



May 18, 2022

Dear LACCD Colleagues,

On June 7, all nine colleges will celebrate our Annual Commencement Exercises with our graduates walking across the stage and turning their tassels. These sacred rituals serve as a powerful reminder of our principal mission to educate and graduate students, and to ensure that our colleges have the resources necessary through steadfast advocacy at the local, state and federal levels.

Last Friday, Governor Gavin Newsom released his State Budget May Revision proposal for FY 2022-2023 that begins on July 1, 2022. Fueled through a stronger than projected state economic recovery, the May Revision proposes significant augmentations for public higher education and for community colleges.

The full May Revision summary can be downloaded [here](#).

The Administration is projecting a general fund budget surplus of over \$52 billion and a Proposition 98 surplus of \$33.5 billion. The State Budget this year will hit its spending limit which, by law, requires a tax refund, expenditures on capital outlay projects and requires more funding to go to Proposition 98, our major source of revenue for K-12 schools and community colleges. The prudent approach the Administration is taking includes avoiding future unfunded liabilities; therefore, much like last year, many of the Governor's proposals focus on one-time spending.

Here are some additional highlights from the May Revision that align with our District's priorities and interests:

Apportionments

- \$493 million for a Cost of Living Adjustment of 6.56%, up from 5.33% in January, the largest COLA for community colleges in nearly 40 years.
- Significant per-student funding increase of \$375 million, with \$250 million ongoing to increase Student Centered Funding formula rates.
- \$125 million ongoing for a basic allocation to recognize districts' growing digital footprint
- Discretionary Block Grant of \$750 million one-time to address pandemic related issues and to reduce long-term obligations.
- An increase of \$25 million ongoing for Student Equity and Achievement to support campus climate and advance student equity efforts
- Deferred Maintenance funding of \$1.5 billion.
- Proposal contains a "hold harmless" funding provision through FY 2024-25 and establishes 2024-25 as the funding floor.

The May Revision spending proposals are in addition to Governor's January budget plans. We will continue to advocate for these elements of the May Revision and for LACCD's budget and legislative priorities, which include increased access to higher education through expansion of the California College Promise Program; funding for justice-involved youth; ethnic studies faculty hiring; expansion of climate education studies; full funding for community college programs that train our first responders; and reduction of employee pension obligations (see attached State Priorities document).

For additional information on the May Revision, I invite you to the LACCD Budget & Finance Committee, which meets today at 2:30 p.m. The agenda and link can be found on the District website at www.laccd.edu.

Thank you for staying the course and for your uncommon dedication to our students.

With respect and admiration,

A handwritten signature in black ink, appearing to be 'Francisco C. Rodriguez', with a stylized flourish at the end.

Francisco C. Rodriguez, Ph.D.
Chancellor