

1. Review of Existing Allocation Model

- Overview
- Discussion of Strengths and Opportunities for Improvement

2. Review of SCFF

- Recent Legislative Changes/Current Metrics/Unknown Future
- SCFF Oversight Committee
- Selected Agendas
 - San Diego CCD
 - Bay Area 15 (Regions 3 & 5) + Solano CCD
 - Other
- CW/P White Paper for VCCCD
- FCMAT Calculator
- Discussion of Integrated Collaborative Alignment at VCCCD

3. SCFF Allocation Model Implementation and Discussion of Selected CCD Efforts

- Overview of Statewide Implementation at Multi-College Districts
- North Orange CCD
- Riverside CCD
- Chabot Las Positas CCD

4. Discussion of Allocation Model Components, Related Tasks/Next Steps and Timeline Updates

Allocation Model [Committee] Philosophy Statement

- Discuss/Review/Update

Revenue

- Look at all 111, 113, 114 revenue
- What revenue streams should be allocated in new model
- How to handle CCCC revised estimates (P1, P2, Recalc)
- Review how revenue is currently allocated

College Allocations

- How closely do we want to model the SCFF? Do we use three-year averages? Non-credit FTES?
- How do we handle duplicates in SCFF measures?

Districtwide Support

- How to fund DWS? Utilities? DAC?
- Where will \$500,000 shortfall for police services come from; renegotiate districtwide services?

Year-end balances

- How shall we handle carryover?

Other

- Districtwide reserves?
- Special projects?
- Innovation?
- Borrowing?

SCFF Oversight Committee

Meetings of SCFF Subcommittees (Virtual)

Subcommittee No. 1: First Generation/Low Income students

The subcommittee will focus on the following elements and their inclusion in the supplemental allocation of the SCFF including a proposed implementation plan:

- First-generation college students, including a timeline for data collection and incorporation into the funding formula by no later than the 2022–23 fiscal year.
- The definition of a low-income student and whether to adjust the point system to better reflect low-income students in regions of the state with a high cost of living.

Members of Subcommittee No. 1

- Ann-Marie Gabel – Vice Chancellor of Business Services, South Orange County Community College District
- Liz Guillen – Director of Legislative and Community Affairs, Public Advocate, Inc. (Subcommittee No. 1 Chair)
- Valerie Johnson – President of the Crafton Hills College Student Senate, Crafton Hills College
- John McDowell – Adjunct Professor of Labor Studies, Los Angeles Trade Technical College
- Michele Siqueiros – President, Campaign for College Opportunity
- Dianne Van Hook – Chancellor, College of the Canyons

Subcommittee No. 2: Level of Academic Proficiency

The subcommittee will focus on the following elements and their inclusion in the supplemental allocation of the SCFF including a proposed implementation plan:

- Incoming students' level of academic proficiency, which may include, but is not limited to, measures such as performance on a nationally recognized high school assessment, high school coursework, high school grades or grade point average, or achievement of a high school diploma.

Members of Subcommittee No. 2:

- Sonya Christian – President, Bakersfield College
- Bonnie Ann Dowd – Executive Vice Chancellor of Business and Technology Services, San Diego Community College District
- Angélica Garcia – Vice President of Student Services, Skyline College (Subcommittee No. 2 Chair)
- Kindred Murillo – Superintendent/President, Southwestern College
- Christopher Nellum – Sr. Director for Higher Education, Education Trust – West
- Manuel S. Payan – Grounds/Equipment Operator, San Joaquin Delta College

following similar practices as we work to ensure that the District remains fiscally sound and able to meet all of its operational short-term and long-term obligations.

I am pleased with what has been accomplished thus far throughout the District in response to how the District operates under the new Student Centered Funding Formula while continuing to respond to community needs. I am pleased that the governor and state legislators continue to recognize the importance of community colleges to our state's economic well-being. It is also encouraging to see the state's economy continue to improve. Therefore, I am pleased to recommend the approval of the 2019-20 Adopted Budget for the San Diego Community College District. The budget, presented for your consideration, ensures that the District will continue to meet its financial obligations, continue to serve as many students as possible, and continue to remain fiscally solvent and viable.

During 2019-20, we plan to seek legislative support for two important goals: changing the Student Centered Funding Formula to increase the emphasis on enrollment/FTES; and mitigating the severe financial impact of the increases in the employer contribution to the retirement systems CalSTRS and CalPERS.

I also wish to take this opportunity to express my appreciation to all whose collaboration and input have resulted in a budget characterized by both accountability and a positive investment in the quality and availability of programs and services to the students and the community of San Diego.

Constance M. Carroll, Ph.D.
Chancellor

STUDENT CENTERED FUNDING FORMULA (SCFF) IMPACTS EQUITY IN THE SAN FRANCISCO BAY AREA (WHITE PAPER - ANALYSIS)



**CHABOT
LAS POSITAS**
COMMUNITY COLLEGE DISTRICT

On behalf of the 15 California community college districts in the San Francisco Bay Area Regions 3 and 4, and the 450,000 students that rely on these Districts for a quality education, we are in support of the objectives of the Student Centered Funding Formula (SCFF) and the Vision for Success. The new SCFF allocation model endeavors to devote resources specifically to support our most vulnerable student populations, and make our colleges strive to build upon the excellence that currently exists, which is an improvement over our previous funding practices. However, we are concerned with how the SCFF is being implemented, specifically with regard to the Supplemental Allocation. The Supplemental Allocation utilizes the number of California Promise Grant, Pell Grant, and AB 540 awardees to measure the number of socio-economically vulnerable students a district serves. The use of California Promise Grant and Pell Grant awardees results in a grave inequity in high cost of living areas, negatively impacting the 450,000 students in Regions 3 and 4, as well as many students in other high cost of living areas.

The intent of this paper is to first bring awareness to the inequitable awarding of Promise and Pell Grants across California community college regions. The second goal is to explain why the current methodology results in systematic undercounting of need in high cost of living areas. Finally, we will propose a policy recommendation to ensure that ALL California Community College students, including low-income students in high cost regions, have access to an equitable and high-quality education.

INEQUITIES IN THE AWARDING OF CALIFORNIA PROMISE AND PELL GRANTS BY REGION

The purpose of the SCFF Supplemental Allocation is to give increased funding to California community college districts serving economically vulnerable students. Under the new SCFF, 20% of a district's funding is based upon this metric. We support the goal of the Supplemental Allocation, but are deeply concerned with how it is being operationalized.

Based upon analysis of data from the National Center for Educational Statistics, United States Census Bureau, and the California Community Colleges Chancellor's Office Management Information Systems Data Mart, the current method for calculating the SCFF Supplemental Allocation results in systematically undercounting the number of economically vulnerable students in high cost of living areas. For example, students attending a California community college in Regions 3 and 4 (regions with numerous high cost of living districts) are the least likely to be awarded California Community College Promise Grants (32% and 31% of students, respectively) compared to the statewide average of 44%.¹ Similarly, only 13% of students attending a California Community College within Regions 3 and 4 receive a federal Pell Grant, compared to the statewide average of 19%.²

There is compelling evidence that the lower percentages of students receiving California Promise and Pell Grants in Regions 3 and 4 are not accurate indicators of the amount of financial need across our districts (we detail why in the next section) and that awarding the Supplemental Allocation based on the number of California Promise and Pell Grant recipients—with no index for cost of living—will only exacerbate the struggles of economically vulnerable students in high cost districts.

WHY DOES COST OF LIVING MATTER AND WHY SHOULD IT BE INDEXED AS PART OF THE SCFF?

Cost of living matters because it results in fewer students receiving Promise and Pell Grants than those who actually need them in high cost areas and because even when students in high cost areas do receive financial aid, it is often inadequate to pay for their basic needs. If cost of living is not indexed as part of the SCFF Supplemental Allocation, then economically vulnerable students in high cost regions will be hit twice: first by inadequate distribution of financial aid and then again when their colleges are underfunded by the SCFF because the Supplemental Allocation is determined in large part by the number of Promise and Pell Grants awarded.

¹ Source: California Community Colleges Chancellor's Office Management Information Systems Data Mart

<https://datamart.cccco.edu/Services/FinAid_Summary.aspx>

<https://datamart.cccco.edu/Students/Student_Term_Annual_Count.aspx>

² Source: same as above.



Ventura County Community College District
Student Centered Funding Formula
White Paper

December 2018

CW/P



Highlights from Ventura County CCD's Base Allocation (refer to Table 2, page 16):

- **85% of the District's Base Allocation is from Credit FTES funding (\$93,950,278).** In 2018-19, Credit FTES are funded at a rate that is roughly 32% less than the previous year's rate.
- **Ventura CCD serves a small number of Non-Credit FTES (36), which is 0.14% of Credit FTES.** In the system, the average district has a proportion of Non-credit to Credit FTES of 2.5%.⁸ **If the District instead had the same proportion of Non-credit FTES as the system, it would generate an additional revenue of \$2 million.⁹**
- **The only other FTES group that is a significant source of funding is Special Admit FTES,** a fully funded population, which generates \$3.2 million in Base Revenue.
- **Ventura CCD serves a minute number of CDCP FTES (2), which is virtually 0% of Credit FTES.** In the system, the average district has a proportion of Non-credit to Credit FTES of 1.83%.¹⁰ **If the District instead had the same proportion of CDCP FTES as the system, it would generate an additional revenue of \$2.5 million¹¹**



Supplemental Allocation

Ventura County CCD is allocated **\$30,391,330** from the Supplemental Allocation in the 2018-19 SCFF Simulation. This represents 19% of the District's total TCR, close to the systemwide Supplemental proportion of 20%. Systemwide there is a moderate positive relationship¹² between the proportion of a district's TCR that comes from the Supplemental Allocation and its year-to-year growth under the new formula. That is, districts whose portion of equity revenue is greater than the systemwide 20% *tend to* fare better under the SCFF.

Highlights of Ventura County CCD's Supplemental Allocation:

- In 2016-17 the District served 9,361 Pell Grant Recipients, which generates \$8,602,759 in supplemental funding in the Simulation. Systemwide, 21% of an average district's unduplicated headcount are Pell students. **For Ventura County CCD, which had a 2016-17 unduplicated headcount of 48,657, this proportion is 19%.** If instead the District's Pell population were up to the systemwide average, it **would generate an additional \$790,000 in Supplemental Revenue.**
- In 2016-17 the District served 22,586 California Promise Grant Recipients, which generates \$20,756,534 in supplemental funding in the Simulation. Systemwide, on average 47% of a district's unduplicated headcount are Promise students. **For Ventura County CCD, this proportion is 46%, close to the system average.**



Student Success Allocation

Ventura County CCD is allocated **\$21,853,743** from the Student Success Allocation in the 2018-19 SCFF Simulation, which is **13% of the District's total TCR**. This is higher than the systemwide Success proportion of 10%, signifying that the District may be performing well in some of the individual Success metrics. \$16,397,260 of Success funds are from all students, and successful outcomes of Pell Grant and California Promise Grant recipients generate an additional \$5,456,483.

Highlights of Ventura County CCD's Student Success Allocation:

- The outcome from which the District earns the highest amount of success revenue is **Associate's Degrees**, followed by **AD-Ts**, **Transfer**, and **Credit Certificates**.
- **25% of the District's success revenue is from the Pell and Promise student success bonus**, the same as the systemwide average of 25%.
- In the 2018-19 SCFF Simulation, systemwide the outcomes most closely associated with district year-to-year growth were Associate's Degrees and 9+ CTE Units.¹⁴
- **In nearly all outcome metrics the District performs far above average** (Associate's Degrees, AD-Ts, Transfer, Certificates), **slightly above average** (Transfer Level Math & English), **or barely below average** (9+ CTE Units) compared to the system, when measuring the proportion of total outcomes to overall unduplicated student headcount. **The only success metric where the District is significantly below average is Living Wage** (Figure 5 below).

For the purposes of analyzing the SCFF, CWP developed a "**Success Score**" that aggregates each district's performance on all success metrics, weighted for their respective point values as ascribed by the SCFF, then scaled to 100. Across the system, the success scores range from 31 to 100. **Ventura County CCD's Success Score of 85 is the fifth highest in the system.** Systemwide, the average Success Score is 60. The distribution of scores in in Figure 4 below (Ventura County CCD in blue):

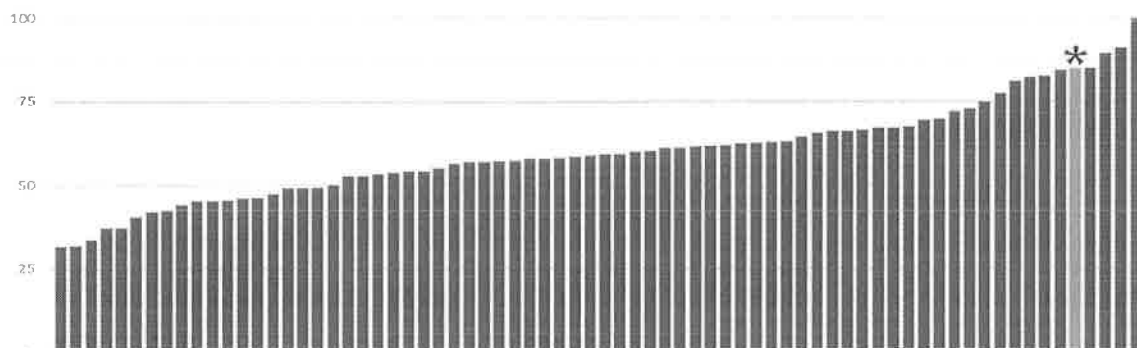


Figure 4: Success Score Distribution for CCC System

The table below demonstrates the methodology used to compute the Success Score.¹⁵



Ventura County CCD Success Score Computation

Unduplicated Headcount: <u>48,657</u>	2016-17 Total Outcomes	% of Total Unduplicated Headcount	System Average %	Funding Weight	Weighted Percentage	Scaled Sum (Success Score) = Weighted percentage sum*111 Scaling factor
AA	3,518	7.23%	4.25%	3	21.69%	
AD-Ts	1,871	3.85%	1.56%	4	15.40%	
Certificates	2,144	4.41%	2.41%	2	8.82%	
9+ CTE Units	3,828	7.87%	3.44%	1	7.87%	
Transfer	4,439	9.12%	5.36%	1.5	13.68%	
Xfer M&E	844	1.73%	0.96%	2	3.46%	
Living Wage	2,766	5.68%	3.47%	1	5.68%	84.86

Figure 5 below visualizes the performance (% of total unduplicated headcount) of Ventura County CCD in each of the seven Success Metrics, compared with the System average.

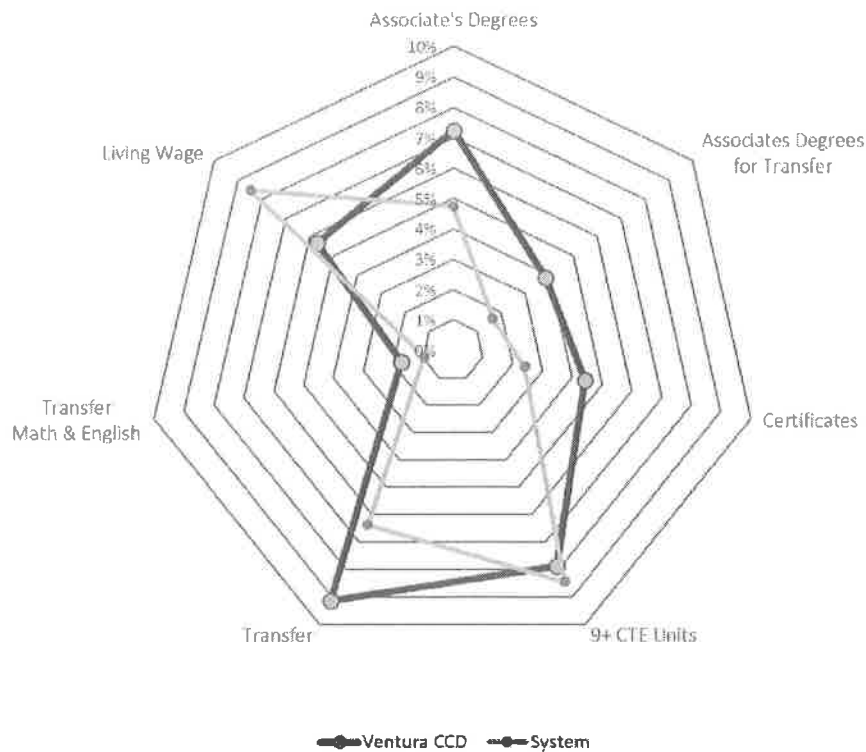


Figure 5: Ventura County CCD vs. System Average: Success Metrics' Outcomes as % of Unduplicated Headcount

