

State Requirements Related to Expenditures

State law includes two main requirements for districts' use of apportionments. The Chancellor's Office monitors district compliance with both requirements and annually updates the Board of Governors.

Full-Time Faculty Obligation. Education Code Section 87482.6 recognizes the goal of the Board of Governors that at least 75% of the hours of credit instruction in the California Community Colleges, as a system, should be taught by full-time instructors. Each district has a baseline reflecting the number of full-time faculty in 1988-89. Each year, if the Board of Governors determines that adequate funds exist in the budget, districts are required to increase their base number of full-time faculty over the prior year in proportion to the amount of growth in funded credit full time equivalent students. The target number of faculty is called the Faculty Obligation Number (FON). An additional increase to the FON is required when the budget includes funds specifically for the purposes of increasing the full-time faculty percentage. The chancellor is required to assess a penalty for a district that does not meet its FON for a given year.

The Board of Governors, at their November 2020 meeting, determined that the Budget Act of 2020 did not provide adequate funding to support increases to districts' full-time faculty hiring obligations for Fall 2021. As a result, districts may maintain FON compliance for Fall 2021 by meeting their Fall 2020 FON, Fall 2021 FON, or the percentage of instructional hours taught by full-time faculty that was achieved for Fall 2020. Districts must continue to report actual full-time and part-time faculty data to the Chancellor's Office. While penalties are deferred and not waived, the Chancellor's Office will continue to calculate and publish FON data for the system. Due to the robust levels of funding provided in the 2021 Budget, we anticipate that the Board of Governors will approve full implementation of the FON for Fall 2022.

Fifty Percent Law. A second requirement related to budget levels is a statutory requirement that each district spend at least half of its Current Expense of Education each fiscal year for salaries and benefits of classroom instructors. Under existing law, a district may apply for an exemption under limited circumstances.