



“Digest” means an item has been through internal review by the Chancellor’s Office and the review entities. The item now has form and substance and is officially “entered into Consultation.” The Council reviews the item and provides advice to the Chancellor.

**Title:** Update on Implementation of Student Centered Funding Formula  
**Date:** November 15, 2018  
**Contact:** Christian Osmeña, Vice Chancellor for College Finance and Facilities Planning

## ISSUE

Provide an update on, and seek advice related to, implementation of the Student Centered Funding Formula (SCFF).

## BACKGROUND

### Context

Chapter 33, Statutes of 2018 (Assembly Bill 1809), the higher education trailer bill to the 2018 Budget Act, establishes the new Student Centered Funding Formula. Assembly Bill 1840, which has been sent to the Governor, makes additional changes related to the funding formula.

The Chancellor’s Office has established an implementation team that operates with the following goals:

- To communicate how the implementation of the SCFF advances the *Vision for Success* under the Guided Pathways framework.
- To apportion funds consistent with the statutes related to the SCFF.
- To support community colleges in implementing these policies by providing professional development and technical assistance.
- To align system policies, practices, and systems with these changes.
- To maintain stability in in the policy environment by making decisions transparently and with advice from interested parties.

This item provides some updates on the implementation of these policies. The Chancellor’s Office may provide updates on additional topics at the meeting.

## **Student Centered Funding Formula Oversight Committee**

Assembly Bill 1840 provides additional specificity related to the “Community College Student Success Funding Formula Oversight Committee,” including its composition and its duties. Specifically, that committee will consist of 12 members, with the Senate Rules Committee, the Assembly Speaker, and the Governor each appointing four members. One of the members appointed by the Senate Rules Committee will be a classified employee from a community college district; one of the members appointed by the Assembly Speaker will be a faculty member from a community college district; and one of the members appointed by the Governor will be a community college administrator.

The committee will review and make recommendations to the Legislature and the Department of Finance, by January 1, 2020, regarding inclusion of measures (as part of the calculation of the supplemental allocation) related to a student’s status as a first-generation college student, a student’s financial need given consideration of a student’s region, and a student’s entering academic proficiency (based on high school performance). The committee is also expected to review, by June 30, 2021, funding for noncredit instruction and instruction delivered pursuant to instructional service agreements, as well as the methods by which district allocations could be adjusted in a recession.

No appointments have been made to the oversight committee. On October 30, the Chancellor’s Office issued a request for application required by the legislation to support the work of the committee.

## **Advisory Workgroup on Fiscal Affairs**

The Advisory Workgroup on Fiscal Affairs met on November 2, 2018. As described at the September meeting of the Consultation Council, the workgroup is being expanded to receive advice from a broader set of stakeholders. A full roster will be provided at the meeting.

Chancellor Oakley has asked that the advisory workgroup focus on the following areas related to implementation of the funding formula:

- The adoption of regulations that clarify the provisions of the related statutes.
- The development of new reports, including apportionment reports, that reflect the formula and associated processes to collect data from districts.
- The production of tools that would help business officials and other local leaders forecast revenues under the formula, including new calculators and multi-year planning tools. This work likely will be performed in coordination with the Fiscal Crisis and Management Assistance Team, which the Chancellor’s Office has engaged to help produce SCFF tools.

The Chancellor's Office has also asked that the workgroup make recommendations to the Chancellor on some policy issues that are not specified as priorities for the SCFF Oversight Committee. A list of those issues will be presented at the meeting.

The Chancellor's Office implementation team's approach has been to take advantage of existing advisory bodies to help inform this work. The Chancellor's Office would continue to also engage the Consultation Council, as described in the council's standing orders.

### **Data Used for SCFF Apportionments**

The Chancellor's Office is implementing the following schedule for submittal of data used in the SCFF calculations:

- October 30—Districts required to submit data on awards in MIS.
- November 1—Districts required to submit data on financial aid in MIS.
- November 15—Chancellor's Office makes SCFF data available on Data On Demand for review.
- November 30—Districts required to submit all final corrections in MIS for use as part of the supplemental allocation and student success allocation.
- December 31—Chancellor's Office makes final SCFF data available on Data On Demand.
- February 20—SCFF apportionment released for the current fiscal year (2018-19).

## **FEEDBACK/QUESTIONS FOR COUNCIL**

The Chancellor's Office is seeking feedback on these SCFF implementation activities.