

Item 6

(Information Item)

Update on the Commission's 2021-22 Year End Operations Budget

SUMMARY:

This item provides an update on the California Student Aid Commission's (Commission) 2021-22 fiscal year (FY) state operations budget by itemizing the State Budget appropriation to the expenditures and encumbrances that occurred from July 1, 2021, through June 30, 2022. Additionally, this item compares 2020-21 FY to 2021-22 FY state operations spending.

RECOMMENDATION:

This is an information item; no action is required.

BACKGROUND:

The 2021-22 FY baseline state operations budget appropriation was \$20,590,000. This includes \$17,909,000 for personal services and \$2,681,000 for operating expenses and equipment (OE&E). Personal services include objects of expenditures such as employees' salaries, wages, benefits, lump sum payouts, and insurance premiums for workers' compensation. OE&E includes objects of expenditures such as purchases for information technology, communication, employee training, contracting services, and office equipment. The 2021-22 FY baseline state operations budget appropriation also included \$553,000 in reimbursement authority, which gives the Commission the authority to recoup funds from other State agencies for services we perform.

Within the 2021-22 FY baseline state operations budget appropriation included a one-time appropriation designated to complete the final phase of the Grant Delivery System Modernization (GDSM) project in the amount of \$1,785,000. As well as an ongoing \$150,000 appropriation for Commission's participation in the Cradle-to-Career Data System Workgroup.

The 2021-22 FY baseline state operations budget appropriation decreased by \$2,055,000 or 9.98% from the 2020-21 FY state operations baseline budget appropriation. This decrease was primarily due to a 5% cut in the Commission's OE&E appropriation that was required of every state department. This also included a reduced appropriation amount for the final phase of the GDSM project.

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In addition to the 2021-22 FY baseline state operations appropriation, legislative statute provides the Commission the authority to utilize a percentage of the appropriations received for local assistance from specific Commission programs to be used for administration and outreach purposes. These one-time appropriations have extended spending authority dates which goes beyond the typical annual State Budget appropriation deadlines of one year to expend or encumber funds and two years to expend funds from an encumbrance. These program “carve outs” are exhibited below:

CSAC Program	“Carve Out” Amount	Spending Authority
Golden State Education and Training Grant Program	\$5,000,000	Encumber or expend by December 31, 2024
Golden State Teacher Grant Program	\$7,500,000	Encumber or expend by June 30, 2026
Learning-Aligned Employment Program	\$1,000,000	Encumber or expend by June 30, 2031

The Commission’s 2021-22 FY budget did not include additional position authority (PY), so the authority remained at 137.5 PY. The 2021-22 FY average number of filled positions were 116 PY and 21.5 PY were vacant positions at any given time, which equated to a 16% vacancy rate.

The attached document reports on the year-over-year appropriation, spending, and position authority; the 2021-22 FY total committed funds by program; and 2021-22 FY total committed funds by spending category.

RESPONSIBLE PERSON(S):

Lilly Myers, Deputy Director
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Sandy Melching, Budget Officer
Fiscal and Administrative Services Division

ATTACHMENT(S):

2021-22 State Operations Year End Budget Overview Presentation Presented on
September 7, 2022