Update on the Student Centered Funding Formula
Objectives

• Review of the SCFF Goals and Structure
• Policy Updates
  • Data Review
  • Ongoing Policy Deliberations
    • SCFF Oversight Committee
    • Advisory Workgroup on Fiscal Affairs
    • 2019-20 Budget
• QandA
Student Centered Funding Formula

• In reforming funding for community college districts, we should aim to do the following:
  • Encourage progress toward the Vision for Success adopted by the Board of Governors.
  • Provide groups of students that have faced barriers to success with additional support to meet our goals.
  • Make resources most useful to community college districts by making them stable, predictable, and flexible.

• We want community college finance to further the activities the Chancellor’s Office is undertaking through the Guided Pathways framework.
Student Centered Funding Formula (cont.)

• The new formula calculates apportionments generally using three allocations:
  • Base Allocation—Primarily counts of (1) credit FTES, (2) credit FTES specifically of high school students, (3) credit FTES specifically of students in correctional facilities, (4) noncredit FTES, and (5) career development and college preparation FTES.
  • Supplemental Allocation—Counts of low-income students (i.e., Pell Grant recipients, California College Promise Grant recipients, and AB 540 students).
  • Student Success Allocation—Counts of outcomes related to the Vision for Success, with “premiums” for outcomes of low-income students.

• The rates are calculated to provide a transition to the new funding rates by 2020-21.
Links to Research and Planning

• Districts are required to do the following:
  • Goals—Adopt local goals aligned with the Vision for Success.
  • Comprehensive Plans—Align comprehensive plans with those goals and alignment of annual budgets with the comprehensive plans.
  • Capacity—If directed by the chancellor (with approval by the Board of Governors), use funds for technical assistance or professional development.
Chancellor’s Office Implementation

• To communicate how the implementation of the SCFF can advance the Vision for Success under the Guided Pathways framework.
• To apportion funds consistent with the related statutes.
• To align system policies and practices with these changes.
• To support community colleges in implementing these policies by providing professional development and technical assistance.
• To make decisions transparently and with advice from interested parties.
Data Review

• The Chancellor’s Office has committed significant resources aimed at improving the consistency of definitions of, and processes used for collecting, system data.

• As part of the implementation of SCFF, the Chancellor’s Office will conduct an evaluation of the “lifecycle” of SCFF data. The evaluation would look, using a sample of colleges and districts, collection, storage, and reporting processes, with the intent to:
  • Identify and common practices and articulate best practices
  • Highlight weaknesses.
  • Make recommendations for improvements.
SCFF Oversight Committee

• The legislation enacting the SCFF created an oversight committee consisting of 12 members appointed by the Senate Rules Committee, the Assembly Speaker, and the Governor.

• The committee is charged with making recommendations:
  • By January 1, 2020, on use of measures (as part of the supplemental allocation) related to a student’s status as a first-generation college student, a student’s financial need given regional considerations, and a student’s academic proficiency.
  • By June 30, 2021, on funding for noncredit courses and instructional service agreements, as well as methods by which allocations could be adjusted in a recession.
Sonya Christian, president of Bakersfield College

Bonnie Ann Dowd, executive vice chancellor of business and technology services at the San Diego Community College District

Ann-Marie Gabel, vice chancellor of business services at the South Orange County Community College District

Angélica Garcia, vice president of student services at Skyline College

Liz Guillen, director of legislative and community affairs at Public Advocates

Valerie Johnson, student at Crafton Hills College and San Bernardino Valley College and president of the Crafton Hills College student senate

John McDowell, Jr., founder of the Labor Center at Los Angeles Trade Technical College

Kindred Murillo, superintendent and president of Southwestern College

Christopher Nellum, senior director for higher education at the Education Trust-West

Manuel Payan, grounds equipment operator at San Joaquin Delta College

Michele Siqueiros, president of the Campaign for College Opportunity

Dianne Van Hook, chancellor of College of the Canyons.
Advisory Workgroup on Fiscal Affairs

• The Chancellor asked the Advisory Workgroup on Fiscal Affairs to lend expertise on the following:
  • The adoption of regulations that clarify the provisions of the related statutes.
  • The development of new reports, including apportionment reports, that reflect the formula and associated processes to collect data from districts.
  • The production of tools that would help business officials and other local leaders forecast revenues under the formula, including new multi-year planning tools.

• The committee consists of chief business officials, a chief executive officer, a chief instructional officer, a chief student services officer, and an institutional researcher.
Advisory Workgroup on Fiscal Affairs (cont.)

- The workgroup has considered issues related to the following:
  - Structural Issues:
    - Should the formula limit year-to-year growth in an allocation (i.e. student success allocation)?
  - Base Allocation:
    - How should the three-year average of credit fulltime equivalent students be calculated?
  - Supplemental Allocation:
    - How should the formula count Pell Grant recipients who attend multiple colleges within the same district?
Advisory Workgroup on Fiscal Affairs
(cont.)

• Student Success Allocation:
  • How should the formula account for students who earn more than one award (i.e.,
    ADT, associate degree, baccalaureate degree, credit certificate) in a given year?
  • To which district or districts should the outcomes of successful transfer and
    attainment of a regional living wage be attributed?
  • How might the formula consider students who complete transfer-level
    mathematics in one district and transfer-level English in a different district?
  • What is an appropriate timeframe for completion of these transfer-level courses?
  • How might the formula consider students who complete nine or more CTE units,
    but do not complete nine or more CTE units in a single district?
  • Should the formula expect that students complete nine or more CTE units in a
    single pathway (or other similar set of courses)?
Advisory Workgroup on Fiscal Affairs (cont.)

• Student Success Allocation:
  • Are there other types of outcomes related to workforce mission of the California Community Colleges (such as “journeyperson status” or other outcomes related to apprenticeship) that might be considered as part of the student success allocation?
  • What is the appropriate timeline for making the determinations of whether an individual has attained a regional living wage?
  • How should regions be determined?
Updates on Budget Deliberations

• The Governor’s Budget reflects certain items related to the SCFF:
  • It acknowledges higher costs for the SCFF (compared to the budget), but it does not adjust the appropriations to support those higher costs.
  • The Department of Finance indicates that one proposal included in the Governor’s Budget—the amendment to the definition of successful transfer to a four-year university—would take effect for 2018-19.
  • The Proposition 98 minimum guarantee is funded by state General Fund and local property taxes. When property taxes decline, General Fund is adjusted. In recent years, Finance has proposed adjustments to backfill the general apportionment.

• In managing the general apportionment within the available appropriations, the Chancellor’s Office would expect to apportion to districts (in 2018-19) at least their 2017-18 revenues, adjusted by the 2018-19 COLA.
Resources

• Through Guided Pathways, the Chancellor’s Office is supporting districts in making changes to improve student success—including through an SCFF community in the new Vision Research Center.
  • https://visionresourcecenter.cccco.edu/

• The Fiscal Crisis and Management Assistance Team has produced an SCFF Calculator to support better multi-year planning.
  • http://fcmat.org/student-centered-funding-formula/

• Updates are posted regular at the Chancellor’s Office’s SCFF website:
  • http://extranet.cccco.edu/Divisions/FinanceFacilities/StudentCenteredFundingFormula.aspx