

The following budget summary was prepared by the Illinois Community College Board.

ICCB's website also includes a link to the Governor's FY07 budget recommendation for community colleges:

<http://www.iccb.state.il.us/HTML/pdf/sysfin/fy07GovBudgetRecommendations.pdf>

---

From: Geoffrey Obrzut  
Sent: Wednesday, February 15, 2006 4:33 PM  
To: PRESIDENT List  
Subject: Governor's Budget Message

Governor Blagojevich gave his Fiscal Year 2007 budget address to the General Assembly today. I am pleased to report that the Governor's budget includes an overall 1.9% increase for the Illinois Community College System. Most notable are increases in the Base Operating and Equalization Grants. The Base Operating Grant was increased due to a \$5.4 million reallocation of the former Funding Impact Grant line into the Base Operating line, plus a 1% (\$2.033 million) increase. The Funding Impact Grant was in its third and final year this year and no longer exists. The Equalization Grant was increased by 1%, or more than \$766,000. The budget also includes \$3 million for the Student Success Grant, while funding for the Workforce and P-16 grants remain at their current FY 2006 levels. Funding for Adult Education and Family Literacy also shows an increase in the Governor's budget of 2% (\$684,800). The Career and Technical Education grant line also increases by 2% (\$238,200). The Governor's budget also includes \$50 million for the replacement of temporary buildings on community college campuses, part of the original commitment for a total of \$250 million for these projects. There may also be capital renewal funds available. The General Assembly will still have input on the budget with member initiatives and possible adjustments in other line items.

As you are aware, the Governor's Office of Management and Budget has proposed some form of shared services that could affect the ICCB and other higher education agencies staff. At this time, the proposed services have been pared back and the ICCB budget and operations staff will remain intact, though some may be working on different projects.

Another topic of which you are aware is the sale of student loans from the Illinois Student Assistance Commission to a private sector investment company. At this time, we have no direct knowledge that such a sale is taking place, or what form that sale may take.

I am testifying this afternoon before the Senate Appropriations III Committee on the ICCB budget, as are all the other higher education agencies and universities. We are still analyzing the Governor's budget proposal and will certainly communicate any details to you that will impact our community colleges.

Please feel free to contact me or Randy Barnette if you have any comments, questions, or concerns on the budget or other topics.

Geoffrey S. Obrzut  
President/Chief Executive Officer  
Illinois Community College Board  
401 East Capitol Avenue  
Springfield, IL 62701-1711  
voice: (217) 785-0013  
fax: (217) 785-7495  
[www.iccb.state.il.us](http://www.iccb.state.il.us)

**Illinois Community College Board  
Table 1  
Fiscal Year 2007 Operating Grants**

<u>Grants</u>	<u>FY 2006 Appropriation</u>	<u>FY 2007 Governors Recommendations</u>	<u>Difference from FY2006</u>	<u>Percent Difference</u>
Base Operating Grant	\$ 191,837,100	\$ 199,318,000	\$ 7,480,900	3.9%
Small College Grant <sup>(1)</sup>	\$ 780,000	\$ 840,000	\$ 60,000	7.7%
Funding Formula Impact Grant	\$ 5,507,500	\$ 0	\$ (5,507,500)	-100.0%
Equalization Grant	\$ 76,617,500	\$ 77,383,700	\$ 766,200	1.0%
City Colleges of Chicago Grant	\$ 15,000,000	\$ 15,000,000	\$ 0	0.0%
<b>Unrestricted Grants</b>	<b>\$ 289,742,100</b>	<b>\$ 292,541,700</b>	<b>\$ 2,799,600</b>	<b>1.0%</b>
Workforce Development Grant	\$ 3,311,300	\$ 3,311,300	\$ 0	0.0%
P-16 Initiative Grant	\$ 2,279,000	\$ 2,279,000	\$ 0	0.0%
Disadvantaged Student Success Grant	\$ 0	\$ 3,000,000	\$ 3,000,000	-
Retirees Health Insurance Grant	\$ 626,600	\$ 626,600	\$ 0	0.0%
<b>Restricted Grants</b>	<b>\$ 6,216,900</b>	<b>\$ 9,216,900</b>	<b>\$ 3,000,000</b>	<b>48.3%</b>
<b>TOTAL GRANTS</b>	<b>\$ 295,959,000</b>	<b>\$ 301,758,600</b>	<b>\$ 5,799,600</b>	<b>2.0%</b>
<b>Statewide Initiative &amp; Other Grants</b>				
East St. Louis Higher Education Center	\$ 1,589,100	\$ 1,589,100	\$ 0	0.0%
Lincoln's Challenge Grant	\$ 120,100	\$ 120,100	\$ 0	0.0%
Special Legislative Grants	\$ 600,000	\$ 600,000	\$ 0	-
<b>Total Statewide Initiatives &amp; Other Grants</b>	<b>\$ 2,309,200</b>	<b>\$ 2,309,200</b>	<b>\$ 0</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>\$ 298,268,200</b>	<b>\$ 304,067,800</b>	<b>\$ 5,799,600</b>	<b>1.9%</b>

<sup>(1)</sup> The requested amount includes the additional small college grant award for those districts that qualify.

**Illinois Community College Board**

**FISCAL YEAR 2007  
ADULT EDUCATION AND FAMILY LITERACY SYSTEM OPERATING BUDGET**

	<b>FY 2006</b>	<b>FY 2007</b>	<b>Difference</b>	<b>Percent</b>
	<b><u>Appropriation</u></b>	<b><u>Governor's Recommendations</u></b>	<b><u>from FY 2006</u></b>	<b><u>Difference</u></b>
Basic Grants	\$ 15,829,600	\$ 16,146,200	\$ 316,600	2.0%
Public Assistance Grants	\$ 7,922,100	\$ 8,080,500	\$ 158,400	2.0%
Performance Grants	\$ 10,491,800	\$ 10,701,600	\$ 209,800	2.0%
GED Testing Administration	\$ 1,147,600	\$ 1,307,600	\$ 160,000	13.9%
Total State Resources	<u>\$ 35,391,100</u>	<u>\$ 34,928,300</u>	<u>\$ (462,800)</u>	<u>-1.3%</u>
Federal Grants	\$ 29,867,200	\$ 25,000,000	\$ (4,867,200)	-16.3%
Total	<u><u>\$ 65,258,300</u></u>	<u><u>\$ 59,928,300</u></u>	<u><u>\$ (5,330,000)</u></u>	<u><u>-8.2%</u></u>

**Illinois Community College Board**

**FISCAL YEAR 2007 CAREER AND TECHNICAL EDUCATION SYSTEM OPERATING BUDGET**

	<b>FY 2006</b>	<b>FY 2007</b>	<b>Difference</b>	<b>Percent</b>
	<b><u>Appropriation</u></b>	<b><u>Governor's Recommendations</u></b>	<b><u>from FY 2006</u></b>	<b><u>Difference</u></b>
Grants to Colleges & Universities	\$ 11,911,700	\$ 12,149,900	\$ 238,200	2.0%
Total State Resources	<u>\$ 11,911,700</u>	<u>\$ 12,149,900</u>	<u>\$ 238,200</u>	<u>2.0%</u>
Federal Perkins III Grant	\$ 22,207,100	\$ 23,607,100	\$ 1,400,000	6.3%
Total	<u><u>\$ 34,118,800</u></u>	<u><u>\$ 35,757,000</u></u>	<u><u>\$ 1,638,200</u></u>	<u><u>4.8%</u></u>