

Incentive Portion of CA CC Funding Model 2018

Metrics that Matter

The CEO Workgroup addressed the metrics portion of the funding formula with the goals of keeping it simple, meaningful, and tied to student progress on an educational pathway. After considering an extensive list of possible data, five metrics are proposed: progress, completion, transfer, employment, and earnings. The formula would mirror the 17% incentive funding from the Strong Workforce Program with improvements based on experiences from the implementation of SWP. The formula uses data that is already collected and includes both credit and noncredit students. Points are assigned based on levels of education, economic status, and the time to completion.

During the past month, the dialogue included many important topics and principles:

- Measuring Transfers – Since the CSUs and UCs do not have capacity for all CC students, the revised definition includes transfer to private institutions. There is concern over the lag time in collecting data from the National Student Clearinghouse (approximately 18 months) and the lack of control CCs have in ensuring transfer. The definitions of transfer ready and transfer prepared were discussed along with the effectiveness of these measures. Points are assigned to all transfers with additional points for students who transfer within three years, since not all students are able to attend CC full time.
- Employment and Economic Mobility – Evidence has continued to demonstrate a positive correlation between the amount of education and wage increases and that students can gain wage increases even during poor economic times. In data modeling for the 17% Committee, small and rural colleges fared better when employment and earnings outcomes were included, as opposed to just enrollment and completion figures. Employment applies to every student and certificate or degree type. Combining employment with wage gains captures all types of jobs and skill building. As with transfers to private institutions, there is a lag time in collecting the data.
- Capturing Momentum Points – With the implementation of Guided Pathways, it will be important to reward colleges for retaining students along the way. The metrics for progress recognize student advancement prior to achieving completion outcomes.

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METRIC	DESCRIPTION	ASSIGNED VALUE (points)	ASSIGNED VALUE/ECONOMICALLY DISADVANTAGED* (points)
Progress students who take more units are more likely to complete	# of students who completed 12 academic credits in one year	1/2	3/4
	# of students who attained 48 noncredit contact hours in one year	1/2	3/4
Completion longer term awards yield stronger economic outcomes over time	# of students who earned a credit certificate or degree	Cert 12-18 units=1 Cert 18 to <30 units=2 Cert 30 units to associate degree=3 CCC bachelor degree=4	Cert 12-18 units=1.5 Cert 18 to <30 units=3 Cert 30 units to associate degrees =4.5 CCC bachelor degree=6
	# of students who earned a noncredit certificate	Noncredit certificate <288 hours=1 Noncredit cert 288 hours or more = 2	Noncredit cert <288 hours=1.5 Noncredit cert 288 hours or more=3
	# of students who transferred to a four-year institution	1	1.5
		2	3
	# of non-transfer students who exited college and were employed one year later	1	1.5
Earnings improved earnings that lead to living wages are evidence of economic mobility	# of non-transfer students who earned an award or were skills builders, exited college, and improved their earnings within one year	1	1.5
	# of non-transfer students who earned an award or were skills builders, existed college, and attained the regional living wage within one year	1	1.5

*To close equity gaps, 50% more points awarded to economically disadvantaged students, using the Carl D. Perkins Career and Technical Education Act definition (College Promise Grant, Pell Grant, CalWorks, WIOA, or reported as economically disadvantaged).