

LOS RIOS COMMUNITY COLLEGE DISTRICT
Memorandum of Understanding
LRCFT

Background

The enacted State Budget for 2009-10 included American Recovery and Reinvestment Act Funds (ARRA) as an offset against State categorical program reductions. Those reductions range from 40% to 49% to programs that provide vital student services and instructional support. It is important to note that ARRA funds are one-time and are not anticipated beyond fiscal year 2009-10.

Subsequent to enactment of the budget, both the level and the nature of the ARRA funds have been revised. ARRA funding is currently at \$35 million statewide or approximately 27% of the \$130 million in the enacted budget. Los Rios' share of the \$35 million is estimated at \$1.46 million. The exact amount will not be known until the 2008-09 recalculation is issued in February 2010.

The nature of the ARRA funds has now been determined to be general purpose rather than categorical as first thought. The legislature and Governor appropriated the funds as categorical and, in fact, the funds are being appropriated according to categorical formulas. However, the funds must be recognized as general purpose.

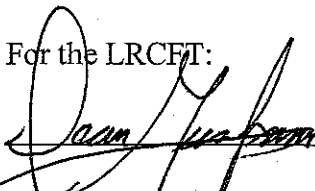
Because the funds are general purpose, contract provisions for salary and benefits require the District to negotiate the use of these revenues. Discussions were held with employee unit leadership regarding both the anticipated level of funding and the need for the funds to support the categorical programs during 2009-10. Due to the drastic reductions, these funds will be used to help support regular salaries and benefits as well as maintaining a reasonable level of operations. The District will also be contributing 20% funds during 2009-10 and forward.

The recommendation is for all employee groups to agree to allow the ARRA funds to support categorical programs as intended in the State Budget Act.

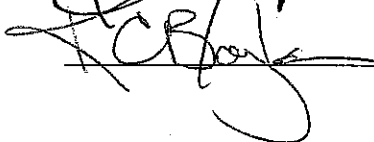
The following is agreed to:

For 2009-10, ARRA funds received by the District will be used to support categorical programs as per legislative intent.

For the LRCFT:




Date 10-13-09

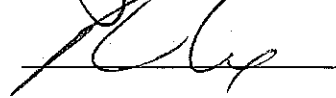


Date 10-13-09

For the District:



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