



November 8, 2024

TO: Pat Sullivan
Director
Office of Financial Management

FROM: Choi Halladay *Choi Halladay*
Deputy Executive Director for Business Operations
Acting Executive Director
State Board for Community and Technical Colleges

SUBJECT: Budget Reductions for Fiscal Year 2025 and 2025-27 Biennium

In response to the request dated November 8, 2024, SBCTC staff and presidents reviewed programs for possible pause or delay in implementation along with appropriations for possible under-expenditure savings. Our review is outlined below.

Program pause or delay in implementation

We reviewed recent appropriations and were unable to identify any programs that could be paused or delayed without negative impact on our colleges or students.

- Many of the provisos funded in the 2024 supplemental budget were nominal and/or one-time appropriations.
- The appropriation for increasing Bachelor of Science Computer Science programs is well underway. A pause, or delay of implementation, is not feasible without significant program impacts.
- Since initially appropriated, career launch enrollments have been difficult for colleges to utilize however, a recent redistribution identified two possible awardees for the remaining FTES. This appropriation has now been fully allocated.

Under-expenditure

Using fiscal year 2024 as an indicator of spending, colleges are expected to expend all appropriations for the current fiscal year.

- The Retirement/Sick Leave Benefits Litigation appropriation has historically been underspent. However, the litigation has become much more active this year, and expenditures are increasing with utilization of the special AG.