**Economic Update**

In the second quarter of 2020, California personal income increased by 9.7 percent on a year-over-year basis (up $254.4 billion) driven by record-high transfer payments of $355.8 billion, including the $600 per week in additional Federal unemployment assistance that expired at the end of July, support for independent contractors, regular unemployment insurance, and one-time stimulus checks.

All other major personal income components for California fell on a year-over-year basis in the second quarter of 2020, with a total decline of 4.4 percent (down $101.4 billion) led by decreases in total wages (down $59.5 billion), proprietors’ income (down $26.9 billion), and other components (down $15.0 billion).

U.S. personal income increased by 10.4 percent year-over-year in the second quarter of 2020 (up $1.9 trillion). Transfers also drove personal income growth, up a record-high $2.6 trillion. All other major U.S. personal income components also fell on a year-over-year basis.
### 2020-21 Comparison of Actual and Forecast Agency General Fund Revenues

(Dollars in Millions)

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>SEPTEMBER 2020</th>
<th></th>
<th>2020-21 YEAR-TO-DATE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Forecast</td>
<td>Actual</td>
<td>Percent</td>
<td>Change</td>
</tr>
<tr>
<td>Personal Income</td>
<td>$6,262</td>
<td>$9,278</td>
<td>$3,016</td>
<td>48.2%</td>
</tr>
<tr>
<td>Sales &amp; Use</td>
<td>1,719</td>
<td>2,184</td>
<td>465</td>
<td>27.1%</td>
</tr>
<tr>
<td>Corporation</td>
<td>1,509</td>
<td>2,013</td>
<td>504</td>
<td>33.4%</td>
</tr>
<tr>
<td>Insurance</td>
<td>65</td>
<td>205</td>
<td>140</td>
<td>214.0%</td>
</tr>
<tr>
<td>Estate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Pooled Money Interest</td>
<td>36</td>
<td>26</td>
<td>-10</td>
<td>-27.5%</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
<td>33</td>
<td>33</td>
<td>0</td>
<td>1.5%</td>
</tr>
<tr>
<td>Tobacco</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>42.8%</td>
</tr>
<tr>
<td>Other</td>
<td>179</td>
<td>225</td>
<td>46</td>
<td>25.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$9,806</strong></td>
<td><strong>$13,970</strong></td>
<td><strong>$4,164</strong></td>
<td><strong>42.5%</strong></td>
</tr>
</tbody>
</table>
LAO: October 2, 2020
Snapshot of the California Economy: August 2020:

**Bottom Line:** The California economy still showing signs of recovery, but not as strong as in June or July.
Legislative Update
COVID-19 brought significant disruption to the legislative process.

Many bills held back because of lack of ability of the legislature to consider their implications – not due to fiscal and policy concerns.

Of the around 100 bills to be considered that were introduced and impacted community colleges, only five were signed into law.

Focus will be on low-cost, but high-profile legislation.

Response to COVID-19 and cost pressures due to reduced revenue will continue to dominate the discussion in the 2021-22 legislative session.
Legislation that Could Come Back:

• Associate Degree for Transfer reform.
• Broadband accessibility.
• COVID-19 related legislation.
• Ethnic studies graduation requirement for community colleges.
• Expansion of community college baccalaureate degree program.
• Financial aid modernization.
• Mandated increase in sick leave for faculty and staff.
• Reduction of probation for new classified employees from one year to six months.
• Student trustee rights.
• Penalties for mistakes made when providing employee contact information to collective bargaining units.
Bills for Discussion

Academic Affairs:
AB 1460 (Weber)  CSU Ethnic Studies
AB 2288 (Low)    Nursing Programs

Basic Needs:
AB 2416 (Gabriel) Satisfactory Academic Progress
AB 2884 (Berman) Lottery Dollars
SB 1232 (Glazer)  CalWORKs
AB 1460 (Weber) Ethnic Studies

Would require the California State University make a three-unit ethnic studies course as a graduation requirement. The CSU has adopted an alternative ethnic studies requirement.

Location: Signed into law.

AB 2288 (Low) Nursing Programs

Would provide more flexibility for nursing programs facing a reduction in clinical training hours due to the COVID-19 crisis.

Location: Signed into Law.
AB 2416 (Gabriel) – Satisfactory Academic Progress

Would require colleges to consider homelessness as a mitigating factor when considering appeals for students who fail to maintain satisfactory academic progress.

Location: Signed into Law.

AB 2884 (Berman) Lottery Dollars

Would permit lottery dollars to be spent on student basic needs such as food and housing assistance.

Location: Signed into Law.

SB 1232 (Glazer) CalWORKs

Would permit CalWORKs recipients at public universities to receive a $500 per semester benefit to pay for books and permit them to request reimbursement for classroom-related expenses above the allocated $500. Implementation of the bill is contingent on an appropriation via the state budget, which did not occur for 2020-21.

Location: Signed into Law.
COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

2021-2022 Priorities

1. Adequate resources for the colleges and districts

2. What does recovery from COVID-19 look like?

3. Racial equity
I. Introduction/History
II. Key Findings
III. How to use the Dashboard
IV. CEO Discussion
V. How and why trustees can support CEOs
The League’s CEO Tenure & Retention Study launched in 1995.

League Staff maintain contact with districts about leadership changes and monitor news releases and board announcements.

We publish biennial updates and have added an interactive dashboard available on the League’s website: www.ccleague.org/CEOtenure

The 9th Update of The CEO Tenure & Retention Study provides an overview of chancellor, superintendent/president, and campus president tenure rates and an analysis of demographic trends spanning the history of California Community Colleges.
Why does this matter?

• Raise funds and manage budgets
• Navigate internal and external constituent relations
• Address student basic needs and student success
• Monitor district and campus climate
• Meet accreditation and reporting requirements
• Conduct strategic planning
• Improve campus infrastructure
• Engage in local, state, and federal advocacy
• And more…

Why is CEO tenure and retention important?
1. Organizational Stability
2. Financial Sustainability
1,251 individuals have served in executive leadership roles

4 of the 5 longest-serving leaders are women

In April 2020, 45.4 percent of CEOs were women—marking the largest recorded number of female CEOs in the CCC system (59)

16.3 percent of CEOs identify as Latinx, making California Community Colleges significantly more diverse than the national average
In the last 10 years, the average tenure of a permanent CEO was **5.1** years.

Of those who left in the previous 10 years:

- **46.1** percent retired or died in office
- **21** percent were either released or left for other reasons
- **31.1** percent took another position
CEO Tenure & Retention Study
9th Update

Constance Carroll
Chancellor
San Diego CCD

Jose Fierro
Superintendent/President
Cerritos College

Tawny Dotson
President
Yuba College
League Resources

1. Asilomar Leadership Skills Seminar
2. CEO Vineyard Symposium
3. Statewide Convenings
   a. CEO Symposium
   b. Statewide CEO Business Meeting
4. League on Call
5. CEO Leadership Academy
6. CEO Strategic Leadership Program (CSLP)
How can trustees support CEO tenure and retention?
And why it is important?
Thank you!

www.ccleague.org/CEOteneure