

California Community College Student-Centered Funding Formula

Compton Community College District Funding 2018-2019 through 2023-2024

California Community Colleges Student-Centered Funding Formula – The Legislature adopted the conference compromise on the Community College Funding Formula. The Budget highlights the challenges of an enrollment-only formula, emphasizing that it fails to capture the comprehensive mission of CCCs and runs counter-cyclical to the economy. The need for a modification to the funding formula is exacerbated by the fact that of the 72 community college districts, 32 are in stability and 18 have not fully restored - indicating that many districts are expecting significant budget cuts in 2018-2019 due to declining enrollments.

The community college funding formula agreement provides an increase to community college apportionments of \$378 million Proposition 98 in 2018-2019. Of this funding, \$151 million is for the base allocation, \$24 million is for the hold-harmless provision, and \$34 million is one-time discretionary funding for colleges. This allocation recognizes this significant transition will require resources to build institutional capacity.

The final agreement includes a three-year phase-in that begins by providing 70% enrollment-based funding, 20% funding based on the enrollment of low-income students, and 10% funding based on performance outcomes. Over a three-year period, the formula would shift to 60% enrollment-based funding, 20% funding based on the enrollment of low-income students, and 20% funding based on performance outcomes. Additionally, it adopts a hold-harmless provision that will guarantee all colleges at least a cost-of-living increase for three years. These provisions offer a measure of stability during the transition and beyond to colleges throughout California.

Student-Centered Funding Formula

Base Grants (70% of formula to be phased to 60%) — District base grant calculated through FTES enrollment.

- Measures FTES enrollment calculated on a three-year average.
- District may allocate summer session enrollments to fiscal year of choice. (Therefore, current practices continue and districts have flexibility to shift summer FTES.)
- Provides a rural allocation consistent with the current formula.
- Stability provision, which specifies (as a permanent part of the formula) that, each year, a district would receive the greater of their past year or current year funding.

Supplemental Grant (20% of formula) — Supplemental grants based on the number of low-income students that the district enrolls. The definition of low-income students includes all students eligible for the Pell Grant or the California Promise Grant (formerly BOG Fee Waiver.)

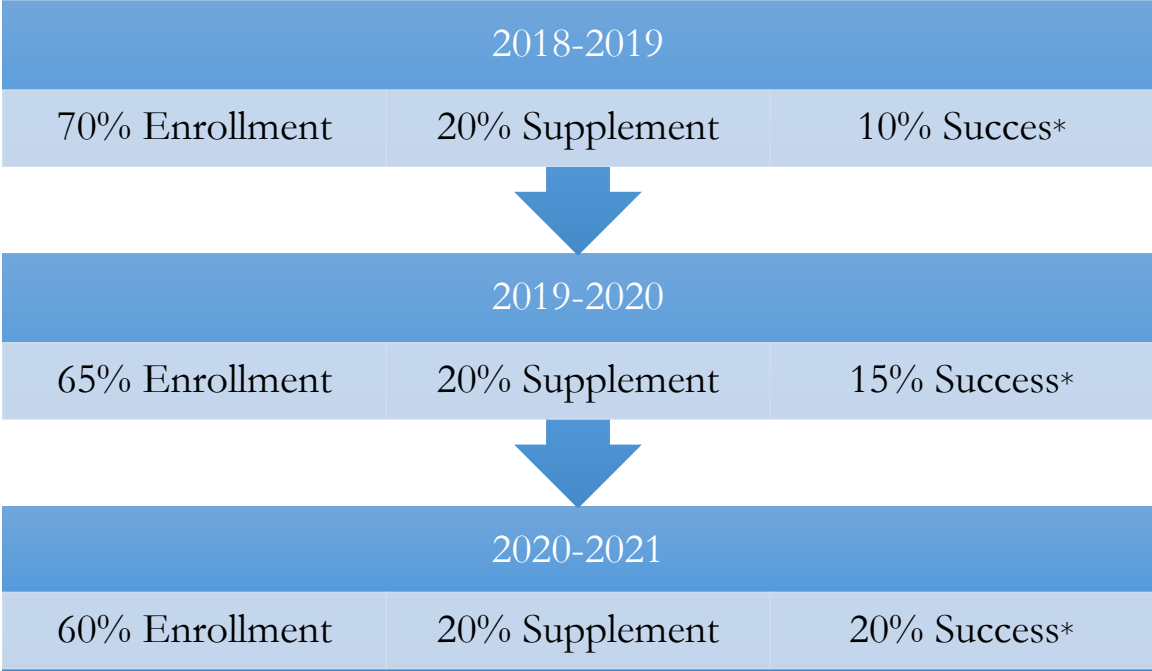
- Measures Three Factors:
 - 1) Pell Grant headcount enrollment
 - 2) Headcount enrollment of all students who receive a College Promise Grant fee waiver (formerly known as the BOG Fee Waiver)
 - 3) AB 540 students per the California Dream Grant application

Student Success Incentive Grant (10% of formula to be phased to 20%) — Funding for a blended equity success measure that rewards colleges for successful outcomes of low-income students:

- Progression
 - Completion of transfer-level mathematics and transfer-level English within the first year of enrollment.
- Outcomes

<ul style="list-style-type: none"> ○ Completion of an associate degree or California community colleges baccalaureate degree. ○ Transfer to <u>any</u> accredited four-year institution ○ Completion of an ADT ○ Credit certificates 18 units or greater ○ Completion of 9 career technical education (CTE) units ● Wages <ul style="list-style-type: none"> ○ Attainment of a regional living wage after one year of completion. ● Provides districts with additional resources based on the number of Pell Grant students meeting any of the above outcomes.
<p>Hold Harmless Provision — Establishes a three-year hold harmless approach</p> <ul style="list-style-type: none"> ● Districts would be held harmless to 2017-2018 levels for three-years. ● Colleges are guaranteed at least a cost-of-living increase for three years. ● Stability provisions for districts/colleges.
<p>Noncredit & CDCP — Excludes noncredit and CDCP courses from the new funding formula and funds these programs at existing rates.</p>
<p>Technical Assistance — Authorizes the Chancellor to direct a district to use up to 1 percent of a district’s apportionment for assistance.</p>
<p>Oversight Council — Establishes an oversight entity, with representatives chosen by the Governor, Senate Rules Committee and the Speaker to continually monitor implementation of the funding formula and make recommendations to the Legislature, Governor and Chancellor for its improvement.</p>

California Community Colleges Student-Centered Funding Formula Phase-In



*** Student Success Allocations (10% in 2018-2019)**

Measures	All Students	Promise Grant Premium	Pell Grant Premium
Associated degrees for transfer (ADTs)	4	4	6
Associate Degrees (non-ADTs)	3	3	4.5
Baccalaureate Degrees	3	3	4.5

Credit Certificates (16 unites or more)	2	2	3
Completion of transfer-level math and English courses within first academic year of enrollment	2	2	3
Successful transfer to any accredited four-year institution	1.5	1.5	2.25
Completion of 9 or more CTE units	1	1	1.5
Attainment of regional living wage	1	1	1.5

Compton College and Compton Community College District Funding – For the 2017-2018 year, Compton College reported 5,979 Full-Time Equivalent Students (FTES). With the implementation of the [Student-Centered Funding Formula, pg. 82-83](#) and the transition from El Camino Community College District, Compton College funding will be whichever is the greater of the following two amounts for each fiscal year from 2018-2019 through 2023-2024:

- Funding of 5,979 FTES amount plus the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES; or
- Compton College will receive a funding amount computed pursuant to the new Student-Centered Funding Formula.

For the 2018-2019 year, Compton Community College District Final Budget has been developed on the assumption we will receive funding for the 5,979 FTES amount plus the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES.

The revised [Compton College 2013-2018 FTES Projections and Actuals](#) is also available for your review. Compton College will continue to implement strategies cited in the [2015-2018 Compton College Enrollment Management Plan](#). We will also begin working on the 2019-2022 Compton College Enrollment Management Plan, which will be linked to our Institution Set-Standards and the [Foundation for California Community Colleges Vision for Success Report](#).