

Student Success Update and Budget Principles

ACBO Spring 2011

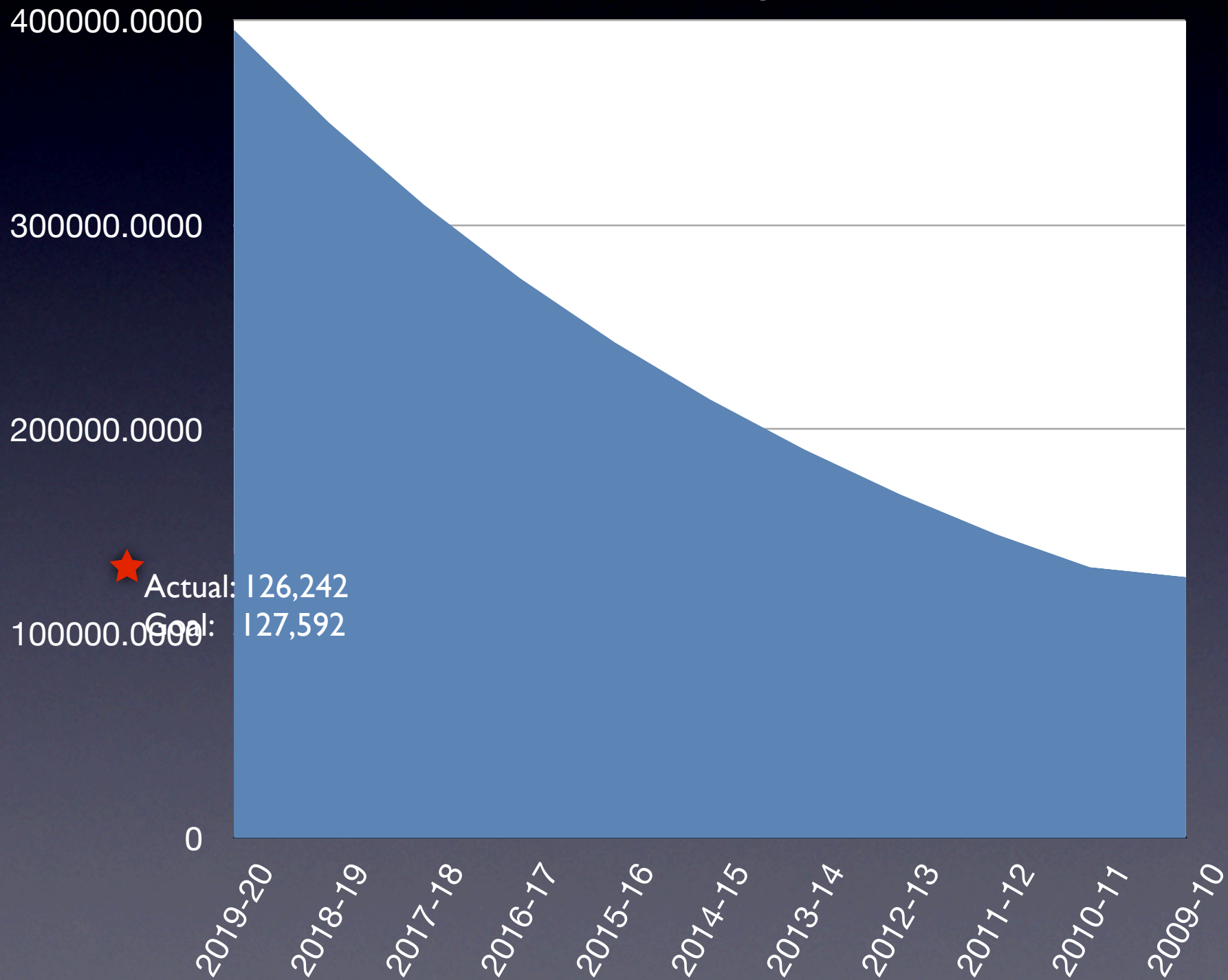
Student Success Efforts

- *A 2020 Vision for Student Success*
- SB 1143 Task Force
- Little Hoover Commission
- Legislation

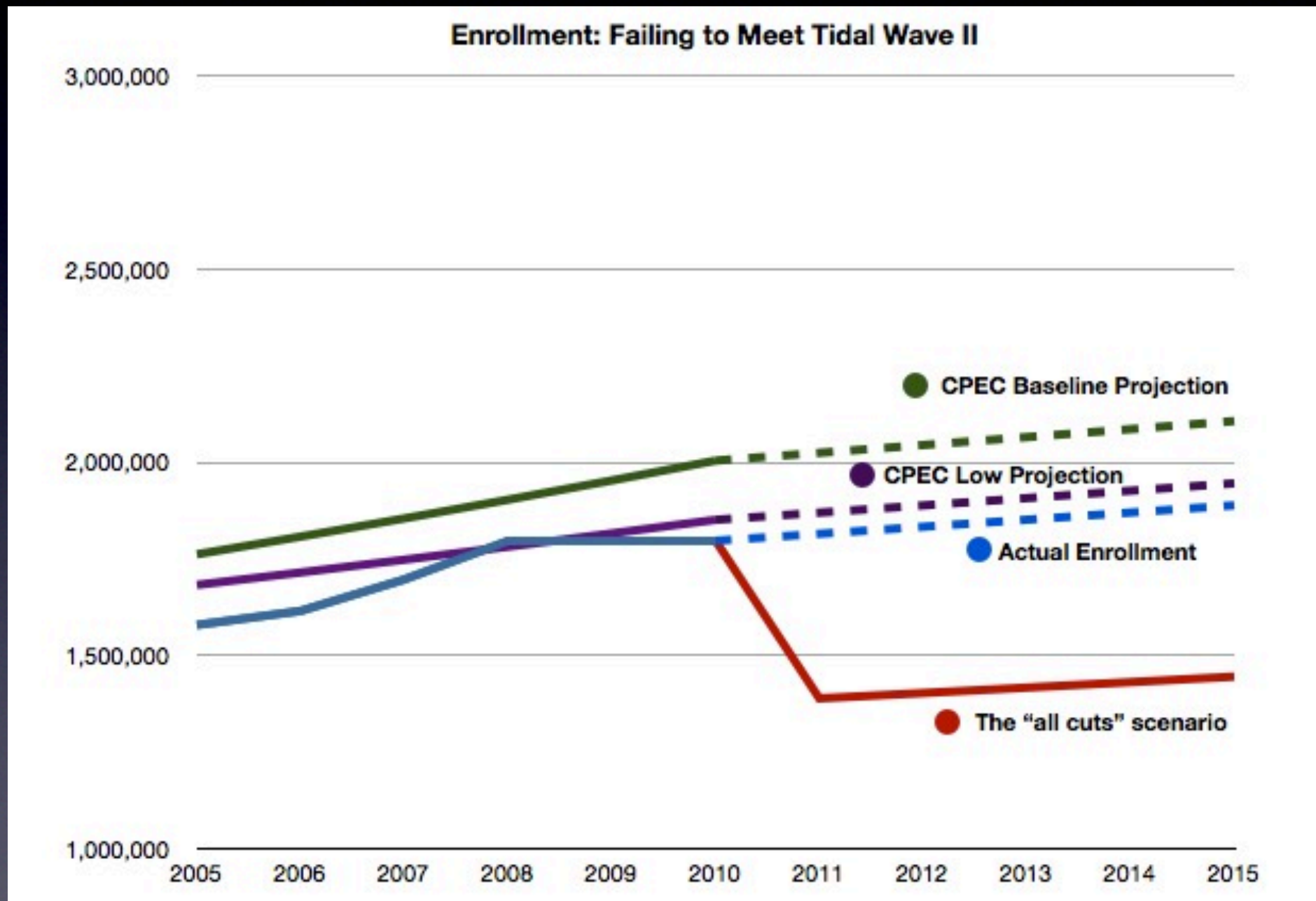
Completions Update

		<u>2008-09</u>	<u>2009-10</u>
Transfers	UC: CSU ISP: OOS:	14,056 49,770 19,827 15,927	14,702 37,674 23,584 17,025
AA/AS Degrees [Voc AA/AS]		84,618 [25,529]	85,040 [27,151]
Certificates		39,271	36,596
Transfer+Voc Completions		164,637	156,732

The Goal: By 2020, increase degrees and certificates by 1 million while eliminating the achievement and participation gaps.



Enrollment



Rationing

Moving from “how many”
to “who” and “how.”

Defining Access: Mission Review

(a) (1) The California Community Colleges shall, as a primary mission, offer academic and vocational instruction at the lower division level for both younger and older students, including those persons returning to school. Public community colleges shall offer instruction through but not beyond the second year of college. These institutions may grant the associate in arts and the associate in science degree.

(2) In addition to the primary mission of academic and vocational instruction, the community colleges shall offer instruction and courses to achieve all of the following:

(A) The provision of remedial instruction for those in need of it and, in conjunction with the school districts, instruction in English as a second language, adult noncredit instruction, and support services which help students succeed at the postsecondary level are reaffirmed and supported as essential and important functions of the community colleges.

(B) The provision of adult noncredit education curricula in areas defined as being in the state's interest is an essential and important function of the community colleges.

(C) The provision of community services courses and programs is an authorized function of the community colleges so long as their provision is compatible with an institution's ability to meet its obligations in its primary missions.

(3) A primary mission of the California Community Colleges is to advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous work force improvement.

(4) The community colleges may conduct to the extent that state funding is provided, institutional research concerning student learning and retention as is needed to facilitate their educational missions.

Academic and vocational instruction

Remedial, noncredit and support

Noncredit in the “state’s interest”

Community service

“Continuous workforce improvement”

Budget outlook and principles

Assumptions

- 2011-12: Average of five possible outcomes
- Out-years: Legislative Analyst's Office
 - modest recovery
 - low inflation
 - maintenance factor repayment
- Fee revenues at \$36/unit.
- No projected categorical restoration.

Revenues

(in millions)	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<u>Revenues</u>						
Prop. 98 Base		\$5,777	\$5,101	\$5,402	\$5,673	\$5,968
Optimistic Case		-\$362	\$323	\$286	\$312	\$328
Pessimistic Case		-\$1,085	\$286	\$249	\$272	\$286
<i>Average Scenario</i>		-\$676	\$301	\$271	\$295	\$311
Prop. 98		\$5,101	\$5,402	\$5,673	\$5,968	\$6,279
Fee Revenue	\$320	\$430	\$439	\$448	\$457	\$466
Total State-Determined Revenues		\$5,531	\$5,841	\$6,121	\$6,425	\$6,745

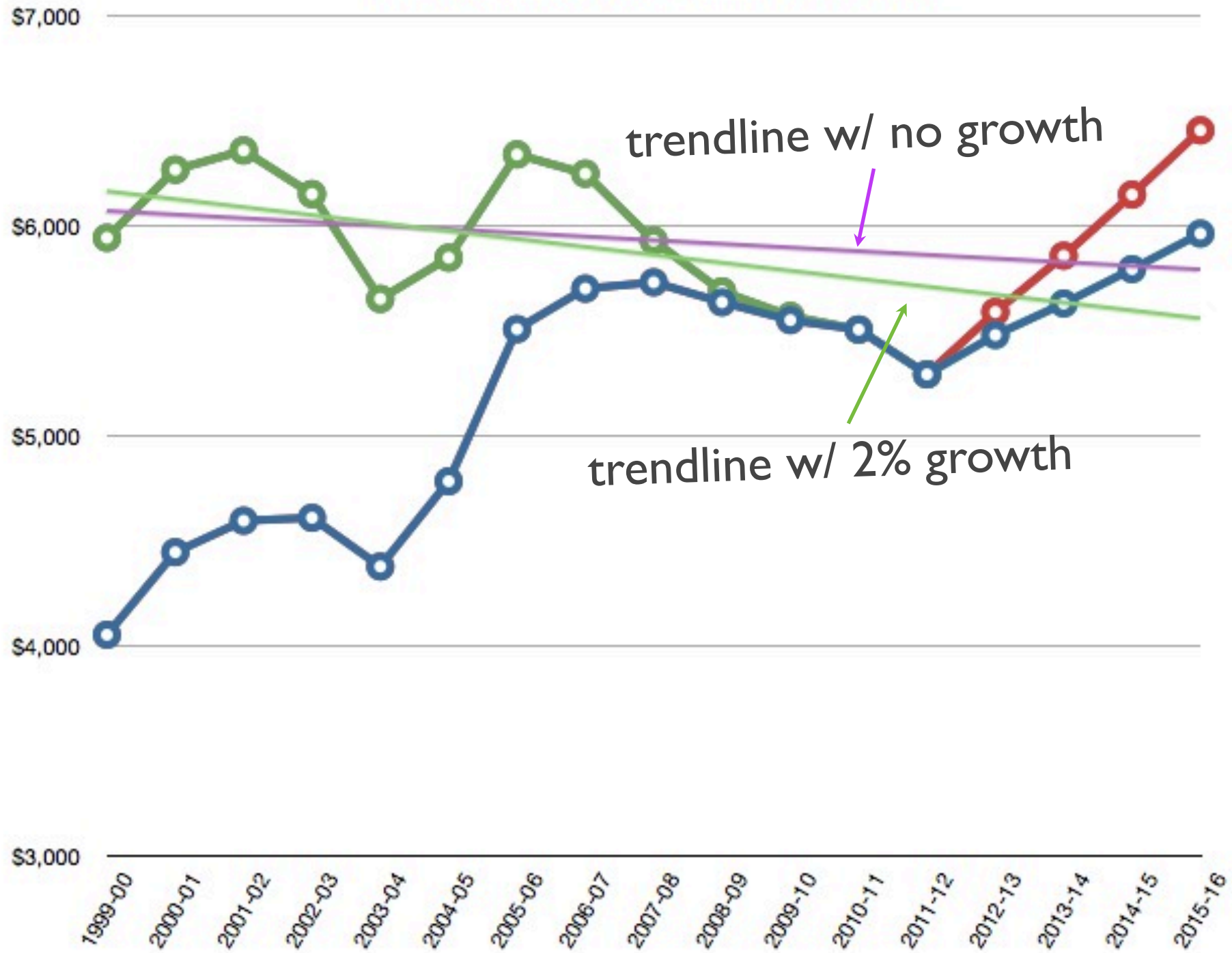
Expenditures

	2011-12	2012-13	2013-14	2014-15	2015-16
Base	\$5,827	\$5,151	\$5,324	\$5,526	\$5,763
COLA		\$69	\$94	\$123	\$137
2% Growth	-\$676	\$104	\$108	\$113	\$118
Categoricals	\$416	\$416	\$416	\$416	\$416
Total Expenditures	\$5,567	\$5,740	\$5,942	\$6,179	\$6,433
New Investment Funds beyond COLA & 2% Growth	-\$36	\$101	\$179	\$246	\$312

Funding pressures

- State:
 - Enrollment restoration and growth
 - COLA (missed and future)
 - Categorical restoration
 - Student success incentives
 - “Payoff” of deferrals (\$961 million)
- Local:
 - Pension reform
 - Health premium increases
 - Retiree health benefits

Funding per Student w/ and w/o 2% of Growth



Political Dynamics

- Possibility of 2/3 majorities for Democrats after redistricting and 2012 elections.
- Labor is going to look for wins for its members.
- Legislative support for 50% Law is bipartisan and particularly strong now.
- Fall 2013 is likely when the BOG stops suspending the Faculty Obligation Number and districts will emerge from “tunnel”
- There will be tensions between districts who want growth and those that want categorical restoration, particularly because of the 50% Law.

Budget Priorities and Student Success

- As new Proposition 98 funding is restored over the next five years, funding above cost-of-living adjustment should be **balanced between enrollment and categorical program restoration.**
- An **additive, categorical incentive funding system**, as called for in the *A 2020 Vision for Student Success* report, should be implemented, but only supplementary to COLA, enrollment restoration and

Fees and Financial Aid

- Fees should be adjusted annually at the rate of change in per capita personal income, with the funds used to restore enrollment access and student success support programs.
- Satisfactory academic progress and FAFSA should be required for a BOG waiver.
- Task force to evaluate BOG Waiver and fee policy.
- With reasonable limitations, districts should be able to offer credit for courses offered as extension courses (AB 515).

Enrollment prioritization

- The Chancellor's Office should develop guidelines or a **framework for establishing enrollment priorities** at the local colleges. It should be general, and result in guidelines, rather than hard-and-fast rules. (Concomitantly, the Legislature should not be mandating enrollment priorities.)
- Districts should use the system guidelines and **state should report progress on a district basis.**
- **Stabilization** should be provided for dramatic policy changes.
- **Differential fees and funding** should be examined.

Consolidation/Coordination

- The state should not force community college districts to consolidate, although **barriers to consolidation should be removed** and incentives to consolidate should be considered.
- **Services that can be operated on a statewide or regional basis** to yield cost savings, such as data centers, should be **expanded**, on a voluntary basis.

Regulatory Relief

- **March 15: 60-day window** post-budget and permanent change to “180-day” notice
- Penalties under the **Fifty Percent Law should be suspended** until funding restored.
- The **Faculty Obligation Number should be rebench**ed to accommodate the true lost funding (deficit factor), and not just workload reduction. “High FON” districts should be reduced by an additional factor.
- Review categorical mandates
- Field Act reform