VENTURA COUNTY
COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services
(DCAS)

October 17, 2019 – 9:00 a.m.
District Administrative Center, Thomas Lakin Board Room

AGENDA

- Approval of Meeting Notes – September 19, 2019
- Accreditation
- Full-time Faculty Obligation Number (FON)
- Unbudgeted FY19 P2 Allocation (aka $5.7 million)
- Allocation Model
- Other Business
- Future Agenda Items

Next Meeting: November 21, 2019, 9:00 a.m.

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council on Administrative Services (DCAS)

District Administrative Center, Thomas Lakin Boardroom

Thursday, September 19, 2019

NOTES

DCAS Attendees:

Silvia Barajas, Vice President, Business Services, Moorpark College
Cathy Bojorquez, Vice President, Business Services, Ventura College
Nenagh Brown, Academic Senate President, Moorpark College
Jennifer Clark, Budget Director
Oscar Cobian, Vice President, Student Development, Oxnard College
Emily Day, Director, Fiscal Services
Gilbert Downs, Classified Senate Representative, Moorpark College
Diane Eberhardy, Academic Senate President, Oxnard College
David El Fattal, Vice Chancellor, Business and Administrative Services
Mark Frohnauer, AFT Representative
Nubia Lopez-Villegas, Human Resources Representative (via Skype)
Amparo Medina, Classified Senate Representative, Oxnard College
Lydia Morales, Academic Senate President, Ventura College (via Skype)
Chris Renbarger, Interim Vice President, Business Services, Oxnard College
Maria Urenda, SEIU Representative

Absent:

Jenine Daly, Human Resources Representative
Jeanine Day, Classified Senate Representative, Ventura College

Guest:

Joel Justice, Chief, Police Services (Districtwide)

Recorder: Laura Galvan

Meeting called to order 9:07 a.m.

APPROVAL OF MEETING NOTES – AUGUST 14, 2019

The meeting notes from August 14, 2019, were approved by consensus with one small change.

POLICE SERVICES FY20 BUDGET UPDATE

Dr. Clark explained the detail behind the FY20 Adoption Budget figures for police services. Dr. Clark also provided one page of a detailed salary and benefit report from Banner. (One page was provided as an example to show that personnel vacancies are budgeted.) She explained that vacant positions are budgeted at mid-range, for the full year (12 months). Dr. Clark also explained that the FY20 contribution from fund 111 to police services was increased by $430,000 (over the FY19 budget). The additional amount is included in the FY20 amount for a total of $1.1 million. She explained that the intent of the additional budget allocated from Districtwide Services was for three new police officer positions. However, the positions have not been filled due to various recruitment issues. Therefore, the $430,000 salary expenses/dollars are being held in salary/benefit variance holding accounts. Dr. Clark explained that even after the additional budget amount was added, the police services projected expenditures remained greater than projected revenue. However, a balanced budget is required; budgets are balanced by either increasing revenue or decreasing expenses, or a combination of both. Dr. Clark provided a detailed 5-year historical expense and revenue analysis. She explained that during the years that revenue was its highest, there was a full contingent of cadets. For FY20, it was previously agreed that parking/traffic fines would be increased to help balance the FY20 budget. Therefore, $50,307 of the $430,000 new revenue was used to increase the FY20 cadet budget for the purpose of increasing revenue, if possible. . Taking the projected new revenue into consideration, there was still a large shortfall in balancing the FY20 budget. The next option was to look at vacancies in the department to balance. A current Police Officer I and a Sergeant position is vacant. Three months of Police Officer I and 9 months of a sergeant position vacancy provide 12 months of savings. In addition, the budget for two of the three new police officer positions was reduced as it is not expected the department will be successful in filling more than a net of one position during FY20. Even with those savings, the police services budget was unable to be balanced. Further, an additional $75,000 from parking services was brought into the budget to balance. The police services budget began the year with an ending fund balance of approximately $18,000.

Ms. Barajas summarized the bottom line is that the entire transfer from Districtwide Services is being fully used without the hiring of said officers. Vice Chancellor El Fattal explained that it was not his intent to use $430,000 to backfill the police services budget. He stated that it was everyone's intention to hire the three additional officers. He explained this is a bi-monthly update, as promised. His team will continue to monitor the budget. There was a discussion about cadets on campus. Chief Justice explained each campus has six or seven per campus. Ms. Bojorquez explained that she believes Moorpark has the highest citations and should be allocated a larger number. Ms. Barajas explained that if DCAS analyzes the budget realistically, it appears an additional $500,000 is needed to balance the budget, although she is not advocating for that. Ms. Barajas would like to see the budget shown in a transparent manner, with a clear display of the deficit/shortage.

Chief Justice discussed a possible new system that will allow students and community members to purchase daily permits on a mobile app. It would also provide license plate recognition for vehicles parked. He is unaware of cost for the system, but understands it may be close to $150,000. At least one cash permit machine will remain on each campus. Ms. Bojorquez suggested checking internet connectivity in parking lots at the colleges prior to making a purchase. Also, she would like to know any other community colleges that use any system. It should be investigated to see if there are larger issues on the back end. Chief Justice explained that the current system uses cell phone connectivity to issue citations. Vice Chancellor El Fattal explained the possibility of having Wi-Fi access installed in solar carport conduits.

DCAS COMMITTEE MEMBERSHIP/CHARGE

There was a brief discussion about student participation. Approved as presented.

FACULTY CO-CHAIR

Dr. Diane Eberhardy will continue as faculty co-chair.

FULL-TIME FACULTY OBLIGATION NUMBER

Dr. Clark explained that the fall 2019 Full-time Faculty Obligation Number (FON) compliance number is 403.8. She reminded DCAS members that there was a discussion in the spring whether the District would meet the obligation number as the initial calculations indicated the District's obligation number would be 418. She explained she just received the raw data to compile the District's number; a rough estimate is that the district will be at about 426, or. Therefore, the District is approximately eight above its obligation number. There was a brief discussion about language included in the State Chancellor's memo regarding additional revenue to be used for additional faculty. It was explained that funds for Full Time Faculty Hiring are allocated to the colleges through the District's Allocation Model. Ms. Brown requested the 10-year historical FON numbers and a detailed breakdown of full-time faculty. Also, categorical and general fund will be broken down. The fully calculated number will return to DCAS next month.

There was a brief discussion about the general mechanics of the FON calculation.

ALLOCATION MODEL TIMELINE/PROCESS

Vice Chancellor El Fattal introduced the Allocation Model Timeline and Process. He explained that he understands the Student Centered Funding Formula (SCFF) calculator should be updated within a week or two and will be found on the FCMAT website. Vice Chancellor El Fattal suggested forming a subcommittee of DCAS (approximately 5-6 members) to work through issues related to any new model and SCFF. The subcommittee's charge would be to look at topics such as: Revenue and determine the mechanics of the Model (example, how will Fund 113 be funded), and evaluate appropriateness. How closely should the District's model align to the State's funding formula? How are duplicate counts handled? How about college support funding (i.e., DAC, utilities, etc.). He suggested a completion timeline of February 2020.

There was a discussion about the feasibility of a small group versus the entire Committee. Dr. Eberhardy suggested handling it within the entire committee and evaluating how it works.

It was decided that DCAS meetings would be extended to 1:00 and lunch will be brought in.

Ideas to consider for new Model in addition to list created by DCAS during FY2017/18 (attached):

Revenue

- Look at all 111, 113, 114 revenue
- What revenue streams should be allocated in new model
- How to handle CCCCO revised estimates (P1, P2, Recalc)
- Review how revenue is currently allocated

College Allocations

- How closely do we want to model the SCFF? Do we use three-year averages? Non-credit FTES?
- How do we handle duplicates in SCFF measures?

Districtwide Support

- How to fund DWS? Utilities? DAC?
- Where will $500,000 shortfall for police services come from; renegotiate districtwide services?

Year-end balances

- How shall we handle carryover?

Other

- Districtwide reserves?
- Special projects?
- Innovation?
- Borrowing?

Vice Chancellor El Fattal stated that the full Board and the Administrative Services Committee will receive regular updates on DCAS discussions related to the development of a new Allocation Model.

FUTURE AGENDA ITEMS

Ms. Brown asked that the $5.7 million allocation be discussed at a future meeting. Vice Chancellor El Fattal explained that the $5.7 million is an estimate from the State and may change. It will likely be presented to the Board in November.

Adjourned 10:34 a.m.

California Community Colleges
Full-Time Faculty Obligation
Fall 2019 Compliance Report

Community College District: Ventura County

1) Total full-time equivalent faculty (FTEF) attributable to instructional and noninstructional Full-Time Faculty based on Title 5 Sections 53302 and 53309	430.1
2) Total FTEF attributable to instructional and noninstructional Part-Time Faculty based on Title 5 Sections 53301 and 53310	304.1
3) Total FTEF for Full-Time Faculty and Part-Time Faculty (line 1 + line 2)	734.2
4) Percentage of FTEF attributable to Full-Time Faculty (line 1/line 3)	58.6%
5) Fall 2019 Full-Time Faculty Obligation (see "Fall 2019 Compliance" on table "Fall 2019 Compliance")	403.8
6) Difference between Full-time Faculty Obligation and Total Full-Time faculty (line 1 minus line 5)	26.3

To the extent that the required number of full-time faculty have not been retained for a fiscal year, the Chancellor is required to reduce a district's revenue for the fiscal year by an amount equal to the average replacement cost for the fiscal year multipled by the deficiency in the number of equivalent full-time faculty.

If a district has incurred a penalty, the Chancellor's Office will provide further information and issue an invoice to the district for the penalty amount.
The average replacement cost of a Full-Time Faculty for 2019 is $80,250.

Estimated Full-Time Faculty Obligation Penalty for Fall 2019
(negative value on line 6 x average replacement cost) $ 0

I hereby certify that the information above is true and correct to the best of my knowledge.

SIGNED: 10/11/19

District Chief Executive Officer Date

District Contact
Name Jennifer J. Clark
Email jclark@vcccd.edu
Phone (805) 652-5539

Please complete and return this form to fiscalstandards@cccco.edu by November 15, 2019.

FON Comparative Analysis
Current Year to Prior Year
Fall 2019 to Fall 2018

2019

College	Full-Time FTEF						Part-Time FTEF						
	a) Full-time	f) Late Retirements/ Resignations	e) non credit	P/T Classified w/ Fac. Contr	i) pre-retirement	FT Total	b) Part-time	g) Minus Allowable Exclusions	e) non credit	PT Total	Total FTEF		% Attributable to FT Faculty
Moorpark	169.0	2.0	(0.4)	1.3	(3.0)	168.9	159.9	(18.1)	(1.1)	140.7	309.6		54.5%
Oxnard	98.0	-	-	1.1	-	99.1	69.0	(11.9)	(0.5)	56.6	155.7		63.6%
Ventura	160.0	2.0	-	0.7	(0.6)	162.1	128.7	(20.4)	(1.5)	106.8	268.9		60.3%
VCCCD Total	**427.0**	**4.0**	**(0.4)**	**3.1**	**(3.6)**	**430.1**	**357.7**	**(50.4)**	**(3.1)**	**304.1**	**734.2**		**58.6%**

2018

College	Full-Time FTEF						Part-Time FTEF						
	a) Full-time	f) Late Retirements/ Resignations	e) non credit	P/T Classified w/ Fac. Contr	i) pre-retirement	FT Total	b) Part-time	g) Minus Allowable Exclusions	e) non credit	PT Total	Total FTEF		% Attributable to FT Faculty
Moorpark	168.0	6.0	(0.2)	1.2	(2.9)	172.1	154.9	(14.7)	-	140.3	312.4		55.1%
Oxnard	96.0	1.0	-	1.2	-	98.2	63.9	(10.1)	-	53.7	151.9		64.6%
Ventura	159.0	5.0	(0.3)	0.7	(0.5)	163.9	136.8	(23.6)	(1.3)	111.9	275.8		59.4%
VCCCD Total	**423.0**	**12.0**	**(0.4)**	**3.1**	**(3.4)**	**434.3**	**355.6**	**(48.4)**	**(1.3)**	**305.8**	**740.1**		**58.7%**

Full-Time Faculty Obligation for VCCCD for Fall 2019	403.8
Difference between FON & Total FT faculty 2019	26.3
Full-Time Faculty Obligation for VCCCD for Fall 2018	416.8
Difference between FON & Total FT faculty 2018	17.5

VCCCD FT Faculty Counts by Campus
Unrestricted vs. Restricted Funding
2018 and 2019

2019	Unrestricted Funds		Restricted Funds		
	Count	%	Count	%	TOTAL
MC	153	90.5%	16	9.5%	169
OC	84	85.7%	14	14.3%	98
VC	141	88.1%	19	11.9%	160
	378		**49**		**427**

2018	Unrestricted Funds		Restricted Funds		
	Count	%	Count	%	TOTAL
MC	151	89.9%	17	10.1%	168
OC	84	87.5%	12	12.5%	96
VC	140	88.1%	19	11.9%	159
	375		**48**		**423**

VCCCD FON (by campus)
2009-2019

Year	State compliance	MC	OC	VC	VCCCD reported FT FTEF	FT FTEF over/(under)	FT Faculty %
2009	397	175	95	148	418	21	55.9%
2010	397	170	95	144	409	12	56.8%
2011	396	168	90	143	401	5	58.0%
2012	378	161	90	140	391	13	58.7%
2013	364	155	87	144	386	22	58.6%
2014	369	161	86	145	391	22	57.4%
2015	392	162	89	152	402	10	55.8%
2016	412	177	96	159	431	19	59.8%
2017	407	174	99	167	440	33	59.2%
2018	417	172	98	164	434	17	58.7%
2019	404	169	99	162	430	26	58.6%
2020*	430						

* Fall 2020 Projected Advance Full-Time Faculty Obligation Number (FON) is based on projected fundable growth credit FTES (for FY19-20, it is estimated at 6.49%). The Fall 2020 Compliance FON will be the lower of the obligation based on (1) the funded credit FTES resulting from the projected fundable growth calculation or (2) the funded credit FTES at the second principal apportionment.

Ventura County
Community College District

2019-20 Adoption Budget

Dr. David El Fattal

Board of Trustees Meeting

September 10, 2019

2019-20 State Budget
Key Issues

Student Centered Funding Formula (SCFF)

- Recalculates funding rates in base, supplemental, and student success allocations for 2019-20
- Maintains the 70/20/10 percentage distribution
- Counts only the highest of all awards a student earned in the same year
- Computes a district's student success allocation based on a three-year average of each of the allocation measures
- Amends the definition of transfer outcomes for the student success allocation (completed 12+ units in the prior year)
- Extends Hold-Harmless provision (at least 2017-18 TCR + COLAs) an additional year through 2021-22

COLA at 3.26%

One-time buy down of STRS and PERS in 2019-20

- STRS: Employer contribution rate increases from 16.28% (FY19) to 17.1% (FY20); increases to 18.4% in FY21
- PERS: Employer contribution rate increases from 18.1% (FY19) to 19.72% (FY20); increases to 22.7% in FY21

2019-20 State Adoption Budget

— SCFF Four-Year Formula Phase-In —

Original Planned Implementation (3-Year)

Component	2017-18	2018-19	2019-20	2020-21
Base (FTES)	100%	70%	65%	60%
Supplemental (Equity)	N/A	20%	20%	20%
Student Success (Outcomes)	N/A	10%	15%	20%

Adjusted Implementation (4-Year)

Component	2017-18	2018-19	2019-20 [a]	2020-21 [b]	2021-22 [b]
Base (FTES)	100%	70%	70%	70%	70%
Supplemental (Equity)	N/A	20%	20%	20%	20%
Student Success (Outcomes) [c]	N/A	10%	10%	10%	10%

[a] FY19-20 budget recalculates funding rates in the base, supplemental, and student success allocations.
[b] FY19-20 funding rates adjusted by COLA(s).
[c] Counts only the highest of all awards a student earned in the same year; amends the definition of a transfer student; calculates the student success allocation based on three-year averages of each of the measures in the allocation.

California Community Colleges

State Budget Update:
Enacted 2019-20 Budget

Background

This analysis of the enacted budget for the 2019-20 fiscal year builds on a May 9, 2019 analysis of the Governor's May Revision budget proposal. In this update, we present detail about the 2019-20 budget as it has now been enacted by the Governor and Legislature.

The analysis primarily focuses on appropriations and policy changes included in Assembly Bill 74, the Budget Act, and Senate Bill 77, the higher education trailer bill. Some items of note are also included in Senate Bill 75, an education trailer bill; Senate Bill 76, a Proposition 98 trailer bill; and Senate Bill 90, a trailer bill related to supplemental pension payments. (When this document was published, SB 75, SB 76, and SB 77 had not been signed by the Governor, but we assume they will be enacted, because the changes they make are referenced in public statements about the budget agreement.)

This analysis was developed jointly by:

- Association of California Community College Administrators (ACCCA)
- Association of Chief Business Officials (ACBO)
- California Community Colleges Chancellor's Office (Chancellor's Office)
- Community College League of California (League)

Introduction

On June 27, 2019, Governor Newsom signed the 2019 Budget Act. In total, the 2019-20 budget reflects state expenditures of $215 billion, including $148 million in General Fund expenditures. Below we describe major changes made in the overall state budget framework and Proposition 98 programs, including the California Community Colleges (CCC). We then review CCC budget adjustments in detail.

Changes in Overall Budget Framework

Continued Focus on Budget Resiliency. The enacted budget maintains the state's recent commitment to paying down liabilities, building reserves, and increasing spending primarily for one-time initiatives. In this budget, about 80 percent of discretionary resources are being used for these purposes.

Specifically, the budget deposits an additional $1.2 billion into the Rainy Day Fund, bringing that reserve to $16.5 billion in 2019-20. By the end of 2022-23—the final year of the multi-year budget window considered by state budget-writers—the Rainy Day Fund balance is projected to be $18.7 billion. This amount is on top of other reserves reflected in 2019-20, including a fund balance of $1.5 billion in the Special Fund for Economic

Uncertainties and $1.5 billion in the Safety Net Reserve. The enacted budget also deposits $389 million in Proposition 98 funds in the Public School System Stabilization Account (PSSSA), as required by Proposition 2, the first time such a deposit has been made. In total, the state would end 2019-20 with $19.2 billion in reserves.

The budget also makes $9 billion in additional payments over the next four years to pay down unfunded pension liabilities. This includes $5.9 billion to CalSTRS and CalPERS on behalf of the state and $3.2 billion to CalSTRS and CalPERS on behalf of schools.

New Policies and Programs Addressing Affordability. The budget focuses on the "cost crisis" the Governor has described throughout the year. Among other changes, it:

- Increases Covered California health insurance premium support for low-income Californians and provides premium support for the first time to middle-income individuals earning up to $72,000 and families of four earning up to $150,000.
- Appropriates $1.75 billion for the production and planning of new housing to reduce costs.
- Expands the Earned Income Tax Credit to provide a new $1,000 credit for families with children under the age of six, increase the average yearly amount individuals receive through the tax credit, and expand eligibility to include full-time workers making the 2022 minimum wage of $15 per hour.
- Expands paid family leave from six weeks to eight weeks for each parent or caretaker of a newborn child.

This focus on affordability extends into higher education. As further described below, the budget includes new supplemental Cal Grants and childcare services for college students with dependent children. It also funds an additional 15,250 competitive Cal Grant awards, which are made to students who do not meet the program's entitlement criteria.

Changes to CCC Funding

The Budget Act includes routine adjustments using updated estimates of revenue, enrollment, and inflation. It includes a few major changes, including Student Centered Funding Formula (SCFF) adjustments and expansion of the California College Promise.

PROPOSITION 98 ESTIMATES

Minimum Guarantee. Each year, the state calculates a "minimum guarantee" for school and community college funding based on a set of formulas established in Proposition 98 and related statutes. To determine which formulas to use for a given year, Proposition 98 lays out three main tests that depend upon several inputs including K-12 attendance, per capita personal income, and per capita General Fund revenue. Depending on the values of these inputs, one of the three tests becomes "operative" and determines the minimum guarantee for that year. The state very rarely provides funding above the estimated minimum guarantee for a budget year. As a result, the minimum guarantee determines the total amount of funding for schools and community colleges. Though these formulas determine total funding, they do not prescribe the distribution of funding.

Table 1 shows the budget's estimates of the minimum guarantee for the prior, current, and budget years. The CCC shares of Proposition 98 funding in the budget are 10.99%, 10.97%, and 10.93% for the prior year, current year, and budget year, respectively. These shares are at or above the traditional CCC share of 10.93%. Prior to calculating the CCC shares, funding for the Adult Education, Adults in Correctional Facilities, and K-12 Strong Workforce programs, as well as the transfer to the PSSSA, are excluded from the total.

Table 1: Estimates of the Proposition 98 Minimum Guarantee (In Millions)

Source	2017-18	2018-19	2019-20	Change	Percent
All Proposition 98 Programs					
General Fund	$52,834	$54,445	$55,903	$1,458	3%
Local Property Tax	22,625	23,701	25,166	1,465	6%
Totals	$75,459	$78,146	$81,069	2,923	4%
Community Colleges Only					
General Fund	$5,257	$5,427	$5,485	$58	1%
Local Property Tax	2,980	3,056	3,244	188	6%
Totals	$8,237	$8,483	$8,729	$246	3%

Required Transfer to Public School System Stabilization Account. Proposition 2, approved by voters in November 2014, created the PSSSA, a new state reserve for schools and community colleges. The Budget Act makes the first transfers into the PSSSA, appropriating $389.3 million for this purpose.

Under Proposition 2, transfers are made to this account only if several conditions are satisfied. That is, the state must have paid off all Proposition 98 debt created before 2014-15 and the minimum guarantee must be growing more quickly than per capita personal income. Though this transfer changes when the state would spend money on schools and community colleges, it does not directly change the total amount of state spending for schools and community colleges across fiscal years. That is, appropriations to schools and community colleges will be lower in 2019-20 because of this transfer, but they will be higher than otherwise required by Proposition 98 in the years when money is spent out of this reserve. The state has not yet established practices governing when funds are appropriated from the account and how those funds are distributed between schools and community colleges.

Changes to Proposition 98 "True-Ups." The Proposition 98 is not finalized until after the close of the fiscal year. When the final guarantee is higher than the initial estimate, the state makes "settle up" payment to fund the guarantee. When the final guarantee is lower than the initial estimate, the state typically adjusts appropriations down or counts some of the appropriations as "settle up" of prior obligations. Last year's budget created a "true up" account to make adjustments more automatic. Trailer legislation repeals this true-up account and prohibits the state from making any downward adjustment to appropriations once a fiscal year is over. This change benefits districts by providing more certainty in funding, especially once the fiscal year has ended.

CHANGES IN FUNDING

The Budget Act includes $337 million in ongoing policy adjustments for CCC, compared to revised 2018-19 expenditure levels, as reflected in Table 2.

Table 2: Changes in CCC Proposition 98 Funding (In Millions)

2018-19 Revised Budget[a]	**$8,483**
Student Centered Funding Formula base adjustments	$62.5
Remove one-time spending	-109.7
Other technical adjustments	-43.5
Subtotal	**-$90.7**
Provide 3.26% COLA for Student Centered Funding Formula	$230
Expand California College Promise	42.6
Fund 0.55% enrollment growth	24.7
Adjust Student Success Completion Grant funding for workload	18.4
Provide 3.26% COLA for certain categorical programs[b]	13
Fund student housing program	9
Use one-time funds for CCC Strong Workforce program	-6.7
Augment veteran resource centers	5
Backfill federal funds for Foster Parent Education Program	0.4
Augment Historically Black Colleges and Universities (HBCU) transfer program	0.1
Subtotal	**$336.5**
Total Changes	**$245.7**
2019-20 Budget[a]	**$8,728.7**

[a] Amounts exclude Adult Education Program and K-12 Strong Workforce Program funding.

[b] Applies to CalWORKS, Campus Childcare, DSPS, EOPS, apprenticeships, Mandates Block Grant, and Fund for Student Success programs.

COLA = Cost-of-living adjustment

Table 3 shows the allocation of one-time funds for systemwide programs and college projects (primarily related to veteran resource centers and workforce development). The Chancellor's Office does not advocate for college-specific allocations.

Table 3: One-Time Appropriations (In Millions)

Item	**Amount**
Systemwide programs	
Deferred maintenance	$13.5
Portion of 2019-20 Strong Workforce program costs	6.7
Basic needs programs	3.9
Re-entry grant program	3.5
Teacher credentialing partnerships	1.5
Assessment of college-based food programs	0.5
Subtotal	**$29.6**

Table 3: One-Time Appropriations (In Millions)

Item	Amount
College-specific projects	
Sacramento City College basic needs and veteran resource center	$2.4
MiraCosta College veteran resource center	1.5
Norco College veteran resource center and workforce development programs	1.5
Bakersfield College workforce development programs	1
Fresno City College workforce development programs	1
Mendocino College construction trades program	1
Modesto Junior College workforce development programs	1
Palo Verde College childcare center	1
San Bernardino College workforce development programs	1
Subtotal	**$11.4**
Grand Total	**$41**

Later in this analysis, we detail local support by program, capital outlay funding, and state operations.

MAJOR POLICY CHANGES

Student Centered Funding Formula. The Budget Act continues implementation of the SCFF, with adjustments to the formula's structure in 2018-19 and 2019-20. For detail on the 2018-19 changes, please see the section below on the 2018-19 apportionment. This section focuses on the changes for 2019-20 and beyond.

First, the budget recalculates funding rates in the base, supplemental, and student success allocations so that in 2019-20, 70 percent of SCFF funds would be allocated for the base allocation, 20 percent for the supplemental allocation, and 10 percent for the student success allocation. Beginning in 2020-21, those funding rates would simply be adjusted by COLA, and the distribution of funds across the three allocations would be determined by changes in the underlying factors.

Second, for the calculation of the student success allocation, it:

(1) Counts only the highest of all awards (i.e., associate degree for transfer, associate degree, baccalaureate degree, and credit certificate) a student earned in the same year. Further, it counts an award only if the student was enrolled in the district in the year the award was granted.

(2) Amends the definition of a transfer student. A student who transferred to a four-year university would be included in the district's count only if the student completed 12 or more units in the district in the year prior to transfer.

(3) Calculates the student success allocation based on three-year averages of each of the measures in the allocation.

Finally, the budget extends the existing minimum revenue provision of the SCFF, specifying that districts will receive at least the 2017-18 total computational revenues

(TCR), adjusted by COLA each year, through 2021-22. Current law provides this commitment through 2020-21.

The budget charges the Chancellor's Office with determining the final funding rates for 2019-20 consistent with these policy adjustments. The Chancellor's Office is consulting with the Advisory Workgroup on Fiscal Affairs and other advisory bodies regarding methods for use in apportioning funds in 2019-20, and further guidance is forthcoming.

Expansion of California College Promise. The Budget Act expands the California College Promise (Assembly Bill 19 of 2017, Santiago) with an additional $43 million (for a total of $85 million). Under current law, districts can use funds to waive or buy out enrollment fees for any first-time, full-time California students for up to one year. Districts also can decide to use the funds for other purposes. Trailer legislation amends the program to allow colleges to provide a second year of fee waivers for all first-time, full-time students. The legislation also allows colleges to alter the definition of full-time for students with disabilities. The Chancellor's Office will allocate funds in accordance with AB 19. That is, each college would receive funding calculated based on the costs to waive student fees for all first-time, full-time students for two years.

No changes are made to the participation requirements for colleges. Colleges must partner with local education agencies to establish an Early Commitment to College program, improve college readiness, reduce the need for remediation, use "multiple measures" for assessment and placement, participate in the Guided Pathways program, ensure that students complete the federal or state financial aid application, and participate in the federal student loan program.

Cal Grant Expansion. As discussed, the budget expands the number of competitive Cal Grant awards by 15,250. These awards are for students who meet Cal Grant eligibility requirements but do not qualify for the entitlement programs, primarily because of the amount of time they have been out of school. As a result, these awards generally serve older adults enrolled in community colleges. The Student Aid Commission will now be authorized to make 41,000 new competitive Cal Grant awards each year.

Consistent with the Governor's proposal from January, the budget also creates a new supplemental award for Cal Grant recipients who are enrolled in one of the public higher education segments and who have dependent children. For students receiving the Cal Grant A, the proposal creates a new access award that could provide up to $6,000 annually to cover nontuition costs. For students receiving the Cal Grant B, the maximum access award would increase to $6,000 annually (from $1,648). For students receiving the Cal Grant C, the maximum books and supplies award would increase to $4,000 (from $1,094).

Finally, the budget creates the Cal Grant B Service Incentive Grant Program to provide students who are not eligible for federal work study programs with non-tuition aid of up to $1,500 per semester for performing at least 150 hours of community or volunteer service per semester. The budget includes $9 million General Fund ongoing for this purpose.

Relief on Pension Costs. The Budget Act includes a one-time, $1.6 billion CalSTRS payment and a one-time, $660 million CalPERS payment, both of which would reduce school and community college districts' share of the unfunded liability for these pension funds. These payments come from non-Proposition 98 General Fund. For both systems, the payments are expected to reduce the district contribution rate by about three-tenths of a percentage point beginning in 2021-22. The exact rate reductions will depend on a number of factors and are likely to fluctuate from year to year.

Additional funding is included to pay districts' statutory employer contributions to CalSTRS and CalPERS for 2019-20 and 2020-21. Specifically, for 2019-20, the budget includes a payment of $356 million to CalSTRS, reducing districts' required contributions from 18.1% of covered payroll to 17.1%, and a payment of $144 million to CalPERS, reducing districts' contributions from 20.7% to 19.7%. For 2020-21, the budget includes a payment of $250 million to CalSTRS, reducing districts' contributions from 19.1% to 18.4%, and a payment of $100 million to CalPERS, reducing districts' contributions from 23.6% to 22.7%.

This action could reduce strains on local funds, which could allow for funding of other district priorities in those two years. State fiscal experts caution that the budget relief is temporary and should be treated as one-time savings with no ongoing benefit. Moreover, the Legislative Analyst's Office cautions that, though districts currently view rising pension costs as difficult to manage, these difficulties could become much more pronounced during an economic downturn. Districts could set aside funds from the budget relief to help them pay growing pension costs when state funding for districts flattens or declines.

Longitudinal Data System. The Budget Act funds implementation of a new statewide longitudinal data system, the "Cradle-to-Career Data System," to connect information from education entities, employers, and other state and local agencies. The Office of Planning and Research will serve as fiscal agent for these funds.

Enacted trailer legislation establishes a workgroup consisting of state agencies and other parties expected to provide data to the system. Specifically, the workgroup includes representatives from the State Board of Education, California Department of Education, CCC, University of California, California State University, Commission on Teacher Credentialing, Student Aid Commission, Employment Development Department, Labor and Workforce Development Agency, the Health and Human Services Agency, the Department of Technology, the Bureau for Private Postsecondary Education, the Association of Independent California Colleges and Universities, and California School Information Services. The legislation also requires a planning facilitator to convene one or more advisory groups of data system end-users to provide additional input.

The legislation directs the workgroup to prioritize implementation of the data system in the following order: phase 1 focusing on K-12 and higher education, phase 2 focusing on workforce, phase 3 focusing on early care and education, and phase 4 focusing on health and human services and other data connections. The planning facilitator is required to report to the Department of Finance and the Legislature on its progress in preparing its recommendations by October 1, 2020.

2018-19 APPORTIONMENT

Table 4 summarizes the 2018-19 apportionment. It compares the 2019 Budget Act estimates with the Chancellor's Office's revised estimates of the cost of the SCFF and the available revenues, showing the differences from the second principal apportionment.

Specifically, for 2018-19, the budget changes the definition of a transfer student to rely on different data than the Chancellor's Office had used as part of the first principal apportionment. The trailer legislation directs the Chancellor's Office to use publicly reported University of California (UC) data to count transfers to UC campuses, California State University (CSU) data to count CSU transfers, and CCC Chancellor's Office data to count transfers to private and out-of-state institutions. This direction changes the statewide transfer count in the prior year (2017-18), which is the data used for the 2018-19 apportionment.

For the equity component of the student success allocation, which counts the number of transfers who were Pell Grant recipients and California College Promise Grant recipients, the second principal apportionment calculates those counts by multiplying the total number of transfers, as of the second principal apportionment, by 1) the percentage of Pell Grant recipient transfers in the first principal apportionment and 2) the percentage of California College Promise Grant recipient transfers in the first principal apportionment.

Statewide, these changes result in a reduction in the total computational revenue (TCR) of $48 million compared to the data used as of the first principal apportionment.

Table 4: 2018-19 General Apportionment Estimates (In Millions)

Category	P1 (April)	P2 (June)	Budget Act	Difference
SCFF allocations				
Base	$4,918	$4,933[a]	$4,919	-$14
Supplemental	1,396	1,396	1,391	-5
Student success	787	739	739	0
Total	$7,101	$7,068	$7,049	-$19
Minimum revenues	113	125	116	-9
Total computational revenue	**$7,214**	**$7,193**	**$7,165**	**-$28**
Available revenues				
General Fund	$3,604	$3,639[b]	$3,641	-$2
Local property tax	2,919	2,987	3,056	-69
Enrollment fees	459	466	464	2
Other offsetting revenues	4	5	4	1
Total available revenues	**$6,987**	**$7,097**	**$7,165**	**-$68**
Surplus (shortfall)	-$228	-$96	$0	-$96

[a] This figure is $17 million lower than the figure used in the Chancellor's Office's memorandum on the second principal apportionment because of a correction. For each district, the Chancellor's Office will limit FTES growth to the district's target, even though, for some districts, the second principal apportionment allowed for growth above target.

[b] This figure is $8 million lower than the figure used in the Chancellor's Office's memorandum on the second principal apportionment to allow for more reasonable comparisons with the Budget Act total.

P1 = first principal apportionment; P2 = second principal apportionment

The Chancellor's Office's recent estimates of the costs of the SCFF are different from the estimates reflected in the Budget Act, because the state budgets for the community college apportionments using point-in-time data. Further, the budget continues to assume that districts will receive more in offsetting revenues (i.e., property taxes) than has already been collected. Moving forward, the Chancellor's Office and other system stakeholders will continue to advocate for the need for provisions by which the state would provide additional General Fund support if costs increase or offsetting revenues do not materialize.

For details about how funds were allocated as of the second principal apportionment, please see the Chancellor's Office's memorandum. The Chancellor's Office will further revise 2018-19 funds as part of its recalculation apportionment.

LOCAL SUPPORT FUNDING BY PROGRAM

Table 5 shows local assistance funding by program for the current and budget years. As the table shows, most categorical programs received level funding in the budget, with certain programs receiving cost-of-living adjustments consistent with recent practices. Decreases in funding are primarily due to removing one-time funding allocated in 2018-19.

Table 5: California Community Colleges Funding by Program at 2019 Budget Act[a] (In Millions)

Program	2018-19 Revised	2019-20	Change		
			Amount	Percent	Explanation of change
Student Centered Funding Formula	$7,165	$7,430	265	3.69%	COLA, enrollment growth, minimum revenue provision
Student Equity and Achievement Program	475	475	-	-	
Strong Workforce Program	255	248	-7	-2.75%	Remove $7 one-time, $7 in 2019-20 is from one-time sources
Student Success Completion Grant	132	150	18	13.98%	Adjust for revised estimates of recipients
Adult Education Program	131	135	4	3.14%	COLA (does not apply to $5 million for data system)
Disabled Students Programs and Services (DSPS)	120	124	4	3.26%	COLA
Extended Opportunity Programs and Services (EOPS)	112	116	4	3.26%	COLA
California College Promise (AB 19)	46	85	37	79.4%	Remove $4 for revised estimates of recipients, add $42.5 expansion
Financial aid administration	92	76	-16	-17.28%	Remove $14 one-time, adjust for revised estimates of fee waivers
Full-time faculty hiring	50	50	-	-	
CalWORKs student services	45	47	1	3.26%	COLA

Table 5: California Community Colleges Funding by Program at 2019 Budget Act[a] (In Millions)

Program	2018-19 Revised	2019-20	Change		
			Amount	Percent	Explanation of change
Apprenticeship (CCC districts)	53	44	-9	-17.13%	Remove $10 one-time, COLA
Integrated technology	42	42	-	-	
Mandates Block Grant and reimbursements	33	34	1	1.85%	COLA, revised enrollment estimates
Institutional effectiveness initiative	29	28	-1	-4.78%	Remove one-time funding
Part-time faculty compensation	25	25	-	-	
Online education initiative	58	23	-35	-60.34%	Remove one-time funding
Economic and Workforce Development	23	23	-	-	
NextUp (foster youth program)	20	20	-	-	
Calbright College (online college)	120	20	-100	-83.33%	Remove one-time funding
Cooperative Agencies Resources for Education (CARE)	16	17	1	3.26%	COLA
Lease revenue bond payments	32	16	-16	-49.00%	Adjust for actual obligations
Deferred maintenance and instructional equipment (one time)	28	14	-14	-48.21%	Remove and add one-time funding
Nursing grants	13	13	0	-	
Part-time faculty office hours	62	12	-50	-80.42%	Remove one-time funding
Veterans Resource Centers	13	10	-3	-38.46%	Remove one-time funding and augment
Student housing program	-	9	9	-	Funding for new program
Foster Parent Education Program	5	6	0	7.61%	Backfill federal funding ($0.4 million)
Childcare tax bailout	4	4	0	3.26%	COLA
Other[b]	3	3	-	2.66%	
Equal Employment Opportunity Program	5	3	-2	-43.39%	Remove one-time funding (EEO Fund)
Umoja	3	3	-	-	
Mathematics, Engineering, Science Achievement (MESA)	2	2	-	-	
Puente Project	2	2	-	-	
Middle College High School Program	2	2	-	-	
College-specific allocations	16	11	-5	-	Remove and add one-time funding

Table 5: California Community Colleges Funding by Program at 2019 Budget Act[a] (In Millions)

Program	2018-19 Revised	2019-20	Change Amount	Change Percent	Explanation of change
One-time program funding[c]	31	9	-22		Remove and add one-time funding
K-12 passthroughs (adult ed, K-12 apprenticeship, workforce)	621	606	-15	-2.42%	Remove one-time funding, COLA
Totals	**$9,884**	**$9,937**	**$49**	**0.49%**	

[a] Table reflects total programmatic funding for CCC, including amounts from prior years available for use in the years displayed.

[b] Other programs include Academic Senate, transfer, FCMAT, and part-time faculty health insurance.

[c] In 2018-19, includes one-time allocations for hunger-free campus, mental health services and training, re-entry grant program, and open educational resources. In 2019-20, includes basic needs programs, re-entry grant program, teacher credentialing partnerships, and assessment of college-based food programs.

COLA = cost-of-living adjustment.

CAPITAL OUTLAY

The Budget Act includes $535.3 million in capital outlay funding from Proposition 51, approved by voters in 2016. The funding is to support 20 continuing projects and 39 new projects. The budget reduces by 20 percent (compared to amounts included in the Board of Governors' request) funding for four projects that included no local match. These colleges would be expected to generate the difference from other non-state funds. The budget also reappropriates previously approved funding for three existing CCC projects due to delays in their design phases. Appendix A-2 shows the complete approved project list.

STATE OPERATIONS

The Budget Act includes two substantive changes for state operations, all from non-Proposition 98 General Fund:

- $516,000 ongoing for an information security officer, two accounting positions, and one specialist for monitoring districts' fiscal health.
- $435,000 one time to support the work of the SCFF Implementation Oversight Committee.

Combined, the Budget Act would result in total budgeted resources for the Chancellor's Office of $30.1 million in 2019-20 (including $19.1 million General Fund).

Conclusion

The Appendix contains additional information including the CCC Board of Governors' budget request, an overview of the state budget process, information about districts' local budgets and fiscal health, and a glossary.

Although the Budget Act has been enacted, it is possible that the Governor and Legislature could make changes to the budget in "clean-up" legislation enacted later this year. The last day for any bill to be passed is September 13. The Chancellor's Office will post updates concerning any other changes made to the budget.

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Appendix A: Board of Governors Budget Request

Table A-1: Local Assistance

Item	Board of Governors Request	Enacted Budget
1. Student Centered Funding Formula		
Rates	Additional funding and changes in statute to adjust rates.	Makes several changes to the funding formula as described above.
2. Comprehensive Support for All Students		
California College Promise	---	Adds $43 million to expand program by amount needed to cover second year of attendance for first-time, full-time students.
Student Equity and Achievement Program	$23 million ongoing and changes in allocation to increase support services for students who face barriers to their success, including inmates, veterans, and low-income students, as well as other groups for whom our data has found disproportionate impacts.	No proposal. However, funds student support, including $7 million one-time Proposition 63 funds for student mental health services, $5 million ongoing for veteran resource centers, $9 million ongoing for student housing, $4 million one-time for student basic needs, $4 million one-time for reentry programs; and $500,000 one-time for study of college food programs.
3. Faculty and Staff Programs		
College-Wide Professional Development	$25 million ongoing and statutes to establish program.	---
Faculty Support Programs	$50 million ongoing and related statutes.	---
Faculty Diversity	$15 million one-time for pilot program.	---
4. Work-Based Learning		
Work-based learning within Guided Pathways	$20 million one-time and statutes to establish program. One position for statewide leadership.	---
Statewide Approach to Library Services	$4 million annually over five years ($20 million total) and related language.	---

Appendix A: Board of Governors Budget Request (continued)

Table A-2: Capital Outlay [1/]

New/ Cont.	Cat.	District	Location	Project Name	Ph	State 19-20	Ph.	Local 19-20
Cont.	A3	Pasadena CCD	Pasadena College	Armen Sarafian Building Seismic Replacement 2/	C	$41,221,000	C	$2,437,000
Cont.	A3	Redwoods CCD	College of the Redwoods	Arts Building Replace Existing 3/	C	22,010,000	--	0
Cont.	A3	San Francisco CCD	Alemany Campus	Seismic and Code Upgrades 2/	C	10,933,000	--	0
Cont.	A4	San Francisco CCD	Ocean Campus	Utility Infrastructure Replacement 2/	C	58,082,000	--	0
New	A3	Redwoods CCD	College of the Redwoods	Phys Ed Replacement	PW	5,379,000	--	0
New	A3	Santa Barbara CCD	Santa Barbara City College	Physical Education Replacement	PW	2,551,000	PW	18,000
New	A4	San Mateo County CCD	College of San Mateo	Water Supply Tank Replacement	PW	505,000	PW	56,000
Total Health & Safety						**$140,681,000**		**$2,511,000**
Cont.	B	Allan Hancock Joint CCD	Allan Hancock College	Fine Arts Complex 2/	CE	$22,873,000	CE	$22,139,000
Cont.	B	Coast CCD	Orange Coast College	Language Arts and Social Sciences Building 2/	CE	28,305,000	CE	27,401,000
Cont.	B	Peralta CCD	Laney College	Learning Resource Center 3/	CE	22,812,000	CE	47,744,000
Cont.	B	Santa Monica CCD	Santa Monica College	Math/Science Addition 2/	C	37,031,000	CE	35,903,000
Cont.	B	Sonoma County CCD	Santa Rosa Junior College	Science and Mathematics Replacement Building 2/	C	30,882,000	CE	30,318,000
Cont.	B	West Hills CCD	North District Center	Center Expansion 2/	CE	40,275,000	--	0
New	B	Chaffey CCD	Chino Campus	Instructional Building 1	PW	951,000	PW	950,000
New	B	Kern CCD	Delano Center	LRC Multi-Purpose Building	PW	1,191,000	PW	1,212,000
New	B	Kern CCD	Porterville College	PC Allied Health Building	PW	835,000	PW	833,000
New	B	Long Beach CCD	Liberal Arts Campus	Music/Theatre Complex	PW	1,681,000	PW	1,681,000

Table A-2: Capital Outlay [1/]

New/ Cont.	Cat.	District	Location	Project Name	Ph	State 19-20	Ph.	Local 19-20
New	B	Los Rios CCD	Elk Grove Center	Elk Grove Center Ph 2	PW	410,000	PW	954,000
New	B	Los Rios CCD	Folsom Lake	Instructional Buildings Ph 2	PW	1,280,000	PW	2,987,000
New	B	Los Rios CCD	Natomas Education Center	Natomas Center Phase 2 & 3 4/	PW	886,000	PW	1,849,000
New	B	Merced CCD	Merced College	Agriculture Science and Industrial Technologies Complex	PW	431,000	PW	1,722,000
New	B	Mt San Jacinto CCD	Mt San Jacinto College	Science and Technology Building	PW	1,854,000	PW	1,455,000
New	B	Mt. San Jacinto CCD	Menifee Valley Center	Math and Science Building 4/	PW	1,560,000	PW	1,983,000
New	B	San Bernardino CCD	San Bernardino Valley College	Technical Building Replacement	PW	2,313,000	PW	2,861,000
New	B	South Orange County CCD	Irvine Valley College	Fine Arts Building	PW	1,624,000	PW	1,623,000
New	B	South Orange County CCD	Saddleback College	Gateway Building	PW	1,719,000	PW	1,782,000
New	B	State Center CCD	Clovis Community College	Applied Technology Building, Phase 1	PW	1,794,000	PW	1,793,000
New	B	West Hills CCD	West Hills College Lemoore	WHCL Instructional Center Phase 1	PW	1,634,000	P	756,000
Total Growth						**$202,341,000**		**$187,946,000**
Cont.	C	Coast CCD	Golden West College	Language Arts Complex 3/	CE	$21,925,000	CE	$21,323,000
Cont.	C	Compton CCD	Compton College	Instructional Building 2 Replacement 2/	C	14,891,000	CE	8,159,000
Cont.	C	Imperial Valley CCD	Imperial College	Academic Buildings Modernization 3 & 5/	WC	8,647,000	WCE	8,302,000
Cont.	C	Long Beach CCD	Pacific Coast Campus	Construction Trades Phase 1 2/	C	6,712,000	CE	5,320,000
Cont	C	North Orange CCD	Fullerton College	Business 300 and Humanities 500 Modernization	C	14,056,000	CE	14,493,000
Cont.	C	Rancho Santiago CCD	Santa Ana College	Russell Hall Replacement 2/	CE	19,192,000	CE	18,683,000

Table A-2: Capital Outlay [1/]

New/ Cont.	Cat.	District	Location	Project Name	Ph	State 19-20	Ph.	Local 19-20
Cont.	C	Solano CCD	Solano College	Library Building 100 Replacement 2/	CE	17,396,000	C	19,591,000
Cont.	C	West Valley-Mission CCD	Mission College	MT Portables Replacement Building 2/	C	10,073,000	CE	9,946,000
New	C	Butte-Glenn CCD	Butte College	Technology Remodel	PW	518,000	PW	516,000
New	C	Cabrillo CCD	Cabrillo College	Modernization of Buildings 500, 600 & 1600 4/	PW	252,000	PW	269,000
New	C	Cerritos CCD	Cerritos College	Health Sciences Bldg. #26 Renovation	PW	1,054,000	PW	1,053,000
New	C	Lake Tahoe CCD	Lake Tahoe Community College	RFE and Science Modernization Phase I	PW	1,447,000	P	609,000
New	C	Los Rios CCD	American River College	Technical Building Modernization	PW	1,258,000	PW	2,933,000
New	C	Monterey Peninsula CCD	Monterey Peninsula College	Music Facilities Ph 1/	PW	189,000	PW	155,000
New	C	Peralta CCD	College of Alameda	Replacement of Buildings B and E (Auto and Diesel Technologies)	PW	1,278,000	PW	1,277,000
New	C	Peralta CCD	Laney College	Modernize Theatre Buildings	PW	709,000	PW	1,564,000
New	C	Peralta CCD	Merritt College	Horticulture Building Replacement	PW	755,000	PW	933,000
New	C	San Mateo County CCD	Canada College	Bldg 13 - Multiple Program Instructional Center	PW	815,000	PW	1,474,000
New	C	San Mateo County CCD	Skyline College	Workforce and Economic Development Prosperity Center 4/	PW	1,197,000	PW	2,349,000
New	C	Santa Clarita CCD	College of the Canyons	Modernize Academic Building - Boykin Hall	PW	397,000	PW	396,000
New	C	Santa Monica CCD	Santa Monica College	Art Complex Replacement	PW	793,000	PW	792,000
New	C	Sequoias CCD	College of the Sequoias	Basic Skills Center 4/	PW	1,365,000	--	0

Table A-2: Capital Outlay [1/]

New/ Cont.	Cat.	District	Location	Project Name	Ph	State 19-20	Ph.	Local 19-20
New	C	West Valley-Mission CCD	West Valley College	Learning Resource Center Renovation	PW	1,623,000	PW	1,623,000
Total Modernization						**$126,542,000**		**$106,404,000**
Cont.	D1	Mt. San Antonio CCD	Mt. San Antonio College	New Physical Education Complex 3/	CE	$53,993,000	CE	$13,775,000
Cont.	D1	Peralta CCD	Merritt College	Child Development Center 3/	CE	5,692,000	CE	12,901,000
New	D1	Los Angeles CCD	Los Angeles City College	Theater Arts Replacement	PW	1,112,000	PW	1,133,000
New	D1	Monterey Peninsula CCD	Fort Ord Center	Public Safety Center Phase 2 4/	PW	714,000	PW	713,000
New	D1	Rio Hondo CCD	Rio Hondo College	Music/Wray Theater Renovation	PW	979,000	PW	1,247,000
New	D1	State Center CCD	Fresno City College	New Child Development Center	PW	1,036,000	PW	259,000
New	D1	State Center CCD	Reedley College	Child Development Center	PW	818,000	PW	205,000
New	D1	Yuba CCD	Woodland Community College	Performing Arts Facility 4/	PW	1,427,000	PW	1,425,000
Total Complete Campus						**$65,771,000**		**$31,523,000**
TOTAL						**$535,335,000**		**$328,384,000**

1/ Project phases: P= preliminary plans, W= working drawings, C= construction, E= equipment.
2/ Continuing from 2017-18: 14 projects (excludes Long Beach Multi-Disciplinary design build).
3/ Continuing from 2018-19: Six projects.
4/ Unfunded from 2018-19: Seven projects.
5/ 2018-19 Budget appropriated funds for only the preliminary plans phase for this project.

Appendix A: Board of Governors Budget Request (continued)

Table A-3: State Operations and Other Agencies

Item	Board of Governors Request	Enacted Budget
1. Student Centered Funding Formula		
Oversight	$500,000 (spread over 2019-20 and 2020-21) for support of oversight committee.	Adds $435,000 General Fund one-time for external contract to staff the Student Centered Funding Formula Oversight Committee.
Evaluation	$750,000 (spread over 2019-20, 2020-21, and 2021-22) for evaluation.	---
2. Comprehensive Support for All Students		
Cal Grant Program	Changes focused on CCC students, estimated at $1.5 billion ongoing, to be funded from non-Proposition 98 General Fund.	Creates supplemental grants for Cal Grant recipients with dependent children. Adds 15,250 competitive Cal Grant awards for total of 41,000 awards. Creates Service Incentive Grant Program to provide students not eligible for federal work study programs with up to $1,500 for at least 150 hours of service per semester.
Student Equity and Achievement Program	One position for statewide leadership.	---
"College Promise" Outreach	$5 million one-time and statutes to establish program. Two positions for statewide leadership.	
3. Faculty and Staff Programs		
College-Wide Professional Development	One position for statewide leadership.	---
Faculty Support Programs	One position for statewide leadership.	---
Faculty Diversity	One position for statewide leadership.	---
4. Work-Based Learning		
Work-based learning within Guided Pathways	One position for statewide leadership.	---
5. Statewide Leadership		
Data Use for Educational Improvement	Changes in statutes and expected General Fund costs.	Adds $10 million General Fund one time in Governor's Office of Planning and Research for planning and implementation of new data system.
Chancellor's Office Capacity for Leadership of Statewide Change	$2 million for state operations and changes in statutes for various local assistance programs.	Adds $516,000 General Fund and four positions for information security, accounting, and monitoring districts' fiscal health.

Appendix B: Overview of the State Budget Process

The Governor and the Legislature adopt a new budget every year. The Constitution requires a balanced budget such that, if proposed expenditures exceed estimated revenues, the Governor is required to recommend changes in the budget. The fiscal year runs from July 1 through June 30.

Governor's Budget Proposal. The California Constitution requires that the Governor submit a budget to the Legislature by January 10 of each year. The Director of Finance, who functions as the chief financial advisor to the Governor, directs the preparation of the Governor's Budget. The state's basic approach is incremental budgeting, estimating first the costs of existing programs and then making adjustments to those program levels. By law, the chairs of the budget committees in each house of the Legislature—the Senate Budget and Fiscal Review Committee and the Assembly Budget Committee—introduce bills reflecting the Governor's proposal. These are called budget bills, and the two budget bills are identical at the time they are introduced.

Related Legislation. Some budget changes require that changes be made to existing law. In these cases, separate bills—called "trailer bills"—are considered with the budget. By law, all proposed statutory changes necessary to implement the Governor's Budget are due to the Legislature by February 1.

Legislative Analyses. Following the release of the Governor's Budget in January, the LAO begins its analyses of and recommendations on the Governor's proposals. These analyses, each specific to a budget area (such as higher education) or set of budget proposal (such as transportation proposals), typically are released beginning in mid-January and continuing into March.

Governor's Revised Proposals. The DOF proposes adjustments to the January budget through "spring letters." Existing law requires the DOF to submit most changes to the Legislature by April 1. Existing law requires DOF to submit, by May 14, revised revenue estimates, changes to Proposition 98, and changes to programs budgeted based on enrollment, caseload, and population. For that reason, the May Revision typically includes significant changes for the CCC budget. Following release of the May Revision, the LAO publishes additional analyses evaluating new and amended proposals.

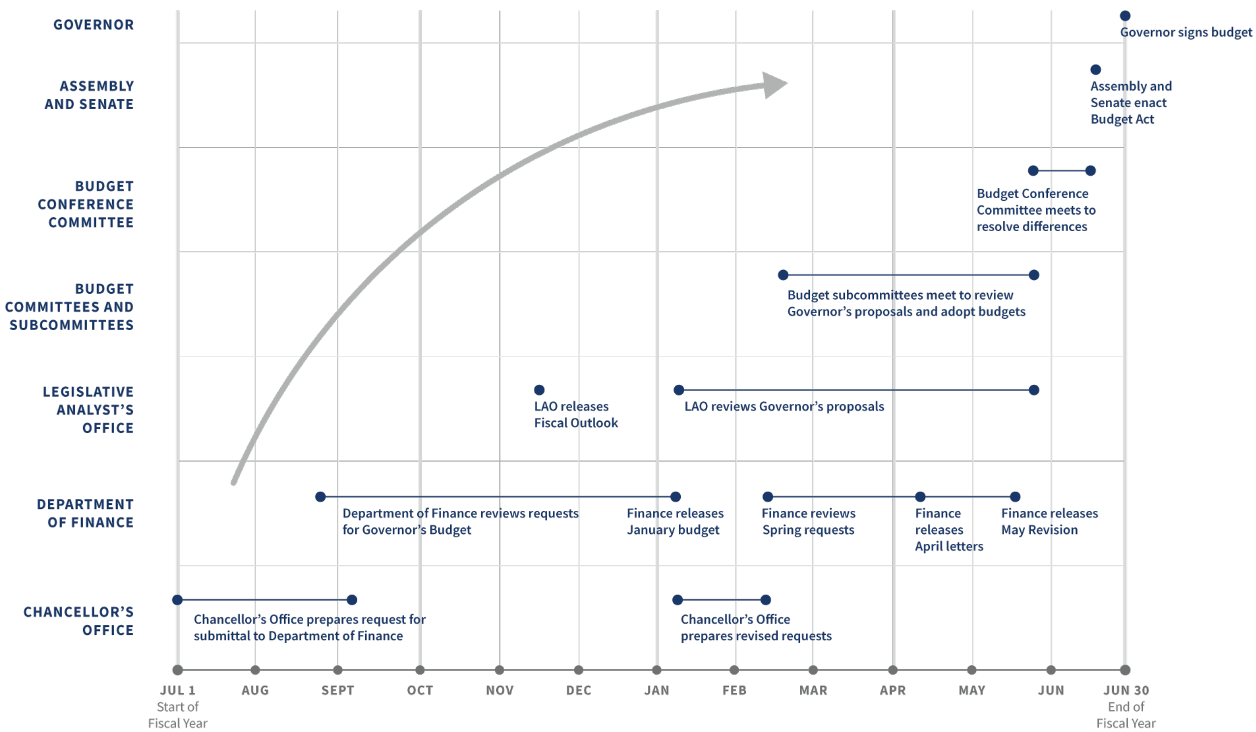
Legislative Review. The budget committees assign the items in the budget to subcommittees, which are organized by areas of state government (e.g., education). Many subcommittees rely heavily on the LAO analyses in developing their hearing agendas. For each January budget proposal, a subcommittee can adopt, reject, or modify the proposal. Any January proposals not acted on remain in the budget by default. May proposals, in contrast, must be acted on to be included in the budget. In addition to acting on the Governor's budget proposals, subcommittees also can add their own proposals to the budget.

When a subcommittee completes its actions, it reports its recommendations back to the full committee for approval. Through this process, each house develops a version of the budget that is a modification of the Governor's January budget proposal.

A budget conference committee is then appointed to resolve differences between the Senate and Assembly versions of the budget. The administration commonly engages with legislative leaders during this time to influence conference committee negotiations. The committee's report reflecting the budget deal between the houses is then sent to the full houses for approval.

Budget Enactment. Typically, the Governor has 12 days to sign or veto the budget bill. The Governor also has the authority to reduce or eliminate any appropriation included in the budget. Because the budget bill is an urgency measure, the bill takes effect as soon as it is signed.

SEQUENCE OF THE ANNUAL STATE BUDGET PROCESS



Appendix C: Local Budgets and Districts Fiscal Health

LOCAL BUDGETS

Budget Planning and Forecasting

Based on the information DOF used in developing the Governor's budget proposal, it would be reasonable for districts to plan their budgets using information shown in the tables below. Note that the out-year estimates likely will change as time goes on.

Table C-1: Other Planning Factors for 2019-20 Budget

Factor	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Cost-of-living adjustment (COLA)	1.56%	2.71%	3.26%	3.00%	2.80%	3.16%
State Lottery funding per FTES	$213	$204	$207	$207	$207	$207
Mandates Block Grant funding per FTES	$28.44	$29.21	$30.16	$31.07	$31.94	$32.95
RSI reimbursement per hour	$5.90	$6.26	$6.45	$6.66	$6.84	$7.06
Financial aid administration per College Promise Grant	$0.91	$0.91	$0.91	$0.91	$0.91	$0.91

State Requirements for District Budget Approval

Existing law requires the governing board of each district to adopt an annual budget and financial report that shows proposed expenditures and estimated revenues. Specifically:

- By July 1, each district is required to adopt a tentative budget.
- By September 15, each district is required to hold a public hearing and adopt a final budget.
- By September 30, each district is required to complete its adopted annual budget and financial report (CCFS-311).
- By October 10, each district is required to submit its adopted annual budget and financial report to the Chancellor.

If the governing board of any district fails to develop a budget as described, the Chancellor may withhold any apportionment of state or local money to the district for the current fiscal year until the district makes a proper budget. These penalties are not imposed on a district if the Chancellor determines that unique circumstances make it impossible for the district to comply with the provisions or if there are delays in the adoption of the annual state budget.

The total amount proposed for each major classification of expenditures is the maximum amount that may be expended for that classification for the fiscal year. Through a resolution, the governing board may make budget adjustments or authorize transfers from the reserve for contingencies to any classification (with a two-thirds vote) or between classifications (with a majority vote).

State Requirements Related to Expenditures

State law includes two main requirements for districts' use of apportionments. The Chancellor's Office monitors district compliance with both of these requirements and annually updates the Board of Governors.

Full-Time Faculty Obligation. State law sets a goal that 75% of instructional hours in each district should be taught by full-time faculty. Each district has a baseline reflecting the number of full-time faculty in 1988-89. Each year, if the Board of Governors determines that adequate funds exist in the budget, districts are required to increase their base number of full-time faculty over the prior year in proportion to the amount of growth in funded credit full time equivalent students. The target number of faculty is called the Faculty Obligation Number (FON). An additional increase to the FON is required when the budget includes funds specifically for the purposes of increasing the full-time faculty percentage.

Fifty Percent Law. A second requirement related to budget levels is a statutory requirement that each district spend at least half of its Current Expense of Education each fiscal year for salaries and benefits of classroom instructors. A district may apply for an exemption under limited circumstances.

DISTRICTS' FISCAL HEALTH

The Board of Governors has established standards for sound fiscal management and a process to monitor and evaluate the financial health of community college districts. These standards are intended to be progressive, with the focus on prevention and assistance at the initial level and more direct intervention at the highest level.

Under that process, each district is required to regularly report to its governing board the status of the district's financial condition and to submit quarterly reports to the Chancellor's Office. Based on these reports, the Chancellor is required to determine if intervention is needed. Specifically, intervention may be necessary if a district's report indicates a high probability that, if trends continue unabated, the district will need an emergency apportionment from the state within three years or that the district is not in compliance with principles of sound fiscal management. The Chancellor's Office's intervention could include, but is not limited to, requiring the submission of additional reports, requiring the district to respond to specific concerns, or directing the district to prepare and adopt a plan for achieving fiscal stability. The Chancellor also could assign a special trustee.

The Chancellor's Office's primary focus is the district's unrestricted general fund. The Chancellor's Office reviews the current, historical, and projected fund balances. Specifically, the Chancellor's Office assesses the unrestricted general fund balance as a percentage of all expenditures and other outgo of unrestricted general fund. The minimum prudent percentage of unrestricted general fund balance to all expenditures and other outgo of unrestricted general fund is 5%. This minimum prudent percentage is considered necessary to protect cash flow and respond to uncertainties.

Although this percentage represents a minimum standard, other entities, such as the Government Finance Officers Association (GFOA), have recommended that districts maintain higher balances equaling no less than two months of regular general fund operating revenues or regular general fund operating expenditures. (For many districts, this totals closer to 15%). Districts are strongly encouraged to regularly assess risks to their fiscal health. The Fiscal Crisis and Management Assistance Team has developed a Fiscal Health Risk Analysis for districts as a management tool to evaluate key fiscal indicators that may help measure a district's risk of insolvency in the current and two subsequent fiscal years.

Appendix D: Glossary

Appropriation: Money set apart by legislation for a specific use, with limits in the amount and period of time during which the expenditure is to be recognized.

Augmentation: An increase to a previously authorized appropriation or allotment.

Bond Funds: Funds used to account for the receipt and disbursement of non-self-liquidating general obligation bond proceeds.

Budget: A plan of operation expressed in terms of financial or other resource requirements for a specific period of time.

Budget Act (BA): An annual statute authorizing state departments to expend appropriated funds for the purposes stated in the Governor's Budget, amended by the Legislature, and signed by the Governor.

Budget Year (BY): The next state fiscal year, beginning July 1 and ending June 30, for which the Governor's Budget is submitted (i.e., the year following the current fiscal year).

Capital Outlay: Expenditures which result in acquisition or addition of land, planning and construction of new buildings, expansion or modification of existing buildings, or purchase of equipment related to such construction, or a combination of these.

Cost Of Living Adjustment (COLA): Increases provided in state-funded programs intended to offset the effects of inflation.

Current Year (CY): The present state fiscal year, beginning July 1 and ending June 30 (in contrast to past or future periods).

Department of Finance (DOF): A state fiscal control agency. The Director of Finance is appointed by the Governor and serves as the chief fiscal policy advisor.

Expenditure: Amount of an appropriation spent or used.

Fiscal Year (FY): A 12-month budgeting and accounting period. In California state government, the fiscal year begins July 1 and ends the following June 30.

Fund: A legal budgeting and accounting entity that provides for the segregation of moneys or other resources in the State Treasury for obligations in accordance with specific restrictions or limitations.

General Fund (GF): The predominant fund for financing state operations; used to account for revenues which are not specifically designated by any other fund.

Governor's Budget: The publication the Governor presents to the Legislature by January 10 each year, which includes recommended expenditures and estimates of revenues.

Legislative Analyst's Office (LAO): A nonpartisan office that provides fiscal and policy advice to the Legislature.

Local Assistance: Expenditures made for the support of local government or other locally-administered activities.

May Revision: An update to the Governor's Budget presented by the Department of Finance to the Legislature by May 14 of each year.

Past Year or Prior Year (PY): The most recently completed state fiscal year, beginning July 1 and ending June 30.

Proposition 98: A section of the California Constitution that, among other provisions, specifies a minimum funding guarantee for schools and community colleges. California Community Colleges typically receive 10.93% of the funds.

Reserve: An amount set aside in a fund to provide for an unanticipated decline in revenue or increase in expenditures.

Revenue: Government income, generally derived from taxes, licenses and fees, and investment earnings, which are appropriated for the payment of public expenses.

State Operations: Expenditures for the support of state government.

Statute: A law enacted by the Legislature.

Workload Budget: The level of funding needed to support the current cost of already-authorized services.

CITRUS COLLEGE

LOOKING AHEAD:

Goals for Meeting California's Needs

The success of California's broader system of higher education and workforce development stands or falls with the California Community Colleges (CCCs). While many other players are involved—K-12 schools, public and private colleges and universities, county offices of education, and workforce investment boards—the CCCs are the linchpin to meeting California's civic and economic needs. For this reason it is vitally important that the CCC system regularly assess how its performance stacks up against those needs.

Goals have other important purposes. They help establish a shared vision, which is particularly important at this moment when substantial state dollars are coming into the system, new initiatives are being launched, and a new Chancellor is at the helm. They serve as a goalpost, pointing all parties in the same direction and establishing a shared destination to reach.

Of course, setting goals is also a very challenging task for any system of education. For the CCCs, the task is more complicated given its multiple missions and vast array of offerings (SEE SIDEBAR ON PAGE 15). Moreover, many of the results CCCs desire for their students are not entirely in the control of the colleges themselves. For instance, student outcomes in college are in part dependent on student's preparation at the K-12 level. Successful transfers require available slots in universities. Employment and wage gains after graduation are subject to labor market conditions. The performance of all levels of public education is influenced by the availability of funding, which is too often volatile and scarce.

In previous years, this shared responsibility and lack of full control has made all of California's education systems hesitant to hold themselves accountable for results. While this stance is understandable, it is not productive, especially in a state like

California that has no central oversight of higher education. To improve on measures that require shared effort, the systems themselves need to step up and agree to cooperate. As the linchpin of the broader system of higher education, the CCCs are well suited to take the first step and accept responsibility for improving functions that cut across systems. Ideally, California's other education systems will partner with the CCC system and adopt aligned goals for improvement.

> "We're measuring too many things—this is one of the challenges we have—all of the different metrics that we're required to use. IEPI has metrics that we were required to set; ACCJC has its own metrics that we're reporting on annually; we have goals in our equity plans and student success plans. Can't we just focus on three or four big goals and align our programs to these?"
>
> **— Mojdeh Mehdizadeh**
> President, Contra Costa College

SYSTEM-WIDE GOALS

For 2.1 million CCC students—and the health of the broader system of higher education and workforce development—the CCC system must embrace a handful of clear, aggressive goals that reflect the most urgent needs of the moment. Based on a review of current literature and research and interviews with approximately 50 experts inside and outside the system, these urgent needs are defined as increasing the number and percentage of students who reach a defined educational goal and decreasing the amount of time and cost it takes them to do it, while addressing critical achievement gaps across students and regions.

To meet California's economic and social needs, the CCC system should aim to reach the following *system-wide* goals by 2022—five years from the publication of this document:

1 | **Over five years, increase by at least 20 percent the number of CCC students annually who acquire associates degrees, credentials, certificates, or specific skill sets that prepare them for an in-demand job.** This increase is needed to meet future workforce demand in California, as analyzed by the Centers of Excellence for Labor Market Research. This goal is consistent with the recommendations of the California Strategic Workforce Development Plan. Equally important to the number of students served will be the type of education they receive: programs, awards, and course sequences need to match the needs of regional economies and employers.[37]

2 | **Over five years, increase by 35 percent the number of CCC students system-wide transferring annually to a UC or CSU.** This is the increase needed to meet California's future workforce demand for bachelor's degrees, as projected by the Public Policy Institute of California. (In California, occupations requiring bachelor's degrees are growing even faster than jobs requiring associate's degrees or less college.) Meeting this aggressive goal will require the full engagement and partnership of CSU and UC. While ambitious, the pace of improvement envisioned in this goal is not unprecedented: between 2012-13 and 2015-16 (a three-year period), CCC to CSU transfers increased by 32 percent and between Fall 1999 and Fall 2005 (a six-year period), CCC to UC transfers increased by 40 percent.[38]

Measuring the success of multiple missions

The system-wide goals on this page focus on recognized completions like degrees, industry-recognized certificates, and transfers to university. Of course, some portion of community college students are "skills builders"—students aiming to gain job skills through just a few courses—or students who are aspiring to other goals such as learning English or developing parenting skills. The impact of this kind of education is harder—but not impossible—to measure.

As the CCCs move ahead with more widespread education planning for all students, the aim is to be accountable for helping each student meet his or her individual goals. This may require new methods and tools for gathering information, whether annual surveys of CCC graduates that capture the full impact of the CCC experience on students' lives or more sophisticated techniques that can follow students into the workforce or ultimately even measure the intergenerational effects of higher education. A better understanding of how different community college offerings impact students' lives will help the CCC system hone it priorities and ensure that it is adding real value as an engine of economic mobility.

Rethinking how we measure performance at the system level

At the system level, outcomes are commonly reported for cohorts of students followed over six years.[42] This lengthy timeframe takes into account the large percentage of students who attend a CCC part-time and appropriately gives colleges credit for successful completions among students who need significant time to reach their goals. However, many observers interviewed for this report believe that six years is too long to wait before reporting on outcomes for cohorts of students. They argue that more information is needed sooner to get an up-to-date, complete look at how well the system is performing and to provide information that can stimulate action. In addition, many students and families expect to spend less than six years earning a degree or transfer eligibility and the 6-year metric obscures the likelihood of doing so.

To address these shortcomings, the CCC system should supplement its 6-year cohort reports with 2-, 3-, 4- and 5-year cohort reports, to provide more transparency and more complete information about how students are progressing. This kind of reporting will help students and families know what to expect and will illuminate areas where more improvement and support is needed.

3 | Over five years, decrease the average number of units accumulated by CCC students earning associate's degrees, from approximately 87 total units (the most recent system-wide average) to 79 total units—the average among the quintile of colleges showing the strongest performance on this measure. (Associate's degrees typically require 60 units.) Reducing the average number of units-to-degree will help more students reach their educational goals sooner, and at less cost to them. It will also free up taxpayer dollars that can be put toward serving more students.[39]

4 | Over five years, increase the percent of exiting CTE students who report being employed in their field of study, from the most recent statewide average of 60 percent to an improved rate of 76 percent—the average among the quintile of colleges showing the strongest performance on this measure and ensure the median earning gains of the exiting students are at least twice the statewide consumer price index. Improvements on this measure would indicate that colleges are providing career education programs that prepare students for available jobs and offering supports that help students find jobs.[40]

5 | 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 5 years and fully closing those achievement gaps for good within 10 years.

6 | Reduce regional achievement gaps across all of the above measures through faster improvements among colleges located in regions with the lowest educational attainment of adults, with the ultimate goal of closing regional achievement gaps for good within 10 years.

COLLEGE-LEVEL GOALS

In order to reach the ambitious system-wide goals proposed above, each college will need to do its part. Of course, many colleges have already set goals as part of a system-wide or local effort. Colleges with established performance goals do not need to start from scratch—they should continue to use their goals as planned. However, every college should make sure they have goals that address the system-wide priorities captured in the goals above, to ensure that the entire system is moving in a consistent direction. This means that all colleges should have goals for **increasing degrees and certificate completion, increasing transfers, improving time to completion, increasing job placement in field of study, and narrowing achievement gaps** across all these measures. If colleges have already developed these goals as part of another initiative, they should review them to ensure they are ambitious enough and aligned with the five-year system-wide goals articulated above. This should be done through the local participatory governance process and with input from the Chancellor's Office, to ensure that the local context as well as broader regional and state needs are taken into account.

> "The **achievement gap** between lower income, ethnically diverse students and higher income, mostly White and Asian American students is clear and pronounced at most community colleges. As the system most devoted to open access, we must address this gap fully and effectively."
>
> **— Community College Dean**
> via the Virtual Town Hall

Different goals are appropriate at different levels. The system-wide goals above are intended to focus only on the highest-order outcomes. Colleges will also want to take a close look at finer-grain measures and indicators that show progress toward desired outcomes. For instance, colleges should regularly be looking for improvements in **student persistence, completion of 30 units, progress toward transfer-level coursework in the first or second year**, as indicators of progress toward degrees and transfers. Colleges should also monitor and aim to grow **full-time enrollment (15 units per semester)** and **continuous enrollment**. Of course, not all students can attend full-time and continuously, such as working adults who need to learn and earn at the same time. Still, colleges can and should encourage more students to attend full time than currently do, especially those who are young and not financially supporting others.

Colleges should also monitor and set goals related to the employment and earnings of graduates such as **wage gains** or **percent of graduates attaining a living wage**. These measures are commonly used to monitor outcomes specifically among graduates of career technical education programs, but it is also appropriate to monitor them for all students, so that colleges have a clear picture of students' lives after they leave a CCC.

USING GOALS TO DRIVE CHANGE

Just as important as setting goals is the way they are used. Presently, the CCC Board of Governors (BOG) is required by state law to identify performance measures and develop annual performance targets that are "challenging and quantifiable."[41] While the CCC system has identified these performance measures, in the past the Chancellor's Office and Board of Governors have not used them consistently to drive change. Moving forward, the BOG should embrace the more aggressive goals outlined in this document and use them to update its strategies for improvement. Progress toward the goals should be reviewed at least annually, on a predictable schedule.

Additionally, the BOG should call on all college districts to do the same: focus on a set of clear, consistent goals and return to them at least annually to mark progress and correct course as needed. As discussed in greater detail below, this is an essential strategy for maintaining focus among all of the competing activities and initiatives that are part of normal operations.

> "If we don't set accountability standards in terms of seeing an increase, or setting a minimum threshold, then there's no way to know whether progress is being made."
>
> **— Hasun Khan**
> Student Member, California Community Colleges Board of Governors

Assumptions Entry

District Code:	680	Ventura County CCD

		Description	2018-19	Base Rate 2019-20	2019-20	2020-21	2021-22
General		COLA	2.71%		3.26%	3.00%	2.80%
		Applied Growth Target Rate	maximum		0.00%	0.00%	0.00%
		Growth Target Rate	*0.50%*		*0.00%*	*0.00%*	*0.00%*
Base Allocation	Credit FTES	Credit	$ 3,727.00	$ 3,727	$ 3,849	$ 3,964	$ 4,075
		Special Admit Credit	$ 5,456.67		$ 5,635	$ 5,804	$ 5,966
		Incarcerated Credit	$ 5,456.67		$ 5,635	$ 5,804	$ 5,966
	Noncredit FTES	CDCP	$ 5,456.67		$ 5,635	$ 5,804	$ 5,966
		Noncredit	$ 3,347.49		$ 3,457	$ 3,560	$ 3,660
Supplemental Allocation	Headcounts	Pell Grant Recipient	$ 919		$ 949	$ 977	$ 1,005
		AB540 Students	$ 919		$ 949	$ 977	$ 1,005
		California Promise Grant Recipients	$ 919		$ 949	$ 977	$ 1,005
Student Success Allocation	All Students	Associate Degrees	$ 1,320	$ 1,320	$ 1,363	$ 1,404	$ 1,443
		Baccalaureate Degrees	$ 1,320	$ 1,320	$ 1,363	$ 1,404	$ 1,443
		Associate Degrees for Transfer (ADTs)	$ 1,760	$ 1,760	$ 1,817	$ 1,872	$ 1,924
		Credit Certificates	$ 880	$ 880	$ 909	$ 936	$ 962
		Nine or More CTE Units	$ 440	$ 440	$ 454	$ 468	$ 481
		Transfer	$ 660	$ 660	$ 682	$ 702	$ 722
		Transfer Level Math & English	$ 880	$ 880	$ 909	$ 936	$ 962
		Regional Living Wage	$ 440	$ 440	$ 454	$ 468	$ 481
	Equity: Federal Pell Grant Recipients	Associate Degrees	$ 500	$ 500	$ 516	$ 531	$ 546
		Baccalaureate Degrees	$ 500	$ 500	$ 516	$ 531	$ 546
		Associate Degrees for Transfer (ADTs)	$ 666	$ 666	$ 688	$ 708	$ 728
		Credit Certificates	$ 333	$ 333	$ 344	$ 354	$ 364
		Nine or More CTE Units	$ 167	$ 167	$ 172	$ 177	$ 182
		Transfer	$ 250	$ 250	$ 258	$ 266	$ 273
		Transfer Level Math & English	$ 333	$ 333	$ 344	$ 354	$ 364
		Regional Living Wage	$ 167	$ 167	$ 172	$ 177	$ 182
	Equity: California Promise Grant Recipients	Associate Degrees	$ 333	$ 333	$ 344	$ 354	$ 364
		Baccalaureate Degrees	$ 333	$ 333	$ 344	$ 354	$ 364
		Associate Degrees for Transfer (ADTs)	$ 444	$ 444	$ 458	$ 472	$ 485
		Credit Certificates	$ 222	$ 222	$ 229	$ 236	$ 243
		Nine or More CTE Units	$ 111	$ 111	$ 115	$ 118	$ 121
		Transfer	$ 167	$ 167	$ 172	$ 177	$ 182
		Transfer Level Math & English	$ 222	$ 222	$ 229	$ 236	$ 243
		Regional Living Wage	$ 111	$ 111	$ 115	$ 118	$ 121
Alternative Scenarios		Funding % above the 2017-18 TCR +COLA	87.655%				

Complete list of ideas for consideration when reviewing Allocation Model (as of October 5, 2017):

- A college is growing, but the others colleges are benefiting from growth, but the expense of growth is on the growing college.
- A college is shrinking, but are they bearing the cost of shrinking?
- How much should be taken off the top for base allocation? Currently 15%. Is that the correct number?
- DAC rents - elimination of payment at Stanley Avenue and lease revenue at Daily Drive
- Ventura College potentially moving to small sized college; impact of $600,000.
- How does the level of service continue in non-instructional areas? 50% Law awareness
- Generating more revenue – how do we account for that new revenue?
- What is the individual college incentive for Growth?
- Balance ongoing expenditures with ongoing revenue
- Moorpark College's priority item is equity in per FTES funding
- If changes are made, don't over-emphasize productivity. Where productivity is given a greater emphasis than growth. Example, a college doesn't have an incentive to pull back on offerings because they're saving money, but they are declining in FTES. Therefore, the District is declining in FTES and losing revenue.
- HRL/HR2 off the top (Districtwide services) as opposed to self-taxing via payroll
- Alternatives to the base allocation (For example, 9% instead of 15%, thus each college gets 3%.)
- Productivity Factor removal and/or manipulation
- Moorpark College perceives that in the last budget downturn whilst it implemented the cuts demanded with considerable cost, other colleges were able to delay and minimize the strictness of the cuts. (Specifically, in 2011 Moorpark discontinued 9 programs: CIS, CS, Interior Design, EMT, Sign Language, Work Experience, and three Athletic teams. In 2012, Moorpark cut an additional three programs: Education, Drafting Technology, and Nutritional Science. Over these two years Moorpark laid off one full-time faculty member, had many part-time faculty not rehired for discontinued programs and reduced sections; laid off *X* number of classified staff; and had thousands of students not able to get into classes.)
- A concern not to over-react to fiscal events both within the district and at the state level. Too severe a reaction is as damaging for our students as too little reaction. At Moorpark, we have now restored almost all the programs we cut but it has taken up to eight years to rebuild what we had.
- The need to renegotiate the 6.98% rate of the DAC in light of changes in its expenses with the move to Daily Drive as well as other factors, as discussed but not completed for the FY18 Allocation Model.