

84750.4.

(a) (1) The board of governors, in accordance with this section, and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy proposals, shall develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

(2) It is the intent of the Legislature in enacting this section to adopt a formula for general purpose apportionments that encourages access for underrepresented students, provides additional funding in recognition of the need to provide additional support for low-income students, rewards colleges' progress on improving student success metrics, and improves overall equity and predictability so that community college districts may more readily plan and implement instruction and programs.

(3) It is the intent of the Legislature to determine the amounts appropriated for purposes of this section through the annual Budget Act. This section shall not be construed as limiting the authority of either the Governor to propose, or the Legislature to approve, appropriations for the California Community Colleges programs or purposes.

(4) It is the intent of the Legislature that for the 2020–21 fiscal year, 70 percent of funding for the Student Centered Funding Formula is for the base allocation provided to districts, 20 percent is for the supplemental allocation provided to districts, and 10 percent is for student success allocation provided to districts.

(b) (1) Commencing with the 2018–19 fiscal year, and each fiscal year thereafter, the chancellor's office shall annually calculate a base allocation, a supplemental allocation, and a student success allocation for each community college district in the state pursuant to this section. This calculation ~~only~~ applies only to the allocation of credit revenue. Noncredit instruction, and instruction in career development and college preparation full-time equivalent students (FTES) shall be funded pursuant to the requirements of paragraphs (3) and (4), respectively, of subdivision (d) of Section 84750.5, as that section read on January 1, 2018.

(2) For purposes of this section, unless otherwise specified in the annual Budget Act, the cost-of-living adjustment shall be the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year.

(c) For purposes of computing the base allocation, the marginal funding rate for credit revenue per FTES shall be ~~no less than the following~~ as follows:

(1) ~~Three~~ For the 2018–19 fiscal year, three thousand seven hundred twenty-seven dollars (\$3,727) ~~for the 2018–19 fiscal year.~~

(2) ~~Three thousand three hundred eighty seven dollars (\$3,387) for~~ For the 2019–20 fiscal year ~~adjusted for changes in cost-of-living and other base adjustments.~~ four thousand nine dollars (\$4,009).

(3) ~~Three thousand forty six dollars (\$3,046) for~~ Commencing with the 2020–21 fiscal year, the rate specified in paragraph (2) adjusted for changes in ~~cost-of-living and other base adjustments in the prior year and~~ the cost-of-living ~~and other base adjustments for the 2020–21 fiscal year.~~

~~(4) Commencing with the 2021–22 fiscal year, the rate specified in paragraph (3) adjusted for changes in cost-of-living adjustment and other base adjustments in subsequent annual budget acts.~~

(d) (1) The base allocation shall be computed for each community college district as follows:

(A) Each community college district shall receive a basic allocation based on the number of colleges and comprehensive centers in the community college district that is consistent with the basic allocation formula established by the board of governors pursuant to paragraph (2) of subdivision (d) of Section 84750.5 as of the 2015–16 fiscal year.

(B) Unless otherwise specified in subparagraph (C), each community college district shall receive an allocation based on credit base revenues associated with funded FTES as computed pursuant to subparagraph (A) of paragraph (2) at the rate pursuant to subdivision (c).

~~(C)(i) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for:~~

(i) For the 2018–19 fiscal year, as follows:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand seven hundred forty-five dollars (\$3,745).

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand eight hundred eighteen dollars (\$3,818).

(III) For Lassen Community College District, the rate shall be no less than three thousand seven hundred ninety-four dollars (\$3,794).

(IV) For Marin Community College District, the rate shall be no less than four thousand two hundred sixty-one dollars (\$4,261).

(V) For MiraCosta Community College District, the rate shall be no less than three thousand seven hundred thirty-four dollars (\$3,734).

(VI) For San Francisco Community College District, the rate shall be no less than three thousand seven hundred fifty-six dollars (\$3,756).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand seven hundred forty-four dollars (\$3,744).

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand seven hundred seventy-six dollars (\$3,776).

(IX) For South Orange Community College District, the rate shall be no less than three thousand eight hundred twenty-six dollars (\$3,826).

(X) For West Kern Community College District, the rate shall be no less than four thousand nine hundred thirty-four dollars (\$4,934).

~~(ii) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2019–20 fiscal year:~~

(ii) For the 2019–20 fiscal year, as follows:

(I) For Foothill-De Anza Community College District, the rate shall be no less than ~~threefour~~ thousand ~~four hundred three~~ dollars (~~\$3,403~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ twenty-eight dollars (\$4,028).

(II) For Lake Tahoe Community College District, the rate shall be no less than ~~threefour~~ thousand ~~fourone~~ hundred ~~sixty-nine~~seven dollars (~~\$3,469~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,107).

(III) For Lassen Community College District, the rate shall be no less than ~~threefour~~ thousand ~~four hundred forty seven~~ dollars (~~\$3,447~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ eighty-one dollars (\$4,081).

(IV) For Marin Community College District, the rate shall be no less than ~~threefour~~ thousand ~~eightfive~~ hundred ~~seventy-two~~eighty-three dollars (~~\$3,872~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,583).

(V) For MiraCosta Community College District, the rate shall be no less than ~~threefour~~ thousand ~~three hundred ninety-two~~sixteen dollars (~~\$3,392~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,016).

(VI) For San Francisco Community College District, the rate shall be no less than ~~threefour~~ thousand ~~four hundred thirteen~~forty dollars (~~\$3,413~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,040).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than ~~threefour~~ thousand ~~four hundred one~~ twenty-seven dollars (~~\$3,401~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,027).

(VIII) For Santa Monica Community College District, the rate shall be no less than ~~threefour~~ thousand ~~four hundred thirty-one~~sixty-two dollars (~~\$3,431~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,062).

(IX) For South Orange Community College District, the rate shall be no less than ~~threefour~~ thousand ~~fourone~~ hundred ~~seventy-six~~fifteen dollars (~~\$3,476~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 4,115).

(X) For West Kern Community College District, the rate shall be no less than ~~fourfive~~ thousand ~~fourthree~~ hundred ~~eighty-three~~seven dollars (~~\$4,483~~) ~~adjusted for changes in cost-of-living and other base adjustments.~~ 5,307).

~~(iii) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the~~ Commencing with the 2020–21 fiscal year:

~~(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand sixty dollars (\$3,060,~~ the rates specified in clause (ii) ~~adjusted for changes in~~ the ~~cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.~~

~~(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand one hundred twenty dollars (\$3,120) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.~~

~~(III) For Lassen Community College District, the rate shall be no less than three thousand one hundred dollars (\$3,100) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.~~

~~(IV) For Marin Community College District, the rate shall be no less than three thousand four hundred eighty two dollars (\$3,482) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(V) For MiraCosta Community College District, the rate shall be no less than three thousand fifty one dollars (\$3,051) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(VI) For San Francisco Community College District, the rate shall be no less than three thousand sixty nine dollars (\$3,069) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(VII) For San Jose Evergreen Community College District, the rate shall be no less than three thousand fifty nine dollars (\$3,059) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand eighty six dollars (\$3,086) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(IX) For South Orange Community College District, the rate shall be no less than three thousand one hundred twenty six dollars (\$3,126) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(X) For West Kern Community College District, the rate shall be no less than four thousand thirty two dollars (\$4,032) adjusted for changes in cost of living and other base adjustments in the prior year and the cost of living and other base adjustments for the 2020–21 fiscal year.~~

~~(iv) Commencing with the 2021–22 fiscal year, the rates in clause (iii) shall be adjusted for changes in the cost of living [adjustment](#) and other base adjustments in subsequent annual budget acts.~~

(2) To calculate the base allocation for each community college district, the chancellor's office shall calculate the three-year rolling average comprised of funded FTES from the current year, the prior year, and the year prior to the prior year, as follows:

(A) Commencing with the 2018–19 fiscal year, the chancellor's office shall compute the sum of annually funded credit FTES from the current year, the prior year, and the year prior to the prior year, and divide the sum by three.

(B) (i) In computing the three-year average pursuant to subparagraph (A), credit FTES associated with enrollment growth proposed in the annual Budget Act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average.

(ii) In computing the three-year average pursuant to subparagraph (A), credit FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be excluded.

(C) The sum of a community college district's computed three-year FTES rolling average and current year funded FTES growth shall be multiplied by a community college district's applicable base allocation funding rate pursuant to subdivision (c), or subparagraph (C) of paragraph (1), as applicable, to compute a community college district's base allocation.

(D) Community college districts are entitled to the restoration of any reductions in their base allocation due to decreases in FTES during the three years following the initial year of decrease if there is a subsequent increase in FTES.

(E) For the calculation of the three-year rolling average for the base allocation for the 2020–21 fiscal year, the sum of funded credit FTES for the 2019–20 fiscal year, as adjusted for shifts in summer enrollment between fiscal years, may be used in place of funded credit FTES for the 2020–21 fiscal year.

(3) In addition to the amounts computed pursuant to paragraphs (1) and (2), each community college district shall receive an allocation based on credit base revenues associated with funded FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004. FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be multiplied by a community college district's applicable credit revenue rate computed for the 2017–18 fiscal year pursuant to Section 84750.5, as that section read on January 1, 2018, as adjusted for ~~the~~ 2018–19 fiscal year cost-of-living adjustment and other base adjustments, and adjusted for the changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(4) The chancellor shall allocate any funding appropriated in the Budget Act for enrollment growth to support the following:

(A) First, for the stated percentage of enrollment growth in the Budget Act and consistent with the growth formula used by the board of governors in the 2015–16 fiscal year.

(B) Second, for the amount of uncapped growth attributable to increases in the amount of a community college district's supplemental allocation.

(C) Third, for the amount of uncapped growth attributable to increases in the amount of a community college district's student success allocation.

(e) Commencing with the 2018–19 fiscal year, a supplemental allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) The marginal funding rate per point for computing a supplemental allocation shall be as follows:

(A) For the 2018–19 fiscal year, nine hundred nineteen dollars (\$919) ~~and, commencing with,~~

(B) For the 2019–20 fiscal year, ~~that~~ nine hundred forty-eight dollars (\$948).

(C) (i) Commencing with the 2020–21 fiscal year, the rate ~~shall be~~ specified in subparagraph (B) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(ii) For the calculation of the supplemental allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of paragraphs (2), (3), and (4), may be used in place of data from the 2019–20 fiscal year.

(2) Each community college district shall be granted one point for each student who is a recipient of financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) based on headcount data of students in the prior year.

(3) Each community college district shall be granted one point for each student who is granted an exemption from nonresident tuition pursuant to Section 68130.5, based on headcount data of students in the prior year.

(4) Each community college district shall be granted one point for each student who receives a fee waiver pursuant to Section 76300, based on headcount data of students in the prior year.

(5) For the purposes of calculating the supplemental allocation, the number of students shall be defined as the number of students served by the community college district.

(6) It is the intent of the Legislature that the annual Budget Act fully fund increases in the supplemental allocations computed under this section.

(f) Commencing with the 2018–19 fiscal year, a student success allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) (A) (i) The marginal funding rate per point for computing student success allocation revenue shall be as follows:

(i) For the 2018–19 fiscal year, four hundred forty dollars (\$440).

(ii) For the 2019–20 fiscal year, ~~six~~five hundred ~~sixty~~fifty-nine dollars (~~\$660~~559).

(iii) Commencing with the 2020–21 fiscal year, the rate specified in subclause (ii) adjusted for changes in the cost-of-living adjustment and other base adjustments specified for in subsequent annual budget acts.

(ii) (I) Commencing with the 2019–20 fiscal year, to calculate the student success allocation for each community college district, the chancellor's office shall calculate a three-year rolling average for each metric described in this paragraph. To compute the three-year average for each metric, the chancellor's office shall compute the sum of data for that metric from the prior year, the year prior to the prior year, and the year prior to the year prior to the prior year, and divide the sum by three.

(iii) (I) For the 2020–21 fiscal calculation of the three-year, ~~eight hundred eighty dollars (\$880) adjusted rolling average for changes in cost of living and other base adjustment in the prior year and the cost of living and other base adjustments specified~~ student success allocation for the 2020–21 fiscal year:

(iv) Commencing with, data from the 2021–222018–19 fiscal year, for purposes of subparagraphs (B), (C), (D), (E), and (F), may be used in place of data from the 2019–20 fiscal year, ~~the rate specified in clause (iii) adjusted for changes in cost of living and other base adjustments specified in subsequent annual budget acts.~~

(B) Each community college district shall be granted ~~three~~, for each student, points for one of the following, with the community college district receiving points based on the outcome that would generate the highest number of points and with the points counted only if the student was enrolled in the community college district in the academic year in which the award was granted:

(i) Three points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

~~(C) Each community college district shall be granted four~~(ii) Four points for each chancellor's office approved associate degree for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

~~(D) (i) Each community college district shall be granted two~~(iii) (I) Two points for each chancellor's office approved credit certificate requiring 18 or more units granted, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

~~(#I)~~ Chancellor's office approved credit certificates requiring 16 or more units granted may be used to compute these points if the chancellor's office adopts regulations authorizing the approval and issuance of certificates requiring 16 or more units.

~~(E)C~~ Each community college district shall be granted two points for each student who successfully completes both transfer-level mathematics and English courses within the student's first academic year of enrollment, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

~~(F)D~~ (i) Each community college district shall be granted one and one-half points for each student who successfully transfers to a four-year university, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(ii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that has not demonstrated a track record of providing its students with a baccalaureate degree that leads to a majority of the private for-profit college's baccalaureate degree program students obtaining a regional living wage within one year of completing their degree program.

(iii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that does not meet the qualifications to offer its students federal financial aid.

~~(G)~~(iv) (I) For the 2018–19 fiscal year, the data for this metric shall be compiled using publicly available data on transfer students to in-state private and out-of-state institutions, based upon the definition of transfer students reflected in the Transfer Volume to In-State Private and Out-of-State Baccalaureate Granting Institutions Report from the community college management information system as of January 1, 2019, publicly reported transfer data from the California State University, and publicly reported transfer data from the University of California.

(II) Commencing with the 2019–20 fiscal year, the data for this metric shall be based upon a student meeting the following criteria:

(ia) The student has an enrollment record in a community college district in the year prior to the prior year.

(ib) The student has completed 12 or more semester units, or the equivalent, systemwide through the end of the prior year.

(ic) The student does not have an enrollment record systemwide in the prior year.

(id) The student enrolled in a four-year university in the prior year.

(ie) The student has completed 12 or more semester units, or the equivalent, in the community college district in the year prior to the prior year.

(E) Each community college district shall be granted one point for each student who successfully completes nine or more career technical education units, based on ~~prior-year data.~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(HF) Each community college district shall be granted one point for each student who obtains a regional living wage within one year of community college completion, based on ~~prior-year data.~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(2) (A) (i) Each community college district shall also be granted additional points for an equity component of the student success allocation. The marginal funding per point for the equity component of the student success allocation revenue shall be as follows:

(i) For the 2018–19 fiscal year, one hundred eleven dollars (\$111).

(ii) For the 2019–20 fiscal year, one hundred ~~sixty-seven~~forty-one dollars (~~\$167~~141).

(iii) Commencing with the 2020–21 fiscal year, the rate specified in subclause (ii) adjusted for changes in the cost-of-living adjustment and other base adjustments ~~specified for in subsequent annual budget acts.~~

(ii) (I) Commencing with the 2019–20 fiscal year, to calculate the equity component of the student success allocation for each community college district, the chancellor's office shall calculate a three-year rolling average for each metric described in this paragraph. To compute the three-year average for each metric, the chancellor's office shall compute the sum of data for that metric from the prior year, the year prior to the prior year, and the year prior to the year prior to the prior year, and divide the sum by three.

(iii) For the calculation of the three-year rolling average for the equity component of the student success allocation for the 2020–21 fiscal year, ~~two hundred twenty two dollars (\$222) adjusted for changes in cost of living and other base adjustments specified for the prior year and the cost-of living and other base adjustments specified for the 2020–21~~data from the 2018–19 fiscal year.

(iv) ~~Commencing with the 2021–22, for purposes of subparagraphs (B) and (C), may be used in place of data from the 2019–20 fiscal year, the rate specified in clause (iii) adjusted for changes in cost-of living and other base adjustments specified in subsequent annual budget acts.~~

~~(B) In computing this allocation, each~~(B) Each community college district shall receive points for a student who received a fee waiver pursuant to Section 76300 and generated points for any of the metrics described in paragraph (1), based on ~~prior-year data.~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A). For each student identified pursuant to this subparagraph, the community college district shall receive the number of points equal to the number of points that the community college was granted for that student~~generated~~ for each of the metrics described in paragraph (1).

~~(C) In computing this allocation, each~~(C) (i) Each community college district shall receive points for a student who received financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) and generated points for any of the metrics described in paragraph (1), based on ~~prior~~the three-year data. ~~For each student identified~~rolling average for this metric calculated pursuant to this clause (ii) of subparagraph, ~~the community college district shall receive the number of points equal to the following: (A).~~

(ii) Each community college district shall receive, for each student identified pursuant to clause (i), points for one of the following, with the community college district receiving points based on the outcome that would generate the highest number of points and with the points counted only if

the student was enrolled in the community college district in the academic year in which the award was granted:

(I) Four and one-half points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(~~II~~) Six points for each chancellor's office approved associate for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(~~III~~) Three points for each chancellor's office approved credit certificate requiring 16 or more units granted, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(~~iv~~(iii)) Each community college district shall receive, for each student identified pursuant to clause (i), the number of points equal to the following:

(I) Three points for each student who successfully completes transfer-level mathematics and English courses within the student's first academic year of enrollment, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(~~v~~II) Two and one-quarter points for each student who successfully transfers to a four-year university, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(~~vi~~III) One and one-half points for each student who successfully completes nine or more career technical education units, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(~~vii~~IV) One and one-half points for each student who obtains a regional living wage within one year of community college completion, based on ~~prior year data~~the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(3) It is the intent of the Legislature that the annual Budget Act fully fund increases in the student success allocations computed under this section.

(g) To establish a hold harmless protection for community college districts pursuant to the funding allocation established in this section, a minimum funding level for all community college districts shall be computed as follows:

(1) For the 2018–19 and 2019–20 fiscal years, a level of funding to ensure that all community college districts receive at a minimum the total computational revenue the district received in the 2017–18 fiscal year, defined as a district's final entitlement for general purpose apportionment based on FTES and the number of colleges and comprehensive centers the district operates.

(2) Commencing with the 2020–21 fiscal year, and each year thereafter, community college districts shall receive the higher of (A) the funding level determined by the formula established in this section, or (B) the level of funding determined by multiplying the community college district's new FTES by the associated credit, noncredit, and career development and college preparation rate received by the district in the 2017–18 fiscal year. The level of funding shall be adjusted to

include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year.

(3) (A) From the 2019–20 fiscal year to the ~~2023–24~~2025–26 fiscal year, inclusive, for the San Francisco Community College District and the Compton Community College District, the rates for computing the hold harmless provisions pursuant to paragraphs (1) and (2) shall be multiplied each year by the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES. The level of funding for the San Francisco Community College District and the Compton Community College District shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year multiplied by the 2018–19 fiscal year cost-of-living adjustment, and adjusted for changes in the ~~cost-of-living~~ in subsequent annual budget acts. The intent of these adjustments is to provide the San Francisco Community College District and the Compton Community College District with the greater of the amount that would have been calculated pursuant to the requirements of Section 84750.5, as that section read on January 1, 2018, adjusted for annual changes in the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases in FTES, or the amount computed pursuant to the funding formula established in this section.

(B) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for ~~five~~seven fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

(C) (i) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for ~~five~~seven fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the board of governors shall provide allocations to the Compton Community College District in an amount not less than the total amount that the district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year. The amount shall be adjusted to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(ii) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for ~~five~~seven fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the Compton Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2017–18 fiscal year, if there is a subsequent increase in FTES.

(iii) In computing statewide entitlements to funding based upon the attendance of FTES, the Compton Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

~~(4) Decreases~~(4) (A) Commencing with the 2020–21 fiscal year, decreases in a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall result in the associated reduction beginning in the year following the initial year of decreases, adjusted for changes in the cost-of-living adjustment.

(B) For the 2019–20 fiscal year, a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall be no

less than its 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for the cost-of-living adjustments for fiscal years 2018–19 and 2019–20.

(h) For the fiscal years 2018–19 to ~~2020–21~~2023–24, inclusive, each community college district whose increase in 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5, compared to apportionment funding computed pursuant to this section, is less than the year-over-year cost-of-living adjustments applicable to those fiscal years, shall receive discretionary resources in an amount needed to ensure that the community college district receives no less than ~~their~~its 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for annual year-over-year cost-of-living adjustments.

(i) The board of governors shall develop the criteria and standards within the statewide minimum requirements established pursuant to this section.

(j) (1) Except as specifically provided in statute, regulations of the board of governors for determining and allocating the state general apportionment to the community college districts shall not require community college district governing boards to expend the allocated revenues in specified categories of operation.

(2) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled student programs and services, shall continue to be funded separately through the annual Budget Act, and shall not be assumed under the budget formula otherwise specified by this section.

(k) It is the intent of the Legislature to allow for changes to the criteria and standards developed pursuant to subdivisions (a) and (h) in order to recognize increased operating costs and to improve instruction.

(l) Notwithstanding Subchapter 1 (commencing with Section 51000) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations and Section 84751, the chancellor shall allocate the ongoing funds first appropriated to paragraph (1) of subdivision (e) of provision (2) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11 of the Statutes of 2015) to all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, on a per FTES basis by modifying each district's budget formula pursuant to this section. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements of subdivision (i).

(m) (1) (A) The governing board of each community college district shall certify it will do all the following, no later than January 1, 2019:

(i) Adopt goals for the community college district that meet the following requirements:

(I) Are aligned with the systemwide goals identified in the Vision for Success, which were adopted by the Board of Governors of the California Community Colleges in 2017.

(II) Are measurable numerically.

(III) Specify the specific timeline for achievement.

(ii) For the meeting when the goals are considered for adoption, include in the written agenda an explanation of how the goals are consistent and aligned with the systemwide goals.

(iii) Submit the written item and summary of action to the chancellor's office.

(B) The chancellor's office shall make available guidance to assist governing boards of community college districts in meeting the requirements of this section. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(2) Each community college district shall align its comprehensive plan pursuant to paragraph (9) of subdivision (b) of Section 70901 with the adopted local plan goals and align its budget with the comprehensive plan. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(3) If a community college district is identified as needing further assistance to make progress towards achieving specified goals, the chancellor's office, with the approval from the board of governors, may direct the community college district to use up to 1 percent of the district's apportionments allocation on technical assistance and professional development to support efforts to meet the district's efforts towards their goals.

(4) (A) The chancellor's office shall develop processes to monitor the approval of new awards, certificates, and degree programs. The chancellor's office shall also develop a process to monitor the number of students who transfer to for-profit postsecondary educational institutions and report on the growth of transfer to these institutions compared to four-year public postsecondary educational institutions.

(B) The chancellor's office shall also develop minimum standards, in consultation with the oversight committee established pursuant to Section 84750.41, for the approval of certificates and awards that would count towards the funding formula pursuant to this section.

(C) The board of governors shall include instructions in the audit report required by Section 84040 related to the implementation of the funding formula pursuant to this section. The chancellor may require a community college district to repay any funding associated with an audit exception identified in a community college district's audit report pursuant to this subparagraph.

(5) Notwithstanding Section 10231.5 of the Government Code, on or before October 15, 2019, and each year thereafter, the chancellor's office shall report to the Legislature, consistent with Section 9795 of the Government Code, on the course sections and FTES added at each community college that received apportionment growth funding in the prior fiscal year, including the number of course sections and if any course sections and FTES were added that are within the primary missions of the segment and those that are not within the primary missions of the segment.

(6) (A) On or before July 1, 2022, the chancellor's office shall report to the Legislature and the Department of Finance, consistent with Section 9795 of the Government Code, a description on how community college districts are making progress on advancing the goals outlined in the system's strategic vision plan.

(B) The requirement for submitting a report imposed under subparagraph (A) is inoperative on July 1, 2026, pursuant to Section 10231.5 of the Government Code.

(7) Commencing with the 2019–20 fiscal year, the chancellor's office shall publicly post the data, by community college district, used to calculate the supplemental and student success allocations pursuant to subdivisions (e) and (f) on the internet website of the chancellor's office. The chancellor's office shall publicly post a preliminary version of the data for the most recently

completed fiscal years by November 15 of each year, and a final version of that data by March 15 of each year.

(n) For purposes of this section, the following terms have the following meanings:

(1) "Career development and college preparation" means courses in programs that conform to the requirements of Section 84760.5.

(2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(3) "Primary missions of the segment" means credit courses and those noncredit courses specified in paragraphs (2) to (6), inclusive, of subdivision (a) of Section 84757.