



Chancellor's Office Budget Update

2013-14 May Revision

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2013-14 Revised Budget

Not much to dislike -- A nice change!

- Worst proposals withdrawn
- COLA and Increased Access
- Additional funding for Student Success
- Reduced deferrals

Apportionment Update

P2 **preliminarily** shows revenue increases over P1:

- Property tax (net of RDA) up \$4 million
- Enrollment fees up \$9 million

* Note: **All** numbers are estimates until P2 is finalized!

What About RDA?

Estimated RDA recoveries have increased since P1:

- In November 2012: \$58 million
- In April 2013: \$144 million
- Still \$209 million short of DOF Budget Act estimate

* Remember: **All** numbers are estimates until P2 is finalized!

RDA Backfill

- **Guaranteed in Education Trailer Bill**
- **Concern is the calculation of the amount**
- **Recent meeting with Department of Finance to clarify**
- **Confirmation from county auditors about RPTTF distribution: June 3**

How You Can Help!

- We will ask you to report your RDA residual and asset liquidation revenues by June 10
- It will give a better idea of the actual deficit for the year
- All will be trued-up at Recal, but it still requires you to float the cash
- Best solution is a continuous appropriation

Education Protection Account

Proposition 30 EPA revenues:

- Also have guaranteed backfill
- Accounting Advisory April 3 explains how to account for and report EPA funds
- EPA estimate has decreased slightly, now is approximately 97% of “June estimated EPA” number at P1
- The \$800 million in EPA funding does not equate to new funding as it is partially offset by lower State General Fund dollars

Current Year Growth Funds

- Being used to restore 2009-10 workload reduction
- Are NOT part of EPA funding and thus not subject to the same restrictions or reporting
- Opportunity to reclaim funds cut in 2009-10 is rapidly running out

Estimated Payment Dates

State Controller's Office (SCO) estimates the following payment dates:

- EPA payment June 24
- Deferral payment July 5

Other Apportionment News

- New staff member Patricia Servin
- Ed Monroe retires June 30
- Randy Fong is lead apportionment guru