

The background of the slide is a dense field of 3D-rendered numbers in various shades of blue and white. The numbers are of different sizes and are scattered across the entire frame, creating a sense of depth and complexity. Some numbers are in the foreground, appearing larger and more detailed, while others are in the background, appearing smaller and more faded. The overall effect is a dynamic and abstract representation of data or mathematics.

OVERVIEW OF APPORTIONMENT

SPRING 2022

ACBO INSTITUTE I

HOW ARE DISTRICTS FUNDED?



- ◆ **Proposition 98**

- ◆ Property Taxes

- ◆ State General Fund

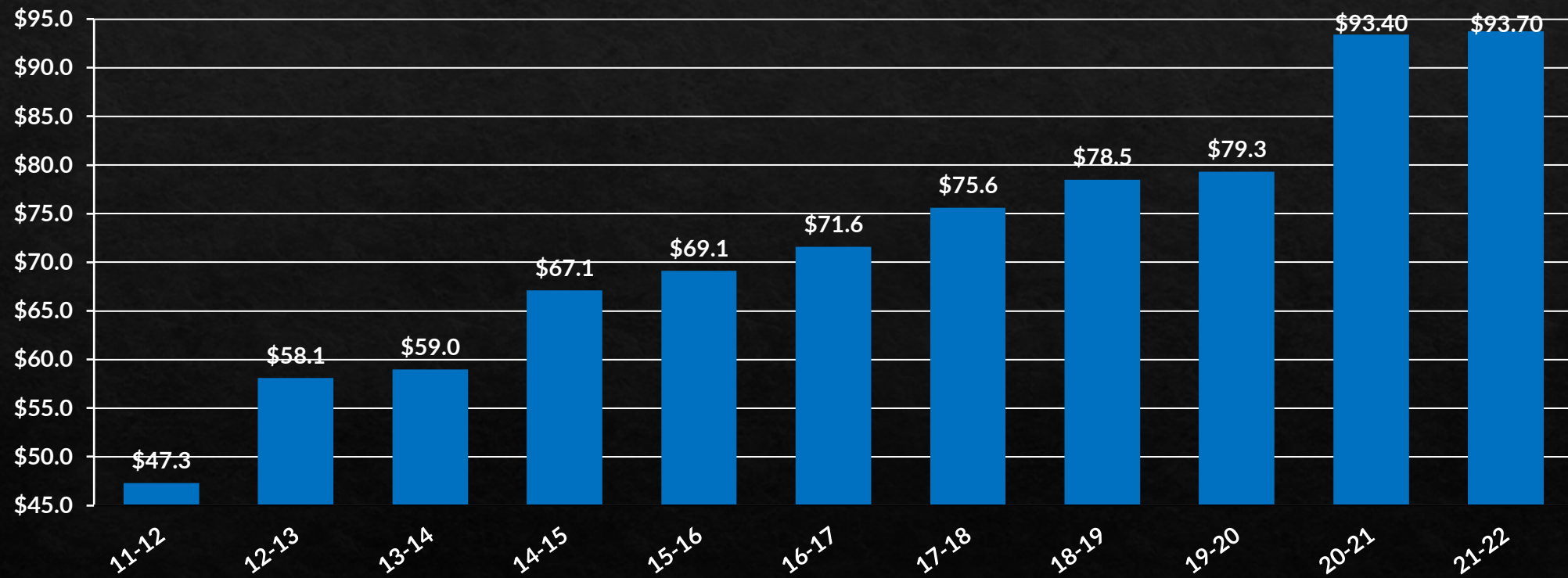
- ◆ **Local Funding**

- ◆ Non-apportionment Revenues

- ◆ Parcel Tax

- ◆ **Community Supported Districts**

Proposition 98



Community Colleges will receive 10.93% of total Prop 98 Funding

Twenty Year Historical Snapshot of Funding California Community Colleges

- ◆ SB 361 Community College Funding was approved by the Governor effective October 1, 2006. The model included base allocations based upon the number of FTES served for credit FTES, regular noncredit FTES and enhanced non-credit (CDCP) FTES funded at an equalized rate.
- ◆ The “Equalization” funding model replaced the Program-based funding model, which had been implemented in FY 1991-92.
- ◆ ADA (average daily attendance) was no longer used to fund community colleges and was replaced with full-time equivalent students (FTES), headcount, and square footage being used as workload measures for funding community colleges.
- ◆ The new Student-Centered Funding Formula (SCFF) methodology that went into effect as of July 1, 2019 requires a major paradigm shift at all colleges away from an apportionment funding model (SB 361 Equalization) that was used for over a decade to fund non-basic aid/community supported districts.
- ◆ The SCFF shifts focus of funding from enrollment to both enrollment and performance (outcomes) funding model with a focus on equity.

Student-Centered Funding Formula (SCFF) Effective as of July 1, 2018

- ◆ Districts will be “held harmless” (stability) during the three-year transition period to SCFF and will be guaranteed the greater of 2017-2018 “total computational revenue” apportionment funding plus annual COLAs or SCFF, whichever is greater.
- ◆ The 2018-19 State Budget trailer bill included the creation of a “Community College Student Success Funding Formula Oversight Committee” consisting of 12 members, with the Senate Rules Committee, the Assembly and the Governor each appointing four of the members.
- ◆ Districts will be required to submit to the State Chancellor’s Office annual reports on their expenditures from “Student Equity and Achievement (SEA) Program” funds, which the State Chancellor will then be required to submit to the Legislature and the Department of Finance. Legislature’s intent is that program focus is on closing achievement gaps.

Student-Centered Funding Formula (SCFF) Effective as of July 1, 2018

- ◆ **SCFF funding methodology is based upon three components:**
 - ◆ **Base Allocation** – Enrollments for credit FTES based on a three-year average FTES. Credit FTES is funded at \$3,727 per FTES.
 - ◆ **Supplemental Allocation** – based on counts of low-income students.
 - ◆ **Student Success Allocation** – based on counts of outcomes related to the *Vision for Success*, with “premiums” for outcomes of low-income students.
- ◆ **Base Allocation** – continues to fund FTES in 2018-2019 based upon enrollment access and other factors defined in SB 361 model; however, only for 70% of a district’s funding in 2018-2019.
 - ◆ 65% as of 2019-2020 (Governor Newsom’s Budget proposal postpones by one year)
 - ◆ 60% in 2020-2021
- ◆ **Non-Credit and Concurrent Enrollment** continue to be funded outside of SCFF with:
 - ◆ CDCP non-credit and Concurrent Enrollment FTES funded at \$5,457
 - ◆ Non-credit at \$3,347 per FTES

Student-Centered Funding Formula

Funding Rates (2018-19 implementation year)

- ◆ Credit – \$3,727/FTES
- ◆ Regular Non-Credit – \$3,347/FTES
- ◆ CDCP Non-Credit – \$5,457/FTES
- ◆ Concurrent Enrollment – \$5,457/FTES
- ◆ Supplemental – \$919/count
(2016-2017 Count: 50,161)
- ◆ Student Success – Varies

Impact: Shifts focus of funding from enrollment to both enrollment and student success.

Student-Centered Funding Formula

Old Formula

- ◇ One (1) Credit FTES = \$5,100

New Formula

- ◇ One (1) Credit FTES = \$3,727 per FTES
- ◇ *Plus* = \$919 CCPG/Pell (supplemental)
- ◇ *Plus*^{*} = Student Success Funding

*Allocation points varies per metric

Student Funding Examples

Student A – Funding: \$3,909	
Pell	To \$996
CCPG (BOGW)	\$996
Completed transfer-level English and math 1 st year	\$1,174 + \$445 + \$296
Total for Supplemental and Success	\$3,909
Student B – Funding: \$3,829	
No Pell	---
No CCPG (BOGW)	---
Earned ADT degree	\$2,348 + \$889 + \$592
Total for Supplemental and Success	\$3,829
Student C – Funding: \$4,864	
Pell	\$996
CCPG (BOGW)	\$996
Earned an Associate Degree	\$1,761 + \$667 + \$444
Total for Supplemental and Success	\$4,864

Student-Centered Funding Formula (SCFF)

2018-2019 Methodology and Funding Distribution (implementation year)

- ◇ Enrollment / Credit FTES: 70%
 - ◇ 3 Year Average
 - ◇ 2016-2017 Actuals
 - ◇ 2017-2018 Actuals
 - ◇ 2018-2019 Targets
- ◇ Supplemental (Pell, CCPG/BOGW, AB 540): 20%
- ◇ Student Success Metrics: 10%

Note: Student Success rate was to increase to 15% as of FY 2019-20 with FTES decreasing to 65%; however, Governor Newsom has decided to “pause” the rate change for one year.

HOW DO WE CALCULATE APPORTIONMENT FUNDING FOR COMMUNITY COLLEGE DISTRICTS?



SB 361

Enrollment

Number and Size of Colleges and Centers

Rural Areas

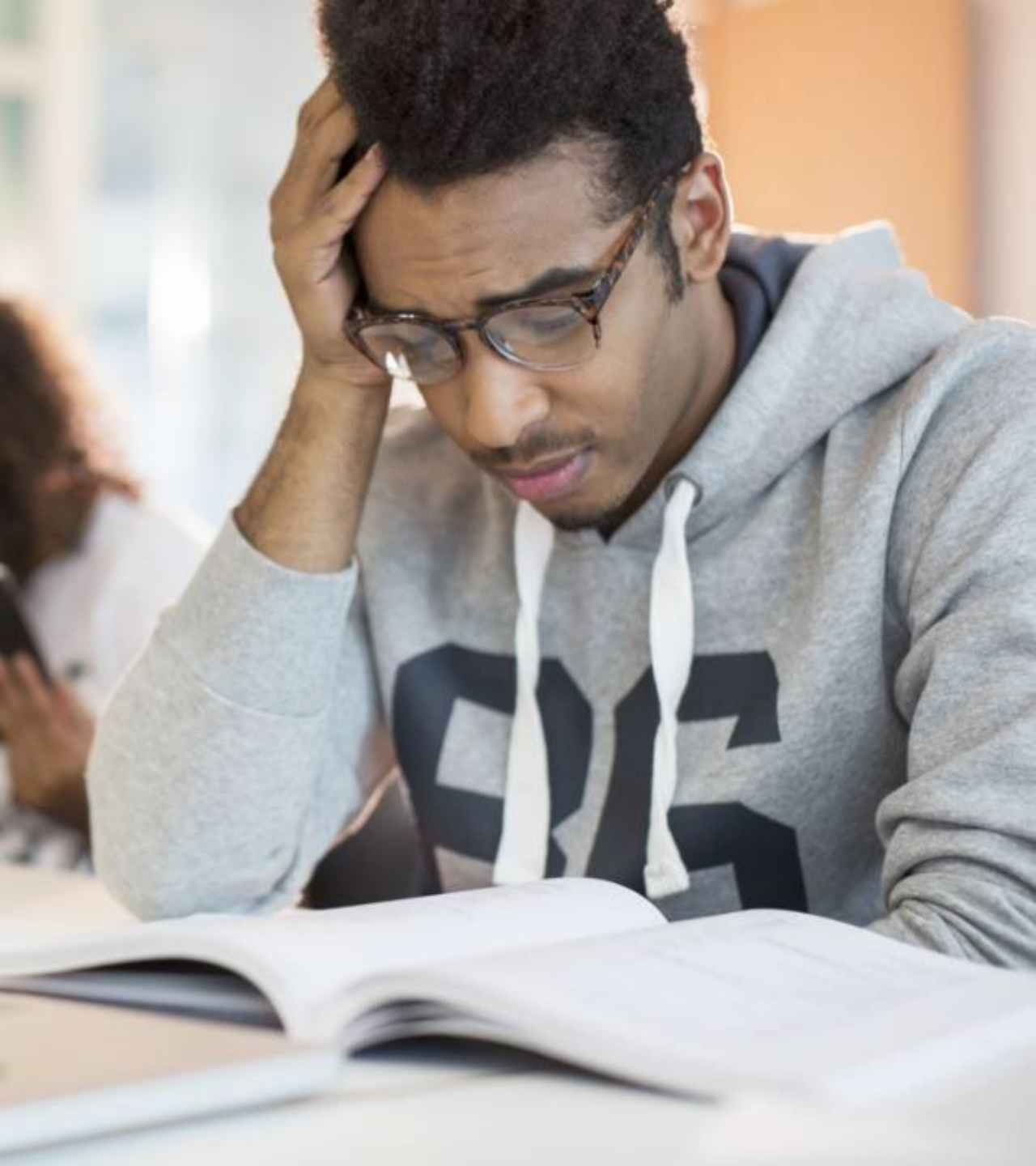


SCFF

Base Allocation

Supplemental Allocation

Success Allocation



WHAT IS A FTES?

In simple terms, one student taking 15 units per term or 30 units per year

OR

Five students each taking one 3 unit class per term

OR

A combination of students adding to 15 units per term



SB 361

$$\diamond TCR = \textit{Basic} + \sum \textit{FTES} \times \textit{rate} + \textit{RGCS}$$

- **TCR** – total Computational Revenue
- **Basic** – number, size of colleges and centers, and location
- **FTES** – full time equivalent students (credit, noncredit, and dual enrollment)
- **RGCS** - restoration, growth, COLA, and/or stability protection funding



STUDENT CENTERED FUNDING FORMULA*

$$\diamond SCFF = 70\% \text{ *Base* } + 20\% \text{ *Supplemental* } + 10\% \text{ *Success* }$$

- **Base** – carried over from SB361 (enrollment metric)
- **Supplemental** – headcount of low-income students (equity metric)
- **Success** – headcount of students completing (success metrics)

Original legislation for SCFF - Over time, the 70%-20%-10% breakdown will become 60%-20%-20%.

BASE ALLOCATION

$$\diamond \text{ *Base Allocation* = Average } \sum \text{ *Credit FTES* } \times \text{ *rate* } + \\ \sum \text{ *Dual Enrollment FTES* } \times \text{ *rate* } + \sum \text{ *Noncredit FTES* } \times \text{ *rate* } + \\ \sum \text{ *CDCP FTES* } \times \text{ *rate* } + \sum \text{ *Incarcerated Students FTES* } \times \text{ *rate* } + \\ \text{ *Basic Allocation* }$$

- **Credit FTES** – average credit FTES for current year, prior year, and prior prior year
- **Dual Enrollment FTES, Noncredit FTES, Incarcerated FTES, CDCP FTES** – current year FTES

SUPPLEMENTAL ALLOCATION

$$\diamond \textit{Supplemental Allocation} = \sum \textit{Pell Students} \times \textit{rate} + \sum \textit{CA Promise Grant Students} \times \textit{rate} + \sum \textit{AB 540 Students} \times \textit{rate}$$

- Pell, Promise, and AB540 student head count – prior year and no limit

FY 2021-22 BASIC ALLOCATION RATES

Metric	Rate
Credit FTES	\$ 4,212
Special Admits/ISA FTES	\$ 5,907
Noncredit CDCP FTES	\$ 5,907
Noncredit FTES	\$ 3,552

FY 2021-22 SUPPLEMENTAL ALLOCATION RATES

Metric	Rate
Pell Grant Recipient	\$ 996
CA Promise Grant Recipient	\$ 996
AB 540 Student	\$ 996

SUCCESS ALLOCATION

◆ *Success Allocation* =
Success Metrics (All Students) +
Success Metrics (Pell Students) +
Success Metrics (CA Promise Students)

- **Success Metrics** – based on headcount average from the last three years (prior year, prior-prior year, and prior-prior-prior year); only counts the highest degree earned in that year (baccalaureate, ADT, AA/AS, certificates)

SUCCESS METRICS

Baccalaureate Degrees

Associate Degree for Transfers

Associate Degree

Certificates

9+ units of CTE

Transfer to 4-yr. institutions

College level Math and English
Completion

Regional Living Wage

FY 2021-22 SUCCESS ALLOCATION RATES

Metric	All Students	Pell Students	Promise Students
Associate Degree for Transfer	\$ 2,348	\$ 889	\$ 592
Bachelor's Degree	\$ 1,761	\$ 667	\$ 444
Associate of Arts/Science Degree	\$ 1,761	\$ 667	\$ 444
Credit Certificates (≥ 16 units)	\$ 1,174	\$ 445	\$ 296
Transfer-level Math & English Completion	\$ 1,174	\$ 445	\$ 296
Transfer to 4-year Institution	\$ 881	\$ 333	\$ 222
Completed 9 or more CTE units	\$ 587	\$ 222	\$ 148
Attainment of Regional Living Wage	\$ 587	\$ 222	\$ 148

ADDITIONAL PROVISIONS RELATED TO CA COMMUNITY COLLEGES APPORTIONMENT FUNDING

Hold Harmless – protects the district apportionment funding during the transition from SB 361 to SCFF by using 2017-18 TCR + compounded COLA until hold harmless expires. (Note: original legislation had hold harmless only thru 2020-21; it has been extended to 2024-25)

Emergency Conditions – protects funding for districts due to unforeseen events using prior year TCR + COLA (Note: used during COVID-19 pandemic.)

Community Supported Districts (aka “Basic Aid Districts)– Funding is through property tax and SCFF doesn’t apply.