



California Community Colleges

MEMORANDUM

June 19, 2019

SS19-06 | Via Email

TO: Chief Executive Officers
Chief Student Services Officers
Chief Business Officers
Financial Aid Officers

FROM: Rhonda Mohr
Vice Chancellor of Student Services and Special Programs

RE: 2019-20 Board Financial Assistance Program-Student Financial Aid Administration (BFAP-SFAA) Funding, Advance Allocations and accompanying policy Clarification
2019-20 Student Success Completion Grant (SSCG) Funding, Advance Allocations
2018-19 Reporting for BFAP-SFAA, R2T4, SSCG and MIS

SYNOPSIS:

With the passage of the 2019-20 Budget Act, we are pleased to announce the advance allocation of the 2019-20 BFAP-SFAA and SSCG funds.

The table below identifies the budget act adjustments for 2019-20 as compared to 2018-19.

Budget Comparison	18-19	19-20	Delta Dollars	Delta %
BFAP (2%)	16,531,000.00	15,337,000.00	(1,194,000.00)	-7.22%
SFAA BASE (\$0.91)	16,352,000.00	15,170,000.00	(1,182,000.00)	-7.23%
SFAA CAPACITY	35,200,000.00	35,200,000.00	-	0.00%
I Can Media Campaign	5,300,000.00	5,300,000.00	-	0.00%
SSCG	131,844,000.00	150,281,000.00	18,437,000.00	13.98%
R2T4	500,000.00	500,000.00	-	0.00%
Total	205,727,000.00	221,788,000.00	16,061,000.00	7.81%

Chancellor's Office, Student Services

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2019-20 BFAP-SFAA Funding

As a result of a decrease on SFAA Base (-\$1,182,000) and BFAP 2% (-\$1,194,000) funding, many colleges will see reductions in their calculated allocations.

Please remember that the allocation formula has a predominant “fair-share” component in the calculation. As a result, college allocations are contingent upon reported data used in these calculations as it relates to the system’s aggregated data.

2019-20 SSCG Funding

The SSCG program continues to follow the intended goal to be the capstone grant on a series of underlying ‘stackable’ grants including the Promise Grant (formerly Board of Governors Fee Waiver), the Pell grant, and the Cal Grant.

The SSCG funding includes an increase of \$18.437 million to last year’s funding.

The 2019-20 advance allocations are calculated using SSARCC data from SSCG P-2 in 2018-19, and reflect in large part actual reported utilization of funding in 2018-19. For those colleges who did not report mid-year data (P-2) in April 2019, the amounts allocated for 2018-19 P-1 were used. The unmet request by colleges for additional funds in 2018-19 P-2 were taken into account. All colleges received a 5% increase in funding.

SUMMARY OF THE 2019-20 Advance Allocations

The table below reflects the funding adjustments made to the 2019-20 BFAP-SFAA and SSCG allocations and being reserved for future allocation or reallocation:

2019-20	SFAA Base	SFAA Cap	SFAA Total	BFAP (2%)	SSCG
BUDGETED	\$15,170,000	\$35,200,000	\$50,370,000	\$15,337,000	\$150,281,000
ALLOCATED	\$15,170,000	\$35,179,339	\$50,344,339	\$14,811,861	\$145,592,682
PENALTY	\$ -	\$20,661	\$20,661	\$65,029	\$ -
OUTREACH		\$10,000	\$10,000	\$ -	\$ -
SETASIDE	\$ -	\$ -	\$ -	\$460,110	\$ -
TOTAL	\$15,170,000	\$35,200,000	\$50,370,000	\$15,337,000	\$145,592,682
OVER/UNDER	\$ -	\$ -	\$ -	\$ -	\$4,688,318

2019-20 BFAP-SFAA Funding Allocation Adjustments

One (1) outreach-funding holdback was reserved in the advance. Colleges who failed to post an outreach event in the spring of 2019 may be subject to a reduction of funding in 2019-20.

Additional adjustments were made to affected college allocations for Maintenance of Effort (MOE) penalties and SFAA categorical underutilization penalties.

- Maintenance of Effort Penalties: Two (2) colleges were subject to MOE penalties. Funding are held pending mitigating circumstances appeals and corrective actions. Any funds remaining after the conclusion of the appeal process will be reallocated to other colleges using the funding formula.
- SFAA Under-Utilization Spending Penalties: Three (3) colleges were subject to underutilization penalties. Funding are held pending mitigating circumstances appeals and corrective actions. Any funds remaining after the conclusion of the appeal process will be reallocated to other colleges requesting additional funding in P-2.

SFAA Policy clarification effective for 2019-20:

1. SFAA Policy Clarification: Effective with the 2016-17 Advance, and continuing for upcoming fiscal years the outreach holdback from SFAA Capacity funds has increased to \$10,000 but it is only being assessed for colleges not participating in the spring outreach campaign in the previous year.
2. Reminder: SFAA Allowable Use Guideline Policy Clarification: Effective for 2016-17 and continuing for upcoming fiscal years, marketing and advertising purchases for event giveaways are to be kept to a minimum and should not exceed in aggregate 3% of a college's SFAA Capacity allocation.

As a general reminder, the funding provided in the 2003-04 Budget and maintained subsequently through the current year is intended to build and maintain staffing capacity in Community College Financial Aid Offices to:

- a) *Increase awareness and participation in student financial aid programs through direct contact with potential students, current students, and families*
- b) *Increase low-income and disadvantaged student participation in postsecondary education by providing access to information, application assistance, and expanding the number of funded financial aid awards*

2019-20 BFAP-SFAA REALLOCATION OPPORTUNITIES

Colleges assessed an outreach penalty may be subject to a \$-10,000 adjustment in their P-1 allocation unless they mitigate the penalty for non-compliance in 2018-19 which can be done by hosting a financial aid awareness event before December 2019 and posting it on the icanaffordcollege.com website.

Colleges assessed an underutilization or MOE penalty may have funding restored for mitigating circumstances. Those adjustments may be made to their SFAA and or BFAP 2% allocation in P-1 or P-2 as a result of funding previously reserved.

Consistent with program policy, we will also make requested and necessary reallocation adjustments in P-2 contingent on whether any colleges de-obligate SFAA (Base + Capacity) funding on their 2018-19 BFAP Form 2 Report or whether funds from unmitigated penalties are available for reallocation. If a college de-obligates BFAP (2%), the funds are reallocated using the funding formula (fair share).

2019-20 SSCG Funding

As a reminder, there is no rollover approval for the 2018-19 SSCG funding.

2018-19 BFAP SFAA Reporting and SSARCC

SSARCC will be activated and available for update and submissions for 2018-19 on September 1, 2019. Colleges wishing to prepare and submit their SSARCC Form 3 reports may begin doing so on September 1, 2019. All SSARCC-FA Form 3 reports will be due no later than COB October 18, 2019. The Form 3 is your Final Expenditures report.

2018-19 Return to Title IV (R2T4) Reimbursement Reporting

R2T4 Reimbursement reports for 2018-19 will be available online and are due no later than COB on Oct 11, 2019. This is a voluntary reimbursement process and college R2T4 liabilities eligible for reimbursement fund in categorical apportionments in the R-1 cycle adjustments of the fiscal year.

2018-19 MIS REPORTING

This is a reminder that 2018-19 MIS FA data is due October 1, 2019. Every college/district should have at least submitted their initial valid SFA program data file by this deadline. In addition, we have established a “drop dead date” for SFA program data reconciliation/re-

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submissions and corrections of November 30, 2019 and as a result, colleges must reconcile all SFA program data by that date or risk adverse consequences for 2020-21 funding.

FA data quality control is the FA program management's responsibility and it is crucial for all colleges to remember that BFAP-SFAA administrative funding is derived directly from data reported to MIS and therefore has a direct impact on your funding. In addition, FA data also has a direct and demonstrable effect on VATEA funding.

There is a **new MIS value for SF21, which is GJ for the SSCG program**. Click on the link below to check for the IT Cover Memo (.doc) posting.

<http://extranet.cccco.edu/Divisions/TechResearchInfoSys/MIS.aspx>

2018-19 SSCG REPORTING, REALLOCATION & FINAL RECONCILIATION

2018-19 SSCG funds will be reallocated in R-1 to those colleges needing additional resources, based upon reconciled and reported college disbursements for all colleges.

Reporting will follow the SSARC procedures and formats used to close out 2017-18 FTSSG and CCCG programs.

Colleges will report final 2018-19 SSCG disbursement data to SSARCC by November 1, 2019.

Finally, as a general reminder, money allocated in a fiscal year is intended to be utilized in that fiscal year. Absent any carry-over authority from the Chancellor's Office, colleges are expected to manage their allocations carefully to ensure full utilization of their allocation in the fiscal year. A failure to do so could result in a penalty to future year funding.

Please direct questions regarding this memo or BFAP-SFAA and SSCG allocations to SFA Program staff:

Ruby Nieto, at rnieto@cccco.edu and (916) 322-4300

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Enclosures:

1. 2019-20 BFAP-SFAA and SSCG Advance Allocations
2. 2019-20 BFAP-SFAA Allocation Formulas
3. 2019 Budget Act Provisional Language on BFAP-SFAA and SSCG (*coming soon*)
4. Board of Governor BFAP-SFAA Use Guidelines
5. BFAP-SFAA MOE Guidelines
6. SSCG Guidelines
7. ICAN outreach events posting instructions