



Student-Centered Funding Formula & Other State Initiatives

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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

2018-2019 Methodology and Funding Distribution

- 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.



Student-Centered Funding Formula

Funding Rates

- 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 Success Metrics

Based upon prior year data:

Metric	Funding Per
Associate degrees	\$1,320
Bachelor degrees	\$1,320
ADT degrees	\$1,760
Certificates of Achievement	\$880
9+ CTE units	\$440
Transfer	\$660
Completion of transfer-level English and math in student's first year	\$880
Regional living wage	\$440

Note: Counts are by award, not student



Additional Funding to Achieve Equity

Two metrics:

- Pell Grant Students
- California College Promise Grant (CCPG) Students

FUNDING PER AWARD		
	Pell Grant	CCPG
Associate degrees	\$500	\$333
ADT degrees	\$666	\$444
Certificates of Achievement	\$333	\$220
9+ CTE Units	\$167	\$111
Transfer	\$250	\$164
Completion of transfer-level English & math in student's first year	\$333	\$220
Regional Living Wage	\$167	\$111



Student Examples

Student A – Funding: \$9,467	
Pell	\$1332
CCPG (BOGW)	\$888
Completed transfer-level English and math in first year	\$880
Earned Certificate of Achievement	\$880
Earned ADT degree	\$1,760
Student B – Funding: \$7,247	
No Pell	---
No CCPG (BOGW)	---
Completed transfer-level English and math in first year	\$880
Earned Certificate of Achievement	\$880
Earned ADT degree	\$1,760
Did not transfer	---
Student C – Funding: \$8,597	
Pell	\$1,332
CCPG (BOGW)	\$888
Earned Two Associate Degrees	\$2,640

- Assumes each student equals one (1) FTES



Student Examples

Student D – Funding: \$5,051	
CCPG (BOGW)	\$444
Earned Certificate of Achievement	\$1,320
Student E – Funding: \$3,727	---
No Financial Aid	
No Student Success Metrics	
Student F – Funding: \$5,457	---
Concurrently Enrolled	
Student G – Funding: \$5,457	---
CDCP Noncredit	
Student H – Funding: \$3,727	---
Regular Noncredit	



SCFF Concerns & Challenges

- What happens if all colleges significantly increase number of student receiving financial aid awards?
- What happens if student outcomes significantly improve?
- How will bad economic times impact SCFF?
- CDCP and regular Non-credit FTES are being funded outside of SCFF. If brought in under the SCFF model, how will Supplemental outcomes be addressed given that non-credit students do not need financial aid because non-credit is free.
- Will the state have sufficient funding to fully fund all college outcomes (supplemental and success)?