Santa Monica College Budget Update

BOARD OF TRUSTEES
MARCH 2, 2021

SB 85 – Early Action Package

- Proposed in the 2021-2022 January Proposal
- Agreement on February 18
- 2021-2022 State Budget
  - One-time targeted to assist populations affected by the pandemic and related economic challenges

- $100 Million Systemwide to provide emergency financial assistance to low-income students
  - Student eligibility:
    - Currently enrolled in at least six semester units
    - Able to demonstrate an emergency financial need and currently qualifies or is projected to qualify for a Promise Grant. (BOGG)
    - Earned a GPA of at least 2.0 in one of their last previous three semesters or received DSPS services
- Students will self certify. Districts will verify only to the extent information is readily available

- $20 Million Systemwide to support efforts of retention and enrollment
  - Focus on:
    - Engaging students who may withdrawn
    - Prospective students who are hesitant due to COVID

- $3.1 Million Systemwide to increase student applications for CalFresh benefits
  - Outreach
  - Events
  - Application assistance

Cash Deferrals

- Trailer Bill Language for 2021-2022 Budget
- 2020-2021 deferrals stay in place
  - No State payments February through July
  - Total SMC: ~$32 Million
- 2021-2022 deferrals from $1.45 billion to $326.5 million
  - No State payments in May and June
  - Total SMC: ~$9.4 Million

2019-2020 Recal and P1

- 2019-2020 Recalculation
  - Higher Enrollment Fees and Property Tax
  - Deficit Factor from 0.95% to 0.42% = $711,259

- 2020-2021 P1
  - 27 Districts in Hold Harmless
  - 35 Districts in Stabilization
  - Deficit Factor from 0.85% ($1.1 m) to 2.3826% ($3.3 m)
    - $91 million shortfall in property tax
    - $19 million shortfall in enrollment fee
    - $50 million underestimate at State Adopted

2019-2020 Recal and P1

- Deficit at Second Quarter: <$7,289,851>
- Fund Balance at Second Quarter: $14,049,238

- Deficit After Recal: <$8,685,001>
- Fund Balance at Second Quarter: $12,654,088