



**STUDENT CENTERED FUNDING FORMULA (SCFF)  
IMPACTS EQUITY IN THE SAN FRANCISCO BAY AREA  
(WHITE PAPER – SUMMARY)**

**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 devotes resources specifically to support our most vulnerable student populations, and makes our colleges strive to build upon the excellence that currently exists, which is an improvement over our previous funding practices. **However, we wish to address an equity gap within the formula’s methodology and provide a policy recommendation to address this inequity. \***

We draw your attention to the inequities existent in the model, specifically within the operationalization of the Supplemental Allocation, which currently fails to incorporate the very real cost of living variations across the state, disproportionately impacting our 15 districts.

*Using 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 following key facts present themselves on the impact of cost of living on the awarding of Promise Grants and Pell Grants.*

**SUMMARY & RECOMMENDATION:**

The Supplemental Allocation of the SCFF represents 20% of funding for California community colleges. **Due to the way in which the SCFF has been implemented, large populations of vulnerable students in our regions are “invisible” and therefore not recognized as a target for equity practices.** Consequently, the 15 community college districts in our regions will be subject to significant financial cuts, not because we have fewer vulnerable students, but because of the metrics used to define vulnerability. These factors, based upon the data presented, do not take into consideration the significant financial barriers and stressors students face in the Bay Area while pursuing their higher educational goals, factors that include housing, transportation, child care, and food insecurities.

**THE IMPACT OF COST OF LIVING ON THE AWARDING OF PROMISE GRANTS AND PELL GRANTS:**

The high cost of living in the Bay Area pushes many families beyond the income threshold of student eligibility for Promise Grants. This results in fewer Bay Area students receiving state-based aid compared to other regions of the state.

**Students attending a California community college in Regions 3 and 4 are the least likely to be awarded California Community College Promise Grants (32% and 31% respectively) compared to the statewide average of 44%.**

Consistent with the data above, **students attending a community college within Regions 3 and 4 are also the least likely to receive a federal Pell Grant (only 13% of students in our regions receive Pell Grants compared to the statewide average of 19%).**

However, students in our Regions face the highest median monthly rental rates in the state, \$1,631 and \$1,973 respectively, compared to the statewide average of \$1,374. These high monthly rental rates represent 67% and 85% of a student’s expense budget, compared to the statewide average of 61%. This inequity is not addressed in the metrics of the Supplemental Allocation creating a significant inequity in the model for economically-challenged students in Regions 3 and 4.

# PARTICIPATION AND COST OF LIVING BY REGION ANALYSIS (REGIONS 3 AND 4)

## California Community Colleges 2017-2018 Promise Grant Analysis | Participation and Cost of Living by Region Analysis

California Community College District Regions	Average 9-Month Student Expense Budget for In-State and Off Campus in 2017-18 <sup>1</sup>	Average 9-Month Median Gross Rent (2013-2017 5-Year Estimates) <sup>2</sup>	% of Student Expense Budget for Rent in 2017-18	Unduplicated Count of California College Promise Grants Awarded in 2017-18 <sup>3</sup>	Annual Student Headcount in 2017-18 <sup>4</sup>	% of Students Receiving California College Promise Grants in 2017-18	Average Monthly Median Gross Rent	Region
1 (6 Districts)	\$ 18,868	\$ 8,010	42%	25,750	50,286	51%	\$ 890	Peninsula/North Bay East Bay/South Bay
2 (7 Districts)	\$ 20,548	\$ 10,848	53%	87,870	184,312	48%	\$ 1,205	
3 (6 Districts)	\$ 21,782	\$ 14,682	67%	72,298	228,231	32%	\$ 1,631	
4 (9 Districts)	\$ 20,856	\$ 17,755	85%	69,214	222,368	31%	\$ 1,973	
5 (7 Districts)	\$ 18,993	\$ 8,679	46%	116,079	206,571	56%	\$ 964	
6 (7 Districts)	\$ 20,066	\$ 12,610	63%	74,138	171,789	43%	\$ 1,401	
7 (6 Districts)	\$ 20,065	\$ 12,926	64%	171,963	388,371	44%	\$ 1,436	
8 (9 Districts)	\$ 20,313	\$ 14,357	71%	178,514	451,268	40%	\$ 1,595	
9 (9 Districts)	\$ 20,672	\$ 9,653	47%	109,872	186,644	59%	\$ 1,073	
10 (6 Districts)	\$ 20,240	\$ 12,584	62%	101,195	220,578	46%	\$ 1,398	
All Districts (72)	\$ 20,271	\$ 12,362	61%	1,006,893	2,310,418	44%	\$ 1,374	

**NOTES:** Student headcount is not included for students who solely attend City College of San Francisco's Non-Credit Program, North Orange Continuing Education, or San Diego Continuing Education. Median Gross Rent is based on the city where the college is located. Median Gross Rent in multi-college districts is based on the city where the district office is located. A student who receives a College Promise Grant is counted once per district. The total number of College Promise Grants is aggregated from all districts.

**SOURCES:**

- <sup>1</sup> National Center for Educational Statistics <<https://nces.ed.gov/collegenavigator/>>
- <sup>2</sup> United States Census Bureau <<https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>>
- <sup>3</sup> California Community Colleges Chancellor's Office Management Information Systems Data Mart <[https://datamart.cccco.edu/Services/FinAid\\_Summary.aspx](https://datamart.cccco.edu/Services/FinAid_Summary.aspx)>
- <sup>4</sup> California Community Colleges Chancellor's Office Management Information Systems Data Mart <[https://datamart.cccco.edu/Students/Student\\_Term\\_Annual\\_Count.aspx](https://datamart.cccco.edu/Students/Student_Term_Annual_Count.aspx)>

Goal 5 of the California Community Colleges Chancellor's Vision for Success states: Reduce equity gaps across all of the above measures through faster improvements among traditionally underrepresented student groups, with the goal of cutting achievement gaps by 40 percent within five years and fully closing those achievement gaps within ten years.

**Colleges within Regions 3 and 4 already struggle with the lack of equity in financial aid opportunities for our students, this additional discrimination in the current operationalization of the Supplemental Allocation will disadvantage them even further. It fails to represent the millions of underserved students who are being punished because they call a high-cost of living area "home."**

This current inequity of the SCFF model forces the community college districts in Regions 3 and 4 to cling to the "hold harmless" option to avoid cutting services to our students (\$ 71 million dollars in our regions alone). With the Supplemental Allocation implemented as it stands, our communities, current students working to achieve their goals and millions of prospective students, will be harmed due to the budget cuts we will be helpless to counter, resulting not in the equity the SCFF was designed to address, but the further marginalization of Region 3 and 4 students.

**Our policy recommendation is to adjust the Supplemental Allocation with a cost of living index to better reflect low-income students in regions with a high cost of living.** The inclusion will lay the foundation for ALL California Community College students to continue to have an equitable, quality, and successful educational experience.

## YOUR PARTNERS IN HIGHER EDUCATION (REPRESENTING REGIONS 3 AND 4),

- Cabrillo Community College District
- Chabot-Las Positas Community College District
- Contra Costa Community College District
- Foothill-De Anza Community College District
- Gavilan Community College District
- Hartnell Community College District
- Marin Community College District
- Monterey Peninsula Community College District
- Ohlone Community College District
- Peralta Community College District
- San Francisco Community College District
- San Jose-Evergreen Community College District
- San Mateo County Community College District
- Sonoma County Community College District
- West Valley-Mission Community College District

\* Additional information included in accompanying white paper-analysis