>	<b>-</b>	<b>\$200,114</b>	<b>\$272,032</b>	<b>-</b>
<b>Other Adjustments <sup>11</sup></b>						
• Budget-Balancing Reductions	-	-	-	-312,899	255,000	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$15,168</b>	<b>\$176,015</b>	<b>-</b>	<b>-\$112,785</b>	<b>\$527,032</b>	<b>-</b>

<sup>11</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

Average Term Enrollment and Full-Time Equivalent Students

	Annual College Year Headcount Enrollment			Annual Full-Time Equivalent Students (FTES)		
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<b>UNDERGRADUATE</b>						
Lower Division	105,724	106,478	109,067	95,603	96,284	98,620
Resident	102,779	103,533	106,122	92,772	93,453	95,789
Nonresident	2,945	2,945	2,945	2,831	2,831	2,831
Upper Division	229,631	231,267	236,881	190,222	191,576	196,221
Resident	222,912	224,548	230,162	184,441	185,795	190,440
Nonresident	6,719	6,719	6,719	5,781	5,781	5,781
<b>Totals, Undergraduate</b>	<b>335,355</b>	<b>337,745</b>	<b>345,948</b>	<b>285,825</b>	<b>287,860</b>	<b>294,841</b>
Resident	325,691	328,081	336,284	277,213	279,248	286,229
Nonresident	9,664	9,664	9,664	8,612	8,612	8,612
<b>POST-BACCALAUREATE TEACHER</b>	12,891	12,985	13,308	10,288	10,363	10,621
Resident	12,822	12,916	13,239	10,238	10,313	10,571
Nonresident	69	69	69	50	50	50
<b>OTHER POST-BACCALAUREATE</b>	8,189	8,247	8,445	4,892	4,927	5,044
Resident	7,874	7,932	8,130	4,664	4,699	4,816
Nonresident	315	315	315	228	228	228
<b>GRADUATE</b>	50,229	50,562	51,706	34,531	34,759	35,540
Resident	45,410	45,743	46,887	31,007	31,235	32,016
Nonresident	4,819	4,819	4,819	3,524	3,524	3,524
<b>Totals, Post-baccalaureate and Graduate</b>	<b>71,309</b>	<b>71,794</b>	<b>73,459</b>	<b>49,711</b>	<b>50,049</b>	<b>51,205</b>
Resident	66,106	66,591	68,256	45,909	46,247	47,403
Nonresident	5,203	5,203	5,203	3,802	3,802	3,802
<b>Subtotal</b>	<b>406,664</b>	<b>409,539</b>	<b>419,407</b>	<b>335,536</b>	<b>337,909</b>	<b>346,046</b>
Resident	391,797	394,672	404,540	323,122	325,495	333,632
Nonresident	14,867	14,867	14,867	12,414	12,414	12,414
<b>State Supported Summer Enrollment<sup>1</sup></b>	40,269	40,552	41,520	18,014	18,141	18,576
Resident	38,513	38,796	39,764	17,272	17,398	17,833
Nonresident	1,756	1,756	1,756	743	743	743
<b>GRAND TOTAL</b>	<b>446,933</b>	<b>450,091</b>	<b>460,927</b>	<b>353,551</b>	<b>356,050</b>	<b>364,622</b>
Resident	430,310	433,468	444,304	340,394	342,893	351,465
Nonresident	16,623	16,623	16,623	13,157	13,157	13,157

<sup>1</sup> Budget year numbers for specific enrollment levels are provided for display purposes only and do not constitute an enrollment plan.

6610 California State University - Continued

Student Fees (Whole Dollars)

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
<b>RESIDENT STUDENTS</b>			
Undergraduate			
Full-time Students (6.1 units or more)			
Systemwide Fee	\$2,520	\$2,772	\$3,048
Average Campus Fee	<u>679</u>	<u>749</u>	<u>749</u>
Totals	<u>\$3,199</u>	<u>\$3,521</u>	<u>\$3,797</u>
Part-time Students (6.0 units or less)			
Systemwide Fee	\$1,464	\$1,608	\$1,770
Average Campus Fee	<u>679</u>	<u>749</u>	<u>749</u>
Totals	<u>\$2,143</u>	<u>\$2,357</u>	<u>\$2,519</u>
Teacher Credential			
Full-time Students (6.1 units or more)			
Systemwide Fee	\$2,922	\$3,216	\$3,540
Average Campus Fee	<u>679</u>	<u>749</u>	<u>749</u>
Totals	<u>\$3,601</u>	<u>\$3,965</u>	<u>\$4,289</u>
Part-time Students (6.0 units or less)			
Systemwide Fee	\$1,698	\$1,866	\$2,052
Average Campus Fee	<u>679</u>	<u>749</u>	<u>749</u>
Totals	<u>\$2,377</u>	<u>\$2,615</u>	<u>\$2,801</u>
Graduate			
Full-time Students (6.1 units or more)			
Systemwide Fee	\$3,102	\$3,414	\$3,756
Average Campus Fee	<u>679</u>	<u>749</u>	<u>749</u>
Totals	<u>\$3,781</u>	<u>\$4,163</u>	<u>\$4,505</u>
Part-time Students (6.0 units or less)			
Systemwide Fee	\$1,800	\$1,980	\$2,178
Average Campus Fee	<u>679</u>	<u>749</u>	<u>749</u>
Totals	<u>\$2,479</u>	<u>\$2,729</u>	<u>\$2,927</u>
<b>NONRESIDENT STUDENTS</b>			
Full-time Students (15 units per term)			
Resident Fees	\$3,199	\$3,521	\$3,797
Nonresident Tuition	<u>10,170</u>	<u>10,170</u>	<u>10,170</u>
Totals	<u>\$13,369</u>	<u>\$13,691</u>	<u>\$13,967</u>

\* Dollars in thousands, except in Salary Range.




## 6610 California State University - Continued

### Schedule of Higher Education Fees and Income

	2006-07*	2007-08*	2008-09*
Application Fee	\$25,210	\$21,399	\$21,399
State University Fee	1,028,174	1,130,641	1,274,865
Nonresident Fee	117,362	113,814	113,814
Health Services Fee	59,955	63,473	63,473
Miscellaneous Fees	48,571	43,750	43,750
Overhead-Contracts and Grants	98	1,151	1,151
Work Study-Private Contributions	20	227	227
Subtotal	\$1,279,390	\$1,374,455	\$1,518,679
Revenue from External Fund Sources	17,159	2,398	2,398
Total Revenue	\$1,296,549	\$1,376,853	\$1,521,077

\* Dollars in thousands, except in Salary Range.



## 6610 California State University - Continued

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 01 - INSTRUCTION

The California State University (CSU) Instruction program educates students for attainment of degrees, credentials or certificates in the liberal arts and sciences, and certain applied fields and professions. CSU graduates ten percent of the California workforce, and prepares an estimated ten percent of the nation's teachers and seven percent of the nation's engineers. The University prepares about 60 percent of California's teachers. CSU offers more than 1,800 bachelor's and master's degree programs in over 240 subject areas. Many programs are offered so students can complete all upper division and graduate requirements by part-time late afternoon and evening study. CSU also offers a doctorate degree in Education, as well as a limited number of doctoral degrees jointly with the University of California and with private California institutions.

In conjunction with campus-based instruction, CSU provides instruction through seven off-campus centers, and through self-supporting extended education programs.

The Instruction program consists of general academic instruction, preparatory/remedial instruction, instructional information technology, community education instructional services, and non-baccalaureate vocational/technical instruction.

#### 02 - RESEARCH

CSU research is comprised of specifically organized activities, whether commissioned by an external agency or budgeted by the University. Additional research funds may be provided directly to the campuses from non-state General Fund, external sources.

#### 03 - PUBLIC SERVICE

The Public Service program includes expenses for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution. These activities include community service programs (excluding instructional activities) and cooperative extension services. Included in this category are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.

#### 04 - ACADEMIC SUPPORT

The Academic Support program includes libraries, museums and galleries, educational media services, support information technology, course and curriculum development, academic administration, and personnel development. The University budget includes \$2.5 million for individual faculty development through research and creative activity at the 23 campuses. Ancillary programs include the Desert Studies consortium, college farms, and the Center for Deaf Studies at the Northridge campus.

#### 05 - STUDENT SERVICES

The Student Services program includes activities that contribute to students' emotional and physical well-being, and their intellectual, cultural and social development outside the formal instruction program. These activities include student newspapers, intramural athletics, student organizations, counseling and career guidance, student financial aid administration, and student health services.

#### 06 - INSTITUTIONAL SUPPORT

The Institutional Support program includes executive-level activities concerned with management and long-range planning. These activities maintain the University's effectiveness and continuity and ensure the University's operations are consistent with the state's public higher education policy. Activities include executive management, fiscal operations, general administration, administrative information technology, public relations, and mandatory transfers.

#### 07 - OPERATION AND MAINTENANCE OF PLANT

The Operation and Maintenance of Plant program includes physical plant administration, building maintenance, ground maintenance, utilities, major repairs, security and safety, logistics, debt service payments, operations and maintenance information technology, and insurance costs. The University also receives funding for scheduled maintenance. Currently, the deferred maintenance backlog exceeds \$400 million.

#### 08 - STUDENT FINANCIAL AID

In 2008-09, it is estimated that the University will provide almost \$320 million in direct student financial assistance through the State University Grant program. Additional financial aid is provided through graduate fellowships and Educational Opportunity Program grants. Federal funds for financial aid that are not reported in the state treasury total over \$360 million. All federal financial aid programs provide between \$1 and \$2 billion in scholarships, grants, and loans to CSU students.

#### 09 - AUXILIARY ENTERPRISES

Auxiliary Enterprises consist of student housing, parking, intercollegiate athletics, food services, book stores, and other self-supporting non-instructional services. These services are funded through specific user charges and are not subsidized by the state. CSU provides approximately 35,000 housing spaces and over 153,000 parking spaces at its 23 campuses.

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

11- REIMBURSED ACTIVITIES

This program includes activities funded from external organizations that are independent of, but enhance the mission of, the CSU.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>				
<b>01</b>	<b>INSTRUCTION</b>			
	State Operations:			
0001	General Fund	\$1,479,656	\$1,609,417	\$1,706,907
0948	California State University Trust Fund (Student Fees)	233,554	243,447	291,945
0948	California State University Trust Fund (Other Fees and Income)	95,513	95,226	95,226
		<u>98,508</u>	<u>119,799</u>	<u>112,530</u>
9999	Other Funds	\$1,907,231	\$2,067,869	\$2,206,608
	Totals, State Operations			
<b>ELEMENT REQUIREMENTS</b>				
01.01	General Academic Instruction	1,831,072	1,992,986	2,126,749
01.02	Vocational/Technical Instruction	540	4,830	4,830
01.03	Community Education	40,594	36,437	36,560
01.04	Preparatory/Remedial Instruction	11,110	10,880	11,454
01.05	Instructional Information Technology	23,915	22,756	27,015
<b>PROGRAM REQUIREMENTS</b>				
<b>02</b>	<b>RESEARCH</b>			
	State Operations:			
0001	General Fund	\$3,364	\$3,062	\$3,260
0948	California State University Trust Fund (Student Fees)	131	-	-
0948	California State University Trust Fund (Other Fees and Income)	1,518	1,499	1,499
		<u>286</u>	<u>106</u>	<u>86</u>
9999	Other Funds	\$5,299	\$4,667	\$4,845
	Totals, State Operations			
<b>PROGRAM REQUIREMENTS</b>				
<b>03</b>	<b>PUBLIC SERVICES</b>			
	State Operations:			
0001	General Fund	\$6,867	\$6,416	\$6,755
0948	California State University Trust Fund (Student Fees)	343	-	-
0948	California State University Trust Fund (Other Fees and Income)	5,818	2,204	2,204
		<u>2,054</u>	<u>-</u>	<u>-</u>
9999	Other Funds	\$15,082	\$8,620	\$8,959
	Totals, State Operations			
<b>PROGRAM REQUIREMENTS</b>				
<b>04</b>	<b>ACADEMIC SUPPORT</b>			
	State Operations:			
0001	General Fund	\$324,098	\$348,061	\$377,719
0948	California State University Trust Fund (Student Fees)	137,230	168,009	181,445
0948	California State University Trust Fund (Other Fees and Income)	33,684	22,432	22,432
		<u>43,532</u>	<u>39,705</u>	<u>36,920</u>
9999	Other Funds	\$538,544	\$578,207	\$618,516
	Totals, State Operations			
<b>ELEMENT REQUIREMENTS</b>				
04.01	Libraries	138,008	138,535	147,277

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

	2006-07*	2007-08*	2008-09*
O4.02 Museums and Galleries	1,455	1,426	1,512
O4.03 Educational Media Services	27,001	26,228	27,644
O4.04 Academic Computing Support	-	47,703	48,621
O4.05 Ancillary Support	22,386	25,852	27,142
O4.06 Academic Administration	242,844	242,540	255,754
O4.07 Academic Personnel Development	13,084	14,922	15,752
O4.08 Course Curriculum Development	4,386	4,533	4,702
O4.09 Academic Support Information Technology	89,380	76,468	90,112
<b>PROGRAM REQUIREMENTS</b>			
<b>05 STUDENT SERVICES</b>			
<b>State Operations:</b>			
O001 General Fund	\$290,176	\$287,770	\$306,638
O948 California State University Trust Fund (Student Fees)	82,215	69,069	80,140
O948 California State University Trust Fund (Other Fees and Income)	69,661	82,685	82,685
9999 Other Funds	11,985	6,437	5,438
<b>Totals, State Operations</b>	<b>\$454,037</b>	<b>\$445,961</b>	<b>\$474,901</b>
<b>ELEMENT REQUIREMENTS</b>			
05.01 Student Services Administration	95,285	92,241	97,435
05.02 Social and Cultural Development	89,992	79,251	84,095
05.03 Counseling and Career Guidance	40,888	48,058	50,056
05.04 Financial Aid Administration	40,473	36,455	38,753
05.05 Student Health Services	66,728	71,271	75,448
05.06 Student Services Information Technology	22,152	22,336	26,844
05.07 Student Admissions	56,416	53,116	56,343
05.08 Student Records	42,103	43,233	45,927
<b>PROGRAM REQUIREMENTS</b>			
<b>06 INSTITUTIONAL SUPPORT</b>			
<b>State Operations:</b>			
O001 General Fund	\$446,404	\$386,886	\$427,643
O948 California State University Trust Fund (Student Fees)	121,056	163,953	178,179
O948 California State University Trust Fund (Other Fees and Income)	31,747	21,603	21,603
9999 Other Funds	136,832	74,878	35,216
<b>Totals, State Operations</b>	<b>\$736,039</b>	<b>\$647,320</b>	<b>\$662,641</b>
<b>ELEMENT REQUIREMENTS</b>			
06.01 Executive Management	112,224	122,597	128,575
06.02 Fiscal Operations	173,054	137,062	99,992
06.04 Public Relations/Development	81,386	87,630	92,349
06.05 General Administration	231,835	183,509	202,265
06.06 Administrative Information Technology	137,540	116,522	139,460
<b>PROGRAM REQUIREMENTS</b>			
<b>07 OPERATIONS AND MAINTENANCE OF PLANT</b>			
<b>State Operations:</b>			
O001 General Fund	\$223,620	\$295,309	\$323,281
O948 California State University Trust Fund (Student Fees)	231,326	223,809	237,351
O948 California State University Trust Fund (Other Fees and Income)	30,435	20,563	20,563
9999 Other Funds	58,951	52,675	52,675

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

	2006-07*	2007-08*	2008-09*
<b>Totals, State Operations</b>	<b>\$544,332</b>	<b>\$592,356</b>	<b>\$633,870</b>
<b>ELEMENT REQUIREMENTS</b>			
07.01 Physical Plant Administration	56,844	54,685	58,393
07.02 Building Maintenance	76,641	82,843	88,307
07.03 Custodial Services	64,245	65,510	70,164
07.04 Utilities	132,011	126,749	135,613
07.05 Landscape and Grounds Maintenance	26,694	28,393	30,266
07.06 Major Repairs and Renovation	98,507	80,883	89,466
07.07 Security and Safety	63,854	70,414	75,412
07.08 Logistical Services	23,895	26,355	27,779
07.09 Operations and Maintenance Information Technology	1,641	1,225	1,471
07.10 Lease Revenue Bond Payments	-	55,299	56,999
<b>PROGRAM REQUIREMENTS</b>			
<b>08 STUDENT FINANCIAL AID</b>			
<b>State Operations:</b>			
0001 General Fund	\$33,785	\$33,785	\$33,785
0895 Federal Funds - Not in State Treasury	339,081	361,000	361,000
0948 California State University Trust Fund (Student Fees)	222,318	262,354	305,805
9999 Other Funds	1,373	979	797
<b>Totals, State Operations</b>	<b>\$596,557</b>	<b>\$658,118</b>	<b>\$701,387</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>09 AUXILIARY ENTERPRISES</b>			
<b>State Operations:</b>			
9999 Other Funds	\$1,741,548	\$1,941,304	\$1,941,303
<b>Totals, State Operations</b>	<b>\$1,741,548</b>	<b>\$1,941,304</b>	<b>\$1,941,303</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>11 REIMBURSED ACTIVITIES</b>			
<b>State Operations:</b>			
9999 Other Funds	\$148,743	\$1,862	\$4,573
<b>Totals, State Operations</b>	<b>\$148,743</b>	<b>\$1,862</b>	<b>\$4,573</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	6,687,412	6,946,304	7,257,603
<b>Totals, Expenditures</b>	<b>\$6,687,412</b>	<b>\$6,946,304</b>	<b>\$7,257,603</b>

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	45,379.6	45,480.1	45,480.1	\$2,539,156	\$2,640,312	\$2,640,312
Student Pay Work Study	-	-	-	18,731	13,145	13,145
<b>Net Totals, Salaries and Wages</b>	<b>45,379.6</b>	<b>45,480.1</b>	<b>45,480.1</b>	<b>\$2,557,887</b>	<b>\$2,653,457</b>	<b>\$2,653,457</b>
Staff Benefits	-	-	-	886,963	958,695	958,695
<b>Totals, Personal Services</b>	<b>45,379.6</b>	<b>45,480.1</b>	<b>45,480.1</b>	<b>\$3,444,850</b>	<b>\$3,612,152</b>	<b>\$3,612,152</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>\$3,242,562</b>	<b>\$3,334,152</b>	<b>\$3,645,451</b>
<b>TOTAL EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$6,687,412</b>	<b>\$6,946,304</b>	<b>\$7,257,603</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

\* Dollars in thousands, except in Salary Range.

## 6610 California State University - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0001 General Fund</b>			
APPROPRIATIONS	\$2,721,322	\$-	\$-
001 Budget Act appropriation, as amended by Chapter 48, Statutes of 2006	23,284	-	-
Adjustment per Section 3.60	-6	-	-
Transfer to Legislative Claims (9670)	-	2,920,880	3,125,754
001 Budget Act appropriation	-	-8,578	-
Adjustment per Section 3.60	-	-5	-
Adjustment per Section 15.25	-	-1	-
Transfer to Legislative Claims (9670)	2,991	3,111	3,235
002 Budget Act appropriation	64,597	61,883	56,999
003 Budget Act appropriation	-2,009	-6,584	-
Adjustment per Section 4.30 (Lease-Revenue)			
Prior year balances available:	1,205	-	-
Item 6610-001-0001, as amended by Chapter 39, Statutes of 2005 and reappropriated by Item			
6610-490, Budget Act of 2006			
<b>Totals Available</b>	<u>\$2,811,384</u>	<u>\$2,970,706</u>	<u>\$3,185,988</u>
Unexpended balance, estimated savings	-3,414	-	-
<b>TOTALS, EXPENDITURES</b>	<u>\$2,807,970</u>	<u>\$2,970,706</u>	<u>\$3,185,988</u>
<b>0505 Affordable Student Housing Revolving Fund</b>			
APPROPRIATIONS	\$350	\$350	\$350
Education Code Section 90087 (Transfer From General Fund)	\$350	\$350	\$350
<b>TOTALS, EXPENDITURES</b>	<u>-350</u>	<u>-350</u>	<u>-350</u>
Less funding provided by the General Fund	\$-	\$-	\$-
<b>NET TOTALS, EXPENDITURES</b>			
<b>0573 State University Continuing Education Revenue Fund</b>			
APPROPRIATIONS	\$133,766	\$143,648	\$143,648
Education Code Section 89704	\$133,766	\$143,648	\$143,648
<b>TOTALS, EXPENDITURES</b>			
<b>0580 California State University Dormitory Revenue Fund</b>			
APPROPRIATIONS	\$141,841	\$203,924	\$203,924
Education Code Section 90074 (housing expenditures)	52,978	26,653	26,653
Education Code Section 90074 (parking expenditures)	\$194,819	\$230,577	\$230,577
<b>TOTALS, EXPENDITURES</b>			
<b>0583 California State University Parking Revenue Fund</b>			
APPROPRIATIONS	\$42,950	\$64,307	\$64,307
Education Code Section 89701	\$42,950	\$64,307	\$64,307
<b>TOTALS, EXPENDITURES</b>			
<b>0814 California State Lottery Education Fund</b>			
APPROPRIATIONS	(\$43,176)	(\$49,881)	(\$49,881)
Government Code Section 8880.5 (Transfer to CSU Lottery Education Fund)	\$-	\$-	\$-
<b>TOTALS, EXPENDITURES</b>			
<b>0839 California State University Lottery Education Fund</b>			
APPROPRIATIONS	\$43,176	\$49,881	\$49,881
Education Code Section 89722.5	15	-	-
Adjustment per Section 3.60	1,119	-	-
Increase reserve			
Prior year balances available:	15,952	11,418	-
Prior year balances available	\$60,262	\$61,299	\$49,881
<b>Totals Available</b>			

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
Balance available in subsequent years	-11,418	-	-
<b>TOTALS, EXPENDITURES</b>	<u>\$48,844</u>	<u>\$61,299</u>	<u>\$49,881</u>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$39,000	\$39,500	\$-
001 Budget Act appropriation	-30,971	-	-
Budget Adjustment	\$8,029	\$39,500	\$-
<b>TOTALS, EXPENDITURES</b>			
<b>0895 Federal Funds - Not In State Treasury</b>			
APPROPRIATIONS	<u>\$361,338</u>	<u>\$361,000</u>	<u>\$361,000</u>
Federal Financial Aid	\$361,338	\$361,000	\$361,000
<b>TOTALS, EXPENDITURES</b>			
<b>0948 California State University Trust Fund</b>			
APPROPRIATIONS	<u>\$1,296,549</u>	<u>\$1,376,853</u>	<u>\$1,521,077</u>
Other Funds	\$1,296,549	\$1,376,853	\$1,521,077
<b>TOTALS, EXPENDITURES</b>			
<b>0994 Other Unclassified Funds</b>			
APPROPRIATIONS	<u>\$1,309,568</u>	<u>\$1,336,759</u>	<u>\$1,336,759</u>
Foundations and Auxiliary Organizations	\$1,309,568	\$1,336,759	\$1,336,759
<b>TOTALS, EXPENDITURES</b>			
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$148,743	\$1,862	\$4,573
Reimbursements			
<b>6048 2006 University Capital Outlay Bond Fund</b>			
APPROPRIATIONS	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$-</u>
002 Budget Act appropriation	\$50,000	\$50,000	\$-
<b>TOTALS, EXPENDITURES</b>			
<b>6074 2008 University Capital Outlay Bond Fund</b>			
APPROPRIATIONS	<u>\$-</u>	<u>\$-</u>	<u>\$50,000</u>
002 Budget Act appropriation	\$-	\$-	\$50,000
<b>TOTALS, EXPENDITURES</b>			
<b>7896 Auxiliary Organizations</b>			
APPROPRIATIONS	<u>\$284,836</u>	<u>\$309,793</u>	<u>\$309,793</u>
Federal Funds	\$284,836	\$309,793	\$309,793
<b>TOTALS, EXPENDITURES</b>			
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<u>\$6,687,412</u>	<u>\$6,946,304</u>	<u>\$7,257,603</u>

**INFRASTRUCTURE OVERVIEW**

The California State University (CSU) system includes 23 campuses and 7 off-campus centers, which serve 450,000 students. While each campus in the system has its own unique geographic and curricular character, 22 campuses can be characterized as multipurpose institutions, offering undergraduate and graduate instruction for professional and occupational goals. The California Maritime Academy has a specialized mission, focusing on marine transportation and engineering, and maritime sciences. The CSU system has a total of 2,266 buildings with 82.7 million gross square feet on 23,051 acres.

**MAJOR PROJECT CHANGES**

- The Governor's Budget proposes \$265.0 million from the 2008 University Capital Outlay Bond Fund for 19 projects for the construction and renovation of buildings. These buildings are needed for critical infrastructure deficiencies to meet enrollment and facility renewal needs at CSU campuses.

**SUMMARY OF PROJECTS**

	State Building Program Expenditures	2006-07*	2007-08*	2008-09*
<b>06 CAPITAL OUTLAY Major Projects</b>				

\* Dollars in thousands, except in Salary Range.

## 6610 California State University - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
<b>06.48</b>	<b>TRUSTEES OF THE CSU - SYSTEM-WIDE</b>	\$25,000	\$41,326	\$25,000
06.48.300	Nursing Facility Improvements	-	14,326 <sup>PWCEB</sup>	-
06.48.315	Minor Capital Outlay	25,000 <sup>PWCB</sup>	27,000 <sup>PWCB</sup>	25,000 <sup>PWCB</sup>
<b>06.50</b>	<b>BAKERSFIELD</b>	\$4,286	\$3,906	\$17,292
06.50.064	Math and Computer Science Building	-	1,513 <sup>EB</sup>	-
06.50.065	Nursing Renovation	1,979 <sup>PWCB</sup>	221 <sup>EB</sup>	-
06.50.066	Art Center and Satellite Plant	-	387 <sup>PB</sup>	17,292 <sup>WCB</sup>
06.50.994	Nonstate Funded Projects	2,307 <sup>PWCEB</sup>	1,785 <sup>PWCEB</sup>	-
<b>06.51</b>	<b>MARITIME ACADEMY</b>	\$3,093	\$19,499	\$917
06.51.008	Acquisition	3,093 <sup>Ab</sup>	732 <sup>Ab</sup>	-
06.51.009	Simulation Center	-	3,618 <sup>EB</sup>	-
06.51.010	Physical Education Replacement	-	-	917 <sup>PB</sup>
06.51.994	Nonstate Funded Projects	-	15,149 <sup>PWCEB</sup>	-
<b>06.52</b>	<b>CHICO</b>	\$42,252	\$42,655	\$9,731
06.52.109	Student Services Center	42,252 <sup>CB</sup>	-	2,432 <sup>EB</sup>
06.52.113	Taylor II Replacement Building	-	-	2,637 <sup>PWB</sup>
06.52.994	Nonstate Funded Projects	-	42,655 <sup>PWCEB</sup>	4,662 <sup>PWCEB</sup>
<b>06.54</b>	<b>DOMINGUEZ HILLS</b>	\$270	\$58,359	\$3,664
06.54.081	Educational Resource Center Addition	270 <sup>CB</sup>	58,359 <sup>CB</sup>	3,664 <sup>EB</sup>
<b>06.56</b>	<b>FRESNO</b>	\$256,115	\$6,884	\$-
06.56.093	Library Addition and Renovation	84,153 <sup>CB</sup>	6,884 <sup>EB</sup>	-
06.56.994	Nonstate Funded Projects	171,962 <sup>PWCEB</sup>	-	-
<b>06.62</b>	<b>FULLERTON</b>	\$45,374	\$22,235	\$-
06.62.095	College of Business and Economics	45,374 <sup>CB</sup>	6,593 <sup>EB</sup>	-
06.62.994	Nonstate Funded Projects	-	15,642 <sup>PWCEB</sup>	-
<b>06.64</b>	<b>EAST BAY (HAYWARD)</b>	\$52,094	\$38,938	\$7,637
06.64.075	Warren Hall Telecommunications Relocation	-	-	2,003 <sup>PWCB</sup>
06.64.080	Business and Technology Center	1,544 <sup>EB</sup>	-	-
06.64.081	Seismic Upgrade, Warren Hall	-	-	3,468 <sup>PWB</sup>
06.64.082	Student Services Replacement Building	-	38,938 <sup>CB</sup>	1,963 <sup>EB</sup>
06.64.994	Nonstate Funded Projects	50,550 <sup>PWCEB</sup>	-	203 <sup>PWB</sup>
<b>06.67</b>	<b>HUMBOLDT</b>	\$46,387	\$1,366	\$454
06.67.087	Behavioral and Social Science, Phase I	2,229 <sup>EB</sup>	-	-
06.67.090	Library Seismic Safety Upgrade	-	1,366 <sup>EB</sup>	454 <sup>PWB</sup>
06.67.098	Forbes Physical Education Complex Renovation	6,000 <sup>Ab</sup>	-	-
06.67.100	Mai Kai Land Acquisition	38,158 <sup>PWCEB</sup>	-	-
06.67.994	Nonstate Funded Projects	\$1,078	\$108,024	\$-
<b>06.68</b>	<b>SAN MARCOS</b>	1,078 <sup>PB</sup>	53,688 <sup>WCB</sup>	-
06.68.123	Social and Behavioral Sciences Building	-	54,336 <sup>PWCEB</sup>	-
06.68.994	Nonstate Funded Projects	\$71,235	\$95,778	\$-
<b>06.71</b>	<b>LONG BEACH</b>	-	1,151 <sup>CB</sup>	-
06.71.107	Seismic Upgrade, Liberal Arts 2, 3, and 4	-	93,145 <sup>BB</sup>	-
06.71.110	Peterson Hall 3 Replacement	-	481 <sup>EB</sup>	-
06.71.111	Library Addition and Renovation	-	-	-
06.71.994	Nonstate Funded Projects	71,235 <sup>PWCEB</sup>	1,001 <sup>PWCEB</sup>	-
<b>06.73</b>	<b>LOS ANGELES</b>	\$9,391	\$65,633	\$575
06.73.086	Forensic Science Building	-	-	575 <sup>EB</sup>
06.73.094	Science Replacement Building, Wing A	4,635 <sup>EB</sup>	-	-

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

State Building Program Expenditures	2006-07*	2007-08*	2008-09*
06.73.096 Corporation Yard and Public Safety	787 <sup>PWb</sup>	15,133 <sup>Cb</sup>	-
06.73.097 Science Replacement Building, Wing B	865 <sup>PWcb</sup>	50,500 <sup>Wcb</sup>	-
06.73.994 Nonstate Funded Projects	3,104 <sup>PWCn</sup>	-	-
<b>06.74 MONTEREY BAY</b>	<b>\$51,830</b>	<b>\$4,228</b>	<b>\$2,145</b>
06.74.006 Library	49,741 <sup>Cn</sup>	4,228 <sup>Eb</sup>	-
06.74.007 Infrastructure Improvements	2,089 <sup>CEb</sup>	-	2,145 <sup>PWb</sup>
06.74.008 Academic Building II	\$-	\$54,983	\$4,826
<b>06.76 SACRAMENTO</b>	-	-	4,826 <sup>PWb</sup>
06.76.098 Science II, Phase 2	-	54,983 <sup>PWCn</sup>	-
06.76.994 Nonstate Funded Projects	\$4,011	\$4,082	\$10,510
<b>06.78 SAN BERNARDINO</b>	-	-	10,510 <sup>PWcb</sup>
06.78.073 Access Compliance Barrier Removal	1,573 <sup>Eb</sup>	-	-
06.78.092 Science Building Renovation and Addition, Phase II	2,438 <sup>Eb</sup>	-	-
06.78.093 College of Education	-	999 <sup>Eb</sup>	-
06.78.095 Palm Desert Off-Campus Center, Phase III	-	3,083 <sup>PWCn</sup>	-
06.78.994 Nonstate Funded Projects	\$6,572	\$4,353	\$64,085
<b>06.80 SAN DIEGO</b>	-	2,552 <sup>PWb</sup>	47,169 <sup>Cb</sup>
06.80.156 Storm/Nasatir Halls Renovation	6,572 <sup>PWCn</sup>	1,801 <sup>PWCn</sup>	16,916 <sup>PWCEn</sup>
06.80.994 Nonstate Funded Projects	\$193,671	\$-	\$11,308
<b>06.82 NORTHRIDGE</b>	44,071 <sup>Cb</sup>	-	4,499 <sup>Eb</sup>
06.82.085 Science I Replacement	56,528 <sup>Wcb</sup>	-	6,032 <sup>Eb</sup>
06.82.086 Performing Arts Center	93,072 <sup>PWCEn</sup>	-	777 <sup>En</sup>
06.82.994 Nonstate Funded Projects	\$20,199	\$53,587	\$54,818
<b>06.83 CHANNEL ISLANDS</b>	2,533 <sup>PWb</sup>	47,134 <sup>Cb</sup>	-
06.83.002 Infrastructure Improvements, Phase IA and IB	-	1,989 <sup>PWb</sup>	30,128 <sup>Cb</sup>
06.83.003 Classroom and Faculty Office Renovation and Addition	-	-	868 <sup>Pb</sup>
06.83.004 West Hall	-	1,390 <sup>PWb</sup>	23,822 <sup>Cb</sup>
06.83.005 Entrance Road	-	3,074 <sup>Eb</sup>	-
06.83.006 John Spoor Broome Library	17,666 <sup>PWCEn</sup>	-	-
06.83.994 Nonstate Funded Projects	\$37,456	\$137,375	\$1,085
<b>06.84 SAN FRANCISCO</b>	-	9,308 <sup>Cb</sup>	-
06.84.094 Telecommunications Infrastructure	-	113,694 <sup>DBnr</sup>	546 <sup>Enr</sup>
06.84.104 J. P. Leonard and Sutro Joint Library	-	12,382 <sup>Ab</sup>	-
06.84.105 School of the Arts	37,456 <sup>PWCn</sup>	1,991 <sup>Pn</sup>	539 <sup>Wn</sup>
06.84.994 Nonstate Funded Projects	\$-	\$-	\$1,162
<b>06.86 SAN JOSE</b>	-	-	1,162 <sup>Pb</sup>
06.86.084 Spartan Complex Seismic Renovation	\$58,892	\$1,553	\$-
<b>06.90 SONOMA</b>	-	1,553 <sup>Eb</sup>	-
06.90.086 Music/Faculty Office Building	58,892 <sup>PWCEn</sup>	-	-
06.90.994 Nonstate Funded Projects	\$27,289	\$1,049	\$21,891
<b>06.92 STANISLAUS</b>	4,951 <sup>Eb</sup>	-	-
06.92.064 Science II (Seismic)	-	1,049 <sup>PWb</sup>	16,731 <sup>Cb</sup>
06.92.067 Science I Renovation (Seismic)	22,338 <sup>PWCn</sup>	-	5,160 <sup>PWCn</sup>
06.92.994 Nonstate Funded Projects	\$12,213	\$19,005	\$115,828
<b>06.96 SAN LUIS OBISPO</b>	9,970 <sup>Eb</sup>	-	-
06.96.115 Engineering/Architecture Renovation and Replacement, Phase II	1,866 <sup>Pb</sup>	2,707 <sup>Wb</sup>	99,620 <sup>Cb</sup>
06.96.116 Center for Science	377 <sup>Pn</sup>	16,298 <sup>Wcn</sup>	16,208 <sup>Cn</sup>
06.96.994 Nonstate Funded Projects	-	-	-

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
06.98	POMONA	\$93,213	\$49,740	\$22,043
06.98.107	Library Addition and Renovation Phase 1	-	5,863 <sup>Eb</sup>	-
06.98.108	Science Renovation (Seismic)	-	4,475 <sup>Eb</sup>	-
06.98.109	College of Business Administration	-	31,429 <sup>Wcb</sup>	-
06.98.994	Nonstate Funded Projects	93,213 <sup>PWCEr</sup>	7,973 <sup>PWCr</sup>	22,043 <sup>PWCEr</sup>
Totals, Major Projects		\$1,061,921	\$834,558	\$374,971
<b>TOTALS, EXPENDITURES, ALL PROJECTS</b>		<b>\$1,061,921</b>	<b>\$834,558</b>	<b>\$374,971</b>

FUNDING		2006-07*	2007-08*	2008-09*
0574	1998 Higher Education Capital Outlay Bond Fund	\$-	\$20,000	\$-
0660	Public Buildings Construction Fund	49,741	102,140	-
0785	1988 Higher Education Capital Outlay Bond	-	-	4,826
0994	Other Unclassified Funds	666,902	216,697	66,508
0995	Reimbursements	-	11,554	546
6028	2002 Higher Education Capital Outlay Bond Fund	43,523	21,176	-
6041	2004 Higher Education Capital Outlay Bond Fund	199,894	1,243	38,041
6048	2006 University Capital Outlay Bond Fund	101,861	461,748	-
6074	2008 University Capital Outlay Bond Fund	-	-	265,050
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>		<b>\$1,061,921</b>	<b>\$834,558</b>	<b>\$374,971</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY		2006-07*	2007-08*	2008-09*
0574 1998 Higher Education Capital Outlay Bond Fund				
APPROPRIATIONS		\$-	\$20,000	\$-
301 Budget Act appropriation		\$-	\$20,000	\$-
<b>TOTALS, EXPENDITURES</b>				
0660 Public Buildings Construction Fund				
APPROPRIATIONS				
Prior year balances available:		\$128,984	\$102,140	0
Chapter 33, Statutes of 2002		3,800	-	\$-
Augmentation per Government Code Sections 16352, 16409 and 16354		19,097	-	-
Chapter 509, Statutes of 2006		\$151,881	\$102,140	\$-
Totals Available		-102,140	-	-
Balance available in subsequent years		\$49,741	\$102,140	\$-
<b>TOTALS, EXPENDITURES</b>				
0785 1988 Higher Education Capital Outlay Bond				
APPROPRIATIONS		\$-	\$-	\$4,826
301 Budget Act appropriation		\$-	\$-	\$4,826
<b>TOTALS, EXPENDITURES</b>				
0994 Other Unclassified Funds				
APPROPRIATIONS		\$666,902	\$216,697	\$66,508
Other Unclassified Funds		\$666,902	\$216,697	\$66,508
<b>TOTALS, EXPENDITURES</b>				
0995 Reimbursements				
APPROPRIATIONS		\$-	\$11,554	\$546
Reimbursements		\$-	\$11,554	\$546
6028 2002 Higher Education Capital Outlay Bond Fund				
APPROPRIATIONS				

\* Dollars in thousands, except in Salary Range.

6610 California State University - Continued

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
301 Budget Act appropriation	\$43,553	\$20,536	\$-
Reversion per Government Code Sections 16351, 16351.5 and 16408	-1,301	-	-
Prior year balances available:			
Item 6610-301-6028, Budget Act of 2003 as reappropriated by Item 6610-491, Budget Act of 2006	1,271	0	-
Augmentation per Government Code Sections 16352, 16409 and 16354	-	640	-
	<u>\$43,523</u>	<u>\$21,176</u>	<u>\$-</u>
<b>TOTALS, EXPENDITURES</b>			
<b>6041 2004 Higher Education Capital Outlay Bond Fund</b>			
<b>APPROPRIATIONS</b>			
301 Budget Act appropriation	\$3,320	\$-	\$27,531
302 Budget Act appropriation	1,979	-	10,510
Prior year balances available:			
Item 6610-301-6041, Budget Act of 2004 as reappropriated by Item 6610-493, Budget Act of 2005 and Item 6610-491, Budget Act of 2007	1,914	92	-
Augmentation per Government Code Sections 16352, 16409 and 16354	1,832	-	-
Item 6610-301-6041, Budget Act of 2005, as reappropriated by Item 6610-491, Budget Act of 2006	36,005	1,151	-
Reversion per Government Code Sections 16351, 16351.5 and 16408	-34,584	-	-
Item 6610-302-6041, Budget Act of 2004, as reappropriated by Item 6610-491, Budget Act of 2006	120,527	-	-
Reversion per Government Code Sections 16351, 16351.5 and 16408	-30,217	-	-
Item 6610-302-6041, Budget Act of 2005	100,361	-	-
<b>Totals Available</b>	<u>\$201,137</u>	<u>\$1,243</u>	<u>\$38,041</u>
Balance available in subsequent years	-1,243	-	-
<b>TOTALS, EXPENDITURES</b>	<u>\$199,894</u>	<u>\$1,243</u>	<u>\$38,041</u>
<b>6048 2006 University Capital Outlay Bond Fund</b>			
<b>APPROPRIATIONS</b>			
301 Budget Act appropriation	\$157,916	\$237,136	\$-
302 Budget Act appropriation	76,127	88,911	-
Prior year balances available:			
Item 6610-301-6048, Budget Act of 2006, as partially reverted by Item 6610-496, Budget Act of 2007	-	121,634	-
Augmentation per Government Code Sections 16352, 16409 and 16354	-	10,449	-
Item 6610-302-6048, Budget Act of 2006	-	3,618	-
<b>Totals Available</b>	<u>\$234,043</u>	<u>\$461,748</u>	<u>\$-</u>
Unexpended balance, estimated savings	-6,930	-	-
Balance available in subsequent years	-125,252	-	-
<b>TOTALS, EXPENDITURES</b>	<u>\$101,861</u>	<u>\$461,748</u>	<u>\$-</u>
<b>6074 2008 University Capital Outlay Bond Fund</b>			
<b>APPROPRIATIONS</b>			
301 Budget Act appropriation	\$-	\$-	\$254,519
302 Budget Act appropriation	-	-	10,531
<b>TOTALS, EXPENDITURES</b>	<u>\$-</u>	<u>\$-</u>	<u>\$265,050</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)</b>	<u>\$1,061,921</u>	<u>\$834,558</u>	<u>\$374,971</u>

6870 Board of Governors of the California Community Colleges

The Board of Governors of the California Community Colleges was established in 1967 to provide statewide leadership to California's community colleges. The Board has 17 members appointed by the Governor with the advice and consent of the Senate. Twelve members are appointed to six-year terms and two student members, two faculty members, and one classified member are appointed to two-year terms.

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

The objectives of the Board are:

- To provide direction, coordination, planning, and leadership to California's community colleges.
- To promote quality education in community colleges.
- To improve district and campus programs through informational and technical services on a statewide basis, while recognizing the community-oriented aspect of California's network of 109 community colleges.
- To seek adequate financial support while ensuring the most prudent use of public funds.

Since community college programs drive the need for infrastructure investment, each community college district has a related capital outlay program to support this need. For the specifics on the community college capital outlay program see "Infrastructure Overview."

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 Apportionments	5.7	5.7	5.7	\$5,722,708	\$6,003,306	\$6,461,152
20 Special Services, Operations and Information	102.0	98.1	99.2	721,283	745,912	801,829
30.01 Administration	47.3	48.5	48.4	6,645	4,375	4,410
30.02 Distributed Administration	-	-	-	-6,645	-4,375	-4,410
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>155.0</b>	<b>152.3</b>	<b>153.3</b>	<b>\$6,443,991</b>	<b>\$6,749,218</b>	<b>\$7,262,981</b>
				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
<b>FUNDING</b>						
0001 General Fund				\$75,924	\$30,926	\$9,381
0001 General Fund, Proposition 98				3,928,702	4,115,755	4,510,025
0342 State School Fund				6,216	6,216	6,216
0814 California State Lottery Education Fund				173,917	167,535	167,535
0890 Federal Trust Fund				-	1,988	251
0909 Community College Fund for Instructional Improvement				-105	6	4
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund				10	28	27
0942 Special Deposit Fund				152	155	155
0986 Local Property Tax Revenues				1,851,009	2,051,728	2,196,195
0992 Higher Education Fees and Income				317,421	281,431	289,873
0995 Reimbursements				88,975	91,443	81,440
6028 2002 Higher Education Capital Outlay Bond Fund				1,770	1,864	1,879
6049 2006 California Community College Capital Outlay Bond Fund				-	143	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$6,443,991</b>	<b>\$6,749,218</b>	<b>\$7,262,981</b>

### LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Education Code, Division 7.

### MAJOR PROGRAM CHANGES

- A \$171.9 million increase (3-percent) for enrollment growth for Apportionments. This would fund more than 35,000 additional full time equivalent (FTE) students. This level exceeds the 1.5 percent minimum increase pursuant to the statutory formula included in Chapter 631, Statutes of 2006.
- A \$291.7 million increase for cost-of-living (4.94-percent COLA) for general-purpose Apportionments.
- A \$28.5 million increase for categorical program enrollment growth and COLA (3-percent and 4.94-percent, respectively). These programs include Matriculation, Disabled Students Programs and Services, Campus Childcare Tax Bailout, Extended Opportunity Programs and Services and Apprenticeship.
- A \$374,000 net increase for the Chancellor's Office state operations for standard baseline adjustments and an increase of \$200,000 and two positions for workload associated with nursing and career technical education program local assistance increases resulting from 2007 budget actions.

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

- A \$40 million current year reduction to community college apportionments. The Administration will introduce trailer bill legislation to identify potential savings in other programs in an effort to help offset this mid-year reduction.

### BUDGET-BALANCING REDUCTIONS

- The Budget includes Proposition 98 General Fund reductions of \$291.7 million for community college general-purpose Apportionments, and \$111.8 million for Growth for Apportionments.
- The Budget includes a Proposition 98 General Fund reduction of \$79.9 million for community college categorical programs.
- The Budget includes a General Fund reduction of \$1 million for the Chancellor's Office state operations.

### DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Cost-of-Living Increase for General Apportionments and Selected Categorical Programs	\$-	\$-	-	\$310,029	\$-	-
• Statutory Growth Increase for General Apportionments and Selected Categoricals	-	-	-	91,075	-	-
• Discretionary Growth Increase for General Apportionments and Selected Categoricals	-	-	-	91,075	-	-
• Increase funding for Basic Skills per Chp. 489, Statutes of 2007, (AB 194)	33,100	-	-	33,100	-	-
• Remove Governor's Veto Set Aside	-46,896	-	-	-46,896	-	-
• Reduce One-Time Costs for Scheduled Maintenance and Nursing Programs	-	-	-	-	-5,537	-
• Remove One-Time Federal Funds	-	-	-	-	1,469	-
• Increase Reimbursements for Agreement with Department of Transportation per Section 28.5	-	-	-	-	-	-
• Revise Property Tax Revenues	-	-4,649	-	-139,818	139,818	-
• Revise Lottery Revenues	-	-6,382	-	-	-6,382	-
• Revise Student Fee Revenues	-	-2,288	-	-6,154	6,154	-
• Revise Federal Oil and Mineral Revenues	-	643	-	-643	643	-
• Revise Financial Aid Administrative Support	-	-	-	-1,088	-	-
• Revise Lease Revenue Debt Service	-1,073	-	-	8,721	-7,735	-
• Compton CCD Loan Repayment	366	-	-	-293	-	-
• Reduce Prorata	-	-	-	-	-3	-
• Augment State Operations for the Governor's Career Technical Education Initiative	-	-	-	100	-	0.9
• Augment State Operations for the Nursing Enrollment Growth and Retention Program	-	-	-	100	-	0.9
• Salary Increase	135	133	-	135	133	-
• Employee Benefits Adjustment	68	67	-	87	85	-
• Price Increase	-	-	-	62	60	-
• Retirement Cost Adjustment per Section 3.60	-20	-20	-	-20	-20	-
• Technology Funding Adjustment per Section 15.25 Technology	-21	-20	-	-21	-20	-
• Remove Limited-Term Position for Bond Accountability	-	-	-	-	-143	-0.9
• Remove 2007-08 Price Increase per Section 4.04	-69	-	-	-69	-	-
<b>Totals, Baseline Adjustments</b>	<b>-\$14,410</b>	<b>-\$12,516</b>	<b>-</b>	<b>\$318,314</b>	<b>\$128,522</b>	<b>0.9</b>
<b>Policy Adjustment Descriptions</b>						

\* Dollars in thousands, except in Salary Range.

6870 Board of Governors of the California Community Colleges - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Mid-Year Reduction to Community College Apportionments	-\$40,000	\$-	-	\$-	\$-	-
Totals, Policy Adjustments	-\$40,000	\$-	-	\$-	\$-	-
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$54,410</b>	<b>-\$12,516</b>	<b>-</b>	<b>\$318,314</b>	<b>\$128,522</b>	<b>0.9</b>
Other Adjustments <sup>v</sup>						
• Budget-Balancing Reductions				-484,539		
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$54,410</b>	<b>-\$12,516</b>	<b>-</b>	<b>-\$166,225</b>	<b>\$128,522</b>	<b>0.9</b>

<sup>v</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 - COMMUNITY COLLEGE APPORTIONMENTS

This program provides funding that supplements local resources in financing the general education programs of the 109 community colleges. This program also includes the preparation of reports and the collection of a wide range of data from community colleges for certification of the funding provided to each district. The majority of state funding for community colleges is provided by the General Fund.

20 - SPECIAL SERVICES, OPERATIONS AND INFORMATION

Special Services, Operations and Information functions include the development, implementation, and coordination of policies and procedures regarding education programs and funding other than apportionments. Such programs include student financial aid, academic counseling, foster care education, and support for disabled students and CalWORKs participants.

30 - ADMINISTRATION

A total of 48.4 positions and \$4.4 million will be utilized by the Chancellor's Office during the 2008-09 fiscal year to perform administrative functions for support of the various programs of the Board of Governors of the California Community Colleges.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 APPORTIONMENTS</b>			
State Operations:			
0001 General Fund	\$886	\$899	\$907
Totals, State Operations	\$886	\$899	\$907
Local Assistance:			
0001 General Fund	\$3,365,020	\$3,479,011	\$3,791,675
0342 State School Fund	6,216	6,216	6,216
0814 California State Lottery Education Fund	173,917	167,535	167,535
0986 Local Property Tax Revenues	1,851,009	2,051,728	2,196,195
0992 Higher Education Fees and Income UC/CC	317,421	281,431	289,873
0995 Reimbursements	8,239	16,486	8,751
Totals, Local Assistance	\$5,721,822	\$6,002,407	\$6,460,245
<b>ELEMENT REQUIREMENTS</b>			
<b>10.10 010-Apportionments</b>			
State Operations:			
0001 General Fund	\$886	\$899	\$907
Local Assistance:			
0001 General Fund	\$3,209,173	\$3,323,150	\$3,603,718
0342 State School Fund	6,216	6,216	6,216

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
0814 California State Lottery Education Fund	173,917	167,535	167,535
0986 Local Property Tax Revenues	1,851,009	2,051,728	2,196,195
0992 Higher Education Fees and Income UC/CC	317,421	281,431	289,873
0995 Reimbursements	8,239	16,486	8,751
	<b>\$48,339</b>	<b>\$48,329</b>	<b>\$15,981</b>
<b>10.10 020-Apprenticeship</b>			
<b>Local Assistance:</b>			
0001 General Fund	48,339	48,329	15,981
	<b>\$107,508</b>	<b>\$107,532</b>	<b>\$171,976</b>
<b>10.10 030-Growth for Apportionments</b>			
<b>Local Assistance:</b>			
0001 General Fund	107,508	107,532	171,976
<b>PROGRAM REQUIREMENTS</b>			
<b>20 SPECIAL SERVICES, OPERATIONS AND INFORMATION</b>			
<b>State Operations:</b>			
0001 General Fund	\$8,836	\$9,128	\$9,402
0890 Federal Trust Fund	-	263	251
0909 Community College Fund for Instructional Improvement	3	14	12
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	7	13	12
0942 Special Deposit Fund	152	155	155
0995 Reimbursements	8,305	8,012	8,204
6028 2002 Higher Education Capital Outlay Bond Fund	1,770	1,864	1,879
6049 2006 California Community College Capital Outlay Bond Fund	-	143	-
	<b>\$19,073</b>	<b>\$19,592</b>	<b>\$19,915</b>
<b>Totals, State Operations</b>			
<b>Local Assistance:</b>			
0001 General Fund	\$629,884	\$657,643	\$717,422
0890 Federal Trust Fund	-	1,725	-
0909 Community College Fund for Instructional Improvement	-108	-8	-8
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	3	15	15
0995 Reimbursements	72,431	66,945	64,485
	<b>\$702,210</b>	<b>\$726,320</b>	<b>\$781,914</b>
<b>Totals, Local Assistance</b>			
<b>ELEMENT REQUIREMENTS</b>			
<b>20.10 001-Student and Community Development</b>	<b>\$418</b>	<b>\$449</b>	<b>\$451</b>
<b>State Operations:</b>			
0001 General Fund	418	449	451
	\$-	\$-	\$33,100
<b>20.10 004-Student Success for Basic Skills Students</b>			
<b>Local Assistance:</b>			
0001 General Fund			33,100
	<b>\$52,593</b>	<b>\$51,640</b>	<b>\$50,552</b>
<b>20.10 005-Student Financial Aid Administration</b>			
<b>Local Assistance:</b>			
0001 General Fund	52,593	51,640	50,552
	<b>\$112,916</b>	<b>\$122,291</b>	<b>\$132,184</b>
<b>20.10 010-Extended Opportunity Programs and Services and Special Services</b>			
<b>Local Assistance:</b>			
0001 General Fund	112,916	122,291	132,184
	<b>\$107,870</b>	<b>\$115,011</b>	<b>\$124,313</b>
<b>20.10 020-Disabled Students</b>			
<b>Local Assistance:</b>			

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
0001 General Fund	107,870	115,011	124,313
<b>20.10 045-Student Services for CalWORKs Recipients</b>	<b>\$43,580</b>	<b>\$43,580</b>	<b>\$43,580</b>
Local Assistance:			
0001 General Fund	43,580	43,580	43,580
<b>20.10 050-Student Access &amp; Retention</b>	<b>\$1,650</b>	<b>\$1,770</b>	<b>\$1,781</b>
State Operations:			
0001 General Fund	1,300	1,322	1,332
0995 Reimbursements	350	448	449
<b>20.10 060-Foster Care Education Program</b>	<b>\$11,289</b>	<b>\$11,785</b>	<b>\$11,786</b>
State Operations:			
0995 Reimbursements	423	419	420
Local Assistance:			
0001 General Fund	4,754	5,254	5,254
0995 Reimbursements	6,112	6,112	6,112
<b>20.10 070-Matriculation</b>	<b>\$95,481</b>	<b>\$101,803</b>	<b>\$110,037</b>
Local Assistance:			
0001 General Fund	95,481	101,803	110,037
<b>20.10 080-Student Services Administration</b>	<b>\$1,157</b>	<b>\$1,173</b>	<b>\$1,181</b>
State Operations:			
0001 General Fund	1,157	1,173	1,181
<b>20.10 090-Special Services</b>	<b>\$915</b>	<b>\$1,374</b>	<b>\$1,497</b>
State Operations:			
0995 Reimbursements	915	1,374	1,497
<b>20.20 020-Academic Senate for the Community Colleges</b>	<b>\$486</b>	<b>\$482</b>	<b>\$483</b>
State Operations:			
0001 General Fund	19	15	16
Local Assistance:			
0001 General Fund	467	467	467
<b>20.20 040-Student and Faculty Diversity</b>	<b>\$363</b>	<b>\$374</b>	<b>\$377</b>
State Operations:			
0001 General Fund	363	374	377
<b>20.20 041-Equal Employment Opportunity</b>	<b>\$1,783</b>	<b>\$1,747</b>	<b>\$1,747</b>
Local Assistance:			
0001 General Fund	1,783	1,747	1,747
<b>20.20 050-Part-time Faculty Health Insurance</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
Local Assistance:			
0001 General Fund	1,000	1,000	1,000
<b>20.20 051-Part-time Faculty Compensation</b>	<b>\$50,828</b>	<b>\$50,828</b>	<b>\$50,828</b>
Local Assistance:			
0001 General Fund	50,828	50,828	50,828
<b>20.20 055-Part-time Faculty Office Hours</b>	<b>\$7,172</b>	<b>\$7,172</b>	<b>\$7,172</b>
Local Assistance:			
0001 General Fund	7,172	7,172	7,172
<b>20.30 011-Telecommunications and Technology Infrastructure</b>	<b>\$26,489</b>	<b>\$26,489</b>	<b>\$26,489</b>
Local Assistance:			
0001 General Fund	26,197	26,197	26,197
0995 Reimbursements	292	292	292
<b>20.30 020-Instructional Improvement</b>	<b>-\$105</b>	<b>\$6</b>	<b>\$4</b>

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
<b>State Operations:</b>			
0909 Community College Fund for Instructional Improvement	3	14	12
<b>Local Assistance:</b>			
0909 Community College Fund for Instructional Improvement	-108	-8	-8
<b>20.30 030-Vocational Education</b>	<b>\$66,554</b>	<b>\$67,154</b>	<b>\$63,734</b>
<b>State Operations:</b>			
0001 General Fund	2,134	2,322	2,559
0942 Special Deposit Fund	152	155	155
0995 Reimbursements	4,648	4,136	4,279
<b>Local Assistance:</b>			
0995 Reimbursements	59,620	60,541	56,741
<b>20.30 045-Fund for Student Success</b>	<b>\$6,158</b>	<b>\$6,158</b>	<b>\$6,158</b>
<b>Local Assistance:</b>			
0001 General Fund	6,158	6,158	6,158
<b>20.30 050-Economic Development</b>	<b>\$52,663</b>	<b>\$46,818</b>	<b>\$48,286</b>
<b>State Operations:</b>			
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	7	13	12
0995 Reimbursements	-	-	129
<b>Local Assistance:</b>			
0001 General Fund	46,790	46,790	46,790
0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund	3	15	15
0995 Reimbursements	5,863	-	1,340
<b>20.30 060-Workforce Preparation</b>	<b>\$600</b>	<b>\$-</b>	<b>\$-</b>
<b>State Operations:</b>			
0995 Reimbursements	600	-	-
<b>20.30 070-Transfer Education and Articulation</b>	<b>\$1,424</b>	<b>\$1,424</b>	<b>\$1,424</b>
<b>Local Assistance:</b>			
0001 General Fund	1,424	1,424	1,424
<b>20.30 080-Curriculum Standards and Instructional Services</b>	<b>\$1,959</b>	<b>\$2,005</b>	<b>\$1,939</b>
<b>State Operations:</b>			
0001 General Fund	1,879	1,899	1,907
0995 Reimbursements	80	106	32
<b>20.40 010-Facilities Planning</b>	<b>\$3,008</b>	<b>\$3,123</b>	<b>\$2,878</b>
<b>State Operations:</b>			
0995 Reimbursements	889	1,116	999
6028 2002 Higher Education Capital Outlay Bond Fund	1,770	1,864	1,879
6049 2006 California Community College Capital Outlay Bond Fund	-	143	-
<b>Local Assistance:</b>			
0995 Reimbursements	349	-	-
<b>20.40 026-Scheduled Maintenance/Special Repairs/Instructional Equipment and Library Material Replacement</b>	<b>\$27,345</b>	<b>\$27,345</b>	<b>\$27,345</b>
<b>Local Assistance:</b>			
0001 General Fund	27,345	27,345	27,345
<b>20.50 000-MIS and Operations Unit</b>	<b>\$1,966</b>	<b>\$1,973</b>	<b>\$1,978</b>

\* Dollars in thousands, except in Salary Range.

6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
State Operations:			
0001 General Fund	1,566	1,574	1,579
0995 Reimbursements	400	399	399
<b>20.60 010-Homeland Security</b>	<b>\$195</b>	<b>\$14</b>	<b>\$-</b>
State Operations:	-	14	-
0995 Reimbursements			
Local Assistance:	195	-	-
0995 Reimbursements	\$20,000	\$20,000	\$20,000
<b>20.70 010-Career Technical Education</b>			
Local Assistance:	20,000	20,000	20,000
0001 General Fund	\$6,540	\$6,836	\$7,174
<b>20.80 010-Campus Childcare Tax Bailout</b>			
Local Assistance:	6,540	6,836	7,174
0001 General Fund	\$100	\$-	\$-
<b>20.90 010-Baccalaureate Pilot Program</b>			
Local Assistance:	100	-	-
0001 General Fund	\$16,886	\$22,100	\$22,100
<b>20.95 010-Nursing Program Support</b>			
Local Assistance:	16,886	22,100	22,100
0001 General Fund	\$-	\$247	\$-
<b>20.96 001-Small Manufacturers Training Program</b>			
State Operations:	-	12	-
0890 Federal Trust Fund			
Local Assistance:	-	235	-
0890 Federal Trust Fund	\$-	\$1,741	\$251
<b>20.97 001-Community College Logistics Program</b>			
State Operations:	-	251	\$251
0890 Federal Trust Fund			
Local Assistance:	-	1,490	\$-
0890 Federal Trust Fund			
<b>TOTALS, EXPENDITURES</b>	<b>19,959</b>	<b>20,491</b>	<b>20,822</b>
State Operations	6,424,032	6,728,727	7,242,159
Local Assistance	\$6,443,991	\$6,749,218	\$7,262,981
Totals, Expenditures			

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	155.0	160.3	159.3	\$11,373	\$11,674	\$11,734
Total Adjustments	-	-	2.0	-	387	563
Estimated Salary Savings	-	-8.0	-8.0	-	-603	-615
<b>Net Totals, Salaries and Wages</b>	<b>155.0</b>	<b>152.3</b>	<b>153.3</b>	<b>\$11,373</b>	<b>\$11,458</b>	<b>\$11,682</b>
Staff Benefits	-	-	-	3,817	3,882	3,901
<b>Totals, Personal Services</b>	<b>155.0</b>	<b>152.3</b>	<b>153.3</b>	<b>\$15,190</b>	<b>\$15,340</b>	<b>\$15,583</b>
OPERATING EXPENSES AND EQUIPMENT				\$4,769	\$5,151	\$5,239
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$19,959</b>	<b>\$20,491</b>	<b>\$20,822</b>

\* Dollars in thousands, except in Salary Range.



**6870 Board of Governors of the California Community Colleges - Continued**

2 Local Assistance	Expenditures		
	2006-07*	2007-08*	2008-09*
Grants and Subventions	\$6,424,032	\$6,728,727	\$7,242,159
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$6,424,032</b>	<b>\$6,728,727</b>	<b>\$7,242,159</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>0001 General Fund</b>			
APPROPRIATIONS	\$9,397	\$9,935	\$10,309
001 Budget Act appropriation	274	202	-
Allocation for employee compensation	50	-20	-
Adjustment per Section 3.60	-	-69	-
Adjustment per Section 4.04	1	-	-
Adjustment per Section 4.75 Statewide Surcharge	-	-21	-
Adjustment per Section 15.25	-	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$9,722</b>	<b>\$10,027</b>	<b>\$10,309</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$-	\$12	\$-
001 Budget Act appropriation	-	251	251
002 Budget Act appropriation	-	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$263</b>	<b>\$251</b>
<b>0909 Community College Fund for Instructional Improvement</b>			
APPROPRIATIONS	\$13	\$14	\$12
001 Budget Act appropriation	\$13	\$14	\$12
<b>Totals Available</b>	<b>-10</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	\$3	\$14	\$12
<b>TOTALS, EXPENDITURES</b>	<b>\$3</b>	<b>\$14</b>	<b>\$12</b>
<b>0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund</b>			
APPROPRIATIONS	\$12	\$13	\$12
001 Budget Act appropriation	\$12	\$13	\$12
<b>Totals Available</b>	<b>-5</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	\$7	\$13	\$12
<b>TOTALS, EXPENDITURES</b>	<b>\$7</b>	<b>\$13</b>	<b>\$12</b>
<b>0942 Special Deposit Fund</b>			
APPROPRIATIONS	\$152	\$155	\$155
Government Code Section 16370	\$152	\$155	\$155
<b>TOTALS, EXPENDITURES</b>	<b>\$152</b>	<b>\$155</b>	<b>\$155</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$8,305	\$8,012	\$8,204
Reimbursements	\$8,305	\$8,012	\$8,204
<b>6028 2002 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS	\$1,716	\$1,833	\$1,879
001 Budget Act appropriation	91	39	-
Allocation for employee compensation	17	-4	-
Adjustment per Section 3.60	-	-4	-
Adjustment per Section 15.25	-	-	-
<b>Totals Available</b>	<b>\$1,824</b>	<b>\$1,864</b>	<b>\$1,879</b>
Unexpended balance, estimated savings	-54	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,770</b>	<b>\$1,864</b>	<b>\$1,879</b>

\* Dollars in thousands, except in Salary Range.



**6870 Board of Governors of the California Community Colleges - Continued**

	2006-07*	2007-08*	2008-09*
<b>1 STATE OPERATIONS</b>			
<b>6049 2006 California Community College Capital Outlay Bond Fund</b>			
APPROPRIATIONS	\$-	\$143	\$-
001 Budget Act appropriation	\$-	\$143	\$-
<b>TOTALS, EXPENDITURES</b>	<b>\$19,959</b>	<b>\$20,491</b>	<b>\$20,822</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>			
<b>2 LOCAL ASSISTANCE</b>	<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
<b>0001 General Fund, Proposition 98</b>			
APPROPRIATIONS	\$3,763,712	\$3,859,753	\$4,237,329
101 Budget Act appropriation	-	-40,000	-
Proposition 58 Special Session	-	33,100	-
Chapter 489, Statutes of 2007	63,960	59,401	68,122
103 Budget Act appropriation	-2,035	-1,073	-
Adjustment per Section 4.30 (Lease-Revenue)	-	570	570
107 Budget Act appropriation	4,004	4,004	4,004
295 Budget Act appropriation (State Mandates)	-	200,000	-
Chapter 79, Statutes of 2006	200,000	-	-
Chapter 73, Statutes of 2005, Section 31(a)(L)	-	-	200,000
Chapter 174, Statutes of 2007 Section 39	-	-	-
<b>Totals Available</b>	<b>\$4,029,641</b>	<b>\$4,115,755</b>	<b>\$4,510,025</b>
Unexpended balance, estimated savings	-100,939	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$3,928,702</b>	<b>\$4,115,755</b>	<b>\$4,510,025</b>
<b>0001 General Fund</b>			
APPROPRIATIONS	0	0	0
111 Budget Act appropriation	\$30,000	\$-	\$-
Chapter 50, Statutes of 2006 (Loan to Compton Community College District)			
Prior year balances available:	22,300	21,168	-
Reappropriation from Proposition 98 Reversion Account per Item 6870-486, Budget Acts	13,902	-	-
Chapter 352, Statutes of 2005	\$66,202	\$21,168	\$-
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>-269</b>	<b>-928</b>
Loan repayment per Education Code Section 41329.52	\$66,202	\$20,899	\$-928
<b>NET TOTALS, EXPENDITURES</b>	<b>\$3,994,904</b>	<b>\$4,136,654</b>	<b>\$4,509,097</b>
<b>TOTALS, GENERAL FUND EXPENDITURES</b>			
<b>0342 State School Fund</b>			
APPROPRIATIONS	\$3,953,463	\$4,175,789	\$4,526,259
Article 16, Section 8.5, California State Constitution	6,216	6,216	6,216
Education Code Section 12320 (Federal Oil and Mineral Revenue)	\$3,959,679	\$4,182,005	\$4,532,475
<b>TOTALS, EXPENDITURES</b>	<b>-3,953,463</b>	<b>-4,175,789</b>	<b>-4,526,259</b>
Less funding provided by the General Fund	\$6,216	\$6,216	\$6,216
<b>NET TOTALS, EXPENDITURES</b>			
<b>0814 California State Lottery Education Fund</b>			
APPROPRIATIONS	\$173,917	\$167,535	\$167,535
Government Code Section 8880.5	\$173,917	\$167,535	\$167,535
<b>TOTALS, EXPENDITURES</b>			
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$-	\$235	\$-
101 Budget Act appropriation	-	1,490	-
102 Budget Act appropriation	\$-	\$1,725	\$-
<b>TOTALS, EXPENDITURES</b>			

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
<b>0909 Community College Fund for Instructional Improvement</b>			
APPROPRIATIONS	<u>\$302</u>	<u>\$302</u>	<u>\$302</u>
101 Budget Act appropriation	\$302	\$302	\$302
Totals Available	<u>-302</u>	<u>-</u>	<u>-</u>
Unexpended balance, estimated savings	\$-	\$302	\$302
<b>TOTALS, EXPENDITURES</b>	<u>-108</u>	<u>-310</u>	<u>-310</u>
Loan Repayments from Community College Districts	\$-108	\$-8	\$-8
<b>NET TOTALS, EXPENDITURES</b>			
<b>0925 California Community Colleges Business Resource Assistance and Innovation Network Trust Fund</b>			
APPROPRIATIONS	<u>\$18</u>	<u>\$15</u>	<u>\$15</u>
101 Budget Act appropriation	\$18	\$15	\$15
Totals Available	<u>-15</u>	<u>-</u>	<u>-</u>
Unexpended balance, estimated savings	\$3	\$15	\$15
<b>TOTALS, EXPENDITURES</b>			
<b>0986 Local Property Tax Revenues</b>			
APPROPRIATIONS	<u>\$1,851,009</u>	<u>\$2,051,728</u>	<u>\$2,196,195</u>
Local Property Tax Revenue (amount counted toward apportionments)	\$1,851,009	\$2,051,728	\$2,196,195
<b>TOTALS, EXPENDITURES</b>			
<b>0992 Higher Education Fees and Income</b>			
APPROPRIATIONS	<u>\$317,421</u>	<u>\$281,431</u>	<u>\$289,873</u>
Student Fee Revenue (amount counted toward apportionments)	\$317,421	\$281,431	\$289,873
<b>TOTALS, EXPENDITURES</b>			
<b>0995 Reimbursements</b>			
APPROPRIATIONS	<u>\$80,670</u>	<u>\$83,431</u>	<u>\$73,236</u>
Reimbursements	\$80,670	\$83,431	\$73,236
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<u>\$6,424,032</u>	<u>\$6,728,727</u>	<u>\$7,242,159</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<u>\$6,443,991</u>	<u>\$6,749,218</u>	<u>\$7,262,981</u>

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	155.0	160.3	159.3	\$11,373	\$11,674	\$11,734
Salary Adjustments	-	-	-	-	387	415
<b>Workload and Administrative Adjustments:</b>				<b>Salary Range</b>		
Vocational Education:				5,536-6,725	-	148
Specialist	-	-	2.0	-	-	\$148
<b>Totals, Workload &amp; Admin Adjustments</b>	-	-	2.0	-	\$387	\$563
<b>Total Adjustments</b>	-	-	2.0	-	\$387	\$563
<b>TOTALS, SALARIES AND WAGES</b>	155.0	160.3	161.3	\$11,373	\$12,061	\$12,297

### INFRASTRUCTURE OVERVIEW

The California Community College (CCC) system consists of 72 semi-autonomous districts encompassing 109 colleges, 58 off-campus centers, and 22 district offices throughout the state that serve over 2.6 million students. The CCC assets include over 20,000 acres of land, 4,629 buildings, and 58.7 million gross square feet of space. In addition, the system has numerous off-campus outreach centers at various locations. CCC facilities are used to provide lower division level academic and vocational education for recent high school graduates and working adults returning to school.

### MAJOR PROJECT CHANGES

- The Governor's Budget proposes \$453.5 million from the 2008 California Community College Capital Outlay Bond Fund for 64 community college facility projects. These projects are needed for critical infrastructure deficiencies and to meet enrollment and facility renewal needs at community college campuses.

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

SUMMARY OF PROJECTS		2006-07*	2007-08*	2008-09*
State Building Program Expenditures				
<b>40</b>	<b>CAPITAL OUTLAY</b>			
	Major Projects			
<b>40.02</b>	<b>ALLAN HANCOCK COMMUNITY COLLEGE DISTRICT</b>	<b>\$2,012</b>	<b>\$15,857</b>	<b>\$19,958</b>
40.02.114	Allan Hancock College--Science Health Occupations Complex	883 <sup>Eb</sup>	-	19,887 <sup>PWCEB</sup>
40.02.116	Allan Hancock College--Fine Arts Complex	-	-	-
40.02.117	Allan Hancock College--Skills Center Replacement	500 <sup>Eb</sup>	-	-
40.02.118	Allan Hancock College--One-Stop Student Services Center	629 <sup>Pb</sup>	15,857 <sup>Wcb</sup>	71 <sup>Eb</sup>
<b>40.03</b>	<b>ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT</b>	<b>\$872</b>	<b>\$12,526</b>	<b>\$36,689</b>
40.03.114	Antelope Valley College--Theatre Arts Facility	872 <sup>PWb</sup>	9,756 <sup>Cb</sup>	648 <sup>Eb</sup>
40.03.115	Antelope Valley College--Health and Science Building	-	2,770 <sup>PWb</sup>	34,974 <sup>Cb</sup>
40.03.119	Antelope Valley College--Student Services Building	-	-	1,067 <sup>PWb</sup>
<b>40.04</b>	<b>BARSTOW COMMUNITY COLLEGE DISTRICT</b>	<b>\$2,085</b>	<b>\$18,755</b>	<b>\$11,998</b>
40.04.103	Barstow College--Student Services Modernization	1,441 <sup>Cb</sup>	-	-
40.04.104	Barstow College--Performing Arts Center	644 <sup>PWb</sup>	18,459 <sup>Cb</sup>	1,766 <sup>Eb</sup>
40.04.105	Barstow College--Wellness Center	-	296 <sup>PWb</sup>	9,722 <sup>CEb</sup>
40.04.106	Barstow College--Initial Building Modernization Phase 1	-	-	510 <sup>PWb</sup>
<b>40.05</b>	<b>BUTTE-GLENN COMMUNITY COLLEGE DISTRICT</b>	<b>\$1,183</b>	<b>\$11,218</b>	<b>\$10,466</b>
40.05.107	Butte College--Library Renovation and Expansion	741 <sup>Eb</sup>	-	-
40.05.108	Butte College--Instructional Arts Building	442 <sup>PWb</sup>	11,218 <sup>Cb</sup>	1,000 <sup>Eb</sup>
40.05.110	Butte College--Student/General Services Building	-	-	9,466 <sup>PWCEB</sup>
<b>40.06</b>	<b>CABRILLO COMMUNITY COLLEGE DISTRICT</b>	<b>\$242</b>	<b>\$11,572</b>	<b>\$6,620</b>
40.06.111	Cabrillo College--Visual/Performing Arts Complex	-	1,136 <sup>Eb</sup>	-
40.06.112	Cabrillo College--Health Wellness Center	242 <sup>PWb</sup>	10,248 <sup>Cb</sup>	1,185 <sup>Eb</sup>
40.06.113	Cabrillo College--Visual Arts Reconstruction (Building 300)	-	188 <sup>PWb</sup>	2,910 <sup>CEb</sup>
40.06.114	Cabrillo College--Building 1500-1600 Modernization	-	-	2,525 <sup>PWCEB</sup>
<b>40.07</b>	<b>CERRITOS COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$910</b>	<b>\$39,712</b>
40.07.121	Cerritos College--Gymnasium Seismic Retrofit	-	910 <sup>PWb</sup>	9,678 <sup>Cb</sup>
40.07.122	Cerritos College--Burnight Center Replacement	-	-	30,034 <sup>PWcb</sup>
<b>40.08</b>	<b>CHAFFEY COMMUNITY COLLEGE DISTRICT</b>	<b>\$10,989</b>	<b>\$883</b>	<b>\$11,669</b>
40.08.109	Chaffey College--Science Building	64 <sup>Eb</sup>	-	-
40.08.112	Chaffey College--Health and Physical Science Building Renovation	10,925 <sup>Wcb</sup>	-	845 <sup>Eb</sup>
40.08.113	Chaffey College--Liberal Arts and Letters Complex	-	-	1,733 <sup>PWb</sup>
40.08.201	Ralph M. Lewis Fontana Center--Fontana Center Phase III, Academic Building	-	883 <sup>PWb</sup>	9,091 <sup>CEb</sup>
<b>40.09</b>	<b>CITRUS COMMUNITY COLLEGE DISTRICT</b>	<b>\$893</b>	<b>\$19,827</b>	<b>\$1,137</b>
40.09.123	Citrus College--Vocational Technology Building	500 <sup>Wb</sup>	14,701 <sup>Cb</sup>	730 <sup>Eb</sup>
40.09.126	Citrus College--Student Services Building	393 <sup>PWb</sup>	5,126 <sup>Cb</sup>	407 <sup>Eb</sup>
<b>40.10</b>	<b>DESERT COMMUNITY COLLEGE DISTRICT</b>	<b>\$128</b>	<b>\$3,104</b>	<b>\$-</b>
40.10.113	College of the Desert--Water and Sewer Infrastructure Replacement	128 <sup>Wb</sup>	3,104 <sup>Cb</sup>	-
<b>40.11</b>	<b>COAST COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$1,129</b>	<b>\$19,230</b>
40.11.312	Orange Coast College--Consumer and Science Lab Building	-	1,129 <sup>PWb</sup>	15,620 <sup>CEb</sup>
40.11.313	Orange Coast College--Music Building Modernization	-	-	3,610 <sup>PWcb</sup>
<b>40.13</b>	<b>CONTRA COSTA COMMUNITY COLLEGE DISTRICT</b>	<b>\$3,056</b>	<b>\$5,575</b>	<b>\$1,841</b>
40.13.106	Contra Costa College--Art Building Seismic Retrofit	478 <sup>Pb</sup>	117 <sup>Wb</sup>	-
40.13.107	Contra Costa College--Physical/Biological Science Buildings Renovation	344 <sup>Pb</sup>	390 <sup>Wb</sup>	-

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

State Building Program Expenditures	2006-07*	2007-08*	2008-09*
40.13.108 Contra Costa College--Physical Education Modernization	-	-	379 <sup>PWb</sup>
40.13.222 Diablo Valley College--Engineering Technology Renovation	-	-	747 <sup>PWb</sup>
40.13.314 Los Medanos College--Math, Science, Technology Building	1,921 <sup>Eb</sup>	-	-
40.13.315 Los Medanos College--Core Building Remodel	104 <sup>Wb</sup>	2,807 <sup>Cb</sup>	398 <sup>Eb</sup>
40.13.316 Los Medanos College--Art Area Remodel	209 <sup>PWb</sup>	2,261 <sup>Cb</sup>	-
40.13.317 Los Medanos College--Nursing and EMT Renovation	-	-	317 <sup>PWb</sup>
<b>40.14 EL CAMINO COMMUNITY COLLEGE DISTRICT</b>	<b>\$6,255</b>	<b>\$5,035</b>	<b>\$5,257</b>
40.14.110 El Camino College--Learning Resource Center Addition	6,255 <sup>Cb</sup>	1,896 <sup>Eb</sup>	-
40.14.114 El Camino College--Humanities Complex Replacement	-	2,686 <sup>Eb</sup>	-
40.14.115 El Camino College--Social Science Remodel for Efficiency	-	453 <sup>PWb</sup>	5,257 <sup>CEb</sup>
<b>40.15 Foothill-DEANZA COMMUNITY COLLEGE DISTRICT</b>	<b>\$6,297</b>	<b>\$241</b>	<b>\$-</b>
40.15.106 DeAnza College--Performing Arts Center	4,009 <sup>Wcb</sup>	241 <sup>Eb</sup>	-
40.15.207 Foothill College--Life Sciences	1,564 <sup>Eb</sup>	-	-
40.15.211 Foothill College--Seismic Replacement, Student Services	658 <sup>Eb</sup>	-	-
40.15.212 Foothill College--Seismic Replacement, Field Locker Rooms	35 <sup>Cb</sup>	-	-
40.15.213 Foothill College--Seismic Replacement, Maintenance Building	31 <sup>Cb</sup>	-	-
<b>40.16 OHLONE COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$1,207</b>	<b>\$15,913</b>
40.16.113 Ohlone College--Below Grade Water Intrusion Repair	-	1,207 <sup>PWb</sup>	10,172 <sup>Cb</sup>
40.16.114 Ohlone College--Fire Suppression	-	-	5,741 <sup>PWcb</sup>
<b>40.17 GAVILAN COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$-</b>	<b>\$579</b>
40.17.109 Gavilan College--Physical Education Complex Modernization	-	-	579 <sup>PWb</sup>
<b>40.18 GLENDALE COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$3,385</b>	<b>\$1,057</b>
40.18.122 Glendale College--Allied Health/Aviation Lab	-	616 <sup>Eb</sup>	-
40.18.124 Glendale College--Laboratory/College Services Building	-	2,769 <sup>PWb</sup>	-
40.18.126 Glendale College--Aviation/Art Building Modernization	-	-	1,057 <sup>PWb</sup>
<b>40.19 GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT</b>	<b>\$2,446</b>	<b>\$401</b>	<b>\$31,807</b>
40.19.117 Cuyamaca College--Communication Arts Building	2,171 <sup>Eb</sup>	-	-
40.19.118 Cuyamaca College--Business/CIS Building	172 <sup>Pb</sup>	140 <sup>Wb</sup>	12,591 <sup>CEb</sup>
40.19.119 Cuyamaca College--LRC Expansion/Remodel, Phase I	-	144 <sup>PWb</sup>	1,940 <sup>CEb</sup>
40.19.210 Grossmont College--Health Sciences Building	103 <sup>Pb</sup>	117 <sup>Wb</sup>	15,476 <sup>CEb</sup>
40.19.211 Grossmont College--Theater Arts Building	-	-	1,800 <sup>PWb</sup>
<b>40.20 HARTNELL COMMUNITY COLLEGE DISTRICT</b>	<b>\$8,922</b>	<b>\$507</b>	<b>\$14,722</b>
40.20.102 Hartnell East Campus--Center for Assessment and Lifelong Learning	8,549 <sup>Cb</sup>	-	1,754 <sup>Eb</sup>
40.20.103 Hartnell East Campus--Center for Applied Technology	373 <sup>Pb</sup>	507 <sup>Wb</sup>	12,968 <sup>CEb</sup>
<b>40.21 IMPERIAL COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$-</b>	<b>\$200</b>
40.21.105 Imperial College--Building 400 Modernization	-	-	200 <sup>PWb</sup>
<b>40.22 KERN COMMUNITY COLLEGE DISTRICT</b>	<b>\$9,653</b>	<b>\$6,648</b>	<b>\$2,503</b>
40.22.112 Bakersfield College--Performing Arts Modernization	-	-	1,565 <sup>PWb</sup>
40.22.215 Cerro Coso College--Science Modernization	245 <sup>PWb</sup>	2,535 <sup>Cb</sup>	-
40.22.305 Porterville College--Library Expansion	6,773 <sup>Cb</sup>	1,187 <sup>Eb</sup>	-
40.22.306 Porterville College--Science Modernization	2,340 <sup>Cb</sup>	-	-
40.22.307 Porterville College--Wellness Center	295 <sup>PWb</sup>	2,926 <sup>Cb</sup>	277 <sup>Eb</sup>
40.22.308 Porterville College--Allied Health Facility	-	-	661 <sup>PWb</sup>
<b>40.25 LONG BEACH COMMUNITY COLLEGE DISTRICT</b>	<b>\$25,029</b>	<b>\$2,693</b>	<b>\$5,144</b>
40.25.117 Long Beach City College, Pacific Coast Campus--Multi-Disciplinary Academic Building	-	1,467 <sup>PWb</sup>	-
40.25.119 Long Beach City College, Pacific Coast Campus--Library/Learning Resource Center	4,531 <sup>Cb</sup>	1,226 <sup>Eb</sup>	-

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

State Building Program Expenditures	2006-07*	2007-08*	2008-09*
40.25.120 Long Beach City College, Pacific Coast Campus--Industrial Technology Center, Manufacturing	9,316 <sup>Cb</sup>	-	808 <sup>Eb</sup>
40.25.121 Long Beach City College, Pacific Coast Campus--Student Services Center	-	-	318 <sup>PWb</sup>
40.25.201 Long Beach City College, Liberal Arts Campus--Library/Learning Resource Center Renovation/Addition	11,182 <sup>Cb</sup>	-	2,533 <sup>Eb</sup>
40.25.202 Long Beach City College, Liberal Arts Campus--Multi-Disciplinary Facility Replacement	-	-	1,485 <sup>PWb</sup>
<b>40.26 LOS ANGELES COMMUNITY COLLEGE DISTRICT</b>	<b>\$28,891</b>	<b>\$75,988</b>	<b>\$125,770</b>
40.26.107 East Los Angeles College--Fine and Performing Arts Center	185 <sup>Cb</sup>	-	-
40.26.108 East Los Angeles College--Multi-Media Classrooms	1,330 <sup>PWb</sup>	15,221 <sup>Cb</sup>	453 <sup>Eb</sup>
40.26.109 East Los Angeles College--Bailey Library Modernization/Addition	-	857 <sup>PWb</sup>	9,229 <sup>CEb</sup>
40.26.204 Los Angeles City College--Child Development Center	4,672 <sup>Cb</sup>	183 <sup>Eb</sup>	-
40.26.205 Los Angeles City College--Learning Resource Center (Health and Safety)	1,298 <sup>Eb</sup>	-	-
40.26.208 Los Angeles City College--Franklin Hall Modernization	590 <sup>PWb</sup>	6,280 <sup>Cb</sup>	897 <sup>Eb</sup>
40.26.209 Los Angeles City College--Jefferson Hall Modernization	-	344 <sup>PWb</sup>	3,680 <sup>CEb</sup>
40.26.210 Los Angeles City College--Clausen Hall Modernization	-	-	6,353 <sup>PWCEb</sup>
40.26.302 Los Angeles Harbor College--Applied Technology Building	-	938 <sup>Eb</sup>	-
40.26.303 Los Angeles Harbor College--Adaptive Physical Education and Physical Education Building Renovation	-	5,995 <sup>Cb</sup>	285 <sup>Eb</sup>
40.26.304 Los Angeles Harbor College--Child Development Center	46 <sup>Wb</sup>	2,830 <sup>Cb</sup>	266 <sup>Eb</sup>
40.26.305 Los Angeles Harbor College--Library/Learning Resource Center	-	1,218 <sup>PWb</sup>	13,068 <sup>CEb</sup>
40.26.408 Los Angeles Mission College--Child Development Center	5,070 <sup>Cb</sup>	362 <sup>Eb</sup>	-
40.26.411 Los Angeles Mission College--Media Arts Center	-	1,074 <sup>PWb</sup>	12,961 <sup>CEb</sup>
40.26.412 Los Angeles Mission College--Health and Physical Education Building	11,830 <sup>Wcb</sup>	-	560 <sup>Eb</sup>
40.26.413 Los Angeles Mission College--Culinary Arts Center	1,261 <sup>PWb</sup>	12,790 <sup>Cb</sup>	497 <sup>Eb</sup>
40.26.503 Los Angeles Pierce College--Infrastructure Correction	615 <sup>Cb</sup>	-	-
40.26.505 Los Angeles Pierce College--Child Development Center	-	2,051 <sup>Cb</sup>	400 <sup>Eb</sup>
40.26.508 Los Angeles Pierce College--Horticulture Modernization and Expansion	-	-	714 <sup>PWb</sup>
40.26.510 Los Angeles Pierce College--Physical Education Building Renovation	415 <sup>Pb</sup>	369 <sup>Wb</sup>	8,249 <sup>CEb</sup>
40.26.703 Los Angeles Trade-Tech College--Renovate and Modernize Building A	679 <sup>Pb</sup>	742 <sup>Wb</sup>	16,955 <sup>CEb</sup>
40.26.704 Los Angeles Trade-Tech College--Building F Structural Repair	-	1,466 <sup>Cb</sup>	-
40.26.705 Los Angeles Trade-Tech College--Learning Assistance Center Renovation	-	2,303 <sup>PWb</sup>	27,246 <sup>CEb</sup>
40.26.803 Los Angeles Valley College--Health Science Building	-	3,219 <sup>Eb</sup>	-
40.26.804 Los Angeles Valley College--Child Development Center	900 <sup>PWb</sup>	8,606 <sup>Cb</sup>	442 <sup>Eb</sup>
40.26.805 Los Angeles Valley College--Library/Learning Assistance Center	-	833 <sup>PWb</sup>	23,515 <sup>CEb</sup>
40.26.907 West Los Angeles College--Science Complex	-	8,307 <sup>CEb</sup>	-
<b>40.27 LOS RIOS COMMUNITY COLLEGE DISTRICT</b>	<b>\$8,086</b>	<b>\$32,555</b>	<b>\$19,962</b>
40.27.105 American River College--Fine Arts Instructional Space Expansion	100 <sup>Pb</sup>	7,302 <sup>Wcb</sup>	-
40.27.106 American River College--Library Expansion	-	84 <sup>PWb</sup>	3,216 <sup>Cb</sup>
40.27.107 American River College--Technical Building Remodel	-	-	288 <sup>PWb</sup>
40.27.212 Cosumnes River College--Science Building Instructional Expansion	130 <sup>Pb</sup>	8,759 <sup>Wcb</sup>	-
40.27.213 Cosumnes River College--Architecture and Construction Education Building	-	-	254 <sup>PWb</sup>
40.27.311 Sacramento City College--North Gym Building Modernization	2,930 <sup>Cb</sup>	-	-

\* Dollars in thousands, except in Salary Range.



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State Building Program Expenditures	2006-07*	2007-08*	2008-09*
40.27.312 Sacramento City College--Fine Arts Building Modernization	69 <sup>Pb</sup>	4,976 <sup>Wcb</sup>	-
40.27.313 Sacramento City College--Performing Arts Modernization	-	281 <sup>Pwb</sup>	16,036 <sup>Cb</sup>
40.27.504 Folsom Lake College--Fine Arts Instructional Building	127 <sup>Wb</sup>	11,153 <sup>Cb</sup>	-
40.27.505 Folsom Lake College--Physical Education Space, Phase I	4,730 <sup>PWcb</sup>	-	-
40.27.506 Folsom Lake College--Instructional Facilities, Phase 2A	-	-	168 <sup>Pwb</sup>
<b>40.30 MERCED COMMUNITY COLLEGE DISTRICT</b>	<b>\$4,000</b>	<b>\$11,498</b>	<b>\$10,903</b>
40.30.116 Merced College--Science Building Remodel	583 <sup>Eb</sup>	-	-
40.30.118 Merced College--Leshar Building Remodel	2,431 <sup>Wcb</sup>	56 <sup>Eb</sup>	-
40.30.119 Merced College--Allied Health Center	7 <sup>Pwb</sup>	11,442 <sup>Cb</sup>	-
40.30.120 Merced College--Agricultural Science and Industrial Tech Complex	-	-	10,903 <sup>PWCEB</sup>
40.30.300 Los Banos Center--Site Development and Permanent Facilities	979 <sup>Eb</sup>	-	-
<b>40.31 MIRA COSTA COMMUNITY COLLEGE DISTRICT</b>	<b>\$326</b>	<b>\$380</b>	<b>\$11,481</b>
40.31.111 Mira Costa College--Creative Arts Expansion	326 <sup>Pb</sup>	380 <sup>Wh</sup>	8,853 <sup>CEb</sup>
40.31.112 Mira Costa College--Campus-wide Fire Line Replacement	-	-	2,628 <sup>PWcb</sup>
<b>40.32 MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT</b>	<b>\$362</b>	<b>\$2,287</b>	<b>\$16,509</b>
40.32.103 Monterey Peninsula College--Child Development Center	362 <sup>Eb</sup>	-	-
40.32.105 Monterey Peninsula College--Library Building Renovation/Conversion	-	2,287 <sup>Cb</sup>	350 <sup>Eb</sup>
40.32.106 Monterey Peninsula College--Business, Math and Science Buildings	-	-	16,159 <sup>PWCEB</sup>
<b>40.33 MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT</b>	<b>\$1,759</b>	<b>\$20,712</b>	<b>\$11,964</b>
40.33.111 Mt. San Antonio College--Seismic Retrofit, Four Buildings	300 <sup>Cb</sup>	-	-
40.33.113 Mt. San Antonio College--Remodel Classroom Buildings	1,034 <sup>Eb</sup>	-	-
40.33.114 Mt. San Antonio College--Agriculture Sciences Complex	-	8,027 <sup>Cb</sup>	576 <sup>Eb</sup>
40.33.116 Mt. San Antonio College--Design and Online Tech Center	425 <sup>Pb</sup>	12,164 <sup>Wcb</sup>	1,239 <sup>Eb</sup>
40.33.117 Mt. San Antonio College--Administration Building Remodel	-	521 <sup>Pwb</sup>	8,912 <sup>CEb</sup>
40.33.118 Mt. San Antonio College--Business and Computer Technology	-	-	1,237 <sup>Pwb</sup>
<b>40.34 MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT</b>	<b>\$9,240</b>	<b>\$14,359</b>	<b>\$2,309</b>
40.34.212 Menifee Valley Center--Technology Building	8,785 <sup>Cb</sup>	1,990 <sup>Eb</sup>	-
40.34.213 Menifee Valley Center--General Classroom Building	455 <sup>Pb</sup>	12,369 <sup>Wcb</sup>	1,243 <sup>Eb</sup>
40.34.214 Menifee Valley Center--Classroom Building II	-	-	1,066 <sup>Pwb</sup>
<b>40.35 NAPA VALLEY COMMUNITY COLLEGE DISTRICT</b>	<b>\$321</b>	<b>\$14,905</b>	<b>\$1,340</b>
40.35.104 Napa Valley College--Library/Learning Resource Center	321 <sup>Pwb</sup>	14,905 <sup>Cb</sup>	1,172 <sup>Eb</sup>
40.35.105 Napa Valley College--Modernize Building 700	-	-	168 <sup>Pwb</sup>
<b>40.36 NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT</b>	<b>\$1,449</b>	<b>\$52,415</b>	<b>\$76,620</b>
40.36.102 Cypress College--Humanities Building 1 Renovation	570 <sup>Pb</sup>	18,467 <sup>Wcb</sup>	-
40.36.103 Cypress College--Science/Math Building 3 Modernization	-	-	29,343 <sup>PWCEB</sup>
40.36.203 Fullerton College--South Science Building Replacement	879 <sup>Pb</sup>	30,846 <sup>Wcb</sup>	-
40.36.204 Fullerton College--Technology and Engineering Complex	-	3,102 <sup>Pwb</sup>	34,255 <sup>CEb</sup>
40.36.205 Fullerton College--Music 1100 Building Modernization	-	-	13,022 <sup>PWCEB</sup>
<b>40.37 PALO VERDE COMMUNITY COLLEGE DISTRICT</b>	<b>\$11,482</b>	<b>\$20,653</b>	<b>\$2,663</b>
40.37.103 Palo Verde College--Physical Education Complex	10,940 <sup>Cb</sup>	828 <sup>Eb</sup>	-
40.37.104 Palo Verde College--Fine and Performing Arts	542 <sup>Wb</sup>	19,825 <sup>Cb</sup>	1,002 <sup>Eb</sup>
40.37.200 Needles Center--Needles Center Equipment	-	-	1,661 <sup>Eb</sup>
<b>40.38 PALOMAR COMMUNITY COLLEGE DISTRICT</b>	<b>\$2,703</b>	<b>\$1,965</b>	<b>\$93,971</b>
40.38.113 Palomar College--High Tech Laboratory/Classroom Building	1,406 <sup>Eb</sup>	-	-
40.38.114 Palomar College--Multi-Disciplinary Building	1,297 <sup>Pb</sup>	1,965 <sup>Wb</sup>	41,482 <sup>CEb</sup>
40.38.115 Palomar College--Library/Learning Resource Center	-	-	52,489 <sup>PWCEB</sup>
<b>40.40 PERALTA COMMUNITY COLLEGE DISTRICT</b>	<b>\$-</b>	<b>\$-</b>	<b>\$42,025</b>
40.40.605 Laney College--Modernize Library Building	-	-	14,869 <sup>PWCEB</sup>

\* Dollars in thousands, except in Salary Range.

6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
<b>State Building Program Expenditures</b>			
40.40.606 Merritt College--Modernize Trade Technology Building A	-	-	10,082 <sup>PWCEB</sup>
40.40.607 College of Alameda--Modernize Science Complex	-	-	17,074 <sup>PWCEB</sup>
<b>40.41 RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT</b>	\$-	\$11,908	\$-
40.41.124 Santa Ana College--Physical Education Seismic Replacement/Expansion	-	69 <sup>Eb</sup>	-
40.41.201 Santiago Canyon College--Science Building	-	11,839 <sup>CEB</sup>	-
<b>40.42 REDWOODS COMMUNITY COLLEGE DISTRICT</b>	\$-	\$1,322	\$17,285
40.42.106 College of the Redwoods--Student Services/Administration and Performing Arts Building	-	1,322 <sup>PWb</sup>	15,027 <sup>Cb</sup>
40.42.107 College of the Redwoods--New Science/Humanities Building Seismic Replacement	-	-	2,258 <sup>PWb</sup>
<b>40.43 RIO HONDO COMMUNITY COLLEGE DISTRICT</b>	\$26,080	\$34,456	\$6,628
40.43.106 Rio Hondo College--Applied Technology Building Reconstruction	450 <sup>Wb</sup>	14,650 <sup>Cb</sup>	1,125 <sup>Eb</sup>
40.43.108 Rio Hondo College--Learning Resource/High Technology Center	23,946 <sup>Cb</sup>	-	4,265 <sup>Eb</sup>
40.43.109 Rio Hondo College--Physical Education Facilities	1,684 <sup>PWb</sup>	19,806 <sup>Cb</sup>	273 <sup>Eb</sup>
40.43.110 Rio Hondo College--Library Conversion to Instructional Bldg	-	-	965 <sup>PWb</sup>
<b>40.44 RIVERSIDE COMMUNITY COLLEGE DISTRICT</b>	\$753	\$19,380	\$128,096
40.44.103 Riverside College--Quadrangle Building Modernization	367 <sup>Eb</sup>	-	-
40.44.104 Riverside College--Nursing/Science Building	-	1,300 <sup>PWb</sup>	58,008 <sup>CEB</sup>
40.44.105 Riverside College--Wheelock Gymnasium Seismic Retrofit	-	-	10,156 <sup>PWCB</sup>
40.44.106 Riverside College--Riverside School of the Arts	-	-	43,056 <sup>PWCEB</sup>
40.44.208 Moreno Valley Center--Phase III Student Academic Services Building	-	-	14,858 <sup>PWCEB</sup>
40.44.308 Norco Campus--Industrial Technology Facility, Phase III	386 <sup>PWb</sup>	18,080 <sup>Cb</sup>	2,018 <sup>Eb</sup>
<b>40.45 SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT</b>	\$11,322	\$13,609	\$5,987
40.45.103 Irvine Valley College--Business Technology and Innovation Center	9,175 <sup>CEB</sup>	-	2,721 <sup>Eb</sup>
40.45.129 Irvine Valley College--Performing Arts Center	1,617 <sup>Eb</sup>	-	-
40.45.131 Irvine Valley College--Life Sciences Building	-	-	1,266 <sup>PWb</sup>
40.45.217 Saddleback College--Learning Resource Center Renovation	530 <sup>Pb</sup>	13,609 <sup>Wcb</sup>	2,000 <sup>Eb</sup>
<b>40.46 SAN BERNARDINO COMMUNITY COLLEGE DISTRICT</b>	\$5,440	\$63,455	\$1,000
40.46.106 Crafton Hills College--Learning Resource/Technology Center	1,039 <sup>PWb</sup>	13,506 <sup>Cb</sup>	1,000 <sup>Eb</sup>
40.46.205 San Bernardino Valley College--Child Development Center	125 <sup>Eb</sup>	-	-
40.46.215 San Bernardino Valley College--North Hall Seismic Replacement	1,694 <sup>PWb</sup>	17,490 <sup>Cb</sup>	-
40.46.216 San Bernardino Valley College--North Hall/Media Communications Seismic Replacement	663 <sup>PWb</sup>	7,222 <sup>Cb</sup>	-
40.46.217 San Bernardino Valley College--Chemistry and Physical Science Seismic Replacement	1,919 <sup>PWb</sup>	25,237 <sup>Cb</sup>	-
<b>40.47 SAN DIEGO COMMUNITY COLLEGE DISTRICT</b>	\$4,683	\$-	\$20,428
40.47.001 San Diego District Office--Seismic Retrofit, District Headquarters Building	4,683 <sup>Cb</sup>	-	-
40.47.306 San Diego Miramar College--Library/Learning Resource Center	-	-	20,428 <sup>PWCEB</sup>
<b>40.48 SAN FRANCISCO COMMUNITY COLLEGE DISTRICT</b>	\$2,855	\$23,520	\$86,919
40.48.106 Mission Center--Mission Center Building	2,128 <sup>Eb</sup>	-	-
40.48.107 City College of San Francisco, Phelan Campus--Joint Use Instructional Facility	-	-	38,552 <sup>CEB</sup>
40.48.110 City College of San Francisco, Phelan Campus--Classroom/Lab Complex for Theater, Music, Visual, and Media Arts	727 <sup>Pb</sup>	-	-
40.48.112 City College of San Francisco, Phelan Campus--Advanced Bio Tech/Stem Cell Tech Training Center	-	-	1,956 <sup>PWb</sup>
40.48.201 John Adams Center--John Adams Modernization	-	23,176 <sup>Cb</sup>	-

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

State Building Program Expenditures	2006-07*	2007-08*	2008-09*
40.48.301 City College of San Francisco, Chinatown Center--Campus Building	-	344 <sup>PWb</sup>	46,411 <sup>CEb</sup>
<b>40.49 SAN JOAQUIN DELTA COMMUNITY COLLEGE DISTRICT</b>	<b>\$481</b>	<b>\$2,780</b>	<b>\$40,920</b>
40.49.108 San Joaquin Delta College--Goleman Learning Resource Center Modernization	481 <sup>Pb</sup>	478 <sup>Wb</sup>	9,596 <sup>CEb</sup>
40.49.109 San Joaquin Delta College--Cunningham Math/Science Replacement	-	2,302 <sup>PWb</sup>	27,297 <sup>CEb</sup>
40.49.110 San Joaquin Delta College--Holt Building Modernization and Expansion	-	-	4,027 <sup>PWb</sup>
<b>40.50 SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT</b>	<b>\$11,454</b>	<b>\$643</b>	<b>\$-</b>
40.50.105 Evergreen Valley College--Arts Complex	7,931 <sup>CEb</sup>	-	-
40.50.204 San Jose City College--Applied Sciences Center	3,523 <sup>Cb</sup>	643 <sup>Eb</sup>	-
<b>40.51 SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT</b>	<b>\$29,705</b>	<b>\$8,541</b>	<b>\$23,505</b>
40.51.112 Cuesta College--Theater Arts Building	22,893 <sup>Cb</sup>	1,499 <sup>Eb</sup>	-
40.51.113 Cuesta College--Reconstruct and Add Laboratories	6,812 <sup>CEb</sup>	-	-
40.51.201 North County Center--Learning Resource Center	-	-	22,187 <sup>CEb</sup>
40.51.202 North County Center--Technology and Trades Complex	-	7,042 <sup>Cb</sup>	774 <sup>Eb</sup>
40.51.203 North County Center--Child Development Center	-	-	544 <sup>PWb</sup>
<b>40.52 SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT</b>	<b>\$13,167</b>	<b>\$12,294</b>	<b>\$37,926</b>
40.52.103 Canada College--Library/Learning Resource Center/Student Services Center	3,360 <sup>Eb</sup>	-	-
40.52.104 Canada College--Facility Maintenance Center	120 <sup>PWb</sup>	6,509 <sup>Cb</sup>	304 <sup>Eb</sup>
40.52.105 Canada College--Reconstruction of Academic Facilities	-	149 <sup>PWb</sup>	5,539 <sup>CEb</sup>
40.52.106 Canada College--Multiple Program Instructional Center	-	-	7,732 <sup>PWCB</sup>
40.52.208 College of San Mateo--Demolition of Seismic Hazardous Buildings	-	839 <sup>PWb</sup>	10,068 <sup>Cb</sup>
40.52.210 College of San Mateo--Media Center	-	-	5,723 <sup>PWCEb</sup>
40.52.309 Skyline College--Facility Maintenance Center	92 <sup>PWb</sup>	4,797 <sup>CEb</sup>	-
40.52.310 Skyline College--Allied Health Vocational Training Center	9,595 <sup>Wcb</sup>	-	879 <sup>Eb</sup>
40.52.311 Skyline College--Instructional and Admin Resource Center	-	-	7,681 <sup>PWCEb</sup>
<b>40.53 SANTA BARBARA COMMUNITY COLLEGE DISTRICT</b>	<b>\$1,155</b>	<b>\$15,226</b>	<b>\$31,869</b>
40.53.121 Santa Barbara City College--Physical Science Renovation	-	3,398 <sup>Cb</sup>	-
40.53.122 Santa Barbara City College--High Technology Center	693 <sup>Wb</sup>	-	30,672 <sup>CEb</sup>
40.53.123 Santa Barbara City College--Drama/Music Building Modernization	462 <sup>Wb</sup>	11,828 <sup>Cb</sup>	80 <sup>Eb</sup>
40.53.124 Santa Barbara City College--Physical Science East Wing Modernization	-	-	348 <sup>PWb</sup>
40.53.201 Schott Center--Schott Center Modernization	-	-	769 <sup>PWb</sup>
<b>40.54 SANTA CLARITA COMMUNITY COLLEGE DISTRICT</b>	<b>\$6,599</b>	<b>\$18,628</b>	<b>\$35,319</b>
40.54.112 College of the Canyons--Classroom/High Tech Center	1,877 <sup>Eb</sup>	-	-
40.54.113 College of the Canyons--Laboratory Expansion	1,756 <sup>Eb</sup>	-	-
40.54.114 College of the Canyons--Physical Education Addition	2,781 <sup>Cb</sup>	90 <sup>Eb</sup>	-
40.54.115 College of the Canyons--University Center	185 <sup>Pb</sup>	18,084 <sup>Wcb</sup>	2,705 <sup>Eb</sup>
40.54.116 College of the Canyons--Library Addition	-	454 <sup>PWb</sup>	14,059 <sup>CEb</sup>
40.54.117 College of the Canyons--Administration/Student Services	-	-	6,676 <sup>PWCEb</sup>
40.54.201 Canyon Country Educational Center--Instructional Building One	-	-	11,879 <sup>PWCEb</sup>
<b>40.55 SANTA MONICA COMMUNITY COLLEGE DISTRICT</b>	<b>\$495</b>	<b>\$1,321</b>	<b>\$15,935</b>
40.55.109 Santa Monica College--Liberal Arts Replacement	495 <sup>Eb</sup>	-	-
40.55.110 Santa Monica College--Student Services and Administration Building	-	1,321 <sup>PWb</sup>	15,935 <sup>CEb</sup>
<b>40.56 SEQUOIAS COMMUNITY COLLEGE DISTRICT</b>	<b>\$721</b>	<b>\$9,141</b>	<b>\$17,462</b>
40.56.111 College of the Sequoias--Physical Education and Disabled Program Center	-	-	13,946 <sup>CEb</sup>

\* Dollars in thousands, except in Salary Range.

6870 Board of Governors of the California Community Colleges - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
40.56.115	College of the Sequoias--Nursing and Allied Health Center	721 <sup>PWb</sup>	7,418 <sup>Cb</sup>	405 <sup>Eb</sup>
40.56.116	College of the Sequoias--Admin Bldg Remodel for Efficiency	-	-	585 <sup>PWb</sup>
40.56.200	Tulare Center--Phase I Site Development and Facilities	-	1,723 <sup>Pb</sup>	2,526 <sup>Wb</sup>
<b>40.57</b>	<b>SHASTA COMMUNITY COLLEGE DISTRICT</b>	\$-	\$11,050	\$1,044
40.57.103	Shasta College--Library Addition	-	11,050 <sup>Cb</sup>	1,044 <sup>Eb</sup>
<b>40.58</b>	<b>SIERRA JOINT COMMUNITY COLLEGE DISTRICT</b>	\$2,564	\$700	\$7,821
40.58.107	Sierra College--Construct New Classroom/Labs	2,564 <sup>Eb</sup>	-	-
40.58.108	Sierra College--Child Development Center	-	700 <sup>PWb</sup>	7,821 <sup>CEb</sup>
<b>40.59</b>	<b>SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT</b>	\$-	\$-	\$1,140
40.59.104	College of the Siskiyous--Science Complex Modernization	-	-	1,140 <sup>PWb</sup>
<b>40.61</b>	<b>SONOMA COUNTY COMMUNITY COLLEGE DISTRICT</b>	\$7,522	\$298	\$7,559
40.61.103	Santa Rosa Junior College--Laboratory and Office Complex	-	-	1,811 <sup>PWb</sup>
40.61.200	Petaluma Center--Petaluma Center, Phase II	4,472 <sup>Eb</sup>	-	-
40.61.401	Santa Rosa Junior College--Public Safety Training Center Advanced Lab and Office Complex	-	298 <sup>PWb</sup>	5,748 <sup>CEb</sup>
40.61.403	Santa Rosa Junior College--Plover Library Conversion	3,050 <sup>Cb</sup>	-	-
<b>40.62</b>	<b>CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT</b>	\$1,653	\$4,987	\$539
40.62.115	Chabot College--Language Arts Learning Skills Modernization	176 <sup>Pb</sup>	4,987 <sup>WCb</sup>	258 <sup>Eb</sup>
40.62.116	Chabot College--Physical Science/Math/Science Learning Center Modernization	-	-	157 <sup>PWb</sup>
40.62.216	Las Positas College--Multi-Disciplinary Education Building	1,477 <sup>Eb</sup>	-	-
40.62.217	Las Positas College--Science Technology, Phase II	-	-	124 <sup>PWb</sup>
<b>40.63</b>	<b>SOUTHWESTERN COMMUNITY COLLEGE DISTRICT</b>	\$7,423	\$498	\$1,236
40.63.107	Southwestern College--Fire Loop Road	1,883 <sup>PWCb</sup>	-	-
40.63.108	Southwestern College--Music Buildings 800/850 Remodel	2,507 <sup>PWCb</sup>	498 <sup>Eb</sup>	-
40.63.109	Southwestern College--Photograph Building Modernization	-	-	1,236 <sup>PWCEb</sup>
40.63.200	Otay Mesa Center--Phase I Buildings	3,033 <sup>Eb</sup>	-	-
<b>40.64</b>	<b>STATE CENTER COMMUNITY COLLEGE DISTRICT</b>	\$4,301	\$18,168	\$40,558
40.64.109	Fresno City College--Old Administration Building North and East Wings, Phase III	-	-	149 <sup>PWb</sup>
40.64.401	Reedley College--Child Development Center	-	-	688 <sup>PWb</sup>
40.64.500	Willow International Center--Academic Facilities and Site Development, Phase I	3,920 <sup>Eb</sup>	-	-
40.64.501	Willow International Center--Academic Facilities, Phase II	381 <sup>PWb</sup>	18,168 <sup>Cb</sup>	698 <sup>Eb</sup>
40.64.502	Career Tech Center--Site Development and Phase I Facilities	-	-	39,023 <sup>PWCEb</sup>
<b>40.65</b>	<b>VENTURA COUNTY COMMUNITY COLLEGE DISTRICT</b>	\$2,100	\$625	\$27,849
40.65.111	Moorpark College--Reconstruction of Library Building	422 <sup>Eb</sup>	-	-
40.65.113	Moorpark College--Health Science Expansion/Replacement	74 <sup>Pb</sup>	366 <sup>Wb</sup>	9,919 <sup>CEb</sup>
40.65.114	Moorpark College--Technology Building Modernization	-	-	1,000 <sup>PWb</sup>
40.65.206	Oxnard College--Warehouse Replacement	125 <sup>Eb</sup>	-	-
40.65.207	Oxnard College--OCTV Auditorium	51 <sup>Pb</sup>	259 <sup>Wb</sup>	7,201 <sup>CEb</sup>
40.65.305	Ventura College--Buildings APP, S, and DP Modernization	53 <sup>Wb</sup>	-	-
40.65.306	Ventura College--Communication Building Modernization	1,375 <sup>CEb</sup>	-	-
40.65.307	Ventura College--G Building Modernization (Theater)	-	-	9,729 <sup>PWCEb</sup>
<b>40.66</b>	<b>VICTOR VALLEY COMMUNITY COLLEGE DISTRICT</b>	\$3,933	\$3,290	\$36
40.66.115	Victor Valley College--Advanced Technology Complex	2,952 <sup>Eb</sup>	-	-
40.66.116	Victor Valley College--Seismic Retrofit, Auxiliary Gym	-	3,290 <sup>Cb</sup>	36 <sup>Eb</sup>
40.66.117	Victor Valley College--Speech/Drama Studio Addition	981 <sup>Eb</sup>	-	-

\* Dollars in thousands, except in Salary Range.

6870 Board of Governors of the California Community Colleges - Continued

State Building Program Expenditures		2006-07*	2007-08*	2008-09*
<b>40.67</b>	<b>WEST HILLS COMMUNITY COLLEGE DISTRICT</b>	<b>\$251</b>	<b>\$1,354</b>	<b>\$48,750</b>
40.67.104	West Hills College at Coalinga--Wellness Center	119 <sup>Pb</sup>	190 <sup>Wb</sup>	7,439 <sup>CEB</sup>
40.67.105	West Hills College at Coalinga--Agricultural Science Facility	-	615 <sup>PWb</sup>	9,405 <sup>CEB</sup>
40.67.206	West Hills College at Lemoore--Multi-Use Sports Complex	132 <sup>Pb</sup>	549 <sup>Wb</sup>	14,286 <sup>CEB</sup>
40.67.207	West Hills College at Lemoore--Field Sports Construction	-	-	17,620 <sup>PWCEB</sup>
<b>40.68</b>	<b>WEST KERN COMMUNITY COLLEGE DISTRICT</b>	<b>\$2,990</b>	<b>\$5,214</b>	<b>\$10,883</b>
40.68.101	Taft College--Child Development Center	78 <sup>Eb</sup>	-	-
40.68.102	Taft College--Remodel for Efficiency	-	398 <sup>Eb</sup>	-
40.68.103	Taft College--Science Modernization	2,591 <sup>Cb</sup>	31 <sup>Eb</sup>	-
40.68.104	Taft College--Tech Arts Modernization	321 <sup>PWb</sup>	4,109 <sup>Cb</sup>	-
40.68.105	Taft College--TIL Center	-	676 <sup>PWb</sup>	9,865 <sup>CEB</sup>
40.68.106	Taft College--Vocational Center	-	-	1,018 <sup>PWb</sup>
<b>40.69</b>	<b>WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT</b>	<b>\$2,338</b>	<b>\$18,465</b>	<b>\$24,244</b>
40.69.105	West Valley College--Campus Technology Center	-	12,657 <sup>Cb</sup>	3,491 <sup>Eb</sup>
40.69.106	West Valley College--Math and Science Replacement	-	4,848 <sup>Cb</sup>	395 <sup>Eb</sup>
40.69.110	West Valley College--Science and Math Building Renovation	717 <sup>Pb</sup>	960 <sup>Wb</sup>	18,475 <sup>Cb</sup>
40.69.111	West Valley College--Applied Arts and Sciences	-	-	676 <sup>PWb</sup>
40.69.208	Mission College--Main Building, Third Floor Reconstruction	800 <sup>Eb</sup>	-	-
40.69.209	Mission College--Main Building, Second Floor Reconstruction	821 <sup>Pb</sup>	-	-
40.69.301	District-wide--Fire Alarm System	-	-	1,207 <sup>PWb</sup>
<b>40.70</b>	<b>YOSEMITE COMMUNITY COLLEGE DISTRICT</b>	<b>\$11,913</b>	<b>\$537</b>	<b>\$-</b>
40.70.211	Modesto Junior College--Auditorium Renovation/Expansion	11,913 <sup>Cb</sup>	537 <sup>Eb</sup>	-
<b>40.71</b>	<b>YUBA COMMUNITY COLLEGE DISTRICT</b>	<b>\$8,129</b>	<b>\$-</b>	<b>\$453</b>
40.71.108	Yuba College--Liberal Arts Modernization	2,838 <sup>Cb</sup>	-	-
40.71.110	Yuba College--Building 500 Reconstruction	-	-	453 <sup>PWb</sup>
40.71.307	Woodland Center--Learning Resource/Technology Center	3,291 <sup>Eb</sup>	-	-
<b>40.72</b>	<b>COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT</b>	<b>\$497</b>	<b>\$12,499</b>	<b>\$7,996</b>
40.72.100	Copper Mountain College--Multi-Use Sports Complex	-	12,499 <sup>Cb</sup>	496 <sup>Eb</sup>
40.72.101	Copper Mountain College--Remodel for Efficiency	497 <sup>PWb</sup>	-	7,028 <sup>CEB</sup>
40.72.102	Copper Mountain College--Vocational Facility	-	-	472 <sup>PWb</sup>
<b>40.73</b>	<b>FEATHER RIVER COMMUNITY COLLEGE DISTRICT</b>	<b>\$413</b>	<b>\$360</b>	<b>\$9,864</b>
40.73.105	Feather River College--Learning Resource Center and Technology Building	413 <sup>Pb</sup>	360 <sup>Wb</sup>	9,864 <sup>CEB</sup>
<b>Totals, Major Projects</b>		<b>\$317,618</b>	<b>\$683,459</b>	<b>\$1,311,270</b>
<b>TOTALS, EXPENDITURES, ALL PROJECTS</b>		<b>\$317,618</b>	<b>\$683,459</b>	<b>\$1,311,270</b>
<b>FUNDING</b>		<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0574	1998 Higher Education Capital Outlay Bond Fund	\$5,487	\$15,147	\$9,978
0660	Public Buildings Construction Fund	4,358	-	-
0705	Higher Education Capital Outlay Bond Fund of 1992	-	-	1,106
0785	1988 Higher Education Capital Outlay Bond Fund	-	-	4,948
6028	2002 Higher Education Capital Outlay Bond Fund	52,179	13,733	879
6041	2004 Higher Education Capital Outlay Bond Fund	224,299	190,000	48,339
6049	2006 California Community College Capital Outlay Bond Fund	31,295	464,579	792,510
6075	2008 California Community College Capital Outlay Bond Fund	-	-	453,512
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>		<b>\$317,618</b>	<b>\$683,459</b>	<b>\$1,311,270</b>

\* Dollars in thousands, except in Salary Range.

## 6870 Board of Governors of the California Community Colleges - Continued

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
<b>0574 1998 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS	\$21,053	\$-	\$-
301 Budget Act appropriation	9,559	-	-
303 Budget Act appropriation			
Prior year balances available:			
Item 6870-301-0574, Budget Act of 2006 as reappropriated by Item 6870-490, Budget Act of 2007	-	15,892	1,125
Item 6870-303-0574, Budget Act of 2006	-	9,233	8,853
<b>Totals Available</b>	<b>\$30,612</b>	<b>\$25,125</b>	<b>\$9,978</b>
Balance available in subsequent years	<u>-25,125</u>	<u>-9,978</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$5,487</b>	<b>\$15,147</b>	<b>\$9,978</b>
<b>0660 Public Buildings Construction Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Chapter 33, Statutes of 2002	<u>\$4,358</u>	<u>\$-</u>	<u>\$-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$4,358</b>	<b>\$-</b>	<b>\$-</b>
<b>0705 Higher Education Capital Outlay Bond Fund of 1992</b>			
APPROPRIATIONS			
301 Budget Act appropriation	<u>\$-</u>	<u>\$-</u>	<u>\$1,106</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$1,106</b>
<b>0785 1988 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS			
301 Budget Act appropriation	<u>\$-</u>	<u>\$-</u>	<u>\$4,946</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$4,946</b>
<b>6028 2002 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS			
301 Budget Act appropriation	\$43,780	\$3,904	\$-
Prior year balances available:			
Item 6870-301-6028, Budget Act of 2002, as reappropriated by Item 6870-490/03/05 and partially reverted by Item 6870-497/ 03 and reapprop by Item 6870-490/06	300	-	-
Item 6870-301-6028, Budget Act of 2003, as reappropriated by Item 6870-490, Budget Acts 2004/2005 and Item 6870-491, BA of 2006, reverted by Item 6870-497/06	28,259	14,989	-
Reversion per Government Code Sections 16351, 16351.5 and 16408	-	-14,627	-
Item 6870-301-6028, Budget Act of 2004 as reappropriated by Item 6870-490, Budget Act of 2005	2,007	-	-
Item 6870-301-6028, Budget Act of 2005	5,534	5,534	-
Reversion per Government Code Sections 16351, 16351.5 and 16408	-	-670	-
Item 6870-301-6028, Budget Act of 2006	-	7,135	879
Reversion per Government Code Sections 16351, 16351.5 and 16408	-	-1,653	-
<b>Totals Available</b>	<b>\$79,880</b>	<b>\$14,612</b>	<b>\$879</b>
Unexpended balance, estimated savings	-43	-	-
Balance available in subsequent years	<u>-27,658</u>	<u>-879</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$52,179</b>	<b>\$13,733</b>	<b>\$879</b>
<b>6041 2004 Higher Education Capital Outlay Bond Fund</b>			
APPROPRIATIONS			
301 Budget Act appropriation	\$42,131	\$49,949	\$14,746
303 Budget Act appropriation	1,883	10,907	8,369
Prior year balances available:			

\* Dollars in thousands, except in Salary Range.



### 6870 Board of Governors of the California Community Colleges - Continued

	2006-07*	2007-08*	2008-09*
<b>3 CAPITAL OUTLAY</b>			
Item 6870-301-6041, BA of 2004 as reapp by Item 6870-490/05, Item 6870-491/06, reverted by Item 6870-497/06, and reapp by Item 6870-490, Budget Act of 2007	205,853	60,967	2,280
Reversion per Government Code Sections 16351, 16351.5 and 16408	-33,785	-10,981	-
Item 6870-301-6041, BA of 2005, as reapp by Item 6870-491, BA of 2006 as partially reverted by Item 6870-497, BA of 2007 & reapp by Item 6870-490 BA 2007	204,502	76,683	10,823
Reversion per Government Code Sections 16351, 16351.5 and 16408	-3,913	-3,690	-
Item 6870-301-6041, Budget Act of 2006 as reappropriated by Item 6870-490, Budget Act of 2007	-	31,518	2,053
Reversion per Government Code Sections 16351, 16351.5 and 16408	-	-129	-
Item 6870-303-6041, Budget Act of 2007	-	-	10,068
<b>Totals Available</b>	<b>\$416,671</b>	<b>\$215,224</b>	<b>\$48,339</b>
Unexpended balance, estimated savings	-23,204	-	-
Balance available in subsequent years	-169,168	-25,224	-
<b>TOTALS, EXPENDITURES</b>	<b>\$224,299</b>	<b>\$190,000</b>	<b>\$48,339</b>
<b>6049 2006 California Community College Capital Outlay Bond Fund</b>			
<b>APPROPRIATIONS</b>			
301 Budget Act appropriation	\$39,733	\$414,185	\$400,691
Reversion per Government Code Sections 16351, 16351.5 and 16408	-	-23,051	-
303 Budget Act appropriation	392,109	56,911	10,156
Reversion per Government Code Sections 16351, 16351.5 and 16408	-1,278	-	-
Prior year balances available:			
Item 6870-301-6049, Budget Act of 2006 as reappropriated by Item 6870-490, Budget Act of 2007	-	28,205	1,002
Reversion per Government Code Sections 16351, 16351.5 and 16408	-	-1,072	-
Item 6870-301-6049, Budget Act of 2007	-	-	202,561
Item 6870-303-6049, Budget Act of 2006	-	371,064	125,484
Item 6870-303-6049, Budget Act of 2007	-	-	52,616
<b>Totals Available</b>	<b>\$430,564</b>	<b>\$846,242</b>	<b>\$792,510</b>
Balance available in subsequent years	-399,269	-381,663	-
<b>TOTALS, EXPENDITURES</b>	<b>\$31,295</b>	<b>\$464,579</b>	<b>\$792,510</b>
<b>6075 2008 California Community College Capital Outlay Bond Fund</b>			
<b>APPROPRIATIONS</b>			
301 Budget Act appropriation	\$-	\$-	\$32,055
303 Budget Act appropriation	-	-	421,457
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$453,512</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)</b>	<b>\$317,618</b>	<b>\$683,459</b>	<b>\$1,311,270</b>

### 7980 California Student Aid Commission

The mission of the California Student Aid Commission (Commission) is to make education beyond high school financially accessible to all Californians. The Commission ensures the effective and efficient administration of federal and state authorized financial aid, including grants and student loans. In addition, the Commission has responsibility to provide leadership on financial aid issues and to make public policy recommendations concerning financial aid programs.

The Commission is composed of 15 members: 11 members are appointed by the Governor and confirmed by the Senate, 2 members are appointed by the Senate Rules Committee and 2 members are appointed by the Speaker of the Assembly. Members serve four-year terms except the two student members, appointed by the Governor, who serve two-year terms.

#### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
15 Financial Aid Grants Program	105.6	129.8	145.1	\$847,155	\$871,447	\$923,498

\* Dollars in thousands, except in Salary Range.

7980 California Student Aid Commission - Continued

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
50 California Loan Program	56.9	62.1	-	968,349	1,132,286	-
80.01 Administration	25.8	28.5	28.5	3,301	3,364	3,369
80.02 Distributed Administration	-25.8	-28.5	-28.5	-3,301	-3,364	-3,369
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>162.5</b>	<b>191.9</b>	<b>145.1</b>	<b>\$1,815,504</b>	<b>\$2,003,733</b>	<b>\$923,498</b>
<b>FUNDING</b>				<b>2006-07*</b>	<b>2007-08*</b>	<b>2008-09*</b>
0001 General Fund				\$794,822	\$842,887	\$892,736
0783 Federal Student Loan Reserve Fund				878,070	1,031,917	-
0784 Student Loan Operating Fund				103,816	98,497	-
0890 Federal Trust Fund				10,622	10,622	10,952
0995 Reimbursements				28,174	19,810	19,810
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$1,815,504</b>	<b>\$2,003,733</b>	<b>\$923,498</b>

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Education Code Sections 66021.2, 69430-69439, 69509, 69509.5, 69510-69518, 69519, 69522-69529.5, 69530-69547.9, 69550-69551, 69560-69566, 69612-69615.6, 69618-69619, 69620-69628, 69750-69751.8, 69760-69779, 70100-70129 and Labor Code Section 4709.

MAJOR PROGRAM CHANGES

- The Budget proposes an increase of \$26.7 million over the revised 2007-08 level for anticipated growth in the Cal Grant Program. The Budget also includes an increase of \$80 million to the Cal Grant Program as a placeholder for potential fee increases by the University of California and the California State University systems.
- The Budget proposes a \$57.4 million reduction by eliminating new awards for the Competitive component of the Cal Grant Program.
- The Budget proposes a net state operations increase of \$981,000 due to the anticipated sale of EdFund that results in additional workload for the Commission.

BUDGET-BALANCING REDUCTIONS

- The Budget includes General Fund reductions of \$2.2 million in 2008-09.
- The following programs totaling \$930 million have been exempted from the budget balancing reductions: the Cal Grant Program, the Assumption Program of Loans for Education (APLE) Program, and other programs including the Graduate APLE, National Guard APLE, State Nursing APLE, and Nurses in State Facilities APLE. These programs include entitlement payments that cannot be reduced.
- The major budget balancing reductions include \$1.6 million in state operations and \$637,000 in the California Student Opportunity and Access Program.

DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Placeholder for Additional Cal Grant Program Growth Pending UC and CSU Fee Actions	\$-	\$-	-	\$80,000	\$-	-
• Cal Grant Program Growth	-19,215	-	-	7,461	-	-
• Adjustment for State Nursing APLE Payments	-	-	-	208	-	-
• Adjustment for Nurses in State Facilities APLE Payments	-	-	-	125	-	-
• Adjustment for NG APLE Payments	-	-	-	97	-	-
• Continue the Cash For College Program (AB 1540) - Local Assistance	-	-	-	-	200	-

\* Dollars in thousands, except in Salary Range.



7980 California Student Aid Commission - Continued

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Adjustment for APLE Payments	-11,018	-	-	-11,167	-	-
• Augment State Operations Due to Reclaimed Workload from EdFund Sale (SB 89)	-	-	-	2,000	-	10.5
• Continue the Cash for College Program (AB 1540) - State Operations	-	-	-	-	130	-
• Employee Compensation Adjustment	323	136	-	332	-	-
• Retirement Rate Adjustment	-30	-10	-	-28	-	-
• Price Adjustment	-	-	-	91	-	-
• Reverse 2007-08 Price Adjustment	-131	-	-	-131	-	-
• Reverse 2007-08 Pro Rata	-	-	-	-	-85	-
• Department of Technology Rate Adjustment	-5	-2	-	-7	-	-
• Remove One-Time Funding for Modifying the Grant Delivery System	-	-	-	-798	-	-
• Remove One-Time Funding for Auditors' Personal Computers	-	-	-	-4	-	-
• Remove Funding for CSAC Oversight of EdFund (SB 89)	-	-	-	-1,019	-	-5.7
• Adjust EdFund Continuous Appropriation for Civil Service Positions	-	-225	-	-	-227	-
• Adjust EdFund Continuous Appropriation for Operational Support	-	3,590	-	-	3,590	-
• Adjust EdFund Continuous Appropriation for Defaulted Loans	-	260,830	-	-	-	-
• Adjust EdFund Continuous Appropriation for Loan Recoveries, Repurchases, and Processing	-	88,287	-	-	-	-
• Remove EdFund Civil Service Positions (SB 89)	-	-	-	-	-3,910	-47.5
• Remove EdFund Continuous Appropriation for Operational Support (SB 89)	-	-	-	-	-94,376	-
• Remove EdFund Continuous Appropriation for Defaulted Loans (SB 89)	-	-	-	-	-542,900	-
• Remove EdFund Continuous Appropriation for Loan Recoveries, Repurchases, and Processing (SB 89)	-	-	-	-	-139,900	-
<b>Totals, Baseline Adjustments</b>	<b>-\$30,076</b>	<b>\$352,606</b>	<b>-</b>	<b>\$77,160</b>	<b>-\$777,478</b>	<b>-42.7</b>
<b>Policy Adjustment Descriptions</b>						
• Eliminate New Competitive Cal Grants	\$-	\$-	-	-\$57,387	\$-	-
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>-\$57,387</b>	<b>\$-</b>	<b>-</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$30,076</b>	<b>\$352,606</b>	<b>-</b>	<b>\$19,773</b>	<b>-\$777,478</b>	<b>-42.7</b>
<b>Other Adjustments <sup>v</sup></b>						
• Budget-Balancing Reductions	-	-	-	-2,216	-	-
<b>REVISED TOTALS, BUDGET ADJUSTMENTS</b>	<b>-\$30,076</b>	<b>\$352,606</b>	<b>-</b>	<b>\$17,557</b>	<b>-\$777,478</b>	<b>-42.7</b>

<sup>v</sup> These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

\* Dollars in thousands, except in Salary Range.

## 7980 California Student Aid Commission - Continued

## Awards Granted/Proposed

	2006-07*	2007-08*	2008-09*
Entitlement Awards:			
Number	191,130	184,565	180,720
Amount	\$637,775	\$664,676	\$773,907
Competitive Awards:			
Number	60,735	56,725	25,125
Amount	\$116,710	\$117,066	\$57,511
Existing Awards:			
Cal Grant A:			
Number	705	205	60
Amount	\$970	\$287	\$102
Cal Grant B:			
Number	730	150	30
Amount	\$941	\$213	\$54
Other Programs:			
Cal Grant C:			
Number	15,210	14,170	14,035
Amount	\$8,454	\$7,932	\$7,889
Student Opportunity and Access Program:			
Number (consortia)	17	17	17
Amount	\$8,567	\$6,367	\$6,367
Assumption Program of Loans for Education:			
Number <sup>1</sup>	13,298	13,250	13,482
Amount	\$40,260	\$40,716	\$40,567
Graduate Assumption Program of Loans for Education:			
Number <sup>1</sup>	102	201	201
Amount	\$263	\$402	\$402
State Nursing Assumption Program of Loans for Education for Nursing Faculty:			
Number <sup>1</sup>	0	0	25
Amount	\$0	\$0	\$208
State Nursing Assumption Program of Loans for Education for Nurses in State Facilities:			
Number <sup>1</sup>	0	0	25
Amount	\$0	\$0	\$125
National Guard Assumption Program of Loans for Education:			
Number <sup>1</sup>	0	100	99
Amount	\$0	\$200	\$297
Law Enforcement Personnel Dependents Scholarships:			
Number	12	21	21
Amount	\$71	\$144	\$144
Byrd Scholarships:			
Number	3,373	3,527	3,527
Amount	\$5,490	\$5,671	\$5,671
Child Development Teacher and Supervisor Grant Program:			
Number	293	293	293
Amount	\$309	\$304	\$304
Chafee Foster Youth Program:			
Number	2,317	2,114	2,114
Amount	\$13,539	\$13,539	\$13,539
Cash for College:			
Amount	\$0	\$0	\$200
<b>Total:</b>			
Number	287,922	275,338	239,774
Amount	\$833,349	\$857,517	\$907,287

<sup>1</sup> Number of awards represents only those students receiving loan repayments from the program. As a result, the new awards are not reflected in this table.

\* Dollars in thousands, except in Salary Range.

## 7980 California Student Aid Commission - Continued

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 15 - 15 FINANCIAL AID GRANTS PROGRAM

This program provides grants and other specialized financial aid to help undergraduate and graduate students pay educational expenses. Awards are coordinated with other available award sources including federal Pell Grants. The financial aid grant programs are described below.

#### ENTITLEMENT AWARDS

Cal Grant Entitlement Award Programs were established by Chapter 403 of the Statutes of 2000. The entitlement awards are guaranteed to students who graduate from high school in 2000-01, or beyond, and meet financial, academic, and general program eligibility requirements.

- Cal Grant A provides tuition and fee funding to eligible lower income high school graduates who have at least a 3.0 grade point average (GPA) on a four-point scale. The award provides up to a maximum grant award of \$9,708 for new and renewal recipients at qualifying postsecondary institutions.
- Cal Grant B provides funds to eligible low-income disadvantaged high school graduates who have at least a 2.0 GPA. The award provides up to \$1,551 for book and living expenses for the first year. In the second year, it also helps pay for tuition and fees at qualifying post secondary institutions.
- The California Community College Transfer Award provides funding to eligible high school graduates who have a community college GPA of at least 2.4 on a four-point scale.

#### COMPETITIVE AWARDS

Cal Grant Competitive Award Program was established by Chapter 403 of the Statutes of 2000. There are 22,500 Cal Grant A and B competitive awards available to applicants who meet financial, academic, and general program eligibility requirements. Half of these awards (11,250) are offered to those applicants who did not receive an entitlement award and meet the March 2 deadline. The remaining 11,250 awards are offered to students who are enrolled at a California Community College and meet the September 2 deadline. Beginning 2008-09, no new warrants will be issued; only renewals will continue to be funded.

#### EXISTING AWARDS

The existing Cal Grant A and B Programs, prior to Chapter 403 of the Statutes of 2000, are being phased out. Funding is provided for renewal of awards made prior to the 2001-02 fiscal year.

- Cal Grant A and B provide tuition and fee funding for financially and academically eligible students attending a California college or university of their choice. Recipients at private institutions will continue to receive their maximum grant awards depending on when they received their first award. Cal Grant B recipients also receive up to \$1,551 for books and living expenses.

#### OTHER AWARDS

- The Cal Grant C provides funding for financially eligible low and middle-income students preparing for occupational or technical training. The authorized number of new awards is 7,761. For new and renewal recipients, the current tuition and fee award is up to \$2,592 and the allowance for training-related costs is \$576.
- The California Student Opportunity and Access Program (Cal-SOAP), through intersegmental consortia, provides financial aid outreach and tutoring services to disadvantaged K-12 students to increase their access to postsecondary education. Cal-SOAP also assists the matriculation of community college students to four-year institutions. There are 16 Cal-SOAP consortia operating in 17 locations.
- The Assumption Program of Loans for Education (APLE) allows the State to issue agreements for loan assumptions annually to students, district interns, and out-of-state teachers pursuing careers in teaching. Through APLE, a participant who teaches a total of four years can receive up to \$11,000 toward outstanding student loans. Participants teaching in priority areas will receive an additional \$1,000 a year, and if participants teach in a low-performing school they will receive an additional bonus of \$1,000 per year for a maximum of \$19,000.
- The Law Enforcement Personnel Dependents (LEPD) Scholarship Program provides college grants to dependents of: California law enforcement officers, officers and employees of the Department of Corrections and Department of Youth Authority, and firefighters killed or permanently disabled in the line of duty. This program is funded from the General Fund.
- The Graduate Assumption Program of Loans for Education (Graduate APLE) allows the State to issue loan assumption agreements to Californians pursuing graduate degrees at postsecondary institutions. A recipient who teaches for three years at a regionally accredited California college or university can receive up to \$6,000 toward outstanding student loans. Since 2003-04, no new warrants have been issued; only renewals will continue to be funded.
- The National Guard Assumption Program of Loans for Education (Chapter 345 of the Statutes of 2003) was established for qualifying members of the National Guard, the State Military Reserve, or the Naval Militia who seek, or who have completed, baccalaureate degrees at institutions of higher education within the State of California. Participants who provide additional service for four years can receive up to \$11,000 for student loans. Since 2006-07, no new warrants have been issued.
- The State Nursing Assumption Program of Loans for Education (SNAPLE), for nursing faculty, allows the State to issue agreements for loan assumptions to persons who have completed at least one academic year, or the equivalent, of full-time teaching nursing studies at one or more regionally accredited, eligible California colleges or universities. Through SNAPLE, a participant can receive up to \$8,333 annually for 3 years towards outstanding student loans for a total loan

\* Dollars in thousands, except in Salary Range.

**7980 California Student Aid Commission - Continued**

- assumption of up to \$25,000.
- The Robert C. Byrd Honors Scholarship Program provides a \$1,500 scholarship to exceptionally able students who show promise of continued academic excellence. Scholarships may be renewed for up to four years. This program is funded from federal funds. The State Department of Education contracts with CSAC to administer the program.
- The Child Development Teacher and Supervisor Grant Program (Chapter 721 of the Statutes of 1997) replaced the loan assumption program for participants who intend to teach or supervise in the field of child care and development in a licensed children's center. This program is funded from federal funds. The State Department of Education contracts with CSAC to administer the program.
- The California Chafee Grant Program provides grants of up to \$5,000 to eligible foster youth who are enrolled in college or vocational school at least half-time. The grant can be renewed if funding is available. This program is funded from federal funds and the General Fund. The State Department of Social Services contracts with CSAC to administer the program.
- The State Nursing Assumption Program of Loans for Education, for nurses in state facilities, allows the State to issue agreements for loan assumptions to persons who fulfill agreements to work full-time for at least 4 consecutive years as a clinical registered nurse in a state-operated 24-hour facility that employs registered nurses and that has a clinical registered vacancy rate of greater than 10 percent. A participant can receive up to \$5,000 annually for 4 consecutive years towards outstanding student loans for a total loan assumption of up to \$20,000.

**50 - 50 CALIFORNIA LOAN PROGRAM**

The Commission administers the Federal Family Education Loan Program (FFELP) for students on behalf of the United States Department of Education (USED) pursuant to the Higher Education Act of 1965, as amended. Chapter 961 of the Statutes of 1996 authorized the Commission to establish an auxiliary organization, EdFund, as a nonprofit public benefit corporation to provide operational and administrative services for the Commission's participation in the FFELP, effective January 1, 1997. The Federal Student Loan Reserve Fund and Student Loan Operating Fund are continuously appropriated for this purpose.

The FFELP consists of Federal Subsidized Stafford loans, Federal Unsubsidized Stafford loans, Federal Parent Loans for Undergraduate Students (PLUS), Graduate and Professional PLUS, and the Federal Loan Consolidation Program. Loans are made available to students through private lenders such as banks or credit unions, and the Commission guarantees the loan. If a student or parent defaults, the lender files a claim with the Commission, which pays the lender a portion of the outstanding balance. The USED reimburses the Commission for the default. The cost of default claims, collection expenses and administration of FFELP are funded by: USED, a federal default fee, collections and fees from defaulted borrowers, and interest on investments.

Chapter 182 of the Statutes of 2007 (SB 89) authorizes the sale, or an alternative financial arrangement to the sale, of the California Student Aid Commission's loan guarantee function and nonprofit auxiliary organization, EdFund, in order to maximize the value of the State's assets related to implementation of the Federal Family Education Loan Program. The law authorizes the Director of Finance to act as an agent for the sale. Net proceeds generated from the sale will be deposited into the state's General Fund. SB 89 amends Education Code Sections 69522, 69526 and 69766 and adds Section 69521-69521.11.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2006-07*	2007-08*	2008-09*
<b>PROGRAM REQUIREMENTS</b>			
<b>15 FINANCIAL AID GRANTS PROGRAM</b>			
<b>State Operations:</b>			
0001 General Fund	\$-	\$13,634	\$15,785
0784 Student Loan Operating Fund	13,537	-	-
0890 Federal Trust Fund	-	-	130
0995 Reimbursements	269	296	296
<b>Totals, State Operations</b>	<b>\$13,806</b>	<b>\$13,930</b>	<b>\$16,211</b>
<b>Local Assistance:</b>			
0001 General Fund	\$794,822	\$827,381	\$876,951
0890 Federal Trust Fund	10,622	10,622	10,822
0995 Reimbursements	27,905	19,514	19,514
<b>Totals, Local Assistance</b>	<b>\$833,349</b>	<b>\$857,517</b>	<b>\$907,287</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>50 CALIFORNIA LOAN PROGRAM</b>			
<b>State Operations:</b>			
0001 General Fund	\$-	\$1,872	\$-
0783 Federal Student Loan Reserve Fund	878,070	1,031,917	-
0784 Student Loan Operating Fund	90,279	98,497	-
<b>Totals, State Operations</b>	<b>\$968,349</b>	<b>\$1,132,286</b>	<b>\$-</b>

\* Dollars in thousands, except in Salary Range.

7980 California Student Aid Commission - Continued

	2006-07*	2007-08*	2008-09*
<b>TOTALS, EXPENDITURES</b>			
State Operations	982,155	1,146,216	16,211
Local Assistance	833,349	857,517	907,287
<b>Totals, Expenditures</b>	<b>\$1,815,504</b>	<b>\$2,003,733</b>	<b>\$923,498</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	162.5	202.0	198.5	\$9,991	\$12,018	\$11,981
Total Adjustments	-	-	-45.8	-	329	-2,707
Estimated Salary Savings	-	-10.1	-7.6	-	-617	-464
<b>Net Totals, Salaries and Wages</b>	<b>162.5</b>	<b>191.9</b>	<b>145.1</b>	<b>\$9,991</b>	<b>\$11,730</b>	<b>\$8,810</b>
Staff Benefits	-	-	-	3,289	4,028	3,025
<b>Totals, Personal Services</b>	<b>162.5</b>	<b>191.9</b>	<b>145.1</b>	<b>\$13,280</b>	<b>\$15,758</b>	<b>\$11,835</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>\$90,805</b>	<b>\$98,541</b>	<b>\$4,376</b>
<b>SPECIAL ITEMS OF EXPENSE</b>						
Purchase of Defaulted Loans				\$698,342	\$803,730	\$-
Loan Recoveries, Repurchases & Processing				179,728	228,187	-
<b>Totals, Special Items of Expense</b>				<b>\$878,070</b>	<b>\$1,031,917</b>	<b>\$-</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$982,155</b>	<b>\$1,146,216</b>	<b>\$16,211</b>
<b>Excluding EdFund</b>						
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	115.0	151.2	147.7	\$7,061	\$8,962	\$8,905
Total Adjustments	-	-	5.0	-	227	369
Estimated Salary Savings	-	-7.6	-7.6	-	-460	-464
<b>Net Totals, Salaries and Wages</b>	<b>115.0</b>	<b>143.6</b>	<b>145.1</b>	<b>\$7,061</b>	<b>\$8,729</b>	<b>\$8,810</b>
Staff Benefits	-	-	-	2,394	2,998	3,025
<b>Totals, Personal Services</b>	<b>115.0</b>	<b>143.6</b>	<b>145.1</b>	<b>\$9,455</b>	<b>\$11,727</b>	<b>\$11,835</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<b>5,822</b>	<b>4,075</b>	<b>\$4,376</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$15,277</b>	<b>\$15,802</b>	<b>\$16,211</b>
<b>2 Local Assistance</b>						
Entitlement Awards				\$637,775	\$864,676	\$773,907
Competitive Awards				116,710	117,066	57,511
<b>EXISTING AWARDS:</b>						
Cal Grant A				970	287	102
Cal Grant B				941	213	54
<b>OTHER AWARDS:</b>						
Cal Grant C				8,454	7,932	7,889
Student Opportunity and Access Program				8,567	6,367	6,367
Assumption Program of Loans for Education				40,260	40,716	40,567
Graduate Assumption Program of Loans for Education				263	402	402
State Nursing Assumption Program of Loans for Education for Nursing Faculty				-	-	208
State Nursing Assumption Program of Loans for Nurses in State Facilities				-	-	125

\* Dollars in thousands, except in Salary Range.

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2 Local Assistance	Expenditures		
	2006-07*	2007-08*	2008-09*
National Guard Assumption Program of Loans for Education	-	200	297
Law Enforcement Personnel Dependents Scholarships	71	144	144
Robert C. Byrd Scholarship	5,490	5,671	5,671
Child Development Teacher and Supervisor Grant Program	309	304	304
California Chafee Program	13,539	13,539	13,539
OUTREACH:			200
Cash for College	-	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$833,349</b>	<b>\$857,517</b>	<b>\$907,287</b>

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
<b>0001 General Fund</b>			
APPROPRIATIONS	\$-	\$15,349	\$15,785
001 Budget Act appropriation	-	323	-
Allocation for employee compensation	-	-30	-
Adjustment per Section 3.60	-	-131	-
Adjustment per Section 4.04	-	-5	-
Adjustment per Section 15.25	-	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$15,506</b>	<b>\$15,785</b>
<b>TOTALS, GENERAL FUND EXPENDITURES</b>	<b>\$-</b>	<b>\$15,506</b>	<b>\$15,785</b>
<b>0783 Federal Student Loan Reserve Fund</b>			
APPROPRIATIONS	\$698,342	\$803,730	\$-
Education Code Section 69766 (for purchase of defaulted loans to Ed Fund)	179,728	228,187	-
Education Code Section 69766 (Loan recoveries, repurchases and processing)	-	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$878,070</b>	<b>\$1,031,917</b>	<b>\$-</b>
<b>0784 Student Loan Operating Fund</b>			
APPROPRIATIONS	\$15,279	\$-	\$-
001 Budget Act appropriation	523	-	-
Allocation for employee compensation	69	-	-
Adjustment per Section 3.60	-1	-	-
Adjustment per Section 4.75 Statewide Surcharge	84,857	94,461	-
Education Code Section 69766 (Education Fund other support)	3,951	4,036	-
Education Code Section 69766 (Fund civil service personal services)	-	-	-
<b>Totals Available</b>	<b>\$104,678</b>	<b>\$98,497</b>	<b>\$-</b>
Unexpended balance, estimated savings	-862	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$103,816</b>	<b>\$98,497</b>	<b>\$-</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$-	\$-	\$130
001 Budget Act appropriation	-	-	130
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$130</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$269	\$296	\$296
Reimbursements	982,155	1,146,216	1,621,111
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$982,155</b>	<b>\$1,146,216</b>	<b>\$1,621,111</b>

2 LOCAL ASSISTANCE	2006-07*	2007-08*	2008-09*
<b>0001 General Fund</b>			

\* Dollars in thousands, except in Salary Range.

7980 California Student Aid Commission - Continued

	2006-07*	2007-08*	2008-09*
<b>2 LOCAL ASSISTANCE</b>			
APPROPRIATIONS	\$846,838	\$857,614	\$876,951
101 Budget Act appropriation	\$846,838	\$857,614	\$876,951
Totals Available	-52,016	-30,233	-
Unexpended balance, estimated savings	\$794,822	\$827,381	\$876,951
<b>TOTALS, EXPENDITURES</b>			
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS	\$12,583	\$10,622	\$10,822
101 Budget Act appropriation	-1,961	-	-
Budget Adjustment	\$10,622	\$10,622	\$10,822
<b>TOTALS, EXPENDITURES</b>			
<b>0995 Reimbursements</b>			
APPROPRIATIONS	\$27,905	\$19,514	\$19,514
Reimbursements	\$833,349	\$857,517	\$907,287
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$1,815,504</b>	<b>\$2,003,733</b>	<b>\$923,498</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>			

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	162.5	202.0	198.5	\$9,991	\$12,018	\$11,981
Salary Adjustments	-	-	-	-	329	164
<b>Proposed New Positions:</b>				<b>Salary Range</b>		
Management Services:						
Staff Svcs Mgr I	-	-	1.0	5,079-6,127	-	67
Assoc Govtl Prgm Analyst	-	-	1.0	4,400-5,348	-	58
Printing Opers Asst	-	-	2.0	3,177-3,816	-	84
Warehouse Worker	-	-	1.0	2,877-3,420	-	38
Staff Svcs Analyst-Gen	-	-	1.0	2,817-4,446	-	44
Ofc Asst-Gen	-	-	1.0	2,074-2,770	-	29
Information Technology Services:						
Staff Programmer Analyst-Spec	-	-	1.0	5,065-6,466	-	69
Syss Software Spec I-Tech	-	-	1.0	5,064-6,465	-	69
Assoc Info Syss Analyst-Spec	-	-	1.0	4,619-5,897	-	63
Asst Info Syss Analyst	-	-	1.0	3,106-4,903	-	48
<b>Totals, Proposed New Positions</b>	-	-	<b>11.0</b>	<b>\$-</b>	<b>\$-</b>	<b>\$569</b>
<b>Proposed Reductions in Authorized Positions:</b>						
Federal Policy & Programs Division:						
Staff Svcs Mgr I	-	-	-1.0	5,079-6,129	-	-71
Assoc Mgmt Auditor	-	-	-2.0	4,619-5,896	-	-137
Assoc Adm Analyst-Acctg	-	-	-1.0	4,619-5,615	-	-60
Assoc Govtl Prgm Analyst	-	-	-1.0	4,400-5,348	-	-62
Ofc Techn-Typing	-	-	-1.0	2,686-3,264	-	-34
EdFund:						
Staff Svcs Mgr III	-	-	-1.0	6,779-7,474	-	-87
Acctg Administrator II	-	-	-1.0	5,577-6,727	-	-78
Sr Programmer Analyst	-	-	-3.0	5,571-7,109	-	-248
Staff Svcs Mgr I	-	-	-2.0	5,079-6,127	-	-142
Acctg Administrator I	-	-	-1.0	5,079-6,127	-	-71
Staff Info Syss Analyst-Spec	-	-	-5.0	5,065-6,465	-	-375
Financial Aid Mgr I	-	-	-1.0	4,837-5,835	-	-68

\* Dollars in thousands, except in Salary Range.

7980 California Student Aid Commission - Continued

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Assoc Info Sys Analyst-Spec	-	-	-3.0	4,619-5,896	-	-205
Assoc Mgmt Auditor	-	-	-1.0	4,619-5,896	-	-69
Assoc Financial Aid Analyst	-	-	-8.0	4,400-5,348	-	-471
Assoc Govtl Pgrm Analyst	-	-	-3.0	4,400-5,348	-	-186
Sr Acctg Ofcr	-	-	-1.0	4,400-5,348	-	-62
Assoc Budget Analyst	-	-	-1.0	4,400-5,348	-	-62
Assoc Bus Mgmt Analyst	-	-	-3.0	4,400-5,348	-	-178
Info Ofcr I	-	-	-1.0	4,400-5,348	-	-62
Research Writer	-	-	-1.0	4,400-5,348	-	-62
Acctg Ofcr	-	-	-1.0	3,841-4,669	-	-54
Financial Aid Analyst	-	-	-3.0	3,050-4,447	-	-146
Staff Svcs Analyst	-	-	-2.0	2,817-4,446	-	-103
Ofc Techn-Typing	-	-	-2.0	2,686-3,264	-	-71
Pgrm Techn II	-	-	-2.0	2,638-3,208	-	-75
Mgmt Svcs Techn	-	-	-3.0	2,495-3,426	-	-119
Ofc Asst-Gen	-	-	-1.0	2,074-2,770	-	-32
Temporary Help	-	-	-0.8	-	-	-23
Overtime	-	-	-	-	-	-27
<b>Totals, Proposed Reductions in Authorized Positions</b>	-	-	<b>-56.8</b>	<b>\$-</b>	<b>\$-</b>	<b>-\$3,440</b>
<b>Total Adjustments</b>	-	-	<b>-45.8</b>	<b>\$-</b>	<b>\$329</b>	<b>-\$2,707</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>162.5</b>	<b>202.0</b>	<b>152.7</b>	<b>\$9,991</b>	<b>\$12,347</b>	<b>\$9,274</b>

\* Dollars in thousands, except in Salary Range.



**AGENDA  
ASSEMBLY BUDGET SUBCOMMITTEE NO. 2  
ON EDUCATION FINANCE**

**Assemblymember Julia Brownley, Chair**

**WEDNESDAY, MAY 7, 2008  
STATE CAPITOL, ROOM 126  
4:00 P.M.**

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ITEM	PROPOSED CONSENT CALENDAR (VOTE ONLY)	PAGE
6440	UNIVERSITY OF CALIFORNIA (UC)	
ISSUE 1	APRIL 1 <sup>ST</sup> DEPARTMENT OF FINANCE (DOF) LETTER: PROVISIONAL LANGUAGE FOR FUNDING ENERGY CONSERVATION PROJECTS (ISSUE 350) AND GARAMENDI FINANCING	

**ITEMS TO BE HEARD (INFORMATION ONLY)**

6440	UNIVERSITY OF CALIFORNIA (UC)	
ISSUE 1	CAPITAL OUTLAY BUDGET (ATTACHMENT 1)	
ISSUE 2	APRIL 1 <sup>ST</sup> DEPARTMENT OF FINANCE (DOF) LETTER: AMENDMENT TO CAPITAL OUTLAY BUDGET BILL ITEMS	
6610	CALIFORNIA STATE UNIVERSITY (CSU)	
ISSUE 1	CAPITAL OUTLAY BUDGET (ATTACHMENT 2)	
ISSUE 2	APRIL 1 <sup>ST</sup> DEPARTMENT OF FINANCE (DOF) LETTER: AMENDMENT TO CAPITAL OUTLAY BUDGET BILL ITEMS	
6870	CALIFORNIA COMMUNITY COLLEGES (CCC)	
ISSUE 1	CAPITAL OUTLAY BUDGET (ATTACHMENT 3)	
ISSUE 2	APRIL 1 <sup>ST</sup> DEPARTMENT OF FINANCE (DOF) LETTER: AMENDMENT TO CAPITAL OUTLAY BUDGET BILL ITEMS	
6440 - 6610 - 6870	UNIVERSITY OF CALIFORNIA / CALIFORNIA STATE UNIVERSITY / CALIFORNIA COMMUNITY COLLEGES	
ISSUE 1	CAMPUS PLANNING & ENVIRONMENTAL REVIEW PROCESS	
ISSUE 2	UPDATE: WORKFORCE ISSUES	

**ITEM 6610 CALIFORNIA STATE UNIVERSITY****ISSUE 1: CAPITAL OUTLAY PROJECTS (ATTACHMENT 2)**

The Governor's budget proposes \$358 million in bond funds for 24 CSU capital projects in the budget year. Most of this amount – \$315 million – would come from a proposed bond on the November 2008 ballot. See attachment 2.

**BACKGROUND**

**Implementation of Proposition 1D.** Proposition 1D, the Kindergarten–University Public Education Facilities Bond Act of 2006, was passed by voters in November 2006. Among the various education segments receiving funding under the bond act, CSU was allotted \$690 million to construct new buildings and related infrastructure, alter existing buildings, and purchase major equipment for use in these buildings. As the figure below shows, almost all of these funds have already been committed to specific projects, in addition to providing funds for minor capital outlay (upgrades and renovations less than \$400,000) and capital renewal (for replacement of building components and systems). Only \$26 million of CSU's Proposition 1D allocation remains uncommitted.

	2006-07	2007-08	Totals
Capital outlay projects	\$202	\$337	\$539
Capital renewal	50	50	100
Minor capital outlay	25	—	25
<b>Totals</b>	<b>\$277</b>	<b>\$387</b>	<b>\$664</b>

Past appropriations from Proposition 1D contributed funding to 36 CSU projects. The figure on the next page shows that 22 of these projects will be completed with appropriations made to date. The remaining 14 projects will require additional appropriations. Since nearly all authorized bond funds for CSU are already committed, most of the 14 remaining projects will require new capital funding for completion. The total estimated cost to finish CSU's projects begun with Proposition 1D funds is \$272 million. (The Governor proposes to cover \$246 million of this in the budget year mainly with funds from the proposed 2008 bond).

Summary of CSU Projects Funded With Proposition 1D				
As of 2007-08 Budget Act (Dollars In Millions)				
Type of Project	Projects With Funding Complete	Projects Needing Additional Funding		
		Number	State Funds	
New buildings	12	5	\$45	
Replacement buildings	—	5	133	
Renovations/modernizations	5	1	50	
Seismic improvements	2	2	20	
Campus infrastructure	2	1	24	
Land acquisition	1	—	—	
<b>Totals</b>	<b>22</b>	<b>14</b>	<b>\$272</b>	

A review of the 36 projects funded by Proposition 1D shows that they cover a wide variety of purposes—new classrooms, teaching labs, and faculty offices; renovations and replacements; campus infrastructure; seismic-related improvements; and land acquisition. As shown in the figure above, the projects funded with Proposition 1D will increase CSU's systemwide capacity by almost 13,000 full-time equivalent (FTE) students.

### THE GOVERNOR'S 2008-09 BOND PROPOSAL

The budget proposes to spend \$358 million on 24 CSU capital projects including \$50 million for systemwide capital renewal and \$25 million for minor capital outlay projects. The proposed budget does not include any funding from Proposition 1D. The proposal relies heavily on the proposed 2008 bond, with 20 projects receiving at least partial funding from this source. The proposed funding would support new phases of 13 projects previously funded by the state and 11 new projects.

**The 2008 Bond Proposal.** The Governor's proposal for the 2008 education bond would provide CSU with about \$2 billion in funding for capital projects over five years. This amounts to \$395 million per year, or \$50 million more than the annual funding CSU received from Proposition 1D. According to CSU, the distribution of 2008 bond funds would follow CSU Board of Trustees' adopted categories and criteria, which gives highest priority to completing previous starts and addressing the capital needs outlined in CSU's Five Year Capital Improvement Plan.

**Governor's Proposal Increases Risk of Funding Shortfall.** Rather than prioritize the completion of previously approved projects, the Governor's proposal allocates some existing bond funds to new projects. As described above, the available balance of authorized bonds is insufficient to finish all previously funded CSU projects and, regardless of budgeting choices, some will be dependent upon a new source of funding (such as a 2008 bond) for completion. However, by funding new projects with available bond balances—rather than focusing on the completion of existing projects—the Governor's budget commits the state to even more projects without a guaranteed source of funding for completion. For example, the budget proposal will expend some of the state's current bond funds on three new projects even if the 2008 bond is not approved. Although existing funds would start these three projects, the state would lack the \$143 million to complete them. In total, the Governor's proposal—by not prioritizing the completion of projects and relying so heavily on approval of a 2008 bond proposal—will result in

18 continuing projects that lack a guaranteed source for completion. The total amount necessary to complete these projects would be approximately \$398 million.

**COMMENTS****LAO RECOMMENDATIONS.**

**Sacramento: Science II, Phase 2.** The LAO recommends the Legislature reduce \$490,000 from the preparation of preliminary plans and working drawings for a new science complex at the Sacramento campus and reduce future costs by \$6.1 million because (1) the increased capacity in laboratory space could be accommodated by improving year-round operations, and (2) the proposal includes project elements unrelated to the campus' programmatic needs and state priorities.

**Chico: Taylor II Replacement Building.** The LAO recommends the Legislature delete \$2.6 million for preparation of preliminary plans and working drawings for a replacement facility to accommodate the College of Humanities and Fine Arts at the Chico campus because the increase in instructional capacity is not justified due to the underutilization of facilities during the summer term. Estimated future state cost to complete the project is \$52.2 million.

**STAFF RECOMMENDATION: Hold Open**

**ISSUE 2: APRIL 1<sup>ST</sup> FINANCE LETTERS**

**Addition of and Amendment to Various Budget Bill Items, Support, California State University**

**Amendment of Budget Bill Item 6610-002-6074 (Issue 353)**

It is requested that Item 6610-002-6074 be decreased by \$5,000,000 to shift funding for two critical capital renewal projects from the proposed higher education bond, the 2008 University Capital Outlay Bond Fund, to existing bond funds.

**Addition of Budget Bill Item 6610-002-6041 (Issue 354)**

It is requested that Item 6610-002-6041 be added in the amount of \$5,000,000 to conform with shifting capital renewal funding for two projects from the 2008 University Capital Outlay Bond Fund to existing bond funds, the 2004 Higher Education Capital Outlay Bond Fund.

**COMMENTS**

**Staff Recommendation: Hold Open.**

ITEM 6440 – 6610 – 6870 UNIVERSITY OF CALIFORNIA/ CALIFORNIA STATE  
UNIVERSITY/ CALIFORNIA COMMUNITY COLLEGES

ISSUE 1: CAMPUS PLANNING & ENVIRONMENTAL REVIEW PROCESS

The issue for the Subcommittee to consider is the LAO's findings and recommendations on their research on this topic, followed by an update from the three segments: UC, CSU, and CCC.

LAO'S CAMPUS GROWTH  
HIGHLIGHTS

In the 2008-09 Budget bill analysis, the LAO highlights the importance of the Legislature's early involvement in planning for higher education enrollment growth. The LAO also outlines how the *Marina* decision obligates the campuses of the UC, CSU, and CCC to consider – and most likely pay their fair share for – the negative environmental impacts that their growth has on surrounding communities. Depending on the policy choices of the Legislature, CEQA requirements to mitigate off-campus impacts could result in significant costs to the higher education segments and the state. The LAO continues to recommend greater legislative oversight over the campus planning process at all three segments – particularly, holding hearings on draft campus plans. Specifically, the LAO recommends the Legislature consider the following issues in its review of campus plans.

- **How much growth is necessary?** Prior to expanding its enrollment ceiling, each campus should demonstrate evidence of enrollment demand and adequate year-round utilization of its facilities.
- **What are the estimated costs of off-site mitigation?** We recommend that the segments include a preliminary estimate of fair-share mitigation costs in order to provide the Legislature a better understanding of the true costs that would be associated with the implementation of the proposed plans.
- **What is the status of negotiations with local agencies?** Given the potential for litigation to add costs and delays to the planning process, it is important for the campuses to initiate discussions with their host communities early in the planning process. Ideally, mitigation costs will be negotiated prior to the legislative hearing and the governing body's approval of the campus plan and its Environmental Impact Report (EIR).
- **How will mitigation costs be funded?** The segments should report on the sources of funding they will use for any off-campus mitigation payments, including any anticipated requests for state funding.

BACKGROUND

**The *Marina v. CSU Board of Trustees* Decision.** In July 2006, the California Supreme Court reversed an earlier Court of Appeal's decision by concluding that the CSU Board of Trustees had abused their discretion and that their approval of the Environmental Impact Report (EIR) from 1998, (which had determined that the mitigation of some off-campus impacts – including

traffic and a greater demand for fire protection services – was within the jurisdiction of Fort Ord Reuse Authority (FORA) and not the responsibility of CSU) was not valid.

**How Does the *Marina* Decision Affect CSU?** In response to the *Marina* decision, the CSU had adopted new language relating to off-campus mitigation in its campus plan EIRs. In EIRs developed for campus plans completed since the *Marina* decision, CSU agrees to pay its fair share of the costs incurred by a local agency for implementing off-campus mitigation measures, provided that the Legislature appropriates money specifically for this purpose. The CSU uses an upfront approach that attempts to determine the appropriate fair-share payments for off-campus mitigation measures prior to certifying the EIR.

**How does the *Marina* Decision Affect Other Higher Education Segments?**

- **UC uses various methods of off-campus mitigation. Some examples include:**
  - UC Santa Cruz contributed \$1.4 million to local agencies from 1991 to 2005 as part of "University Assistance Measures" identified in its 1988 campus plan.
  - UC Berkeley, in response to a lawsuit challenging its 2005 LRDP and EIR, reached a settlement agreement with the City of Berkeley in May 2005 in which the campus agreed to provide \$1.2 million annually to the city through 2020 for sewer and storm drain infrastructure, fire and emergency equipment, transportation and pedestrian improvements, and neighborhood projects.
- **UC does not receive state funds earmarked for off-campus mitigation.** Rather than request funds from the Legislature specifically for off-campus mitigation, UC directs funding from within its budget (including nonstate funds) to compensate local agencies for off-campus infrastructure improvements. This means that UC's EIRs do not contain any language that the funding of fair-share agreements is contingent upon legislative approval.
- **CCC process for off-campus mitigation.** The CCC Chancellor's Office (CCCCO) views local college districts as responsible for negotiating with and funding fair-share payments to local governments. If a college's new campus plan identifies off-campus mitigation measures that require fair-share payments, CCCCCO directs the districts to use local funds for those payments as the state generally will not provide funding for these costs.

**Role of the Legislature:** As the preceding sections have shown, college campuses and the communities that host them have a shared stake in how the effects of campus expansion are accommodated, reduced, or avoided. The Legislature also can play an important role in planning for campus growth. This can take several different forms:

- **Assessing the Need for Growth.** The Legislature can limit the environmental impact and the associated mitigation costs of campus growth by requiring fuller utilization of facilities on a year-round basis and scrutinizing the segments' assumptions about growth in campus plans.
- **Clarifying CEQA.** The Legislature can reduce the legal conflicts between campuses and communities by clarifying key provisions of CEQA. Even after the *Marina* decision, some parts of the law are the source of some disputes.

- **Appropriating Mitigation Funding.** The Legislature will be asked to address the off-campus mitigation costs associated with campus growth. It will confront difficult policy choices concerning the oversight, and timing of these payments.

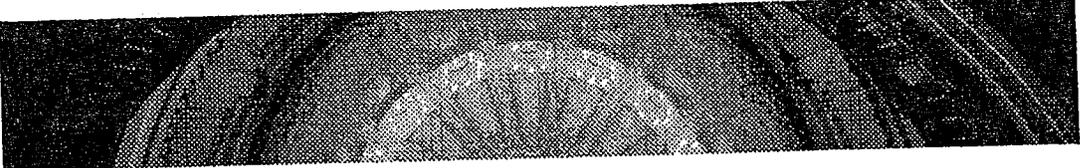
**ISSUE 2: UPDATE ON WORKFORCE ISSUES**

The segments will provide us with an update regarding workforce issues. Specifically, regarding a letter sent by the Subcommittee Chair to California State University.





# GOVERNOR'S BUDGET



## AUGUST 2008-09 UPDATE PROPOSED COMPROMISE

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### INTRODUCTION

California's budget problem has reached crisis proportions. After months of negotiation, the Administration and the Legislature have yet to agree on a plan for solving the state's budget shortfall this year, eliminating its long-term structural deficit, and reforming the budget process to prevent such a crisis from recurring.

The Governor believes that to solve the budget crisis and move forward, the state needs to do all of the following:

- Make major reductions in programs to bring spending in line with a realistic long-term revenue projection.
- Provide for a temporary increase in revenues to see the state through the next several years of anticipated slow economic growth.
- Modernize the state's lottery and securitize expected increased revenues to pay off General Fund debts or contribute to the "rainy day fund" (Budget Stabilization Account) to help see the state through the next three years.
- Enact major budget reform that will prevent future legislatures and governors from committing temporary surges in revenues to ongoing program expansions or tax cuts, and that will provide a rainy day fund and mid-year cut authority to address future downturns in revenues.

## INTRODUCTION

The last two components of this plan both must be enacted by the people. Budget reform can only be achieved with a constitutional amendment, and lottery reform requires amending both the Constitution and an initiative enacted by the people in 1984.

In the absence of these two components, the only alternatives to solving the state's budget problems will be massive program cuts and/or major tax increases. The Compromise reflects lessons learned after months of negotiation with legislative leaders of both parties. It is a plan that has components that are objectionable to all parties—including the Governor.

### **Downside Risks to Economic and Revenue Forecasts**

Since the May Revision, the economic news has worsened and many forecasters are predicting a slower return to normal growth rates. If, in fact, the economy does not grow at the rates forecast in the May Revision, revenues could decline significantly in 2008-09 and 2009-10, possibly on the order of \$5 billion over the two years. This downside risk to the forecast is all the more reason to enact a balanced budget that does not rely on borrowing from local governments or transportation funds.

### **Outline of the Plan**

Figure INT-01 represents the Governor's proposed Compromise which includes General Fund spending of \$103.4 billion in 2008-09. This reflects virtually no increase from the previous year and only a 2-percent increase as compared to 2006-07. However, as compared to a workload budget, that is the projected costs of maintaining state programs at their current levels, it reflects a reduction of \$9.9 billion, or 9 percent.

The figure also shows that the Compromise is balanced, not only in 2008-09, but into 2009-10 as well. In fact, the Compromise would allow the state to begin rebuilding its rainy day fund in 2009-10, thus setting the stage for achieving structural balance in the future.

Figure INT-01  
 2008-09 Proposed Compromise  
 General Fund Budget Summary  
 (Dollars in Millions)

	2007-08	2008-09	2009-10
Prior Year Balance	\$4,277	\$3,893	\$1,943
Revenues and Transfers	\$102,967	\$101,475	\$106,501
<b>Total Resources Available</b>	<b>\$107,243</b>	<b>\$105,369</b>	<b>\$108,444</b>
Non-Proposition 98 Expenditures	\$61,798	\$61,618	\$60,776
Proposition 98 Expenditures	\$41,552	\$41,807	\$45,337
<b>Total Expenditures</b>	<b>\$103,350</b>	<b>\$103,425</b>	<b>\$106,113</b>
<b>Fund Balance</b>	<b>\$3,893</b>	<b>\$1,943</b>	<b>\$2,331</b>
Reserve for Liquidation of Encumbrances	\$885	\$885	\$885
Special Fund for Economic Uncertainties	\$3,008	\$1,058	\$1,446
<b>Budget Stabilization Account<sup>1/</sup></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Available Reserve</b>	<b>\$3,008</b>	<b>\$1,058</b>	<b>\$1,446</b>

<sup>1/</sup> In 2007-08, includes the transfer of \$1,494 million from Budget Stabilization Account back to the General Fund under Control Section 35.60. Reflects suspension of transfers in 2008-09 and 2009-10.

The May Revision identified \$24.3 billion in solutions needed to address the projected shortfall at the end of 2008-09 and leave a reserve of \$2 billion. The Compromise proposes a reserve of \$1.1 billion and therefore proposes solutions totaling \$23.3 billion. Figure INT-02 displays how the proposed solutions in the Compromise are divided among various categories, with cuts accounting for the largest contribution to solving the budget problem.

INTRODUCTION

Figure INT-02  
**Solutions By Category**  
(Dollars in Millions)

Cuts	\$11,343	49%
Temporary Sales Tax Increase	4,029	17%
Borrowing	4,027	17%
Revenue Acceleration	3,306	14%
Revenues (non-tax increase)	622	3%
<b>Total Solutions</b>	<b>\$23,327</b>	<b>100%</b>

Note that of the \$23.3 billion in solutions proposed in the Compromise, \$7 billion have already been achieved by the actions of the Legislature and the Governor as a result of the Emergency Session called by the Governor pursuant to Proposition 58 on January 10, including the sale of the Economic Recovery Bonds.

Figure INT-03 displays the various revenue solutions in more detail. A description of the major revenue solutions appears in the next chapter.

Figure INT-03  
**Revenue Solutions**  
(Dollars in Millions)

	<u>2007-08</u>	<u>2008-09</u>	<u>Total</u>
<b>Taxes</b>			
1-cent Sales Tax		\$4,029	\$4,029
<b>Borrowing</b>			
Economic Recovery Bonds	\$3,313		3,313
Loans from Special Funds		714	714
<b>Revenue Acceleration</b>			
Tax Accrual	1,321	535	1,856
NOL (2-year and federal conformity)		1,090	1,090
Tax Amnesty	470	-110	360
<b>Revenues (non-tax increase)</b>			
FTB/BOE revenue options		226	226
Additional Tideland Revenues	24	166	190
Transfers from Special Funds		141	141
Additional Revenues from Tribal Compacts		38	38
Justice Settlement (transfer to GF)		11	11
Miscellaneous		16	16
<b>Total Revenue Solutions</b>	<b>\$5,128</b>	<b>\$6,856</b>	<b>\$11,984</b>

Figure INT-04 displays the program cuts by agency. A description of the major cuts appears in the following chapter.

Figure INT-04  
Expenditure Reductions By Agency  
(Dollars in Millions)

	2007-08 and Prior	2008-09	Total
Legislative, Judicial, Executive	\$29	\$386	\$415
State and Consumer Services	1	7	8
Business, Transportation & Housing	0	27	27
Resources	33	0	33
Environmental Protection	2	8	10
Health and Human Services	252	1,481	1,733
Corrections and Rehabilitation	0	231	231
K-12 Education	821	2,907 <sup>11</sup>	3,728
Higher Education	0	752	752
Labor and Workforce Development	0	2	2
Suspend Prop 58 Transfer	0	1,509	1,509
Use of PTA for Home-to-School	0	589	589
Transportation			
Use of PTA for Debt Service	0	485	485
General Government	287	1,534	1,821
<b>Total</b>	<b>\$1,425</b>	<b>\$9,918</b>	<b>\$11,343</b>

Note: Numbers may not add due to rounding.

<sup>11</sup> While the Compromise fully funds the Proposition 98 Guarantee, and provides a \$1.2 billion year over year increase, it does not fund the cost-of-living adjustments required under current law.

### Proposed Compromise Compared to the Conference Committee Report

The proposed Compromise includes \$2 billion in additional spending reductions beyond the \$9.3 billion in reductions adopted by the Conference Committee. Specifically, the Compromise maintains funding for public transit at the 2007-08 level for savings of \$317 million, suspends the federal cost of living adjustment for SSI for savings of \$109 million in 2008-09 and \$218 million in 2009-10, achieves \$210 million in savings from temporary Medi-Cal provider rate reductions, temporarily shifts \$228 million in funding from local redevelopment agencies to schools, suspends homeowner assistance programs and reduces senior's property tax relief for savings of \$56 million, saves \$150 million by deferring "settle up" payments and makes reductions of \$50 million to various health and human services programs. The Compromise provides \$57.8 billion to

## INTRODUCTION

fund the Proposition 98 guarantee, \$1.1 billion less in funding than what was proposed by the Conference Committee and \$1.2 billion above the 2007-08 level. Lastly, the Compromise proposal restores \$145 million in funding for local public safety programs, including the Mentally Ill Offender Crime Reduction program and the COPS and Juvenile Justice Programs.

The Conference Committee Report included \$9.7 billion in revenue increases and accelerations, including \$6.6 billion in ongoing tax increases. These ongoing tax increases included higher personal income taxes and higher corporate taxes. If enacted, these tax increases would increase the volatility of California's revenue structure and target specific sectors of the state's economy. Recognizing a temporary decline in revenues and the need for a balanced approach to address the budget shortfall, the Compromise includes a three year, one-cent increase in the state sales tax that will be repaid by a permanent 1/4 cent decline in the sales tax. Given higher gas prices, the increase exempts gasoline, diesel and jet fuel from the proposed increase. In addition, the Compromise modifies the tax amnesty proposal included in the conference report to target the proposal to truly non-compliant taxpayers, it suspends the Net Operating Loss deduction for 2 years instead of three years, and it does not require Limited Liability Corporations (LLCs) to pre-pay their fee.

### **Budget Reform**

California's fiscal strength and security hinges on fixing our broken budget system.

In his State of the State speech, Governor Schwarzenegger proposed a constitutional amendment to address two shortcomings in the state budget process: volatile revenues and over-spending. This Compromise would achieve both of these goals, by building on a proposal made by the Legislative Analyst and negotiated with the Legislature.

The Compromise strengthens Proposition 58 by increasing the size of the Rainy Day Fund from 5 percent to 12.5 percent, capturing unexpected increases in revenues following passage of the budget, and ensuring annual transfers to the reserve occur. Specifically, it ensures annual 3-percent of General Fund revenue transfers into the Budget Stabilization Account (BSA), except in years when the reserve exceeds 12.5 percent of General Fund revenue or in years in which revenues are low enough to allow for transfers from the BSA. Transfers from the BSA back into the General Fund would only be allowed when revenues are insufficient to cover baseline spending increases (i.e., the current level of spending as reflected in the annual Budget Act adjusted by the Gann Limit adjustment factors). Lastly, it ensures that one-time revenues available when the reserve has reached the

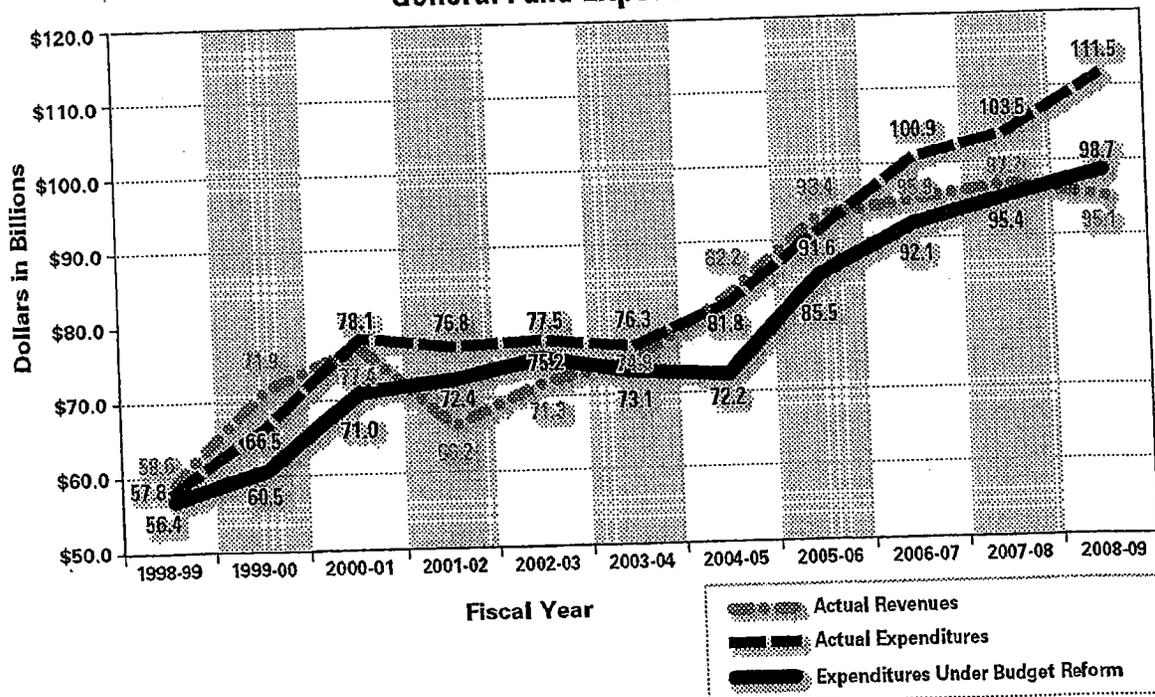
cap are only available for one-time purposes, including paying off state bonds, making pre-payments for the health benefits of retirees, or granting tax rebates. The Compromise proposal would not impact Proposition 98. These Constitutional amendments would take effect in 2010-11 in order to give the state time to recover from the current cyclical downturn in the economy.

This Compromise also proposes a statutory change that would grant the Governor the power to reduce spending on state operations by 7 percent and to suspend implementation of cost of living adjustments or rate increases whenever a budget deficit developed after the enactment of the annual budget.

As (Figure INT-05) shows, had this budget reform proposal been in effect since 1998-99, spending would have grown at a more sustainable rate, \$23 billion in one-time dollars would have been spent on one-time purposes, and state spending today would be within \$3.6 billion of baseline revenues. At the same time, there would only have been two years in the last ten in which significant budget reductions would have been needed, a major improvement compared to what actually happened in the absence of budget reform. As importantly, but not shown on the figure, the state would have a "rainy day" fund of \$9.2 billion at the end of 2008-09.

Figure INT-05

### Budget Reform Allows Sustainable Spending General Fund Expenditures



## INTRODUCTION

### **Lottery Securitization**

The Lottery remains a greatly underutilized state asset. Because of constraints that prevent California's lottery from performing like those in other states, it produces revenues that are only about half of the national average. This compromise proposes to place a ballot measure before the people to modernize the Lottery and authorize a securitization of the resulting increased revenues. The modernization would allow an increase in game payouts and provide more administrative flexibility. These modest changes are expected to improve the Lottery's performance significantly.

The compromise further proposes to use Lottery revenues to the benefit of the General Fund and to compensate education for the loss of these revenues by an equal increase in the Proposition 98 minimum guarantee and the base budgets of higher education.

Revenues from the modernized lottery would be available to pay down General Fund debts or to augment the state's "rainy day fund" (BSA). It is further proposed that a portion of the revenue stream from the lottery be securitized to provide \$5 billion in 2009-10 to be used for these purposes.

## REVENUE SOLUTIONS

A total of \$12.0 billion or 51 percent of all solutions are revenue solutions. Figure INT-03 provides a recap of all revenue solutions. They are also summarized in the following categories:

### TEMPORARY SALES TAX INCREASE

Temporarily increase for three years the General Fund sales and use tax rate from 5 percent to 6 percent, but the incremental one-percent increase would not apply to the sales of motor vehicle fuel and diesel fuel. At the end of three years, the sales and use tax rate would be decreased to 4.75 percent.

- Operative date would be September 1, 2008.
- On September 1, 2011, the rate would be decreased to 4.75 percent, including the sales and use tax on fuels.
- This proposal is expected to generate additional sales tax revenue of \$4.029 billion in 2008-09, \$4.813 billion in 2009-10, and \$5.091 billion in 2010-11.
- By 2012-13, taxpayers would be paying \$1.595 billion a year less than under current law.

## **BORROWING**

### **Economic Recovery Bonds**

- As part of the Governor's Budget in January, the Governor proposed and the Legislature agreed that the remaining authorization of \$3.3 billion of Economic Recovery Bonds would be sold to provide much needed resources for the 2007-08 fiscal year.

### **Loans from Special Funds**

- A total of \$714 million from over forty different special funds will be loaned to the General Fund. There will not be any adverse impact on the operations of these programs supported by these funds. Loan repayments are anticipated to be made in 2010-11 or after.

## **REVENUE ACCELERATION**

### **Suspend Net Operating Losses (NOL) for Two Years and Partially Conform to Federal Carry Back and Carry Forward Provisions:**

Suspension of NOL usage for taxable years 2008 and 2009, with the following changes to the carry back and carry forward provisions:

- Extend the carry forward periods for NOLs incurred in taxable years beginning before January 1, 2008, by two years.
- Conform to federal law by extending the carry forward period from 10 years to 20 years for losses attributable to taxable years beginning on or after January 1, 2008.
- Conform to federal law by allowing two-year carry back for losses incurred in taxable years beginning on or after January 1, 2011, with the following phase in
  - The amount of the NOL carry back attributable to the 2011 tax year would be limited to 50 percent, and 75 percent in 2012.
  - The entire NOL attributable to tax years 2013 and beyond would be eligible for carry back treatment.
  - The special NOL federal provisions for real estate investment trusts and corporate equity reduction transactions would apply.
  - NOL carry backs could not be taken in any taxable years before January 1, 2009.

- This proposal is expected to result in revenue increases of \$1.090 billion in 2008-09 and \$600 million in 2009-10, followed by revenue losses of \$320 million in 2010-11, \$600 million in 2011-12, and \$485 million in 2012-13.

**Amnesty: Personal Income Tax and Corporate Income**

Enact a 2009 amnesty program for Personal Income Tax (PIT) and Corporate Income Tax (CIT) taxpayers similar to the program implemented in 2005. In general, the amnesty proposal would do the following:

- Require the Franchise Tax Board (FTB) to administer the amnesty program from February 1, 2009, to March 27, 2009.
- Be applicable to taxable years beginning on and after January 1, 2003, and before January 1, 2007 (the 2003 through 2006 tax years).
- Installment payments would be due in full by June 30, 2010.
- The amnesty penalty would not apply to tax years undergoing FTB audit or litigation during the amnesty period.
- This proposal is expected to accelerate revenue of \$470 million in 2007-08, which reduces revenue by \$110 million in 2008-09, \$95 million in 2009-10, and similar amounts in following years.

**Accrual of Personal Income Tax and Corporate Income Tax Estimated Payments**

Conform tax revenue recognition accounting rules to Generally Accepted Accounting Principles (GAAP) by improving the measurement of tax receipts from income earned in a prior year. This proposal will result in the accrual of one-third of the September estimated payments made for the personal income tax and corporate income tax.

- This will be a one-time acceleration in the recognition of revenues. It will not change taxpayer liability or payment due dates.
- This will better align state accrued revenues with accrued expenditures.
- The Corporation Tax accrual will be phased in over two years to help level out revenues over the 2007-08 and 2008-09 fiscal years.
- This proposal is expected to result in accelerated revenues of \$1.321 billion in 2007-08, \$535 million, in 2008-09, \$133 million in 2009-10, and similar amounts in following years.

## REVENUE (NON-TAX INCREASE)

### FTB/BOE Collection Efforts

- Included in the Budget Act are \$226 million in additional revenues associated with both new and continuing efforts at the Board of Equalization (BOE) and the Franchise Tax Board (FTB) to close the state's tax gap. These efforts are designed to ensure persons and businesses that owe tax are paying the full amount required by law. The new initiatives at BOE include efforts to improve audit and collection activities. Existing BOE efforts include expansion of successful programs to register businesses that are operating without seller's permits, and to coordinate with Department of Food and Agriculture border inspection stations to identify goods brought into the state without the payment of applicable use taxes. The new initiatives at FTB include efforts to review tax returns to identify fraudulent deductions, the cross-checking of Department of Motor Vehicles registration records to identify non-filers of Personal Income Tax returns, and the provision of new resources to handle audit and collections workload.

### Additional Tidelands Revenues

- The Compromise includes an additional \$190 million in tidelands oil revenue, including \$166 million in 2008-09, above the May Revision estimate. This revised estimate assumes oil prices of approximately \$110 per barrel, which more accurately reflects current market conditions.

### Transfers from Special Funds

- A total of \$141 million will be transferred from ten different special funds. These transfers will not result in an adverse impact on the operations of the programs supported by these funds.

## PROGRAM REDUCTIONS

A total of \$11.3 billion or 49 percent of all solutions represent reductions in program costs. For a complete summary of all expenditure solutions by agency, please see Figure INT-04.

### PROPOSITION 98

#### Proposition 98 Guarantee

- As a result of these actions in the special session, and the revised revenue estimate being proposed in the Compromise, the Proposition 98 General Fund appropriations for 2007-08 are now approximately \$41.6 billion, which is \$187.3 million lower than the minimum Proposition 98 Guarantee. Total Proposition 98 funding for 2007-08 is \$56.6 billion.
- The Proposition 98 Guarantee for 2008-09 is projected to grow to \$57.8 billion of which \$41.8 billion would be from the General Fund. While the Compromise fully funds the Proposition 98 Guarantee, and provides a \$1.2 billion year over year increase, it does not fund the cost-of-living adjustments required under current law. This level of funding is higher than the amount necessary to fund Proposition 98 programs, including Special Education, Class Size Reduction and Child Nutrition, at their 2007-08 base program levels.
- 2008-09 Proposition 98 Guarantee Program Savings:

## PROGRAM REDUCTIONS

- Cost-of-Living Adjustment: \$2.9 billion savings: The Budget does not provide Proposition 98 programs with the statutory 5.66 percent cost-of-living adjustment resulting in a \$2.9 billion savings, including \$353.9 million from Community Colleges.
- Community College Growth: \$58 million additional savings are realized by reducing new enrollment growth from 3 percent to about 2 percent resulting in a total Proposition 98 expenditure level of \$4.46 billion for the community colleges.
- Redevelopment Agency: 5 percent or \$225 million savings: The Budget also proposes a shift in the amount of funding provided by local redevelopment agencies (RDA's) to local schools and community colleges in each county. For 2008-09 through 2010-11, RDA's will be required to shift the greater of (a) five percent of their tax increment revenue, or (b) \$225 million, to the Education Revenue Augmentation Funds (ERAF's) in their respective counties. For 2008-09, the Budget assumes that \$228 million in additional local revenue will be passed on to schools and community colleges, which in turn reduces the state's Proposition 98 General Fund contribution by an identical amount.
- 2009-10 Proposition 98 Guarantee: Increase \$1.1 billion: Under the Lottery proposal, commencing with the 2009-10 fiscal year, the Proposition 98 Guarantee would be increased to reflect a shift of \$1.1 billion, which is the amount that was dedicated to K-14 education programs from the Lottery in 2008-09. The University of California, California State University and Hastings College of Law, will receive non-Proposition 98 General Fund in 2009-10, in place of the amount they would have otherwise received from Lottery proceeds.
- Proposition 98 Settle-Up Payment: \$150 million deferral. The Budget proposes to defer the annual \$150 million settle-up payment. Proposition 98 appropriations for fiscal years 1995-96, 1996-97, 2002-03, and 2003-04 are \$1.4 billion below the amounts required for those years. Chapter 216 of the Statutes of 2004 annually appropriates \$150 million beginning 2006-07 to repay prior-year Proposition 98 settle-up obligations.
- Home to School Transportation Reimbursement from Public Transportation Account: \$1 billion savings over two years: The Special Session authorized up to \$409 million in Proposition 98 General Fund expenditures for the Home-to-School Transportation Program for the 2007-08 fiscal year to be reimbursed from the Public Transportation Account (PTA). Similarly, the Budget Act includes \$592.9 million from

the PTA to reimburse the General Fund for the 2008-09 cost of the Home to School Transportation Program, including Special Education transportation (reflected in the totals for General Government).

## HIGHER EDUCATION (NON-PROPOSITION 98)

- Savings of \$486 million are realized for higher education segments (excluding community colleges) resulting in a \$7.1 billion General Fund expenditure level. Major reductions include \$233.4 million for UC and \$215.3 million for CSU from the workload budget level. The savings include unallocated reductions of \$201.1 million and \$172.1 million for UC and CSU, respectively, and 10 percent reductions to Institutional Support of \$32.3 million for UC and \$43.2 million for CSU. One-time savings of \$24 million were realized in the Student Aid Commission budget due to a one-time fund shift to the Student Loan Operating Fund for a portion of CalGrant payments.

## HEALTH AND HUMAN SERVICES

### Department of Health Care Services

- As part of the 2008 Third Extraordinary Legislative Special Session, legislation was enacted to reduce expenditures by authorizing a ten percent reduction in payments to Medi-Cal fee-for-service and managed care Medi-Cal providers/programs, inpatient care payments to hospitals that do not contract with Medi-Cal, as well as provider payments for the California Children's Services (CCS) program, the Child Health and Disability Prevention (CHDP) program and Genetically Handicapped Persons Program (GHPP). This Compromise retains these reductions until March 1, 2009, which will save \$505.4 million General Fund in 2008-09.

### Department of Social Services

- Withholding the pass-through of the January 2009 federal Supplemental Security Income COLA would result in General Fund savings of \$108.8 million in 2008-09.
- Current law suspends provision of the June 2008 State Supplementary Payment (SSP) COLA until Oct 2008. Permanent suspension of the June 2008 SSP COLA would result in General Fund Savings of \$198.3 million in 2008-09.
- Suspension of the June 2009 SSP COLA would result in General Fund Savings of \$48.9 million in 2008-09.

## PROGRAM REDUCTIONS

- Current law suspends provision of the July 2008 CalWORKs COLA until Oct 2008. Permanent suspension of the July 2008 CalWORKs COLA would result in General Fund Savings of an additional \$111 million in 2008-09.

## BUSINESS, TRANSPORTATION AND HOUSING

### Public Transportation Account, Mass Transportation Fund

- The proposal includes a total \$1.671 billion in transportation uses of increased revenues that offset costs that the General Fund bore in past budgets. Of this amount, \$1.098 billion represents solutions compared to existing law. This is an increase of \$250 million over the May Revision proposal, reflecting the projected availability of increased sales taxes due to higher fuel prices than forecast.
  - A total of \$593 million for Home to School transportation (reflected in the totals for General Government)
  - \$138 million for transportation to Department of Developmental Services' regional center clients (reflected in the totals for Health and Human Services)
  - \$461 million to offset current year transportation debt service through the Mass Transportation Fund (reflected in the totals for Business, Transportation and Housing)
  - \$479 million to offset prior year payments on transit bonds (reflected in General Government totals)
- This proposal provides \$306 million (the 2007-08 level) for ongoing state grants for transit operations and capital. Capital expenditures are projected to be \$348 million from sales taxes on fuels and \$350 million from Prop 1B bonds.
- State Intercity Rail and High Speed Rail are funded at \$127 million from sales taxes on fuels and another \$108.3 million from bond funds.

## EMPLOYEE COMPENSATION

### Health Benefits for Annuitants and Active Employees

- A savings of \$91.7 million General Fund for 2008-09 resulting from CalPERS Board approved Health Benefit Rate increases being lower than originally projected and \$17.5 million General Fund savings from shifting health premium payments to the Public Employees' Contingency Reserve Fund (Medicare Part D).

## MISCELLANEOUS ISSUES

### Suspension of Transfer pursuant to Proposition 58

- The Governor issued an Executive Order that suspended the 2008-09 transfer of \$1.509 billion from the General Fund to the Budget Stabilization Account, in light of the projected condition of the General Fund.

### California Department of Corrections and Rehabilitation

- \$174.6 million associated with structural changes to inmate credit earnings, implementing various parole reforms, and adjusting property crime thresholds for inflation.

### Judicial Branch

- \$256.6 million for the State Judiciary and the Trial Courts, primarily consisting of a \$92.2 million reduction to be offset with the use of trial court fund reserves, a \$70.9 million reduction reflecting a delay in adding judgeships, a \$56.1 million reduction reflecting a change in the growth rate applied to the trial courts, and a \$17.4 million reduction reflecting a delay in the implementation of the Guardianship and Conservatorship Reform Act.

### Mandates

- One-time savings of \$75 million General Fund by eliminating payments for estimated reimbursement claims.
- One-time savings of \$75 million General Fund by deferring the annual payment for old mandate claims.

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