

funds over five years are constructive changes. The proposal does not, however, go far enough toward increasing the likelihood that funding results in

the desired improvements. As discussed below, we have several remaining concerns and recommend certain associated changes.

**Figure 10**

**Summary of CCC Recommendations**

Program	May Revision Proposal	LAO Recommendation
<b>General purpose apportionment funding</b>	Increases by \$160 million ongoing.	<b>Adopt.</b> Colleges can use flexible funds to meet highest priorities.
<b>Deferred maintenance and instructional equipment</b>	Provides additional \$92 million one time, bringing total to \$136 million one time.	<b>Adopt.</b> Addressing CCC's deferred maintenance backlog is a high state priority for one-time funding.
<b>Enrollment growth</b>	<p>Lowers 2017-18 growth rate from 1.34 percent to 1 percent and reduces by \$22 million. Authorizes allocation of unused amount to backfill apportionment shortfalls.</p> <p>Makes no change to 2016-17.</p> <p>Revises 2015-16 upward by \$26 million to reflect smaller enrollment decline than expected.</p>	<p><b>Adopt.</b> Based on recent attendance reports, 1 percent is a more reasonable estimate.</p> <p><b>Modify.</b> Reduce funding by \$50 million to reflect updated attendance reports and redirect funds to deferred maintenance or other high one-time priorities.</p> <p><b>Adopt.</b> Reflects updated attendance reports.</p>
<b>Full-Time Student Success Grants</b>	Increases by \$1.9 million to raise award by \$100 per year (for new maximum award of \$700) and increases caseload estimate.	<b>Adopt.</b> Community college students have significant unmet financial need.
<b>2015-16 apportionment increases</b>	Increases 2015-16 funding by a total of \$55 million to reach higher Proposition 98 spending level.	<b>Conform to Proposition 98 Package.</b> Spending level in 2015-16 will need to conform to overall budget package. No major underlying programmatic issues.
<b>Guided pathways</b>	Makes various policy changes.	<b>Modify.</b> Adopt proposed changes but increase amount designated for state-directed technical assistance to participating colleges and strengthen accountability requirements.
<b>State operations</b>	Provides additional state operations funding and positions.	<b>Adopt.</b> CCC and DOF staffing review indicates additional data, technology, research, institutional effectiveness, and legal services support warranted.
<b>Equal Employment Opportunity (EEO)</b>	Provides \$1.8 million from EEO Fund (one time).	<b>Adopt.</b> Uses special fund balance for authorized purposes.
<b>Apprenticeships</b>	Provides colleges two additional years to use 2015-16 and 2016-17 California Apprenticeship Initiative grants.	<b>Adopt.</b> We have no concerns about this proposal.
<b>Contracts</b>	Exempts certain contracts from competitive bidding. Applies only to contracts between Chancellor's Office and colleges.	<b>Modify.</b> Exempt contract renewals, but not new contracts.