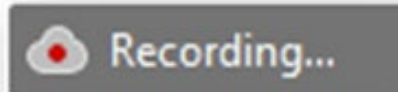California Community Colleges

Fiscal & Policy Webinar

Office of Institutional Supports & Success
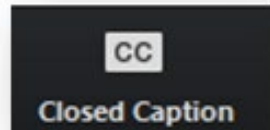
December 2023

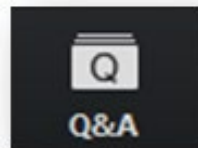# WELCOME

Recording... This presentation is being recorded.

Located on the tool bar at the bottom of your screen:

CC Closed Caption Read live captions.

Q Q&A Enter questions in the Q&A box.

California Community Colleges

AGENDA

December 7, 2023

- Overview of Assembly Policy Committee Changes

- Demo of Student Centered Funding Formula (SCFF) Estimator Detailed Report

- Overview of Transition to SCFF Floor Protection

- Update on Working Learner Taskforce and Proposed Regulations

California Community Colleges

Legislative Committee Updates

Legislative Leadership Changes

Buffy Wicks (D-Oakland)
Chair of Assembly Appropriations
Committee

**Jesse Gabriel
(D- Woodland Hills)**
Chair of Assembly Budget Committee

**David Alvarez
(D-San Diego**)
Chair of Assembly Budget
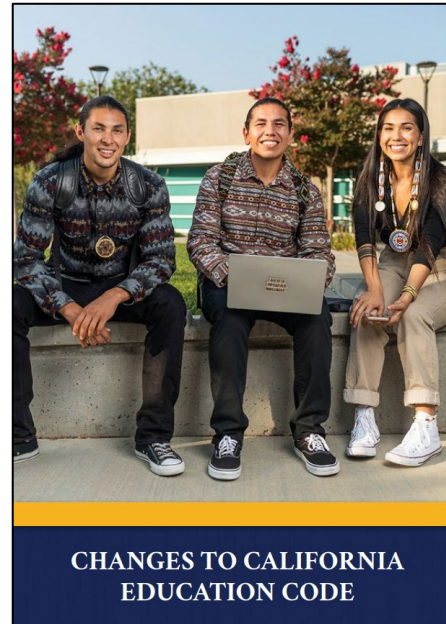Subcommittee #3 on Education
Finance

California
Community
Colleges

2023

Chaptered Legislation and Guidance Report

California Community Colleges Chancellor's Office | Sonya Christian, Chancellor
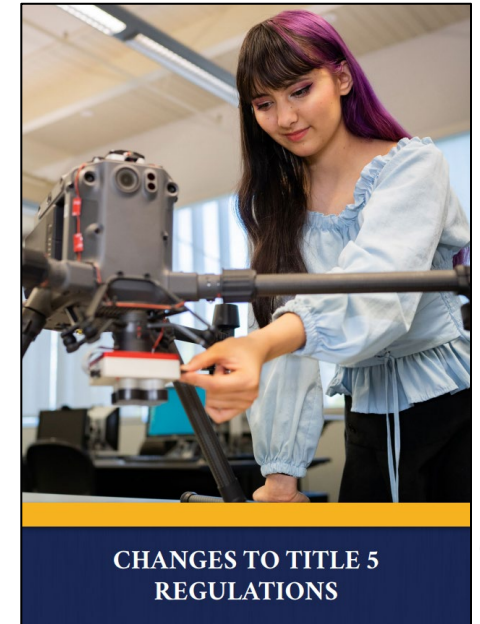
Report includes:
- Review of existing statutory requirements.
- Description of the bill purpose.
- A high-level summary of requirements for colleges or entities;
- Chancellor's Office preliminary guidance recommendations for district action.

CHANGES TO CALIFORNIA EDUCATION CODE

CHANGES TO TITLE 5 REGULATIONS

2023

Chaptered Legislation and Guidance Report

But WAIT!! There's More!

CHANCELLOR'S OFFICE RESOURCES

- Vision 2030: A Roadmap for California Community Colleges (cccco.edu/About-Us/Vision-2030)
- Joint Analysis of the Enacted 2023-24 State Budget (cccco.edu/-/media/CCCCO-Website/College-Finance-and-Facilities/Budget-News/Budget-2023-2024/Joint-Analysis-Enacted-Budget-2023-24_Final.pdf?la=en&hash=217B13A37730845DA1481ACE154CE4489C9609FC)
- Chancellor's Office Compendium of Allocations & Resources (cccco.edu/-/media/CCCCO-Website/docs/report/august-2023-24-compendium-of-allocations-resources.pdf?la=en&hash=6488A8B0530CF847998A10A9E56EE31321D190C0)
- Chancellor's Office Published Reports (cccco.edu/About-Us/Reports)

GOVERNMENT RELATIONS RESOURCES

You can find additional information about legislation and state and federal matters at the following resources:

- 2023 Chaptered Legislation Quick Reference Guide (cccco.edu/-/media/CCCCO-Website/docs/report/2023-Chaptered-Legislation-Quick-Reference-Guide-for-Districts.pdf).
- Monthly Consultation Council State Legislation Updates (cccco.edu/About-Us/Chancellors-Office/Divisions/Governmental-Relations/policy-and-advocacy/State-Relations)
- Monthly Consultation Council Federal Updates (cccco.edu/About-Us/Chancellors-Office/Divisions/Governmental-Relations/policy-and-advocacy/Federal-Relations)
- Chancellor's Office Tracked Legislation (cccco.edu/About-Us/Chancellors-Office/Divisions/Governmental-Relations/policy-and-advocacy/State-Relations/Tracked-Legislation)
- Chaptered Legislation Reports (cccco.edu/About-Us/Chancellors-Office/Divisions/Governmental-Relations/policy-and-advocacy/Enacted-Bills)
- Government Relations Division Directory (cccco.edu/About-Us/Chancellors-Office/Divisions/Governmental-Relations/Governmental-Relations-Division-Directory)

Bill title and author	**AB 1540 (M. FONG): POSTSECONDARY EDUCATION: NONRESIDENT TUITION: EXEMPTION.**
Review of existing statutory requirements	**Existing Law:** Education Code Section 68130.5, often referred to as AB 540 (Firebaugh, 2001) exempts students from the payment of nonresident tuition if they attend California schools and/or community colleges as specified. Education Code Section 69508.5, often referred to as the California Dream Act, requires CSAC to develop an application for AB 540 students to receive state financial aid.
Description of legislative intent	**Bill Purpose:** The purpose of this bill is to streamline the process for a student to apply for a nonresident tuition exemption under AB 540 by including it in the financial aid application process.
High-level summary of requirements for colleges or entities	**Requirements Under New Law:** This bill requires community colleges to accept an affidavit provided to the California Student Aid Commission (CSAC) as part of the student's financial aid application to determine a student's eligibility for a nonresident tuition exemption under AB 540 (Firebaugh, 2001). The bill amends Education Code Section 68130.5. Specifically, the bill: • Prohibits colleges that accept an affidavit provided to CSAC from requiring the student to file a separate affidavit but authorizes the institution to verify the information provided on the affidavit. • Authorizes colleges to share the affidavit with any departments within the institution that require such an affidavit to ensure that students are not required to submit multiple affidavits. • Authorizes colleges to provide an affidavit only for students who do not apply for state financial aid to submit for purposes of complying with affidavit requirements of the California Dream Act application.
Chancellor's Office preliminary guidance and recommendations for district action	**Chancellor's Office Guidance** *(revised as of 10/18/2023)*: Colleges shall accept an AB 540 affidavit provided by CSAC. While institutions may provide a separate affidavit to students who do not apply for state financial aid, it is highly recommended that colleges direct students to CSAC so that they may submit both an affidavit and a California Dream Act Application, since being eligible for AB 540 makes them eligible to apply for state financial aid. Allowing students to accomplish both applications at the same time reduces duplication for the student and could increase their chances of applying for and accessing aid. The Board of Governors is expected to adopt regulatory changes that would authorize colleges to accept an AB 540 affidavit from CSAC in January 2024. Additional guidance and supplemental resources will be sent to districts upon approval of those regulations. The text of this bill is available on the California Legislative Information [website](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1540) (https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1540).

Student Centered Funding Formula Resource Estimator Detailed Report

The SCFF focuses resources on a student's full journey

Support Along Journey to Success

Success Allocation for supporting students through successful achievement in several metrics.

Connection to Aid

Supplemental Allocation for enrollment of low-income students and for connecting them to financial aid.

Enrollment

Base Allocation to Districts for student enrollment.

Core Tenets

- Equity in Access
- Equity in Supports
- Equity in Success

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Student Centered
Funding Formula Dashboard

**SCFF Resource
Estimator**

SCFF Dashboard
Webpage
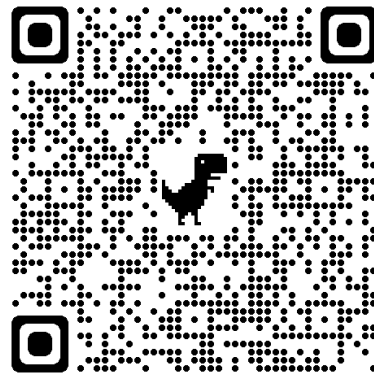
SCFF Resources
Webpage
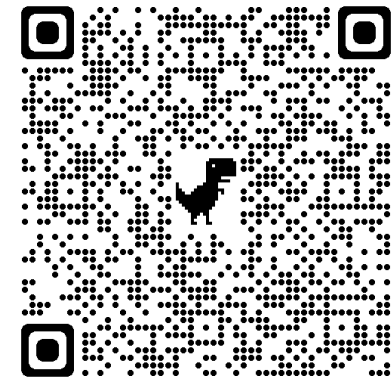
California
Community
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SCFF Resource Estimator

- **SCFF Resource Estimator** – *launched Summer 2022*
  - Produces five-year Total Computational Revenue (TCR) projections
  - Allows users to modify assumptions about levels of general enrollment, low-income student enrollment, student success metrics, COLA adjustments

- **Input Template** – *launched Summer 2023*
  - Excel template with fields for data points used in the SCFF
  - User inputs data in template and uploads to the SCFF Resource Estimator
  - Data inputs in SCFF Resource Estimator update based on the template

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SCFF Resource Estimator Detailed Report

- **Detailed Report** - *launched Fall 2023*
  - Allows users to download a detailed report containing each year of estimates listed in the Estimator.
  - Report is formatted in Excel to simulate the Exhibit C report
  - All values are based on estimates input at time of download

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SCFF Resource Estimator Detailed Report

1. Click on the Download Report Tab
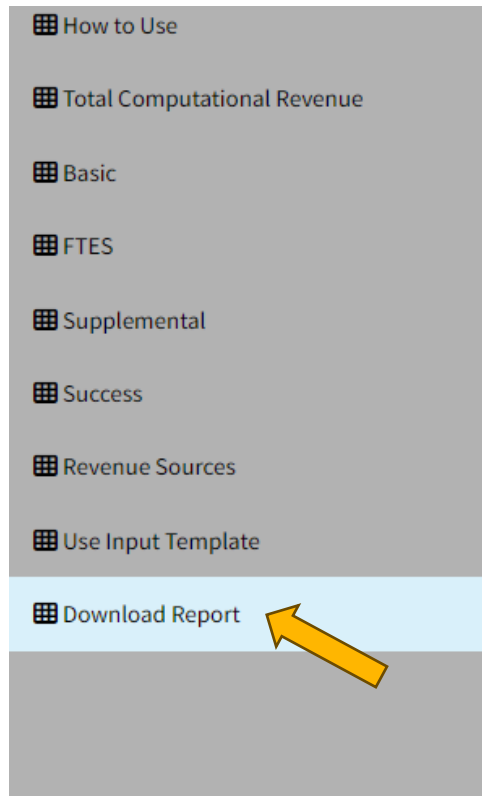
2. Click on Download Detailed Report to Excel

Detailed Report Download

Users can download a detailed report of each year. The report is formatted

⬇ Download Detailed Report to Excel

3. Excel file will be saved in your Downloads folder as SCFF Resource Estimator Detailed Report

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SCFF Resource Estimator Projections - 2023-12-06

Blank Sample

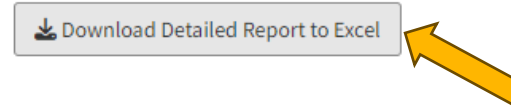## SCFF Resource Estimator Detailed Report

Estimated Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)	
I. Base Allocation Basic + FTES	
II. Supplemental Allocation	
III. Student Success Allocation	

Student Centered Funding Formula (SCFF) Calculated Revenue (A)	
2021-22 SCFF Calculated Revenue + COLA (B)	
Hold Harmless Revenue (C)	
Stability Protection Adjustment	
Hold Harmless Protection Adjustments	
Estimated 2023-24 TCR (Max of A, B, or C)	

Supporting Sections

Section Ia: Estimated FTES Data and Calculations

variable	a	b	c	d	e	$f = b + c + d + e$	$g = f$ except credit = $(a + b + f)/3$	h	$i = g + h$
FTES Category	21-22 Appl #3	22-23 Appl #3	Restoration	Decline	Adjustment	23-24 Appl #1	23-24 Appl #2	Growth	23-24 Funded
Credit									
Incarcerated Credit									
Special Admit Credit									
CDCP									
Noncredit									
Total FTES									
Total Value									

variable	$j = g \times l$	$k = h \times l$	l	$m = j + k$		n	$o - f + h$	$p = n - o$	$q = p \times l$
FTES Category	2023-24 Applied #2 Revenue	Growth Revenue	Rate	Estimated Total Revenue		23-24 Appl #0	23-24 Appl #3	23-24 Unfunded FTES	23-24 Unfunded FTES Value
Credit			$5,238.37						
Incarcerated Credit			7,345.93						
Special Admit Credit			7,345.93						
CDCP			7,345.93						
Noncredit			4,417.31						
Total FTES									

California Community Colleges

2022-23	**2023-24**	2024-25	2025-26	2026-27	2027-28	⊕

Fiscal & Policy Webinar

Student Centered Funding Formula Transition to Floor Protection

California Community Colleges

SCFF Total Computational Revenue (TCR) Protections

Stability Protection (ECS 84750.4(g)(4)(A))	Commencing in 2020-21 declines in the SCFF TCR (excluding the hold harmless) are applicable in the year after the decline and includes any applicable COLA.
Hold Harmless (ECS 84750.4(h))	Districts receive no less than their 2017-18 Total Computational Revenue (TCR) plus applicable cumulative annual cost of living adjustments through 2024-25. The 2022 Budget Act extends the Hold Harmless protection in a modified form. Starting in 2025-26, the Hold Harmless provision will no longer reflect cumulative COLAs over time. A district's 2024-25 Max TCR will represent its new "funding floor", below which it cannot drop.

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SCFF Total Computational Revenue (TCR) Protections

- TCR Stability Protection (TCR B) = Prior year SCFF (TCR A) plus current year COLA
  - This protection currently has no sunset date

- Hold Harmless (TCR C) = 2017-18 TCR plus cumulative COLAs through 2024-25

- Starting 2025-26, Hold Harmless (TCR C) = 2024-25 Max TCR
  - This becomes a district's "funding floor"
  - Max TCR = Highest of SCFF as calculated (TCR A), TCR Stability Protection (TCR B), Hold Harmless (TCR C)
  - No cumulative COLA(s) added over time

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Factors that may Alleviate Reductions in TCR Post COVID-19 ECA

Lasting benefits of COVID-19 Emergency Conditions Allowance (ECA) on **Credit FTES 3-year average**:

- Some data points used to calculate the Credit FTES 3-year average may contain ECA-protected FTES in fiscal years 2023-24 and 2024-25.

- If a district opted-in to COVID-19 ECA in fiscal years 2021-22 and 2022-23:
  - Two of the three data points (2021-22, 2022-23) used to calculate the Credit FTES 3-year average in fiscal year 2023-24 will contain ECA-protected FTES.
  - One of the three data points (2022-23) will contain ECA-protected FTES in fiscal year 2024-25.

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Factors that may Alleviate Reductions in TCR Post COVID-19 ECA

Basic Allocation Protection (Title 5 § 58776)	Declines in college and center basic allocation tiers are effective 3 years after the initial decline.

- *Prior year college/center FTES data is used to calculate the current year Basic Allocation*

Lasting effects of COVID-19 ECA on stability in the **Basic Allocation**:

- For years in which a district was opted-in to COVID-19 ECA, the college FTES used is 2019-20 college FTES, the center FTES used is 2018-19 center FTES.

- If a district opted-in to COVID-19 ECA in fiscal year 2022-23, the aforementioned FTES level will be used as a data point to determine college and center stability funding level through fiscal year 2025-26.

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Factors that may Alleviate Reductions in TCR Post COVID-19 ECA

Stability Protection (ECS 84750.4(g)(4)(A))	Commencing in 2020-21 declines in the SCFF TCR (excluding the hold harmless) are applicable in the year after the decline and includes any applicable COLA.

- *TCR Stability (TCR B) is calculated as prior year SCFF (TCR A) plus current year COLA*

Lasting effects of COVID-19 ECA on **TCR Stability (**TCR B):

- Fiscal year 2023-24 TCR B is based on 2022-23 TCR A, which may include full effects of ECA on the Credit 3-year average and stability in the Basic Allocation.

- Fiscal year 2024-25 TCR B is based on 2023-24 TCR A, which may include lasting effects of ECA on the Credit 3-year average and stability in the Basic Allocation.

- Fiscal year 2025-26 TCR B is based on 2024-25 TCR A, which may include lasting effects of ECA on the Credit 3-year average and stability in the Basic Allocation.

- Fiscal year 2026-27 TCR B is based on 2025-26 TCR A, which may include lasting effects of ECA on stability in the Basic Allocation.

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Contact

For questions regarding the SCFF please email scff@cccco.edu.

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Opportunities to Increase Revenue and Student Supports & Success

Four Pillars of Guided Pathways & SCFF
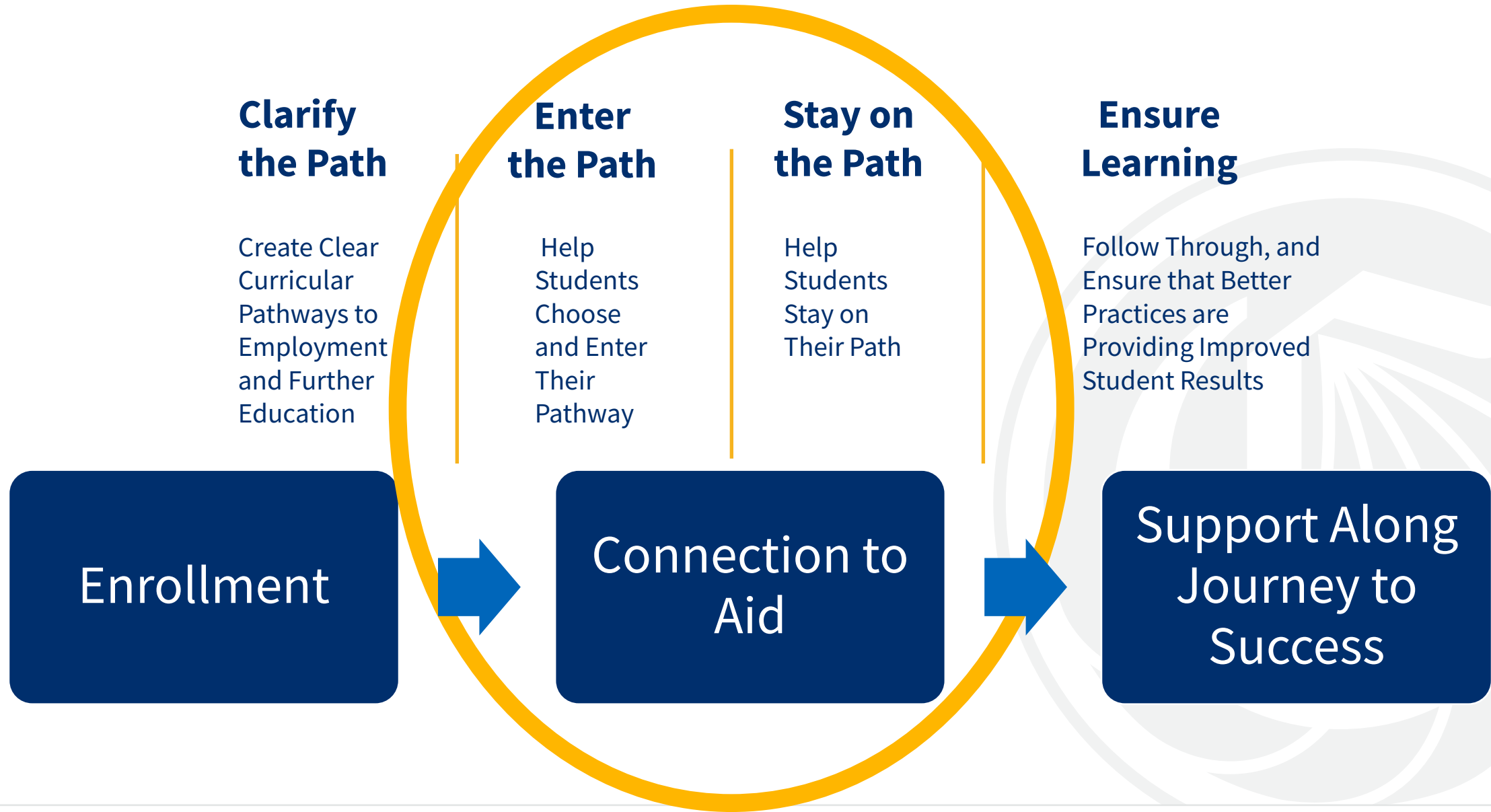
An accurate COA is a win-win for students and the districts.

- By accurately reflecting regional costs, and regularly updating these amounts, districts help students qualify for more financial aid

- Increased financial aid leads to better outcomes for students

- Increasing the number of students who qualify for financial aid results in the districts earning more revenues through the SCFF (in both the Supplemental and Student Success Allocation streams).

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Cost of Attendance (COA)
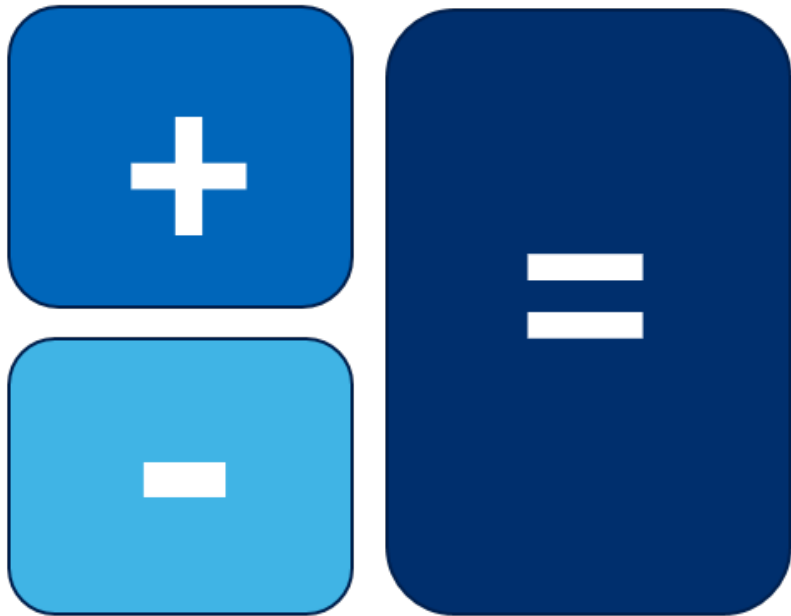
HOW FINANCIAL AID PACKAGES
ARE CALCULATED:
Cost of Attendance
minus
Expected Family Contribution
=Financial Need

Definitions

COA – an estimate of a student's educational expenses for the period of enrollment.

EFC - the amount of money the student is expected to contribute towards their own education based on results from the FAFSA/CA Dream Act Application.

Unmet Need - a student's cost of attendance minus his or her expected family contribution (EFC) and all financial aid, such as grants, scholarships, work-study, and loans. This is the amount that students and/or their families must cover out-of-pocket.

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Components of COA

- Room & Board
- Transportation
- Books and Supplies
- Tuition & Fees
- Non resident Fees
- Personal Expenses
- Loan fees

COST of ATTENDANCE

TUITION & FEES
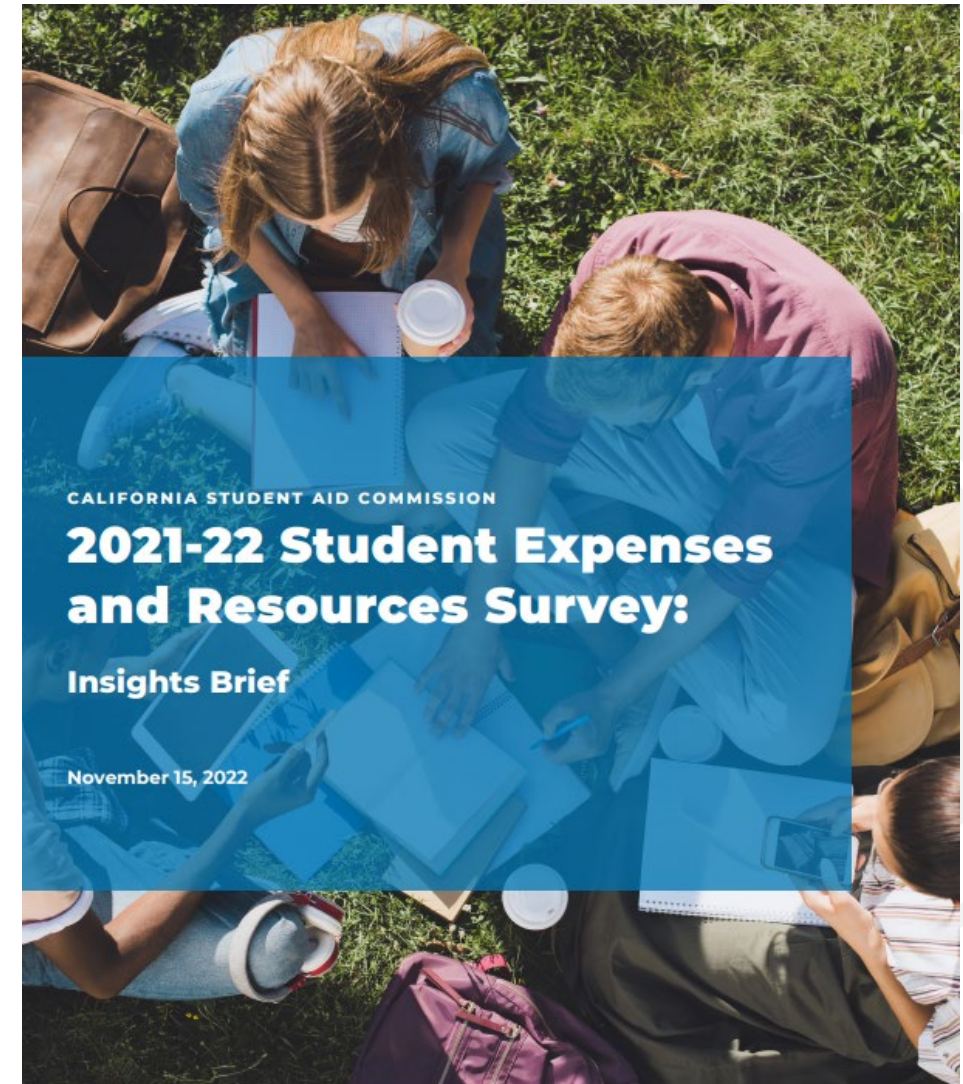
BOOKS & SUPPLIES

TRANSPORTATION

HOUSING

PERSONAL EXPENSES

FOOD

Review Your COA Annually!

- **Responsibility**
  - Financial aid administrators are responsible for developing and maintaining the COA.

- **Frequency**
  - COA review is an ongoing process. Although comprehensive research may not be necessary on an annual basis, a yearly review of COAs is required.

- **Data Resources**
  - Existing budget information
  - State or regional cost of living surveys
  - Bureau of Labor Statistics
  - Professional financial aid associations
  - Student expense surveys

CALIFORNIA STUDENT AID COMMISSION

2021-22 Student Expenses and Resources Survey:

Insights Brief

November 15, 2022

California Community Colleges

CSAC | CALIFORNIA STUDENT AID COMMISSION

California Community Colleges

The Working Learner Taskforce and Proposed Regulations

61%+

OF CALIFORNIA COMMUNITY COLLEGE STUDENTS WORK

Nationally, around 39 percent of those student working full-time (CCRC, 2019).

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Students' biggest perceived challenges

Cost	57%
Life balance	50%
Stress & Anxiety	40%
Fear of failure	39%
Uncertain job market	32%
Uncertain educational path	26%
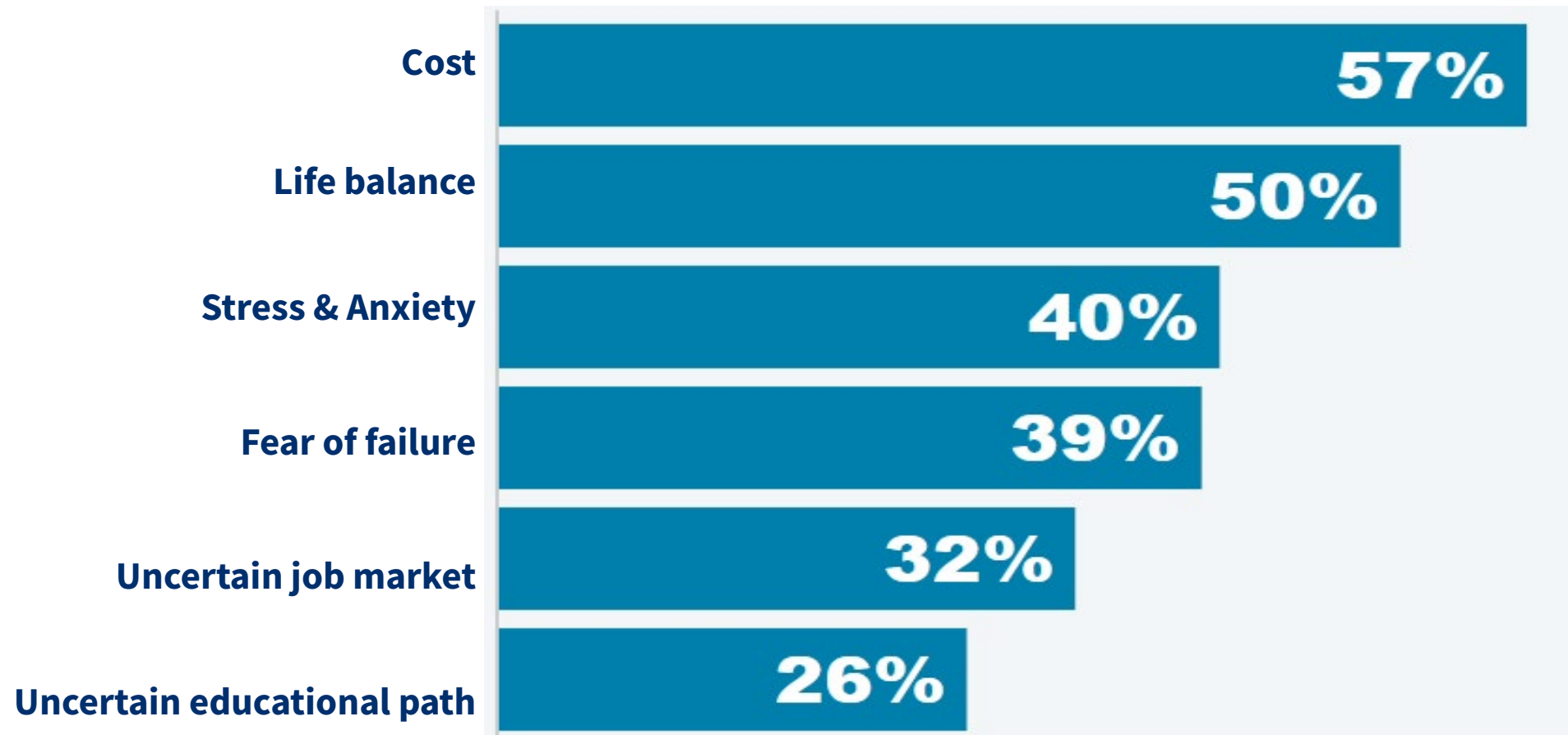
Source: Fall 2021 Strada Education Survey, adults ages 18-65 with an associate degree or less, n=3,159.

Factors most likely to increase enrollment

56% Flexible Schedule

54% Credit for prior learning

51% Financial aid

41% Work-based learning

40% Career advancement
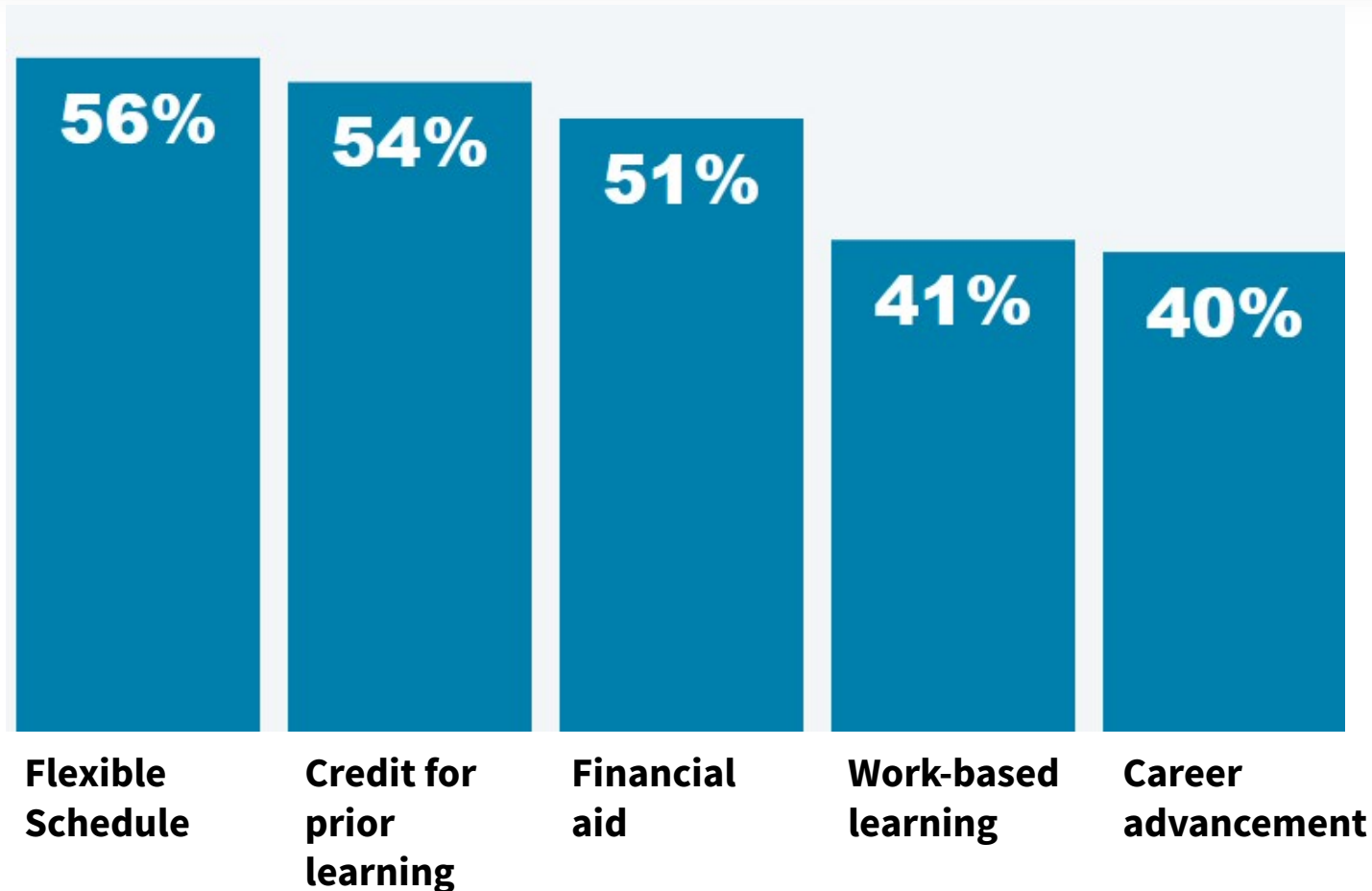
Percent who said the factor would make them 'extremely' or 'very' likely to enroll.

CROSSCUTTING THEMES FOR LOW-INCOME & WORKING LEARNERS

Work is A Necessity

- Adult learners have greater affordability challenges as they are more likely to have dependent children, higher living expenses, and lost opportunity costs.

- The notion of work as a necessity is particularly salient for low-income, first-generation, and adult students.

- Colleges need to recognize employment as a student necessity and design academic programs and student supports with this non-negotiable obligation in mind.

Time is a Non-Negotiable

- Idea that students have an abundance of time for academic exploration is arcane and strife with privilege and socio-economic inequality. Poor guidance adds complication.

- Policies and practices continue to favor traditional, financially dependent, younger students who enroll full-time, leaving working adult learners forced to adapt to a system that was not designed for them.

- Working adult learners need offerings outside of the traditional 8:00 a.m. to 5:00 p.m. timeframe.

Taskforce Focus:

Increase the percentage of students attending full-time , their persistence and completion of certificates, associate degrees, and CCC baccalaureate degrees through flexible schedules and credit for prior learning, with a particular focus on working learners.

Principles: Shorter Time Frame & Schedule Flexibility

- Accountable – responsible use of California taxpayer dollars and students' time.
- Modality agnostic – considers lessons from the pandemic, student surveys, and recent studies that enumerate the flexibility students are seeking.
- Reduces excess units to degrees and credentials.
- Fiscally responsible – includes checks and balances to prevent financial gaming and limit courses that do not support students' programs of study.
- Builds incentives for shorter length and pathways aligned courses
- Considers innovation in competency based education and reforms needed to further implementation.

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Attendance Accounting Overview

- Each course uses a single attendance accounting method in calculating the FTES generated in the course.

- The attendance accounting method used is based on attributes of the course (the type of course, length of the course, the way it is scheduled, credit or noncredit, modality, etc.).

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Current Attendance Accounting Methods

There are five attendance accounting methods outlined in Title 5 section 58003.1.

1. Weekly Student Contact Hour (Weekly Census) (T5 58003.1(b))
2. Daily Student Contact Hour (Daily Census) (T5 58003.1(c))
3. Actual Hours of Attendance (Positive Attendance) (T5 58003.1(d and e))
4. Alternative Attendance Accounting Method – Credit (T5 58003.1(f)(1))
5. Alternative Attendance Accounting Method – Noncredit (T5 58003.1(f)(2))

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Attendance Accounting Options

Our goal is to update the current attendance accounting rules through regulatory changes to remove barriers and **incentivize the offering of shorter-length, modality agnostic, flexible courses**.

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Credit Unit Standards

Credit hour calculations are governed by the standards in Title 5, §§ 55002(a)(2)(B), 55002(b)(2)(B) and 55002.5, which collectively provide the definitions and parameters for credit hour calculations for most courses

PCAH:

"The Chancellor's Office recommends the use of 54 total hours of student work (18 weeks x 3 hours) for this calculation, rather than the minimum 48."

Title 5:

Title 5 §55002.5 requires each district to establish policy regarding the relationship between units, contact hours, and total hours of student involvement in each course. Each district publishes these policies on their websites.

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DRAFT Under Review
Option 4: Standardized Attendance Accounting Method (Hybrid of Alternative and Standardization)

$$\text{FTES} = \boxed{\text{Standardized Total Hours (based on COR)}} \quad \text{X} \quad \boxed{\text{\# of Students enrolled at Census}} \Big/ 525$$

- Standard hours for unit of lecture:
  - 18 for semester colleges
  - 12 for quarter colleges

- Standard hours for unit of lab:
  - 54 for semester colleges
  - 36 for quarter colleges

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Next Steps

Continue working through simulations and partner feedback.

Engage stakeholder on draft proposal and implementation timeline.

Release fact sheet and brief on benefits of the transition to support regulation approval.

Finalize draft regulatory changes, work with the Department of Finance on final approval.

California Community Colleges

Question and Comments

- Please reach out with questions or comments!

Dr. Lizette Navarette: Lnavarette@cccco.edu
Executive Vice Chancellor, Institutional Supports & Success

Dr. John Stanskas, Vice Chancellor, Academic Affairs

Natalie Wagner, Specialist, CFFP: nwagner@cccco.edu

Rafael Artiga, Specialist, CFFP: rartiga@cccco.edu

California Community Colleges

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Thank you!

Merry Christmas & Happy New Year!

www.cccco.edu