
2.3

Action /Information Item

Fiscal Policy and Long-Range Planning Committee

Update on the Commission's FY 2005-06 Budget

State Operations

The following operation budget items were not approved by the Budget Conference Committee. However, the Administration is still negotiating to include them in the 2005-06 budget.

1. \$1.6 million in additional funds to enhance the Grant Delivery System (if this does not get included in the 2005-06 budget, staff will resubmit for the 2006-07 budget)
2. \$65,000 for one limited-term position to support the administration of the National Guard APLE Program

The following new operation budget item was approved by the Budget Conference Committee:

1. \$100,000 for one position to support the administration of the State Nursing APLE Program, including \$22,000 for outreach.

This program provides loan assumption payments of up to \$25,000 over five years for eligible recipients who agree to teach as nurse faculty at post-secondary institutions in California. This program is part of the Governor's initiative to increase the number of nurses in California. During the budget negotiations in early June 2005, the program was shifted from the Employment Development Department to the Commission.

Local Assistance

The agenda contains the proposals and the actions taken to date regarding the Commission's FY 2005-06 Local Assistance budget.

Recommended Action: For information only. No action is required.

Responsible Staff: Janet McDuffie, Chief
Management Services Division

Update on Proposed 2005-06 Local Assistance Budget for Commission Programs

(as of June 28, 2005)

(\$ in millions)

	Entitlement	Competitive	Cal Grant A & B (Prior to SB 1644)	Cal Grant C	APLE	Cal SOAP (Operating Fund)	BYRD	LEPD	Child Development	Chafee	Grad APLE	National Guard APLE	SMART APLE	SN APLE	Total
Governor's Proposed 2005-06 Budget	\$608.9	\$124.9	\$7.4	\$10.3	\$40.9	\$8.6	\$5.7	\$0.1	\$0.3	\$0.0	\$0.4	\$0.2	\$0.0	\$0.0	\$807.7
Governor's May Revise	\$630.3	\$126.7	\$7.4	\$10.3	\$40.9	\$8.6	\$5.7	\$0.1	\$0.3	\$7.6	\$0.4	\$0.0	\$0.0	\$0.0	\$838.3
Senate Subcommittee Actions	\$630.3	\$126.7	\$7.4	\$10.3	\$40.9	\$8.6	\$5.7	\$0.1	\$0.3	\$7.6	\$0.4	\$0.0	\$0.0	\$0.0	\$838.3
Assembly Subcommittee Actions	\$630.3	\$126.7	\$7.4	\$10.3	\$40.9	\$8.6	\$5.7	\$0.1	\$0.3	\$7.6	\$0.4	\$0.0	\$0.0	\$0.0	\$838.3
Conference Committee	\$630.3	\$126.7	\$7.4	\$10.3	\$40.9	\$8.6	\$5.7	\$0.1	\$0.3	\$7.6	\$0.4	\$0.0	\$0.00	\$0.00	\$838.3

Funding for Cal Grant Programs

Funding Source	Governor's		Senate, Assembly & Conference Committees
	January Budget	May Revise	
General Fund	\$703.9	\$711.1	\$711.1
Operating Fund	\$35.0	\$51.0	\$51.0
Federal Trust Fund	\$12.6	\$12.6	\$12.6
Total	\$751.5	\$774.7	\$774.7

Funding for all Programs

Funding Source	Governor's		Senate, Assembly & Conference Committees
	January Budget	May Revise	
General Fund	\$745.5	\$752.5	\$752.5
Operating Fund	\$43.6	\$59.6	\$59.6
Federal Trust Fund	\$12.6	\$12.6	\$12.6
Reimbursements	\$6.0	\$13.6	\$13.6
Total	\$807.7	\$838.3	\$838.3

Update on Proposed 2005-06 Local Assistance Budget for Commission Programs

(as of June 28, 2005)
(in millions)

Governor's Proposed January Budget			Governor's May Revise			Senate Subcommittee		Assembly Subcommittee		Conference Committee	
#	Description	Amount	Description	Amount	Comments	Amount	Comments	Amount	Comments	Amount	Comments
1	Reduce maximum award at non-public institutions for new recipients from \$8,322 to \$7,449	(\$7.5)	Restore maximum awards at non-public institutions for new recipients to \$8,322	\$7.5		\$7.5	Accepted Governor's May Revise proposal	\$7.5	Accepted Governor's May Revise Proposal	\$7.5	Accepted Governor's May Revise Proposal
2	Fund shift for Cal Grant Program from General Fund to Operating Fund	\$35	Fund shift for Cal Grant Program from General Fund to Operating Fund	\$51	Includes \$35m from January Governor's Budget and \$16m from	\$51	Accepted Governor's May Revise proposal	\$51	Accepted Governor's May Revise Proposal	\$51	Accepted Governor's May Revise Proposal
3	Increase costs for APLE program	\$6.8			No change from Governor's Proposed January	\$6.8	Accepted Governor's proposal	\$6.8	Accepted Governor's Proposal	\$6.8	Accepted Governor's Proposal
4	Authorize 100 new National Guard APLE awards to enhance recruitment for guardsmen. \$200k is for loan assumption payments	\$.2	Continue authority to issue 100 new National Guard APLE awards, but remove local assistance funding	\$0	Loan assumption payments not expected in 2005/06	\$0	Rejected Governor's May Revise proposal	\$0	Accepted Governor's May Revise Proposal	\$0	Supported Senate's proposal to reject the Governor's May Revise proposal
5			Additional funding needed for Entitlement awards	\$15.7	Based on revised projections	\$15.7	Accepted Governor's May Revise proposal	\$15.7	Accepted Governor's May Revise proposal	\$15.7	Accepted Governor's May Revise proposal
6			Establish New SMART APLE program to issue 350 additional warrants as part of the Math and Science Initiative to increase the supply of highly qualified public school math and science teachers	\$0	No loan assumption payments in 2005/06	\$0	Proposal failed by Senate Committee and instead proposed to direct 500 warrants within existing APLE program for the Math and Science Initiative	\$0	No action	\$0	Supported Senate's decision to deny program, but authorized 300 new warrants within existing APLE Program
7			Continue Reimbursement Authority for the Chafee Foster Youth Program	\$7.6		\$7.6	Accepted Governor's May Revise proposal	\$7.6	Accepted Governor's May Revise Proposal	\$7.6	Accepted Governor's May Revise Proposal
8										\$0	Authority to issue 100 State Nursing APLE awards