



CHABOT - LAS POSITAS | *Community College District*

District Convocation - August 15, 2019

- Student Success Funding Formula
- Budget Update - Fiscal Year 2019-20

Doug Roberts
Acting Vice Chancellor, Business Services

Student Centered Funding Formula (SCFF)

Implemented to Support the ... (by 2022) ...
Six Goals of the California Community Colleges'
Vision for Success

- 1) Increase awarded Degrees, Certificates and Credentials by 20%
- 2) Increase the number of Student Transfers to UC and CSU by 35%
- 3) Decrease the average number of units accumulated by students earning associate degrees from 87 total units to 79 total units

Student Centered Funding Formula (SCFF)

Vision for Success Goals (continued)

- 4) Increase percentage of CTE students getting employed in their field from 60% to 76%
- 5) Reduce “Equity Gaps” across all of the above measures through faster improvements among *traditionally underrepresented student groups* by 40% in 5 years, closing the gaps in 10 years
- 6) Reduce “Regional Achievement Gaps” across all of the above measures through faster improvements *among colleges in regions with the lowest educational attainment of adults*

Student Centered Funding Formula (SCFF)

The Change in Funding (starting in 2018-19):

Instead of funding under SB 361, in which districts received:

1. An allocation based on a district's colleges and the FTES at those colleges ...
2. Plus funding for their FTES (at specified rates per FTES)

Student Centered Funding Formula (SCFF)

SCFF Funding would provide an allocation in 3 Parts:

1. A **“Base Allocation”** based on a district’s colleges and the FTES at those colleges ... plus funding for FTES (at a lowered rate per credit FTES)
2. A **“Supplemental Allocation”** based on the number of PELL and Promise Grant recipients, plus AB 540 students
3. A **“Success Allocation”** based on the number of students: awarded degrees, certificates, and transfers; completing transfer level Math and English, completing > 9 units of CTE units, and attaining a regional living wage.

Student Centered Funding Formula (SCFF)

The Original Incremental Change in Funding

The **SCFF Goal** was to fund all districts based on the following split starting in 2021-22:

- 60% Base Allocation
- 20% **Supplemental Allocation**
- 20% **Success Allocation**

The Incremental Change was to be (respectively):

- 2018-19: 70% - **20%** - **10%**
- 2019-20: 65% - **20%** - **15%**
- 2020-21: 60% - **20%** - **20%**

Student Centered Funding Formula (SCFF)

Hold Harmless

The new funding formula did allow district's "disadvantaged by the new formula" to maintain funding during the first three years of SCFF implementation.

During this Hold Harmless Period, disadvantaged districts would receive:

- 2018-19: 2017-18 Total Revenue plus 18/19 COLA
- 2019-20: 2018-19 Total Revenue plus 19/20 COLA
- 2020-21: 2019-20 Total Revenue plus 20/21 COLA

But ... Starting 2021-22 all districts (disadvantaged or not) would be funded by the 60%-20%-20% SCFF model.

Student Centered Funding Formula (SCFF)

Okay ... That was the originally proposed model.

Some Changes have been made since SCFF was first introduced.

Governor's Budget Proposal for FY2019-20

- **Student Centered Funding Formula** – (For 2019-20)
 - 70% for the Base Allocation;
 - 20% for the Supplemental Allocation; and,
 - 10% for the Student Success Allocation
- Funding rates (for 2019-20) will be the 2018-19 rates increased for COLA
- Student Success Allocation is capped at 10% (over 2018-19 totals)
- “Transfers” for the Student Success Allocation would only count if the student completed 12 or more units in the district in the year prior to transfer

Governor's Budget Proposal for FY2019-20

- **Student Centered Funding Formula – (For 2019-20)**
 - For the Student Success Allocation, only the highest funded (degree/certificate) earned by a student (attending the district the same year the award was made) would count
 - Calculations for the Student Success Allocation would be based on three-year averages of the measure in that particular allocation
- **Student Centered Funding Formula – (For 2020-21)**
 - Allocation funding rates for 2020-21 would be the same rates as 2019-20, adjusted for the 20/21 COLA
 - **Hold Harmless will be extended through 2021-22**

SCFF Funding Rates

Basic Allocation

Funding Categories

Dollars Per Unit Funding for 2019-20

Multi-College Per College Funding

≥ 10,000 & < 20,000 FTES

4,719,730

< 10,000 FTES

4,045,480

FTES Funding

Credit

3,848.50

Special Admit Credit

5,634.56

Incarcerated Credit

5,634.56

CDCP

5,634.56

Noncredit

3,456.62

SCFF Funding Rates

Supplemental Allocation

Funding Categories

Dollars Per Unit Funding for 2019-20

Pell Grant Recipients	948.96
AB 540 Students	948.96
California Promise Students	948.96

SCFF Funding Rates

Student Success Allocation

Funding Categories	Dollars Per Unit Funding for 2019-20		
	All Students (Base)	Pell Grant Recipients (Added Premium)	Promise Grant Recipients (Added Premium)
Associate Degrees for Transfer	1,817.38	687.71	458.47
Associate Degrees	1,363.03	515.78	343.86
Baccalaureate Degrees	1,363.03	515.78	343.86
Credit Certificates	908.69	343.86	229.24
Transfer Level Math & English	908.69	343.86	229.24
Transfer	681.52	257.89	171.93
Nine or More CTE Units	454.34	171.93	114.62
Regional Living Wage	454.34	171.93	114.62

System Funding – Hold Harmless Districts

2018-19 State funding for Community Colleges

The 26 Districts that Maintain Total Funding Through "Hold Harmless" at P-2

District	Hold Harmless Funding above SCFF (in Millions)		District	Hold Harmless Funding above SCFF (in Millions)
Cabrillo	3.5		Palomar	4.3
Chabot-Las Positas	14.7		Peralta	3.4
Compton	1.2		San Francisco	5.5
Contra Costa	13.8		San Luis Obispo	1.4
Foothill Deanza	10.2		San Mateo	3.6
Gavilan	0.2		Santa Clarita	1.1
Glendale	3.1		Santa Monica	3.8
Long Beach	2.0		Sierra Joint	3.4
Marin	2.3		Solano	4.2
Mendocino-Lake	0.2		Sonoma	5.9
Monterey	1.4		South Orange	3.0
North Orange	14.1		Southwestern	1.7
Ohlone	7.7		West Valley	6.5

On to the Budget



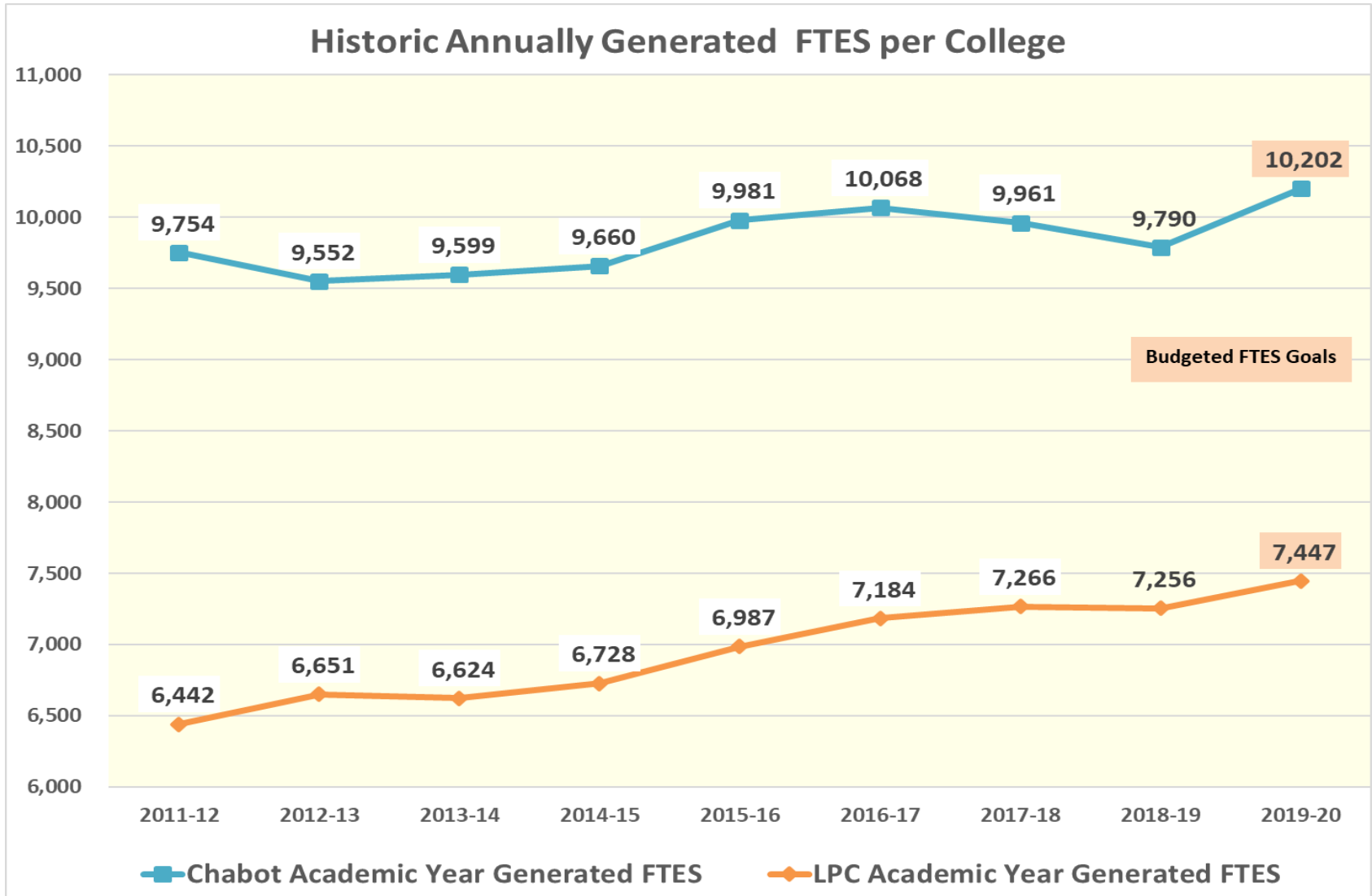
2019-20 Budget

- Budget Adoption Requirements
- Student Enrollment Data
- 2019-20 Funding – Hold Harmless vs. SCFF
- Major Revenue & Expenditure Assumptions
- Budget Allocation Model Summary
- Budgets for District Funds
- Looking Ahead – Budget Opportunities and Risks

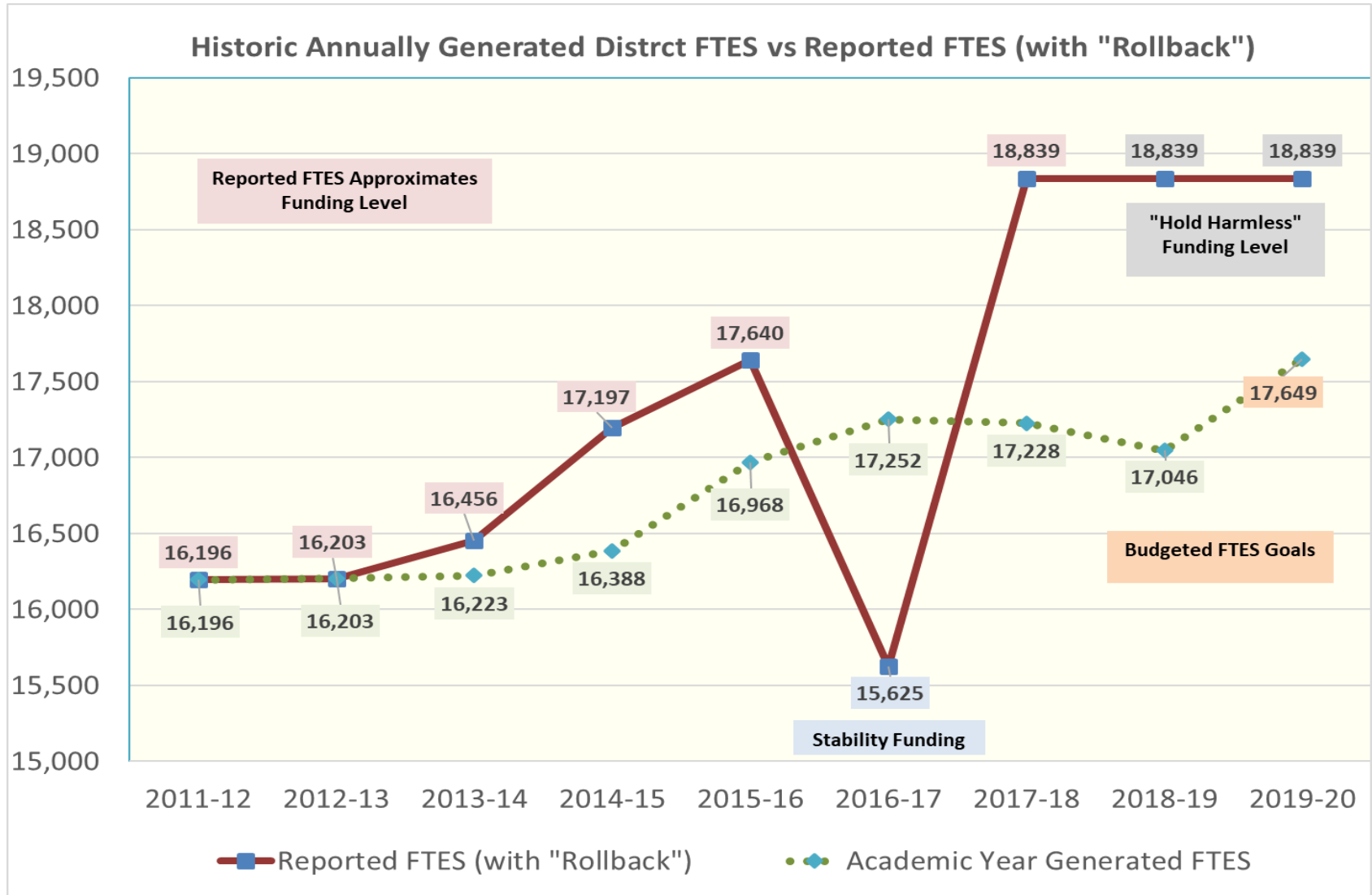
Budget Adoption Requirements

- Title 5, Section 58305 of the California Code of Regulations requires community college districts to adopt a **Tentative Budget on or before the first day of July each year**
- **Final Budget** will be presented at the public hearing **on August 20** at 6:30 p.m. in the District Office board room

College Annually Generated FTES



District FTES (Generated & Reported)



CLPCCD Funding – Hold Harmless Vs. SCFF

Funding for 2019-20 - (The Higher of Option #1 or Option #2)			
Option #1 - Funding per SCFF			
Section I - Base Allocation			
	FTES Revenue		\$ 66,827,795
	FTES Growth		-
	Basic/Foundation		8,765,210
	Total		75,593,004
Section II - Supplemental Allocation*			16,169,742
Section II - Student Success Allocation*			10,420,920
	SCFF Total		\$ 102,183,666
Option #2 - Funding per "Hold Harmless"			
	2018-19 Total Available Revenue (TAR)		\$ 110,597,916
	2019-20 COLA = 3.26%		3,605,492
	Hold Harmless Total		\$ 114,203,408

* Based on the ratio of Allocation funding per "Generated" FTES for 2017-18

Major Revenue Assumptions

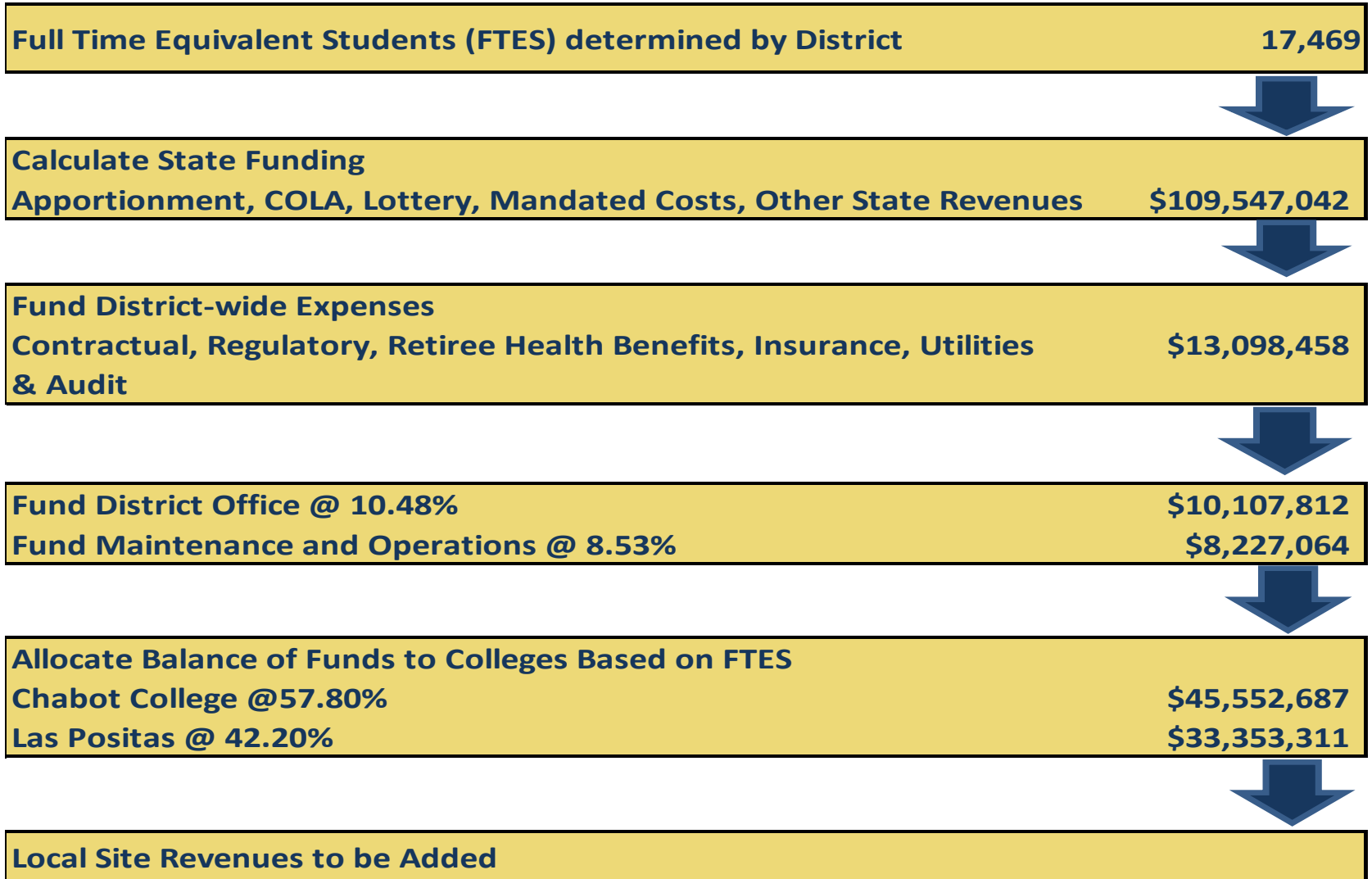
Assumption	Amount
□ Higher of SCFF Calculation Amount or Hold Harmless	□ \$ 114,203,408
□ Lottery Revenue	□ \$ 2,737,328
□ Mandated Cost Block Grant	□ \$ 533,380
□ Part Time Faculty Allocation	□ \$ 394,245
□ Non-Resident Tuition	□ \$ 2,434,490

Major Expenditure Assumptions

- Based on serving 17,649 FTES
- Step/column and longevity included
- Premium increases for health & welfare, assumes status quo employee contributions
- Retiree Health Benefits budget of \$7,377,725 is based on the 2018 actuarial study and represents an increase of 39% over the prior year's budget
- STRS/PERS increased rates from 16.28% to 17.10% and 18.06% to 19.72% respectively.
- Property & Liability Insurance budget of \$650,028
(\$519,605 base + \$130,423 increase due to SCFF-Rollback FTES increase)
- Utilities budget (electricity, natural gas, water, and disposal services) of \$2,909,678

Budget Allocation Model- Calculations

BUDGET ALLOCATION MODEL



Adopted Budget 2019-2020 – Unrestricted General Fund

REVENUE	
State General Apportionment, State /Local/Federal Revenue and Transfers	\$144,375,417
EXPENDITURES	
Total Expenditures	\$137,165,026
Net Increase/(Decrease) in Fund Balance	\$7,210,391
Beginning Balance	\$27,959,921
Ending Balance	\$35,170,312

Adopted Budget 2019-2020 – Restricted General Fund

REVENUE	
State General Apportionment, State /Local/Federal Revenue and Transfers	\$164,090,636
EXPENDITURES	
Total Expenditures	\$163,368,770
Net Increase/(Decrease) in Fund Balance	\$721,866
Beginning Balance	\$8,596,065
Ending Balance	\$9,317,931

Adopted Budget 2019-2020 - Self Insurance Fund (RUMBL*)

REVENUE	
Transfers and Interest	\$7,417,725
EXPENDITURES	
Expenditures and Transfers	\$7,377,725
Net Increase/(Decrease) in Fund Balance	\$40,000
Beginning Balance	\$1,568,585
Ending Balance	\$1,608,585

* Per the 6/30/19 GASB 74/75 Actuarial Report, the District's Unfunded Liability for Retiree Health Benefits is \$200,280,667

Adopted Budget 2019-2020 - Bond Fund

REVENUE	
Interest & Proceeds –Sale of Capital Assets	\$2,336,641
EXPENDITURES	
Expenditures	\$75,478,862
Net Increase/(Decrease) in Fund Balance	\$(73,142,221)
Beginning Balance	\$127,007,754
Ending Balance	\$53,865,533

Adopted Budget 2019-2020 - Capital Projects Fund

REVENUE	
State /Local/Federal Revenue and Transfers	\$910,000
EXPENDITURES	
Expenditures	\$787,000
Net Increase/(Decrease) in Fund Balance	\$123,000
Beginning Balance	\$10,559,809
Ending Balance	\$10,682,809

Looking Ahead – Budget Opportunities and Risks

- **What's Working For Us:**

- **Rollback Money** to fund SCFF Metrics Increases - (**FFC/PBC Efforts**)
- **Time** to Improve SCFF Metrics during Hold Harmless Period (*Thru 2021-22*)

- **What's Working Against Us:**

Known Cost Increases	<u>2020-21</u>	<u>2021-22</u>	<u>Cummulative</u>
STRS & PERS	1,161,348	369,111	1,530,459
OPEB	469,966	394,633	864,599
Step/Column/Longevity	<u>986,482</u>	<u>999,345</u>	<u>1,985,827</u>
Total	<u>2,617,796</u>	<u>1,763,089</u>	<u>4,380,885</u>

- **Economy/Recession** - (10% of the State's Current Revenue is Dependent on Capital Gains)
- **The SCFF-Cliff** - (In 2022-23 the District is no longer on "Hold Harmless")

FFC and PBC Activities

FFC Activities

- <http://www.clpccd.org/business/FundingFormulaCommittee.php>
- Tamica and Paulette from the College Admission Offices gathered and cleaned data on AB540 students
- Created Philosophy Statement
- Presentation on Non-credit FTES so FFC members and attendees can better understand metrics
- FFC Subcommittee formed to work on SCFF Application and Rubric for project Proposals
- Committee voted to approve Proactive Awarding
- FFC Subcommittee completed and FFC voted on and approved the SCFF Application and Rubric

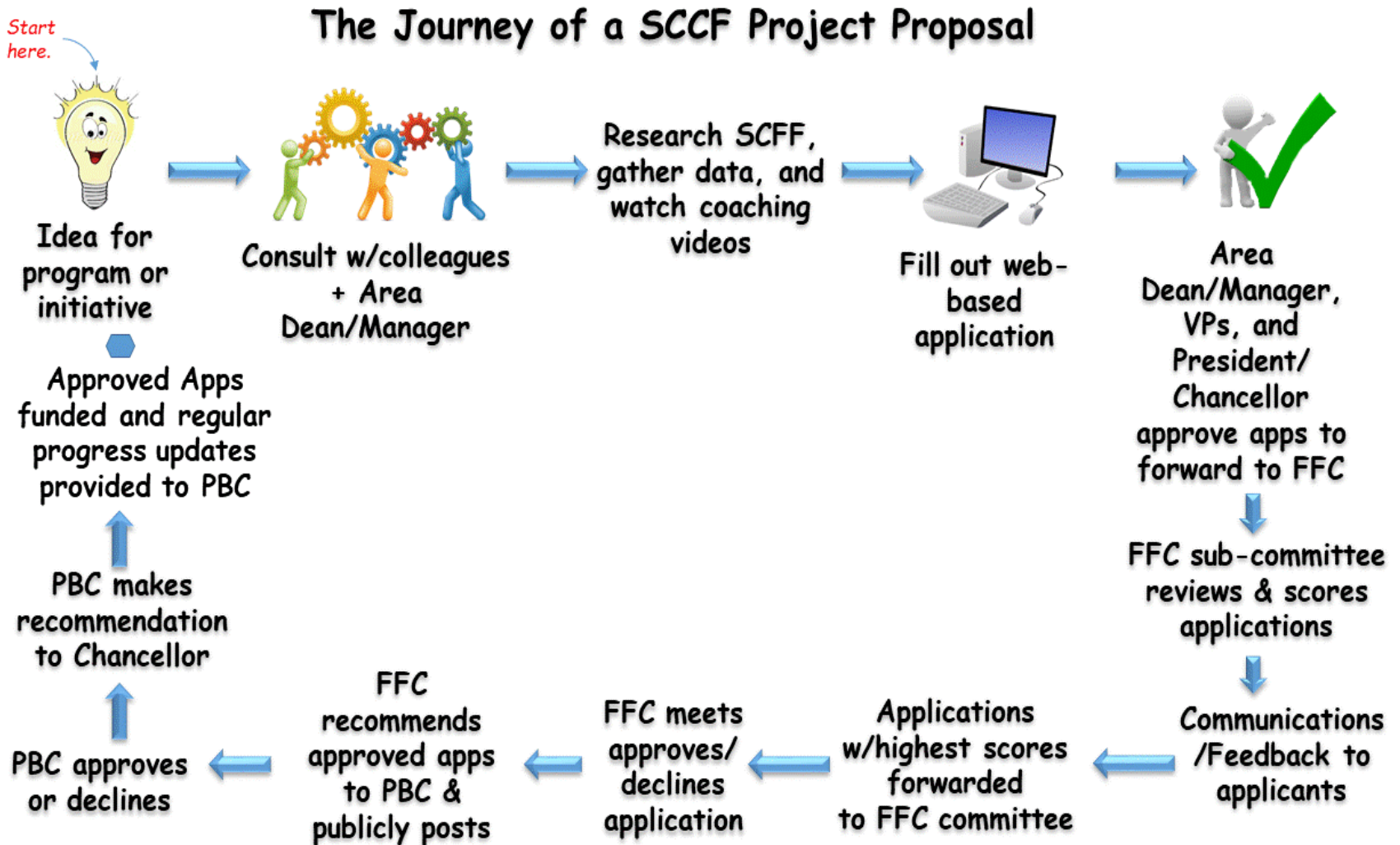
PBC Activities

- <http://www.clpccd.org/business/PlanningandBudgetCommittee.php>
- Reviewed District reserves
- Formed three taskforces: 3A True-up, Reserve Policy and Designated Programs to break down budgets
- Hired consultant to facilitate BAM discussion
- Made Recommendation to Chancellor for SCFF projects: acquiring CampusLogic Software & hiring two additional Institutional Researchers

SCFF Application Funding Rubric

Criteria	Clear and Compelling	Satisfactory	More Data Needed
<p>Impact</p> <p>What is the cost/benefit analysis of the project proposal to the SCFF?</p>	<p>The Project shows positive return over its lifetime and may be expanded to other areas or across the district.</p>	<p>The project will provide positive funding and a benefit to the students.</p>	<p>The application does not adequately describe the benefits of the project, or those benefits are insufficient to positively affect the SCFF and students.</p>
<p>Feasibility</p> <p>Can the project deliver the impact within the scope, budget and requested resources?</p>	<p>Project has a thorough plan which describes how the outcomes will be accomplished.</p>	<p>There is a general description of the effort required to achieve the stated outcomes within-the timeline.</p>	<p>Process to achieve the desired outcome is uncertain or inadequately explained.</p>
<p>FFC Philosophy & Mission</p> <p>Does the project comply with the Philosophy Statement put forth by the FFC?</p>	<p>Project is clearly in keeping with all the values defined by the FFC's Philosophy Statement. Please refer to Philosophy Statement in the application.</p>	<p>The Project generally aligns with the values defined by the FFC's Philosophy Statement.</p>	<p>There is a lack of, or limited alignment, with the FFC Philosophy Statement.</p>

SCFF Application Pathway



The SCFF Application

Student Centered Funding Formula Project Proposal

Thank you for proposing a Student Centered Funding Formula project. Please read the Funding Formula Committee's Philosophy Statement prior to completing the application.

Funding Formula Committee Philosophy Statement:

The Funding Formula Committee (FFC) strives to educate the Chabot-Las Positas Community College District about the State funding formula metrics, accurate data sources on the metrics, and best practices and efficient processes to fully benefit from the metrics. We aim to capitalize on the metrics while maintaining a central focus on student success and equity.

The FFC aims to recommend high-impact initiatives and processes that are fiscally responsible and lead to increased funding based on any of the State's three funding formula components:

- *Base Allocation, FTES funding:* Credit, Non-credit, CDCP, Special Admit and Incarcerated Education
- *Supplemental Allocation:* California Promise Grant, AB 540 students, and Pell Grant recipients
- *Student Success Allocation:* degrees, degrees for transfer, credit certificates, completion of 9 or more CTE units, transfers to four-year university, completion of transfer level math and English, attainment of a regional living wage and equity "bumps" for California Promise Fee Waiver and Pell Grant recipients

The FFC aims to do all the above, while also taking into consideration the initiatives' impacts on students meeting their educational goals, student equity, the College's strategic plans and educational missions, cost-benefit analyses, scalability and alignment of the initiatives across both Colleges.

The FFC strives for our committee processes to be respectful, transparent, equitable, collaborative, and grounded in data-driven analyses and evidence-based practices. We will aim to value and respect the time it takes for faculty members, Classified Professionals, Administrators, and student employees to accomplish new initiatives. We believe that all CLPCCD community members have valuable ideas and we will be most successful collectively strategizing to maximize our funding.

The SCFF Application

Title of Project Proposal: _____ Today's Date _____

1. Requestor(s):

Full Name of Lead Contact for Request: _____ Title or Position _____

Phone number _____ Extension _____

Email _____

Department(s): _____

- Location (check all that apply): District Chabot LPC
- How many requests have you submitted to the Funding Formula Committee to date? _____
- Was this proposal, or a proposal similar to this, identified as part of Program or Area Review at the college? Yes No
- List the names of other employees, agencies and/or stakeholders involved in this project:

The SCFF Application

2. Scope of Project

2a In about 250 words, briefly describe the scope of this project in the space provided below.

2b Duration: ____ 1st semester ____ 2nd semester ____ Longer term- *Please provide a short description below*

The SCFF Application

- 2c** The cost-benefit analysis is critical to the application process. To the best of your ability, briefly describe the cost-benefit analysis and how this project will accomplish its outcomes.

3. Estimated Impact on Student Centered Funding Formula (SCFF)

The SCFF committee aims to support projects with the following measurable impacts: financial metrics impacted, revenue generated for sustainability, number of students impacted and the project's ability to be scaled-up to have wide-reaching impacts across the college(s) and district.

1. Using the table below, read the list of SCFF funding categories in the column titled "SCFF Metrics" and identify which metrics are expected to be impacted with this project.
2. For each SCFF metric impacted, estimate the number of students/amounts of FTES to be generated, over and above what is typically generated in the metric. Input this number into the column entitled, "Estimated SCFF points generated by project" in the appropriate row. For example, if the project is estimated to generate an additional 100 Pell grants in Year 1 (FY19-20), then input the number "100" in column, "Estimated SCFF points generated by project," row "Pell Grants," under the group of columns for "Year 1 (FY19-20)".
 - How many additional students/FTES are estimated to result from this project in Year 2 (FY20-21)? Input this number into the column, "Estimated SCFF points generated by project," in the row for the appropriate SCFF metric and corresponding year.
 - How many additional students/FTES are estimated to result from this project in Year 3 (FY 2021-22)? Input this number into the column, "Estimated SCFF points generated by project," in the row for the appropriate SCFF metric and corresponding year.
3. For each SCFF metric with a number entered for "Estimated SCFF Points generated by project," the total monies generated per year will automatically populate.
4. These totals will be used later in the application (Question 4) when you are calculating the estimated expenses in comparison to the estimated revenue generation (i.e. the "return on investment").

The SCFF Application

Base Allocation	Incremental Units	SCFF Contribution	Project Revenue Contribution	Incremental Units	SCFF Contribution	Project Revenue Contribution	Incremental Units	SCFF Contribution	Project Revenue Contribution
<i>Credit FTES</i>		\$ 3,848.50	\$ -		\$ 3,958.57	\$ -		\$ 4,074.16	\$ -
<i>Credit FTES of Special Admit</i>		\$ 5,634.56	\$ -		\$ 5,795.71	\$ -		\$ 5,964.94	\$ -
<i>Credit FTES of inmates in correctional facilities</i>		\$ 5,634.56	\$ -		\$ 5,795.71	\$ -		\$ 5,964.94	\$ -
<i>Noncredit FTES</i>		\$ 3,456.62	\$ -		\$ 3,555.48	\$ -		\$ 3,659.30	\$ -
<i>CDCP noncredit FTES</i>		\$ 5,634.56	\$ -		\$ 5,795.71	\$ -		\$ 5,964.94	\$ -
Total Base Allocation			\$ -			\$ -			\$ -
Supplemental									
<i>Pell Grant Recipients</i>		\$ 948.96	\$ -		\$ 976.10	\$ -		\$ 1,004.60	\$ -
<i>California Promise Grant Recipients</i>		\$ 948.96	\$ -		\$ 976.10	\$ -		\$ 1,004.60	\$ -
<i>AB540 Students</i>		\$ 948.96	\$ -		\$ 976.10	\$ -		\$ 1,004.60	\$ -
Total Supplemental			\$ -			\$ -			\$ -
Student Success									
<i>Associate degree for Transfer</i>		\$ 1,817.38	\$ -		\$ 1,869.35	\$ -		\$ 1,923.94	\$ -
<i>Associate degree</i>		\$ 1,363.03	\$ -		\$ 1,402.01	\$ -		\$ 1,442.95	\$ -
<i>Credit Certificate (16-units)</i>		\$ 908.69	\$ -		\$ 934.68	\$ -		\$ 961.97	\$ -
<i>Transfer Level Math and English</i>		\$ 908.69	\$ -		\$ 934.68	\$ -		\$ 961.97	\$ -
<i>Transfer to a four-year university</i>		\$ 681.52	\$ -		\$ 701.01	\$ -		\$ 721.48	\$ -
<i>9 or more CTE Units</i>		\$ 454.34	\$ -		\$ 467.34	\$ -		\$ 494.93	\$ -
<i>Attained Living Wage</i>		\$ 454.34	\$ -		\$ 467.34	\$ -		\$ 480.98	\$ -
Total Student Success			\$ -			\$ -			\$ -
Total by year			\$ -			\$ -			\$ -

The SCFF Application

4. Budget Summary

Refer to the personnel needs and funding categories below to estimate the expenses that will be incurred to accomplish this project. Check all boxes that apply.

Personnel Needs: Admissions and Records Maintenance and Operations Institutional Research Business Office Full-time Faculty Adjunct Faculty Financial Aid Classified Professionals Other, *describe below*

Other:

Funding Category: Technology Supplies and Equipment Travel and Mileage Facilities Use Administrative Support Institutional Research Marketing and Outreach Curriculum Other, *please describe*

Other:

Expense	Year 1	Year 2	Year 3
Full-time and/or Adjunct Faculty	\$	\$	\$
Classified Professionals and/or Other Personnel Needs <i>(Part-time, Specialist or Professional Experts)</i>	\$	\$	\$
Materials & Supplies <i>(consider marketing and outreach for this project)</i>	\$	\$	\$
Equipment & Software	\$	\$	\$
Other	\$	\$	\$
Other	\$	\$	\$
Other	\$	\$	\$
Cost Benefit Totals	Year 1	Year 2	Year 3
Total Annual Revenue Projected:			
Total Annual Expenses Projected:			
Return on Investment Projected:			

The SCFF Application

5. *Optional:* Additional Information

Provide additional information not asked about this project here, if needed.

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After clicking on “Finish” this application will be emailed to the Dean/Area Manager, then the VP, then the President/VC for review and approval.

6. Reviewer’s Signatures

Please note: Approved projects require a report out once per semester to the FFC and will be reviewed by the PBC on a quarterly basis.

Print Name:	Signature:	
Dean or Area Manager		Date

Print Name:	Signature:	
Vice President		Date

Print Name:	Signature:	
President or Vice Chancellor		Date

Concluding Remarks

- The District's budget is largely being determined by the Student Centered Funding Formula – SCFF
- Presently, the District relies on SCFF's "Hold Harmless" clause to maintain funding ... *but that ends 2021-22*
- The District has set aside money to fund efforts to improve our SCFF metrics and revenues
- An application process is in place to receive, evaluate and fund ideas to improve our SCFF metrics
- **What is needed now is your help and your ideas!**