

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

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June 28, 2012

TO: Financial Aid Directors/Officers

FROM: Timothy Bonnel, Coordinator, Student Financial Assistance Programs

SUBJECT: 2012-13 Board Financial Assistance Program - Student Financial Aid Administration (BFAP-SFAA) Advance Allocation

SYNOPSIS: Enclosed is the 2012-13 BFAP-SFAA Advance Allocation and supporting information. This memorandum and attachment(s) are informational and do not require any specific action. Please share this information with all interested parties at the college/district.

With the passage of AB1497, the 2012 Budget Act, we are pleased to announce the advance allocation of the 2012-13 BFAP-SFAA funds.

2012-13 BFAP-SFAA FUNDING

Most notable in the 2012-13 allocation are significant increases in some of the components that comprise the financial aid line item for BFAP-SFAA. As a result many colleges will see significant increases in their advance allocations. The table below identifies those programmatic increases:

Funding:	2011-12	2012-13	Change	% Change
Student Financial Aid Administration Base (\$.91)	\$ 12,562,000	\$ 16,920,000	\$ 4,358,000	34.69%
Student Financial Aid Administration Capacity	\$ 34,200,000	\$ 34,200,000	\$ -	0.00%
Board Financial Assistance Program (2%)	\$ 7,109,000	\$ 17,105,000	\$ 9,996,000	140.61%
Statewide Media Campaign (icanaffordcollege)	\$ 2,800,000	\$ 2,800,000	\$ -	0.00%
Total BFAP-SFAA	\$ 56,671,000	\$ 71,025,000	\$ 14,354,000	25.33%

ADJUSTMENTS TO 2012-13 BFAP-SFAA FUNDING

The initial funding formula(s) for the advance includes adjustments to funding for all colleges (\$5000 Outreach Holdback) as well as additional adjustments for specific colleges affected by Maintenance of Effort (MOE) penalties and data integrity issues in the Chancellor's Office Management Information System (COMIS).

MOE Penalties: Nine colleges were subject to MOE penalties. Funding is being held pending mitigating circumstances appeals and corrective actions. Any funds remaining after the conclusion of the appeal process will be reallocated to all other colleges using the funding formula.

SFAA Under-Spending Penalties: Two colleges were subject to under-spending penalties. Both colleges have met appeal standards for waiving the penalty. No funding was held.

Data Integrity - Zero Dollar BOGFW: Forty colleges are affected by a data integrity issue related to reporting zero dollar BOG Fee Waivers that affects base (\$.91) and capacity allocations. Funding is being held pending further review. Affected colleges have been notified and we are working with them to resubmit and reconcile prior year BOGFW data. Any funds remaining will be reallocated to all colleges, using the funding formula, once the reconciliation is complete

Data Integrity – COMIS Generated FTES: Seventy three colleges were potentially affected by an additional data integrity issue. The 2010-11 total FTES report using COMIS college-reported data had significant anomalies in the Course Data Elements (CB) records that would have resulted in dramatic fluctuations in funding for 2012-13 for the affected colleges. Over 27% of all colleges submitted COMIS data that yielded a calculated total FTES significantly lower than the FTES submitted on the annual CCFS-320 report for the corresponding year. Over 37% of all colleges submitted data that generated a calculated total FTES significantly higher than the FTES submitted on the annual 320 for the corresponding year. It appears these anomalies are due to widespread errors in the data reported through COMIS from which we have historically calculated FTES. To address the problem we conferred with management from the Fiscal Services Division, the Technology Resources and Information Systems Division and the Students Services Division, and decided to use the 320 R-1 report in place of the MIS generated Total FTES data, to minimize adjustments to the advance and subsequent reallocations, and to ensure the most accurate calculation and funding formula is being used for the 2012-13 BFAP-SFAA advance. No funding was held.

The table below reflects the funding adjustments made to the 2012-13 BFAP-SFAA allocations and being held for reallocation pending resolution:

Adjustments:	SFAA Base (\$.91)	SFAA Capacity	BFAP 2%	Total
Outreach Hold Back	\$ -	\$ 565,000	\$ -	\$ 565,000
MOE Penalties	\$ -	\$ -	\$ 469,213	\$ 469,213
Underspending Penalties	\$ -	\$ -	\$ -	\$ -
Data Integrity (FTES)	\$ -	\$ -	\$ -	\$ -
Data Integrity (\$0 BOGFW)	\$ 1,098,962	\$ 927,065	\$ -	\$ 2,026,027
Total	\$ 1,098,962	\$ 1,492,065	\$ 469,213	\$ 3,060,240

REALLOCATION

- Colleges will have an opportunity to receive a positive \$5000 adjustment in their P-1 or P-2 allocations by hosting an FA awareness event between March 1, 2013 and May 15, 2013 and posting it on the **icanaffordcollege** website.
- We anticipate that all colleges will have a corresponding P-1 or P-2 adjustment (amount to be determined) to their SFAA base and capacity allocations for the data integrity problem (\$0 BOGFW).
- Colleges may also see a positive adjustment to their BFAP 2% allocation in P-1 as a result of funding held (and not released) from MOE penalties.
- Consistent with program policy, we will also make necessary reallocation adjustments in P-2 contingent on whether any colleges de-obligate SFAA funding on their 2012-13 BFAP Form 2 Report.

Please remember, money allocated in a fiscal year is intended to be utilized in that fiscal year. Absent any carry-over authority from the Chancellors office, colleges are expected to manage their allocations carefully to ensure full utilization of their allocation in the fiscal year. A failure to do so could result in a penalty to future year funding.

Please direct questions regarding this memo or BFAP-SFAA to SFA Programs staff:

Timothy Bonnel, Coordinator, at tbonnel@cccco.edu and (916) 445-0104
Rhonda Mohr, Specialist, at rmohr@cccco.edu and (916) 323-6894
Michael Dear, Specialist, at mdear@cccco.edu and (916) 323-2759
Terence Gardner, Associate Analyst, at tgardner@cccco.edu and (916) 322-7412

Enclosures:

2012-13 BFAP-SFAA Allocation Formulas
2012-13 BFAP-SFAA Advance Allocations and MOE
Board of Governor BFAP-SFAA Use Guidelines
2012 Budget Act (AB 1464) Provisional Language on BFAP-SFAA
BFAP-SFAA MOE Guidelines

Allocation Methodology - Financial Aid Categorical Funding:

Student Aid Administrative Allowance Program - \$.91 (SFAA - Restricted)

Using the Budget Act figure from provisional language for Student Financial Aid Administration (SFAA \$.91), the advance allocation is calculated based on the most recent full year of reconciled MIS financial aid data identifying unduplicated BOGFW recipients by college.

- Under long-standing BOG policy, the minimum guaranteed allocation is equal to \$12,500 per college. In addition, all colleges are guaranteed an allocation equal to 90% of prior the year allocations (provided adequate funding is available).
- By calculation, each college eligible for more than the guaranteed allocation, receives a “fair share” allocation based upon the unduplicated number of BOGFW recipients at the college as a percentage of the system-wide total for all colleges eligible to receive the fair share portion.
- Under BOG policy, penalties may apply for failing to return or de-obligate prior year funding and would offset SFAA - \$.91 future funding allocations for affected colleges.
 - Penalties may be appealed by affected colleges and waived based upon mitigating circumstances.
- Colleges are required to maintain at a minimum the Maintenance of Effort (MOE) financial aid administrative spending level specified in the budget act. This standard is tied to college/district Financial Aid Administrative spending for 2001-02 or 2006-07 whichever is greater.
- Revisions to the college allocations may be made during P-1, P-2 and R-1 to reflect any funding held returned or de-obligated for the current year and the re-distribution of that funding to colleges eligible for or requesting additional resources.

Student Aid Administrative Allowance - Capacity (SFAA - Restricted)

Using the Budget Act figure from provisional language for Student Financial Aid Administration (SFAA – Capacity), the advance allocations are based upon the most recent full year of reconciled MIS financial aid and enrollment data identifying unduplicated BOGFW recipients by college and MIS calculated total FTES¹ by college.

- Colleges receive a minimum guaranteed allocation of \$50,000.
- The remaining capacity funding is allocated equally based upon each college's FTES and BOGFW recipients as a percentage of the system-wide totals in each category. The weighting for distribution is 50% FTES and 50% BOGFW recipients.
 - By calculation, each college receives their "fair share" allocation of one half of the remaining funds after minimum allocations are made, based upon the unduplicated number of BOGFW recipients at the college as a percentage of the system-wide total for all colleges.
 - By calculation, each college receives their "fair share" allocation of one half of the remaining funds after minimum allocations are made, based upon the MIS calculated total FTES¹ at the college as a percentage of the system-wide total for all colleges.
- Under BOG policy, penalties may apply for failing to return or de-obligate prior year funding and would offset SFAA - Capacity future funding allocations for affected colleges.
 - Penalties may be appealed by affected colleges and waived based upon mitigating circumstances.
- Colleges are required to maintain a minimum Maintenance of Effort (MOE) financial aid administrative spending level specified in the budget act. This standard is tied to college/district Financial Aid Administrative spending for 2001-02 or 2006-07 whichever is greater.
- Revisions to the college allocations may be made during P-1, P-2 and R-1 to reflect any funding held returned or de-obligated for the current year and the re-distribution of that funding to colleges eligible for or requesting additional resources.

¹ Used the 2010-11 R-1 data from the 320 report for funding allocations in 2012-13

Board Financial Assistance Program - 2% (BFAP - Unrestricted)

Using the budget act figure from provisional language for Board Financial Assistance Program - 2%, the advance allocations are based upon the most recent full year of reconciled MIS financial aid data identifying the dollar value of fees waived for BOGFW recipients at each college.

- There is no minimum guaranteed allocation.
- All BFAP funding is allocated on a fair share basis based upon each college's dollar value of fees waived for BOGFW recipients as a percentage of the system-wide total.
- Under BOG policy, penalties may apply if a college fails to meet or exceed the specified MOE in the corresponding budget act provisional language for SFAA. Assessed penalties offset BFAP funding allocations for affected colleges.
 - For SFAA funding colleges are required to maintain a minimum Maintenance of Effort (MOE) financial aid administrative spending level specified in the budget act. This standard is tied to college/district Financial Aid Administrative spending for 2001-02 or 2006-07 whichever is greater.
 - Penalties may be appealed by affected colleges and waived based upon mitigating circumstances.
- Revisions to the college allocations may be made during P-1, P-2 and R-1 to reflect any funding held returned or de-obligated for the current year and the re-distribution of that funding to colleges eligible for or requesting additional resources.

2012-13 BFAP-SFAA Official Advance Allocations

District	College	MOE	SFAA Base (\$,91)	SFAA Capacity	SFAA total	BFAP 2%
ALLAN HANCOCK	ALLAN HANCOCK	\$ 358,277	\$ 133,661	\$ 275,945	\$ 409,606	\$ 142,421
ANTELOPE VALLEY	ANTELOPE VALLEY	\$ 716,903	\$ 196,539	\$ 334,300	\$ 530,840	\$ 208,556
BARSTOW	BARSTOW	\$ 190,576	\$ 35,576	\$ 127,280	\$ 162,857	\$ 75,173
BUTTE	BUTTE	\$ 504,301	\$ 162,307	\$ 318,303	\$ 480,610	\$ 195,222
CABRILLO	CABRILLO	\$ 760,309	\$ 124,514	\$ 276,386	\$ 400,900	\$ 131,368
CERRITOS	CERRITOS	\$ 942,650	\$ 295,923	\$ 476,676	\$ 772,599	\$ 310,052
CHABOT-LAS POSITAS	CHABOT	\$ 553,965	\$ 133,622	\$ 284,667	\$ 418,289	\$ 146,357
CHABOT-LAS POSITAS	LAS POSITAS	\$ 215,536	\$ 42,604	\$ 173,359	\$ 215,962	\$ 38,017
CHAFFEY	CHAFFEY	\$ 568,214	\$ 198,716	\$ 386,976	\$ 585,692	\$ 236,764
CITRUS	CITRUS	\$ 469,972	\$ 122,523	\$ 294,205	\$ 416,728	\$ 156,047
COAST	COASTLINE	\$ 321,705	\$ 129,212	\$ 213,125	\$ 342,336	\$ 86,249
COAST	GOLDEN WEST	\$ 474,455	\$ 136,182	\$ 267,664	\$ 403,846	\$ 128,384
COAST	ORANGE COAST	\$ 768,054	\$ 189,892	\$ 401,074	\$ 590,966	\$ 209,778
COMPTON	COMPTON	\$ 421,638	\$ 93,313	\$ 192,544	\$ 285,857	\$ 97,483
CONTRA COSTA	CONTRA COSTA	\$ 511,595	\$ 89,178	\$ 193,604	\$ 282,782	\$ -
CONTRA COSTA	DIABLO VALLEY	\$ 428,867	\$ 118,984	\$ 321,746	\$ 440,730	\$ 117,067
CONTRA COSTA	LOS MEDANOS	\$ 363,215	\$ 89,065	\$ 226,437	\$ 315,502	\$ 103,884
COPPER MOUNTAIN	COPPER MOUNTAIN	\$ 176,939	\$ 28,820	\$ 91,262	\$ 120,082	\$ 32,268
DESERT	DESERT	\$ 447,702	\$ 94,701	\$ 226,879	\$ 321,581	\$ 113,273
EL CAMINO	EL CAMINO	\$ 1,285,840	\$ 233,996	\$ 455,447	\$ 689,443	\$ 267,387
FEATHER RIVER	FEATHER RIVER	\$ 228,551	\$ 18,172	\$ 78,225	\$ 96,397	\$ 18,153
FOOTHILL-DEANZA	DE ANZA	\$ 680,488	\$ 164,263	\$ 384,652	\$ 548,916	\$ 199,643
FOOTHILL-DEANZA	FOOTHILL	\$ 402,027	\$ 73,451	\$ 266,393	\$ 339,844	\$ 87,524
GAVILAN	GAVILAN	\$ 261,250	\$ 56,427	\$ 155,683	\$ 212,110	\$ 63,470
GLENDALE	GLENDALE	\$ 894,455	\$ 208,031	\$ 391,292	\$ 599,323	\$ 218,352
GROSSMONT-CUYAMACA	CUYAMACA	\$ 371,457	\$ 93,359	\$ 202,776	\$ 296,135	\$ 96,420
GROSSMONT-CUYAMACA	GROSSMONT	\$ 729,738	\$ 201,807	\$ 363,407	\$ 565,214	\$ 203,558
HARTNELL	HARTNELL	\$ 557,354	\$ 94,924	\$ 201,357	\$ 296,281	\$ 105,057
IMPERIAL	IMPERIAL VALLEY	\$ 518,907	\$ 124,048	\$ 229,291	\$ 353,339	\$ 151,844
KERN	BAKERSFIELD	\$ 624,781	\$ 248,483	\$ 419,698	\$ 668,181	\$ 246,805
KERN	CERRO COSO	\$ 194,037	\$ 43,079	\$ 119,049	\$ 162,129	\$ 34,157
KERN	PORTERVILLE	\$ 185,768	\$ 66,131	\$ 133,225	\$ 199,356	\$ 67,811
LAKE TAHOE	LAKE TAHOE	\$ 86,797	\$ 26,751	\$ 89,060	\$ 115,811	\$ 22,381
LASSEN	LASSEN	\$ 274,662	\$ 35,917	\$ 101,668	\$ 137,585	\$ 33,714
LONG BEACH	LONG BEACH CITY	\$ 1,634,560	\$ 389,815	\$ 570,425	\$ 960,240	\$ 305,177
LOS ANGELES	EAST L.A.	\$ 1,254,037	\$ 391,547	\$ 671,961	\$ 1,063,510	\$ 413,067
LOS ANGELES	L.A. CITY	\$ 939,779	\$ 258,669	\$ 431,861	\$ 690,530	\$ 233,431
LOS ANGELES	L.A. HARBOR	\$ 477,397	\$ 92,645	\$ 230,583	\$ 323,227	\$ 112,609
LOS ANGELES	L.A. MISSION	\$ 447,674	\$ 114,879	\$ 275,131	\$ 390,011	\$ 130,774
LOS ANGELES	L.A. PIERCE	\$ 844,454	\$ 113,216	\$ 361,408	\$ 474,624	\$ 215,047
LOS ANGELES	L.A. SOUTHWEST L.A.	\$ 451,979	\$ 128,994	\$ 207,689	\$ 336,683	\$ 101,122
LOS ANGELES	L.A. TRADE-TECH	\$ 848,361	\$ 240,270	\$ 406,821	\$ 647,090	\$ 205,964
LOS ANGELES	L.A. VALLEY	\$ 1,085,183	\$ 190,200	\$ 390,954	\$ 581,154	\$ 215,223
LOS ANGELES	WEST L.A.	\$ 630,708	\$ 133,080	\$ 261,160	\$ 394,240	\$ 132,265
LOS RIOS	AMERICAN RIVER	\$ 434,097	\$ 382,379	\$ 680,136	\$ 1,062,515	\$ 402,304
LOS RIOS	COSUMNES RIVER	\$ 188,629	\$ 200,833	\$ 353,265	\$ 554,098	\$ 191,716
LOS RIOS	FOLSOM LAKE	\$ 211,202	\$ 60,244	\$ 191,238	\$ 251,482	\$ 73,591
LOS RIOS	SACRAMENTO CITY	\$ 495,892	\$ 334,990	\$ 541,962	\$ 876,953	\$ 313,372
MARIN	MARIN	\$ 362,553	\$ 40,397	\$ 133,262	\$ 173,659	\$ 76,830
MENDOCINO-LAKE	MENDOCINO	\$ 319,321	\$ 57,037	\$ 122,122	\$ 179,158	\$ 44,656
MERCED	MERCED	\$ 485,855	\$ 145,571	\$ 293,362	\$ 438,933	\$ 180,923
MIRA COSTA	MIRA COSTA	\$ 725,980	\$ 78,659	\$ 244,184	\$ 322,844	\$ 97,555
MONTEREY	MONTEREY	\$ 536,239	\$ 50,706	\$ 178,126	\$ 228,832	\$ 59,013
MT. SAN ANTONIO	MT. SAN ANTONIO	\$ 943,330	\$ 312,460	\$ 665,004	\$ 977,464	\$ 392,960
MT. SAN JACINTO	MT. SAN JACINTO	\$ 625,049	\$ 180,837	\$ 335,005	\$ 515,842	\$ 196,551
NAPA VALLEY	NAPA VALLEY	\$ 326,267	\$ 56,850	\$ 160,252	\$ 217,102	\$ 55,814
NORTH ORANGE	CYPRESS	\$ 445,249	\$ 146,107	\$ 334,181	\$ 480,287	\$ 153,917
NORTH ORANGE	FULLERTON	\$ 456,313	\$ 183,678	\$ 455,769	\$ 639,448	\$ 202,218
OHLONE	OHLONE	\$ 238,181	\$ 49,805	\$ 189,290	\$ 239,095	\$ 63,731
PALO VERDE	PALO VERDE	\$ 256,745	\$ 32,208	\$ 96,055	\$ 128,262	\$ 29,611
PALOMAR	PALOMAR	\$ 1,090,746	\$ 152,648	\$ 421,495	\$ 574,143	\$ 190,676
PASADENA	PASADENA CITY	\$ 848,353	\$ 277,230	\$ 534,459	\$ 811,689	\$ 349,185
PERALTA	ALAMEDA	\$ 580,950	\$ 100,142	\$ 172,248	\$ 272,389	\$ -
PERALTA	BERKELEY CITY	\$ 188,860	\$ 70,341	\$ 157,405	\$ 227,746	\$ 58,305
PERALTA	LANEY	\$ 512,566	\$ 176,749	\$ 272,649	\$ 449,398	\$ 131,838
PERALTA	MERRITT	\$ 328,583	\$ 95,810	\$ 165,627	\$ 261,437	\$ 63,823
RANCHO SANTIAGO	SANTA ANA	\$ 758,291	\$ 201,774	\$ 459,461	\$ 661,235	\$ 180,312

2012-13 BFAP-SFAA Official Advance Allocations

District	College	MOE	SFAA Base (\$.91)	SFAA Capacity	SFAA total	BFAP 2%
RANCHO SANTIAGO	SANTIAGO CANYON	\$ 568,945	\$ 72,428	\$ 208,718	\$ 281,146	\$ 59,790
REDWOODS	REDWOODS	\$ 521,794	\$ 90,289	\$ 172,525	\$ 262,814	\$ 85,865
RIO HONDO	RIO HONDO	\$ 675,246	\$ 139,345	\$ 339,185	\$ 478,530	\$ 187,007
RIVERSIDE	MORENO VALLEY	\$ 228,551	\$ 63,917	\$ 239,513	\$ 303,430	\$ 109,266
RIVERSIDE	NORCO	\$ 217,621	\$ 60,887	\$ 229,347	\$ 290,235	\$ 97,580
RIVERSIDE	RIVERSIDE	\$ 610,554	\$ 312,417	\$ 457,353	\$ 769,770	\$ 244,679
SAN BERNARDINO	CRAFTON HILLS	\$ 220,123	\$ 50,214	\$ 138,975	\$ 189,189	\$ 56,286
SAN BERNARDINO	SAN BERNARDINO	\$ 373,924	\$ 218,174	\$ 330,600	\$ 548,774	\$ 202,634
SAN DIEGO	SAN DIEGO CITY	\$ 780,392	\$ 263,412	\$ 451,442	\$ 714,854	\$ 211,066
SAN DIEGO	SAN DIEGO MESA	\$ 498,276	\$ 266,701	\$ 494,171	\$ 760,872	\$ 222,190
SAN DIEGO	SAN DIEGO MIRAMAR	\$ 294,125	\$ 119,328	\$ 249,299	\$ 368,627	\$ 88,648
SAN FRANCISCO	SAN FRANCISCO CITY	\$ 1,557,401	\$ 290,661	\$ 706,002	\$ 996,663	\$ 304,319
SAN JOAQUIN DELTA	SAN JOAQUIN DELTA	\$ 923,971	\$ 272,674	\$ 444,394	\$ 717,068	\$ 308,974
SAN JOSE-EVERGREEN	EVERGREEN VALLEY	\$ 424,935	\$ 116,141	\$ 218,971	\$ 335,112	\$ 111,562
SAN JOSE-EVERGREEN	SAN JOSE CITY	\$ 292,321	\$ 139,925	\$ 238,812	\$ 378,737	\$ 114,888
SAN LUIS OBISPO	CUESTA	\$ 519,856	\$ 100,567	\$ 227,235	\$ 327,802	\$ 97,869
SAN MATEO	CANADA	\$ 284,687	\$ 71,777	\$ 157,881	\$ 229,658	\$ 54,153
SAN MATEO	SAN MATEO	\$ 359,648	\$ 82,497	\$ 206,686	\$ 289,183	\$ 71,356
SAN MATEO	SKYLINE	\$ 188,400	\$ 84,055	\$ 218,287	\$ 302,341	\$ 90,638
SANTA BARBARA	SANTA BARBARA CITY	\$ 546,403	\$ 164,799	\$ 355,912	\$ 520,711	\$ 173,712
SANTA CLARITA	CANYONS	\$ 335,649	\$ 90,100	\$ 307,087	\$ 397,187	\$ 129,638
SANTA MONICA	SANTA MONICA CITY	\$ 854,760	\$ 257,809	\$ 524,909	\$ 782,717	\$ 299,798
SEQUOIAS	SEQUOIAS	\$ 699,277	\$ 165,197	\$ 310,968	\$ 476,165	\$ 193,308
SHASTA-TEHAMA-TRINITY	SHASTA	\$ 305,735	\$ 122,807	\$ 228,227	\$ 351,034	\$ 119,631
SIERRA	SIERRA	\$ 514,927	\$ 171,125	\$ 383,736	\$ 554,862	\$ 199,826
SISKIYOU	SISKIYOU	\$ 194,403	\$ 42,584	\$ 100,649	\$ 143,233	\$ 41,571
SOLANO	SOLANO	\$ 830,714	\$ 110,538	\$ 249,105	\$ 359,643	\$ 127,062
SONOMA	SANTA ROSA	\$ 700,328	\$ 186,796	\$ 446,284	\$ 633,080	\$ 204,042
SOUTH ORANGE	IRVINE VALLEY	\$ 505,717	\$ 69,595	\$ 226,989	\$ 296,583	\$ 83,872
SOUTH ORANGE	SADDLEBACK	\$ 552,525	\$ 94,128	\$ 347,736	\$ 441,864	\$ 118,898
SOUTHWESTERN	SOUTHWESTERN	\$ 2,074,740	\$ 213,393	\$ 400,484	\$ 613,876	\$ 254,081
STATE CENTER	FRESNO CITY	\$ 1,215,197	\$ 378,228	\$ 526,386	\$ 904,615	\$ 324,569
STATE CENTER	REEDLEY	\$ 663,497	\$ 200,580	\$ 337,109	\$ 537,688	\$ 166,889
VENTURA	MOORPARK	\$ 356,262	\$ 88,479	\$ 257,864	\$ 346,343	\$ 98,744
VENTURA	OXNARD	\$ 406,729	\$ 111,578	\$ 181,155	\$ 292,733	\$ 94,930
VENTURA	VENTURA	\$ 511,791	\$ 147,771	\$ 289,892	\$ 437,663	\$ 152,852
VICTOR VALLEY	VICTOR VALLEY	\$ 686,350	\$ 180,765	\$ 320,203	\$ 500,968	\$ 37,492
WEST HILLS	COALINGA	\$ 286,742	\$ 37,651	\$ 96,082	\$ 133,733	\$ 38,381
WEST HILLS	LEMOORE	\$ 147,903	\$ 38,458	\$ 123,939	\$ 162,397	\$ 57,936
WEST KERN	TAFT	\$ 269,279	\$ 37,842	\$ 104,114	\$ 141,956	\$ 39,596
WEST VALLEY-MISSION	MISSION	\$ 488,449	\$ 81,797	\$ 205,763	\$ 287,560	\$ 91,090
WEST VALLEY-MISSION	WEST VALLEY	\$ 396,566	\$ 63,737	\$ 214,814	\$ 278,551	\$ 72,182
YOSEMITE	COLUMBIA	\$ 115,039	\$ 38,216	\$ 103,283	\$ 141,499	\$ 33,580
YOSEMITE	MODESTO	\$ 656,149	\$ 219,901	\$ 400,009	\$ 619,909	\$ 242,319
YUBA	WOODLAND	\$ -	\$ 24,017	\$ 90,358	\$ 114,375	\$ 29,210
YUBA	YUBA	\$ 405,989	\$ 122,797	\$ 207,277	\$ 330,074	\$ 60,439
Total Initially allocated		\$ 60,726,259	\$ 15,821,038	\$ 32,707,935	\$ 48,528,973	\$ 16,122,637

Italics = Zero \$ BOGFW Data Reconciliation Penalty funding held for MIS BOGFW reconciliation

Bold = Subject to MOE penalty funding held for mitigation



California Community Colleges Chancellor's Office

Expenditure Guidelines for Board Financial Assistance Program - Student Financial Aid Administrative Allowance (BFAP-SFAA)

1. Funds are allocated to each college. Multi-campus districts may not alter the amounts allocated to colleges within the district.
2. Funds are to be expended solely for financial aid professional, technical, clerical or temporary help (including student help) who report in a direct line to the Financial Aid Director. Funds may not be used for personnel at the Financial Aid Manager or Director level or above.
3. Funds may be used for computer hardware or software necessary for and solely dedicated to the delivery of student financial aid.
4. Funds may be used for expenses associated with staff training.
5. Funds may be used for the development and production of financial aid outreach materials.
6. Funds may not be used for capital outlay or office supplies.
7. Funds may not be used for expenditures made or liabilities incurred prior to July 1 of the applicable fiscal year. Funds must be specifically encumbered or spent during the applicable fiscal year.
8. Any request for exceptions to the requirements above must be made in writing. The request must identify the academic year involved, an estimate of the amount to be spent and the reason for the request. No exceptions to these guidelines are allowed without prior written approval by the Chancellor's Office.
9. Funds must supplement, not supplant, college expenditures for financial aid administration. Colleges must demonstrate Maintenance of Effort MOE as defined in the *Education Code* the Budget Act and by the Board of Governors.
10. Colleges that fail to comply with MOE requirements are subject to a dollar for dollar reduction of the colleges 2% funding as a penalty for supplanting college expenditures with categorical funding.
11. As of March 15 or a later date designated by the Chancellor's Office, funds not expended or obligated for expenditure during the fiscal year must be reported to the Chancellor's Office for reallocation.
12. Colleges that return funds in excess of one percent of their allocation after the end of the fiscal year without releasing such funds for reallocation will receive a dollar-for-dollar reduction in their next administrative allowance allocation. The reduction will equal the previous year's unexpended amount minus one percent of the previous year's allocation.
13. Districts are expected to account for these funds separately. Documentation of expenditures must be maintained and provided to the Chancellor's Office upon request to demonstrate compliance.

Note: The above Expenditure Guidelines are not applicable to the BFAP Fee Waiver Revenue backfill Allocation (the "2 Percent" Fund). The "2 Percent" funds may be used in any manner in which other fee revenue is used and do not necessarily have to be spent in the administration of student financial aid programs.

**2012 Budget Act
Assembly Bill No. 1497
Chaptered June 27, 2012**

SEC. 59. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2012 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98)..... 1,550,927,000

Schedule:

(1) 10.10.010-Appportionments..... 1,139,298,000

...
(6) 20.10.005-Student Financial Aid Administration..... **71,025,000**

...
Provisions:

...
14. Of the funds appropriated in Schedule (1), Apportionments:

...
(b) Up to **\$500,000** is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.

...
20. (a) **Of the funds appropriated in Schedule (6) for Student Financial Aid Administration, not less than \$16,920,000** is available to provide \$0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(b) **Of the funds appropriated in Schedule (6), not less than \$17,105,000** is available to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(c) Funding provided to community college districts in subdivisions (a) and (b) is provided to directly offset any mandated costs claimed by community college districts pursuant to Commission on State Mandates Test Claims 99-TC-13 (Enrollment Fee Collection) and 00-TC-15 (Enrollment Fee Waivers).

(d)

(1) **Of the amount appropriated in Schedule (6), \$2,800,000** shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (A) the California Community Colleges (CCC) remain affordable, (B) financial aid tax credits are available to cover enrollment fees and help with books and other costs, and (C) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet Web site address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.

(2) **Of the amount appropriated in Schedule (6), not more than \$34,200,000** shall be for direct contact with potential and current financial aid applicants. Each CCC campus shall receive a minimum

allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting full-time equivalent students (FTES) weighted by a measure of low-income populations demonstrated by BOG fee waiver program participation within a district. It is the intent of the Legislature, to the extent that funds are provided in this item, that all campuses provide additional staff resources to increase both financial aid participation and student access to low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. Funds may be used for screening current students for possible financial aid eligibility and offering personal assistance to these students in accessing financial aid, providing individual help in multiple languages for families and students in filling out the necessary paperwork to apply for financial aid, and increasing financial aid staff to process additional financial aid forms.

(3) Funding provided to community college districts in paragraph (2) is provided to offset any mandated costs claimed by community college districts pursuant to the Commission on State Mandates Test Claims 02-TC-28 (Cal Grants) and 02-TC-21 (Tuition Fee Waivers).

(4) Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.

(5) It is the intent of the Legislature that the Office of the Chancellor of the California Community Colleges provide the Legislature with a report not later than April 1 of each year on the use of the funds allocated pursuant to paragraphs (1) and (2), including the distribution of the funds, specific uses of the funds, strategies employed to reach low-income and disadvantaged students potentially eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.

(6) It is the intent of the Legislature that the chancellor report by May 15 of each year, in the manner and using the factors set forth in paragraph (5) of subdivision (c) of Provision 11 of Item 6870-101-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), on the impact of outreach efforts on student headcount and FTES enrollment for the 2009–10 and 2010–11 academic years.

(e) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2012–13 fiscal year shall be determined in this act.

Legal Authority:**Budget Act MOE Language 2003-04 to 2008-09 states:**

Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 fiscal year.

Budget Act MOE Language 2009-10 to 2011-12 states:

Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 fiscal year or 2006–07, whichever is greater.

MOE/Match Requirements:

- The State allocates categorical program funding for Student Financial Aid administration (SFAA) specifically to supplement and not supplant existing institutional resources to enhance access to postsecondary education for low income and disadvantaged populations.
- Maintenance of Effort (MOE)/match expenditures qualify an institution to receive SFAA categorical funding in each corresponding future fiscal year and as such must be satisfied in each fiscal reporting year.
- MOE/matching expenditures must directly benefit the Student Financial Aid (SFA) program administration
- Refund, Overpayment, and R2T4 liabilities are not considered operational expenses for MOE reporting and should not be included in general fund expenditures identified for purposes of complying with MOE requirements.
- Audit findings and associated audit/reconstruction liabilities are not considered operational expenses for MOE reporting and should not be included in general fund expenditures identified for purposes of complying with MOE requirements.
- Contracted disbursement services (such as HigherOne, or SallieMae) that replace the disbursement functions previously performed by a bursars office, business office, or fiscal services unit may be included in the institution's MOE but are not allowable uses for categorical funding as this could create a supplanting issue.
- Administrative costs of doing business (such as Legal services, segregated duties such as residency determinations and disbursement functions) as well as indirect overhead

assessments or allocated expenses such as, information and technology support, business services, fiscal services, legal services, personnel services etc are not considered allowable uses of categorical funding and may not be included in the MOE/match unless **all** expenditures for such services are charged proportionately to **all** cost centers on campus.

- Salaries and benefits for staff organizationally superior to the FA Director (the institution's designated coordinating official) are not to be included in the MOE/match nor are they allowable uses for SFAA categorical funding.
- Only general fund or "other source" expenditures (including those for staffing and benefits) which are included in the SFA programs operating budget and that are under the oversight and control (subordinates in the case of staff) of the FA Director (designated coordinating official) may be included in the MOE/match.
 - "Other Source" expenditures would likely include federal Pell and Campus Based Administrative Cost Allowances (ACA). Other sources might also include grant funding from outside sources.
- Colleges failing to meet SFAA MOE/match in any fiscal year(s) are subject to a dollar for dollar penalty against the college/district's BFAP 2% funding (unrestricted) in current and future years.
 - Mitigating circumstance appeals will be considered but are at the sole discretion of the Chancellor's Office.

Reporting, Record Retention and Audit:

- **All** expenditures made in direct support of financial aid and in compliance with the MOE/match guidelines **must** be reported on the BFAP Form 3 Annual Report by budget series object codes (1000-6000).
- Form 3 Annual Reports may be subject to review and desk audit by Chancellors office staff. Included in the scope of the audit may be expenditures from General fund, other sources, and categorical funding.
- Record retention requirements for all BFAP-SFAA reports and corresponding back up documentation must be retained for a period of at least 5 years subsequent to close of the fiscal year.