

Chancellor's Office

Overview of the Student Centered Funding Formula



Milestone



“...California’s state leaders have truly delivered on a promise to put students first and set an example for the rest of the nation by adopting a new funding formula that incentivizes student success...”



–Chancellor Eloy Ortiz Oakley

Current Challenges

- While the system has made significant strides in improving student success, serious challenges remain.
 - Most students who enter a community college never complete a degree or certificate or transfer.
 - Students who do reach an educational goal take a long time to do so.
 - Achievement gaps persist (across student groups and across regions).
- Discussions about a new funding formula began more than a year ago, given concerns among system stakeholders that enrollment—the traditional driver of funding—has been stagnant in many districts.

Principles for Reform

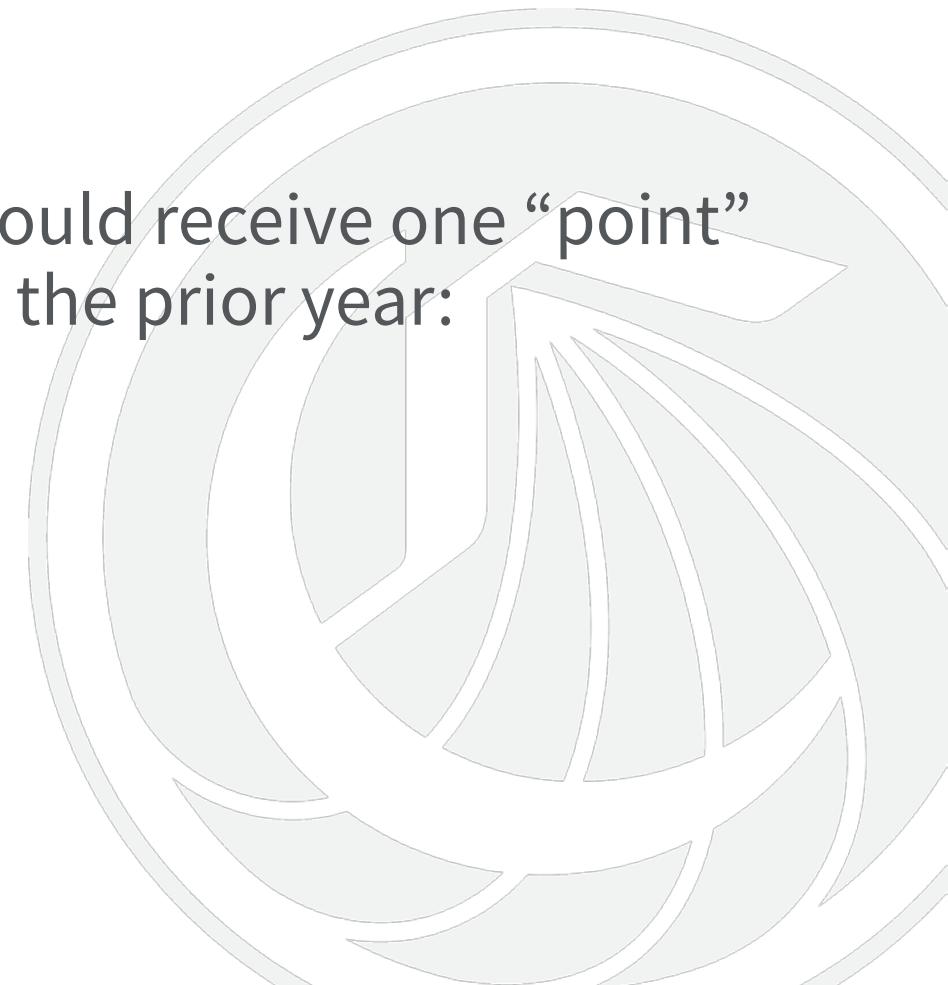
- In reforming funding for community college districts, we aim to do the following:
 - Encourage progress toward the *Vision for Success* adopted by the Board of Governors.
 - Provide groups of students that have faced barriers to success with additional support to meet our goals.
 - Make resources most 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

- The new formula calculates apportionments generally using three allocations:
 - *Base Allocation*—Current factors (primarily credit FTES).
 - *Supplemental Allocation*—Counts of low-income students.
 - *Student Success Allocation*—Counts of outcomes related to the *Vision for Success*, with “premiums” for outcomes of low-income students.
- Noncredit FTES (and some other FTES) would be funded at current rates.
- The rates are calculated to provide a three-year transition.

Supplemental Allocation

- For the supplemental allocation, a district would receive one “point” based on the counts of all of the following in the prior year:
 - Pell Grant recipients.
 - California College Promise Grant recipients.
 - AB 540 students.



Student Success Allocation

Student Success Allocation—Measures	All Students	Promise Grant Premium	Pell Grant Premium
Associate degrees for transfer granted	4	4	6
Associate degrees granted (excluding ADTs)	3	3	4.5
Baccalaureate degree granted	3	3	4.5
Credit certificates (16 units or more) granted	2	2	3
Completion of transfer-level mathematics and English courses within first academic year of enrollment	2	2	3
Successful transfer to four-year university	1.5	1.5	2.25
Completion of nine or more CTE units	1	1	1.5
Attainment of regional living wage	1	1	1.5

Point Values

	2018-19	2019-20 ^{/1}	2020-21 ^{/1}
Base Allocation			
Dollars per Credit FTES	\$3,727	\$3,387	\$3,046
Basic Allocation	See Note	See Note	See Note
Supplemental Allocation—Dollars per Point	\$919	\$919	\$919
Student Success Allocation - Dollars per Point	\$440	\$660	\$880
Student Success Equity Allocation—Dollars per Point	\$111	\$167	\$222

^{1/} These totals will also be adjusted by the changes in the cost-of-living in those years.

Note: These amounts will be calculated based on the numbers of colleges and comprehensive centers consistent with the current formula.

Implementation

- In 2018-19, 2019-20, and 2020-21, a district would receive the greater of the formula total or the amount the district received in 2017-18, adjusted by the changes in the cost-of-living.
- The formula includes a “stability” provision that delays any decreases in revenues by one year.
- Further, the bill would require the following of districts:
 - *Goals*—Adoption, by January 1, 2019, of goals that are aligned with the Vision for Success.
 - *Comprehensive Plans*—Alignment of 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 of funds for technical assistance or professional development.

Implementation Team



- Board of Governors
- Legislature
- Governor
- Oversight Committee
- Advisory Groups



Work Streams

Enactment of
Systemwide
Policies

Apportionments

Alignment of
District Plans and
Budgets with *Vision
for Success*

Alignment Across
State Categorical
Programs

Curriculum Review

Professional
Development

Data Systems

Capacity of
Chancellor's Office

Engagement with
System
Stakeholders

Evaluation

More Information

To receive responses to questions or to provide comments on implementation, please email SCFF@cccco.edu.

To Chancellor's Office will post updates, including responses to frequently asked questions, at <http://extranet.ccccco.edu/Divisions/FinanceFacilities/StudentCenteredFundingFormula.aspx>.