Contra Costa Community College District

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Adoption Budget Fiscal Year 2026-27

Governing Board Regular Meeting
September 9, 2026

Presentation Topics

- **2026-27 Enacted State Budget and State Apportionment Timelines**
- **Transition from Hold Harmless to SCFF**
- **Estimated 2025-26 Actuals, Fund Balances and Key Expenditures**
- **Long-term Liabilities**
- **2026-27 Adoption Budget**
- **Considerations**

2026-27 Enacted State Budget

The State Budget provided positive funding and current projections have 4CD moving from Hold Harmless to SCFF funding by the end of the fiscal year

State Budget Item	Impact to 4CD
$280.8 million statewide for a 2.87% cost-of-living adjustment	*partially applicable to 4CD*
$146.6 million statewide for a 1.44% discretionary COLA (supporting up to 14 weeks paid pregnancy leave)	*partially applicable to 4CD*
$47.7 million to pay for the change to higher of current year or 3-year average for SCFF FTE calculation	*Anticipated to move into SCFF in 2026-27*
$153.1 million for 2.5% SCFF enrollment growth	*Not applicable to 4CD*
$30.1 million for 5.74% COLA to Student Equity and Achievement Program (SEAP)	Approximately $670k
$147.2 million one-time for a Student Support Block Grant	Approximately $3 million
$12.7 million one-time for Deferred Maintenance	Approximately $2.7 million

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2026-27 State Apportionment Timelines

July 2026: Advance

- P2 data

Feb. 2027: First Principal Apportionment (P1)

- CCFS 320 FTES (CY Jan 15)
- CCFS 320 AB 540 data (PY Nov 1)
- Supplemental and Student Success Data (PY Jan 15)
- County Reported Property Tax & ERAF (CY Estimates Nov 15)
- Enrollment Fee Revenue (CY Jan 15)

June 2027: Second Principal Apportionment (P2)

- CCFS 320 FTES (CY Apr 20)
- CCFS 320 AB 540 data (PY Nov 1)
- Supplemental and Student Success Data (PY Mar 10)
- County Reported Property Tax & ERAF (CY Estimates Apr 15)
- Enrollment Fee Revenue (CY Apr 15)

Feb. 2028: Recalculation (R1)

- CCFS 320 FTES (PY Nov 1)
- CCFS 320 AB 540 data (PY Nov 1)
- CCFS 311 Financial Data (PY Oct 10)
- Enrollment Fee Revenue (PY Sep 15)
- County Reported Property Tax & ERAF (PY Nov 15)
- Contracted District Audit Reports (PY Dec 31)

Timing of State Data Influences 2026-27 Adoption Budget

- The policy change to fund the highest of current year, or 3-year average for SCFF FTES provides the potential for 4CD to move to SCFF.
- The State projects 2026-27 based upon past year data as outlined below:

SCFF Data

- **Basic:** 2024-25 R1 reported college and center FTES
- **FTES:** Reported 2025-26 P2 FTES. Reflects funded Credit FTES policy change using greater of current year Applied #1 or existing three-year average Credit FTES
- **Supplemental values:** 2024-25 supplemental data reported as of April 21, 2026
- **Student Success values:** 2023-24 data, and 2024-25 data reported as of April 21, 2026, twice to determine the three-year average

Revenue Sources

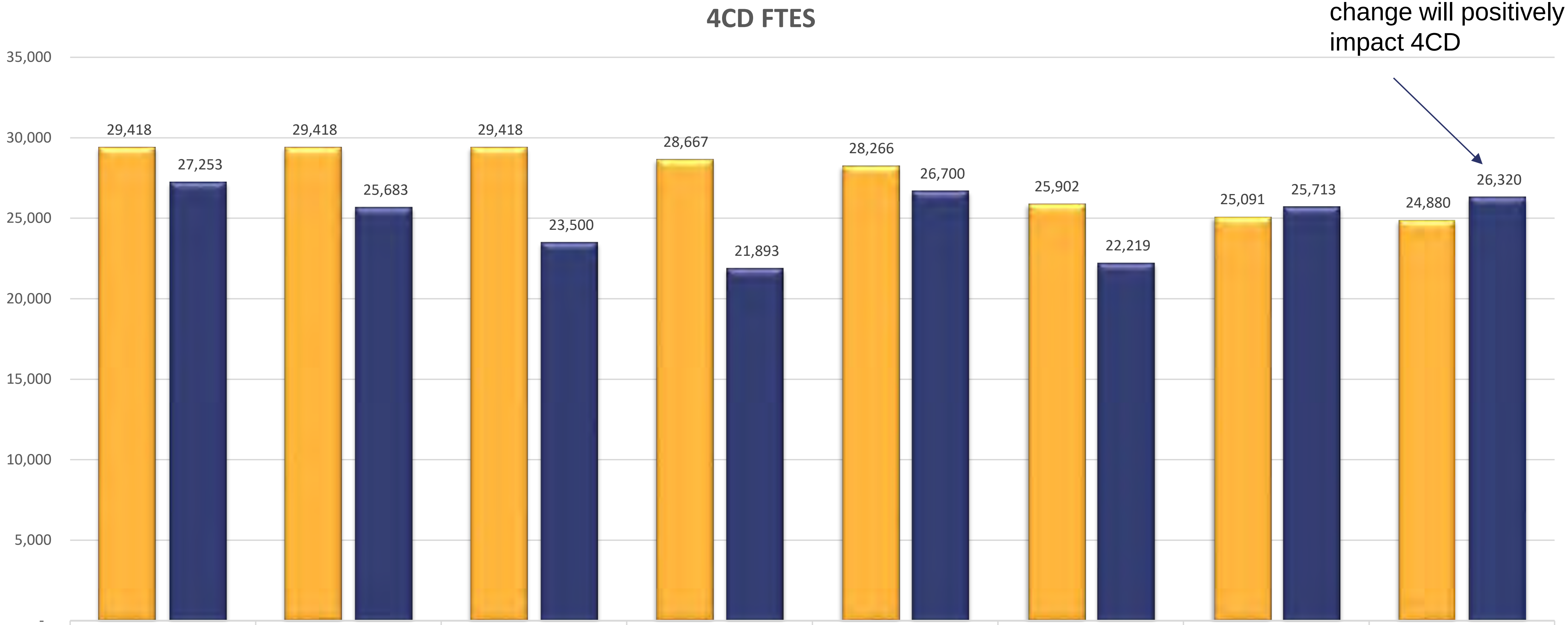
- **Property taxes:** 2025-26 P2 property tax data plus 5.17%
- **Enrollment fees:** 2025-26 P2 data
- **Education Protection Account (EPA):** Based on the estimate of transfers to the Education Protection Account letter dated June 5, 2026, from Department of Finance.

Transition to SCFF

- 4CD is in process of revising Business Procedure 18.01, which defines the allocation of State Apportionment Revenue from the old SB 361 to SCFF methodology
    - This procedure, together with other related Board Policies and Business Procedures, has begun the review process and is scheduled for a first reading by the Governing Board in November 2026
- The State policy change to fund SCFF on the higher of current year, or 3-year average, goes into effect beginning with FTES reported in 2026-27
    - The CCFS 320 P2 (April 2027) data submission would be the first reported data that can be used for determining this calculation
    - Estimates using 2025-26 are the most current data available, which is why the adoption budget does not allocate new SCFF revenue until it is verified and certified

Historical FTES

Highest Year policy change will positively impact 4CD



	FY 2019-20 (hold harmless)	FY 2020-21 (hold harmless)	FY 2021-22 (hold harmless)	FY 2022-23 (SCFF)	FY 2023-24 (stability)	FY 2024-25 (stability)	FY 2025-26 P3 (HH)	FY 2026-27 Estimate (SCFF)
3-year avg	29,418	29,418	29,418	28,667	28,266	25,902	25,091	24,880
Actual	27,253	25,683	23,500	21,893	26,700	22,219	25,713	26,320

Estimated 2025-26 Actuals and Fund Balance

Estimated Actual Financial Results FY 2025-26

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Unrestricted Operating General Fund - Fund 11 ongoing

	FY 2025-26 Adopted Budget	FY 2025-26 Estimated Actuals
Revenue	$ 261,579,077	$ 266,138,225
Expenditures	$ 265,413,977	$ 264,347,927
Increase / (Decrease)	$ (3,834,900)	$ 1,790,298
Beginning Balance	$ 56,100,315	$ 55,991,307
Ending Balance	**$ 52,265,415**	**$ 57,781,605**

Monitoring of Expenditures and Vacancies and additional one-time revenues provided a small ending surplus for the past FY

Components of Ending Fund Balance

College Reserves	$	6,183,885
BP 5033 Required Reserve	$	44,591,706
Designated Reserves	$	4,409,799
Undesignated Reserves	$	2,596,215
Total Reserves	**$**	**57,781,605**

College and DO 2025-26 Estimated Actuals

Unrestricted Operating General Fund - Fund 11 ongoing		
Contra Costa College	**FY 2025-26 Adopted Budget**	**FY 2025-26 Estimated Actuals**
Revenue	$ 40,944,450	$ 43,003,062
Expenditures	$ 43,187,553	$ 43,043,491
Increase / (Decrease)	$ (2,243,103)	$ (40,429)
Beginning Balance	$ 432,846	$ 450,911
Ending Balance	**$ (1,810,257)**	**$ 410,482**

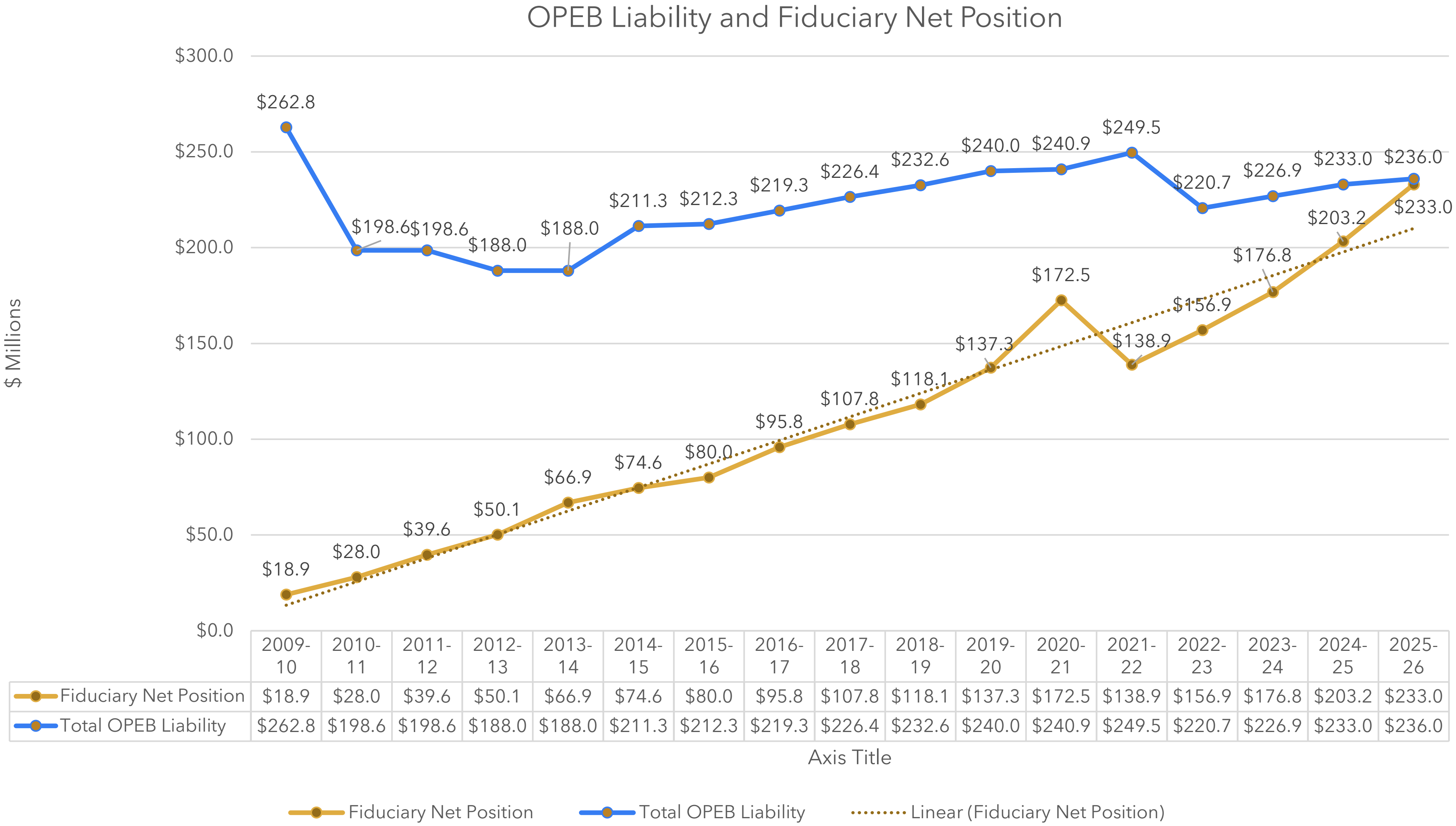
Unrestricted Operating General Fund - Fund 11 ongoing		
Diablo Valley College	**FY 2025-26 Adopted Budget**	**FY 2025-26 Estimated Actuals**
Revenue	$ 106,241,627	$ 107,710,946
Expenditures	$ 106,704,904	$ 107,776,748
Increase / (Decrease)	$ (463,277)	$ (65,802)
Beginning Balance	$ 5,326,726	$ 5,315,174
Ending Balance	**$ 4,863,449**	**$ 5,249,372**

Unrestricted Operating General Fund - Fund 11 ongoing		
Los Medanos College	**FY 2025-26 Adopted Budget**	**FY 2025-26 Estimated Actuals**
Revenue	$ 55,313,689	$ 57,492,248
Expenditures	$ 55,690,768	$ 57,497,722
Increase / (Decrease)	$ (377,079)	$ (5,474)
Beginning Balance	$ 2,462,648	$ 2,457,210
Ending Balance	**$ 2,085,569**	**$ 2,451,736**

Unrestricted Operating General Fund - Fund 11 ongoing		
District Office	**FY 2025-26 Adopted Budget**	**FY 2025-26 Estimated Actuals**
Revenue	$ 24,471,351	$ 30,014,542
Expenditures	$ 25,188,942	$ 30,009,293
Increase / (Decrease)	$ (717,591)	$ 5,249
Beginning Balance	$ 1,530,518	$ 1,528,325
Ending Balance	**$ 812,927**	**$ 1,533,574**

Long-Term Liabilities

Other Post Employee Benefits (OPEB)



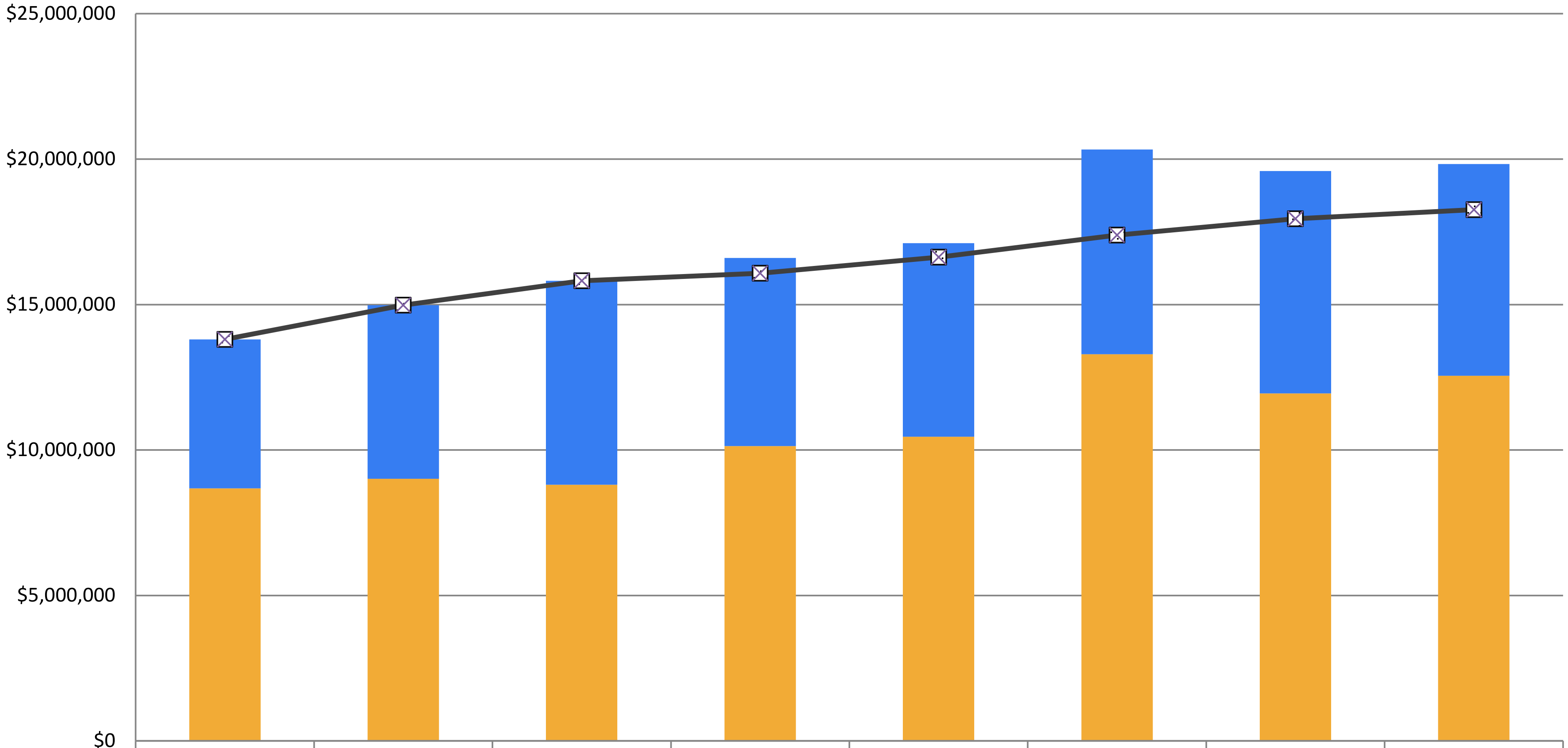
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Fiduciary Net Position	$18.9	$28.0	$39.6	$50.1	$66.9	$74.6	$80.0	$95.8	$107.8	$118.1	$137.3	$172.5	$138.9	$156.9	$176.8	$203.2	$233.0
Total OPEB Liability	$262.8	$198.6	$198.6	$188.0	$188.0	$211.3	$212.3	$219.3	$226.4	$232.6	$240.0	$240.9	$249.5	$220.7	$226.9	$233.0	$236.0

A new GASB 74/75 Actuarial Reports was completed as of June 30, 2026.

Calculated OPEB Liability was $236.0 million, and the Trust was 97% funded as of June 30, 2026.

Vacation and Load Bank

Compensated Absences History



	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Vacation Liability	$5,124,082	$5,966,551	$7,012,079	$6,462,151	$6,657,254	$7,037,879	$7,646,026	$7,286,202
Load Bank Liability	$8,678,786	$9,013,774	$8,807,218	$10,138,345	$10,453,897	$13,296,303	$11,947,281	$12,548,523
Funded	$13,802,868	$14,980,325	$15,819,296	$16,072,577	$16,632,204	$17,389,519	$17,947,505	$18,261,684

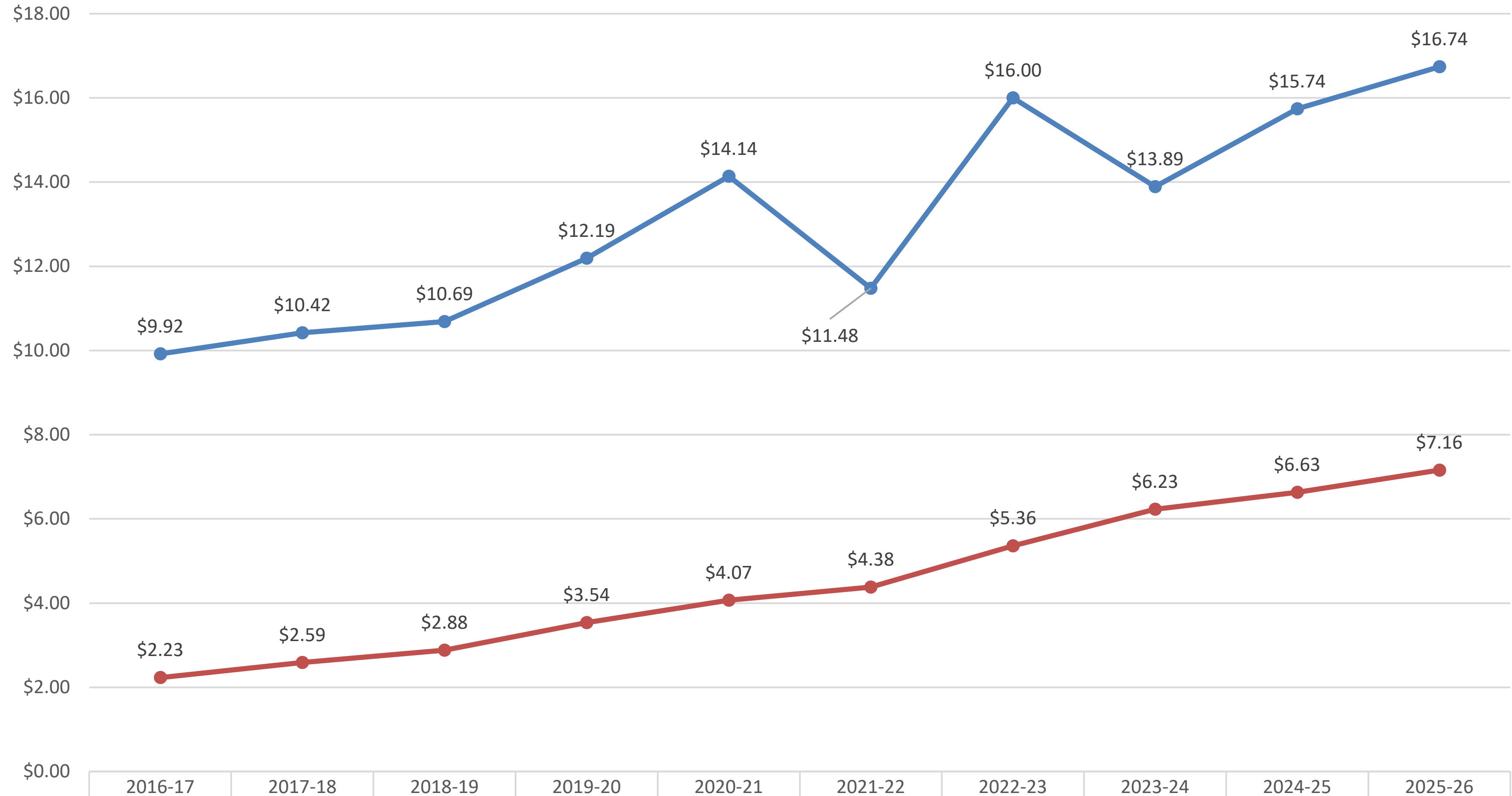
The Vacation and Load Bank is currently

92% Funded

against a total liability of $19.8 million as of June 30, 2026

Student Debt

Student Debt vs. Reserve



	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Total Student Debt	$9.92	$10.42	$10.69	$12.19	$14.14	$11.48	$16.00	$13.89	$15.74	$16.74
Total Reserve	$2.23	$2.59	$2.88	$3.54	$4.07	$4.38	$5.36	$6.23	$6.63	$7.16

Total Student Debt   Total Reserve

Student Debt Reserve is

42.74% Funded

COTOP receipts for January-June 2026 were $378k

2026 - 2027 Adoption Budget

2026-27 Adoption Budget

- The Adoption Budget continues to allocate SCFF based upon the Hold Harmless amount ($229,941,714)
- While 4CD is projected to shift to SCFF funding, those totals are based upon prior year estimated metrics
  - The Adoption Budget recognizes the potential revenue, but places the additional SCFF revenue into reserves
  - As part of the year end true-up, the actual revenue received will be allocated based upon the updated Business Procedure 18.01
- All expenditures, including vacant positions, are included in the Adoption Budgets
  - The total structural deficits for the Colleges and District Office are ($3,554,545) outlined on the detail slide in this presentation

2026-27 Adoption Budget

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Unrestricted Operating General Fund - Fund 11 ongoing

	FY 2026-27 Adoption Budget
Revenue	$ 269,561,270
Expenditures	$ 265,469,528
Increase / (Decrease)	$ 4,091,742*
Beginning Balance	$ 57,781,607
Ending Balance	**$ 61,873,349**

*Surplus is related to anticipated, but unallocated SCFF revenue and does not reflect structural deficits at each College and District Office

	Estimated AB 2026-27 Ending Balances
College Reserves	$ 2,408,718
Undistributed SCFF*	$ 7,646,286
BP 5033 Required Reserve	$ 44,840,941
Designated Reserves	$ 5,284,504
Undesignated Reserves	$ 1,692,000
Total Reserves	**$ 61,873,349**

2026-27 College & DO Adoption Budget

Contra Costa College	FY 2026-27 Adoption Budget
Revenue	$ 42,295,488
Expenditures	$ 43,062,015
Increase / (Decrease)	$ (766,527)
Beginning Balance	$ 410,482
Ending Balance	**$ (356,045)**

Diablo Valley College	FY 2026-27 Adoption Budget
Revenue	$ 106,856,882
Expenditures	$ 108,250,423
Increase / (Decrease)	$ (1,393,541)
Beginning Balance	$ 5,249,372
Ending Balance	**$ 3,855,831**

Unrestricted Operating General Fund – Fund 11 ongoing

Los Medanos College	FY 2026-27 Adoption Budget
Revenue	$ 56,255,434
Expenditures	$ 56,887,517
Increase / (Decrease)	$ (632,083)
Beginning Balance	$ 2,451,736
Ending Balance	**$ 1,819,653**

District Office	FY 2026-27 Adoption Budget
Revenue	$ 24,591,877
Expenditures	$ 25,354,271
Increase / (Decrease)	$ (762,394)
Beginning Balance	$ 1,533,574
Ending Balance	**$ 771,180**

2026-27 Adoption Budget All Funds

	Fund	Beginning Balance July, 01, 2026	Total Revenues	Total Expenses	Projected Ending Balance June, 30, 2027
F11	Unrestricted GF	$ 93,403,986	$ 278,505,848	$ 290,384,133	$ 81,525,701
F12	Restricted GF	5,547,550	63,859,407	64,822,527	4,584,430
F21	2002 Bond Redemption	13,676,676	11,745,850	8,252,292	17,170,234
F22	2006 Bond Redemption	9,755,404	11,771,748	16,062,630	5,464,522
F23	2014 Bond Redemption	19,163,437	22,490,640	24,113,961	17,540,116
F29	Long-term Debt	18,040,624	665,699	-	18,706,323
F41	Capital Project	61,640,698	5,994,537	26,823,387	40,811,848
F44	Bond 2014	51,494,840	1,293,218	32,647,684	20,140,374
F51	Bookstore	1,429,268	3,514,385	4,495,801	447,852
F52	Cafeteria	1,117,009	1,609,841	1,699,799	1,027,051
F61	Self Insurance	728,967	2,530,528	2,272,908	986,587
F69	Retiree Benefits	14,784,916	1,545,563	1,000,004	15,330,475
F71	Student Organization	1,143,720	336,021	319,237	1,160,504
F72	Student Representation Fee	71,285	129,077	150,237	50,125
F73	Student Center	1,686,410	224,686	201,586	1,709,510
F74	Financial Aid	-	72,524,128	72,524,128	-
F75	Scholarship Trust	514,126	18,601	20,070	512,657
F77	OPEB Irrevocable Trust	233,059,197	12,670,000	620,400	245,108,797
	Total	$ 527,258,113	$ 491,429,777	$ 546,410,784	$ 472,277,106

Considerations and Next Steps

Take Aways and Next Steps

- The Adoption Budget is based upon Hold Harmless Funding
  - Once SCFF metrics are certified (June 2027), 4CD is projected to shift to SCFF funding for 2026-27. Any pending true-up revenue allocations would be determined in accordance with the provisions of revised Business Procedure 18.01

- Federal policy continues to impact other sources of 4CD revenue, including drops in nonresident FTES, which reduce local revenue and impact overall college and district office budgets

- Due to rising expenditures, shortfalls in other funds, the effects of multiple years of Hold Harmless funding, and ongoing structural deficits at some sites, expenditure reductions will be necessary during the current year and as part of the development for the 2027-28 Adoption Budget

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Acceptance of 2026-27 Adoption Budget

It is recommended that the Governing Board adopt the 2026-27 Adoption Budget and authorize the Assistant Secretary to submit this budget as the Official Budget on the forms prescribed by the State Chancellor's Office, as provided in Section 58305 of Title 5 of the California Code of Regulations.

Questions?

CONTRA COSTA COMMUNITY COLLEGE DISTRICT
FOUNDED DECEMBER 14, 1948

Index of Acronyms and Terms

Acronym / Term	Description
AB540	Nonresident student who meets certain requirements to pay in-state tuition at California public colleges and universities
Apportionment	Revenue that is distributed from the State to 4CD
Assessed Value (AV)	The value of real property impacting property tax revenue within apportionment
BP 5033	Board Policy 5033 defines reserve balance requirements of two months operating expenditures
California Dream Act	The California Dream Act allows eligible undocumented students to apply for state financial aid—including Cal Grants, community college fee waivers, and in-state tuition—through the California Dream Act Application (CADAA), even if they are not eligible for federal aid
Capital Gains	Earnings for Investments that provide a significant portion of California State tax revenue
Career and Technical Education (CTE)	Programs that integrate academic knowledge with technical and occupational skills to prepare students for postsecondary education and careers.
Career Development and College Preparation (CDCP)	Noncredit course FTES funded at a higher rate as part of the SCFF Funding formula

Index of Acronyms and Terms

Acronym / Term	Description
CCFS 320	Report of FTES provided to the State in the fall (P1), spring (P2) and Annually (P3)
Center	Additional one-stop locations for students to access and gain awareness of basic needs services and resources
Chancellor's Office Tax Offset Program (COTOP)	Program that intercepts Income Tax refunds from individuals that have reported student debt and provides those funds to the college district
Child Care Access Means Parents in Schools (CCAMPIS)	Federal grant which provides funding to support campus-based child care services, helping low-income student parents stay enrolled and succeed in postsecondary education
Classified Personnel	Employment classification for non-instructional support positions
Cost of Living Adjustment (COLA)	Adjustment provided to previous year revenue based upon a set of economic indicators and factors
Deferral	State budget reduction that pays school districts in the following year, but requires the district to budget the revenue as an accounts receivable

Index of Acronyms and Terms

Acronym / Term	Description
Deferred Maintenance	Funds dedicated to support facility infrastructure needs.
Deficit	When total expenditures exceed total revenue, indicating that spending is more than what is brought in during a given fiscal period
Designated Reserves	Funds set aside for specific purposes—such as capital projects, emergencies, or future liabilities—and cannot be used for other expenditures because they are legally or contractually committed to those intended uses
Emergency Conditions Allowance (ECA)	2022-23 Legislation establishing required reserves of two months along with other conditions to receive hold harmless funding
Fiduciary Net Position	The balance of assets held in an irrevocable trust
Fiscal Year (FY)	Fiscal Year (July 1 – June 30)
Flexibility	Student-Centered Funding Formula legislation that allowed districts to continue to use the FTES from 2018-19 for funding which expired in FY2023-24
Full-Time Equivalent Students (FTES)	Calculated by multiplying Weekly Scheduled Contact Hours (WSCH) by the Term Length Multiplier (TLM) and then dividing by 525. One FTES represents 525 hours of student instruction

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Acronym / Term	Description
Fund 11	4CD's main operating fund, which includes unrestricted and restricted revenues and expenditures
Governmental Accounting Standards Board (GASB) 74/75	GASB Statement 74 focuses on financial reporting for postemployment benefit plans other than pension plans, and 75 addresses the accounting and financial reporting for postemployment benefits other than pensions.
Governor's January Budget Proposal	Each year the Governor must present a proposed budget for the following year by January 10th which starts the State budget cycle that concludes in June
Hold Harmless Funding	The Minimum Revenue Guarantee is the State Funding Model that guarantees a funding floor from the past year. Effective 2024-25 there is no COLA added to this amount resulting in flat funding for college districts
IT	Information Technology
LAO	Legislative Analysts Office is an independent government agency that reviews the State issues and provides reports to the legislature
Load Bank / Overload	Calculation when a faculty member works greater than a full class schedule – Fund 29 is set aside to address this and Vacation liability

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Acronym / Term	Description
May Revision	The Governor provides an updated budget forecast after April tax receipts prior to May 10 which is the foundation for the State adopted budget
Minimum Revenue Commitment (MRC)	The minimum amount that must be provided in apportionment to Community Colleges. This becomes the foundation for the Hold Harmless floor calculation of SCFF
MIS	Management Information System (database of students and staff)
OPEB	Other Post Employment Benefits (such as medical coverage for retirees) calculated as the total liability for future benefits to retirees
Pell Grant	Federal financial aid, specifically a grant, awarded to undergraduate students demonstrating exceptional financial need, to help them pay for college. It's a grant, meaning it doesn't need to be repaid, unlike loans
Perkins Federal Funding	The Strengthening Career and Technical Education for the 21st Century Act (Perkins V) supports ensure career and technical education (CTE) programs meet the demands of the twenty-first-century economy.
PERS	Public Employees Retirement System for Classified staff
Procurement Card (P-card)	Corporate charge card used by businesses to make purchases, often for smaller, high-volume items, streamlining the procurement process and offering an alternative to traditional purchase orders and checks.

Index of Acronyms and Terms

Acronym / Term	Description
Promise Grant	California College Promise Grant, formerly known as the Board of Governors Fee Waiver, is a program that waives enrollment fees for eligible students at California community colleges.
Proposition 98	Voter-approved measure that sets a minimum standard for K-14 spending. The formula has three tests, of which 40% of state revenue goes to education.
Rainy Day Fund	State reserve created to protect education funding resulting from wild swings in State revenue, often caused by Capital Gains
R1	Recalculation CCFS 320 FTES from prior year
Release Time	Time where a faculty member is freed from normal teaching or administrative duties to pursue other activities, such as research, scholarship, or administrative tasks, often funded by grants or other means.
SB361	Senate Bill 361, outlining community college apportionment was replaced with SCFF in 2018-2019
Stability SCFF Funding	State Funding Option which takes prior year SCFF calculation and adds COLA
Step and Column	Annual salary schedule adjustments for years of service and education
STRS	State Teachers Retirement System

Index of Acronyms and Terms

Acronym / Term	Description
Student Centered Funding Formula (SCFF)	Method adopted in 2018-19 to allocate state funding to California community colleges, focusing on student access, equity, and success by prioritizing resources for low-income students and outcomes-based funding.
Success SCFF Funding	Student outcome component of SCFF funding equal to 10% of funding
Summer Borrowing	Reporting two summer sessions in one fiscal year to enhance FTES for that year
Supplemental	Demographic component of SCFF funding equal to 20% of funding
Title V: Caminos Grant	Caminos al Éxito Pathways to Success" (Caminos) grant, funded under Title V of the Higher Education Act, provided one-time funding aimed at improving academic support structures for low-income, first-generation, and diverse students
Total Computational Revenue (TCR)	The Max TCR is the highest revenue from the three SCFF calculations (SCFF, Stability, or Hold Harmless)

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Acronym / Term	Description
Trio Grant	Federal TRIO programs are a set of one-time federally funded programs designed to identify and provide services to individuals from disadvantaged backgrounds, including low-income, first-generation, and students with disabilities, to help them succeed in higher education.
True Up	Process to update the budget and adjust revenue and expenditures. Usually done at year-end close to adjust the allocations based upon changes from assumptions to actuals that occur after the budget is adoption.
Unrestricted	Funds that may be used for any educational purpose without restrictions
Upward Bound Grant	Upward Bound, part of TRIO, provides fundamental support to participants in their preparation for college entrance. The program provides opportunities for participants to succeed in their precollege performance and ultimately in their higher education pursuits.
Work Study	The Federal Work-Study (FWS) program is a financial aid program that allows eligible students to earn money to help pay for education expenses by working part-time, and it is a form of financial aid, not a grant.