STATE FISCAL STABILIZATION FUND APPLICATION

PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)

Legal Name of Applicant (Office of the Governor): Office of the Governor	Applicant's Mailing Address: P.O. Box 3044 Sacramento, CA 95812-3044
State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: Cynthia Bryant Position and Office: Deputy Chief of Staff, Office of the Governor Contact's Mailing Address: Same as above Telephone: (916) 445-3637 Fax: (916) 322-8880 E-mail address: Cynthia.Bryant@gov.ca.gov	State Contact for the Government Services Fund (CFDA No. 84.397) *(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)* Name: Same Position and Office: Contact's Mailing Address: Telephone: Fax: E-mail address:

To the best of my knowledge and belief, all of the information and data in this application are true and correct.	
Governor or Authorized Representative of the Governor (Printed Name): Arnold Schwarzenegger	Telephone: (916) 445-3637
Signature of Governor or Authorized Representative of the Governor:	Date: May 15, 2009

Recommended Statement of Support from the Chief State School Officer *(Optional)*: The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.	
Chief State School Officer (Printed Name):	Telephone:
Signature of the Chief State School Officer:	Date:

Form Approved OMB Number: 1810-0690; Expiration Date: 9/30/2009

PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

SPECIAL NOTES:

- A State has some flexibility in determining the "levels of State support" for MOE purposes. For example, for the purpose of the elementary and secondary education MOE requirements, a State may use the level of support that the State provides through its primary elementary and secondary funding formulae, or it may use other relevant data. *See* Appendix C – Instructions for Part 4: Maintenance of Effort.

1. **Levels of State support for elementary and secondary education** *(the amounts may reflect the levels of State support on either an aggregate basis or a per-student basis):*

FY 2006 ~~$34.905 billion~~ 32.862 billion*

*The State identified $2.043 billion in one-time funds that were scored in FY 2006 but were actually appropriated in FY 2007. Therefore, the FY 2006 MOE level was reduced by this amount to consistently reflect the State's level of support for elementary and secondary education across fiscal years.

FY 2009* $35.418 billion

FY 2010* $36.230 billion

FY 2011* Unknown

(* Provide data to the extent that data are currently available.)

2. **Levels of State support for public institutions of higher education** *(enter amounts for each year)*:

FY 2006 ~~$5.435 billion~~ 8.857 billion*

FY 2009* ~~$6.071 billion~~ 10.377 billion*

FY 2010* ~~$5.586 billion~~ 10.222 billion*

*The State revised the MOE levels for FY 2006, 2009, and 2010 to include California Community Colleges in the totals for Higher Education.

FY 2011* Unknown

(* Provide data to the extent that data are currently available.)

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PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

3. **Additional Submission Requirements**: In an attachment to the application –

(a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; - and –

The level of state support for elementary and secondary education includes state General Fund for the state's primary education funding formula, commonly referred to as the "Proposition 98 Guarantee," plus adjustments for various factors as specified in statute. For more information on Proposition 98, please see the response to (B) in Part 5, Section A of this application regarding the state's primary education funding formulae. We note that the totals exclude local property taxes.

Proposition 98 funding provides academic services to pupils between the ages of 3 and 21 including, but not limited to, standards-based academic instruction, special education services, vocational and career preparatory programs, child care and development services, teacher recruitment and development, adult education programs, remedial instruction services, and school facility-related activities.

The MOE baseline for K-12 excludes State Lottery funding and Capital Outlay funding.

(b) Identify and describe the data sources used in determining the levels of State support for public IHEs.

The level of state support for public institutions of higher education includes state General Funds for the University of California, California State University, and California Community Colleges.

The MOE baseline for IHEs excludes State Lottery funding and Capital Outlay funding.

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Calculation of MOE Amounts for SFSF
($ in millions)

	2005-06	2008-09	2009-10	Amount Above MOE 2008-09	Amount Above MOE 2009-10
K-12 P98	34,898	31,011	35,828		
Adjustments					
Less One-time (06-07)*	(2,043)				
Plus Settle-Up	7	1,101			
Plus QEIA		402	402		
Plus Deferrals		2,904			
Total K-12	**32,862**	**35,418**	**36,230**	**2,556**	**3,367**
CCC	3,670	3,918	4,588		
Adjustments					
Less One-time (06-07)*	(257)				
Plus Settle-Up	10				
Plus QEIA		48	48		
Plus Deferrals		340			
Total CCC	**3,423**	**4,306**	**4,636**		
IHEs					
CCC	3,423	4,306	4,636		
UC	2,839	3,168	2,933		
CSU	2,596	2,903	2,654		
Total	**8,857**	**10,377**	**10,222**	**1,520**	**1,365**

*The State identified one-time funds that were scored in FY 2006 but were actually appropriated in FY 2007. Therefore, similar to the manner in which the State scored other settle-up funds, the FY 2006 MOE level was reduced by the one-time funds to consistently reflect the State's level of support across fiscal years.

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