California Community Colleges

ELOY ORTIZ OAKLEY
Chancellor

Consultation Council Agenda

Thursday, June 20, 2019
9:30 a.m. to 12:00 p.m.
Chancellor's Office
6th Floor, Room 638-640 (6ABC)
1102 Q Street
Sacramento, CA 95811

THE ITEMS ON THIS AGENDA WILL BE DISCUSSED AT THE UPCOMING CONSULTATION COUNCIL MEETING.

1. Chancellor's Office Update
2. Student Senate Update
3. Proposed Change to Extended Opportunities Program and Services Regulations
4. Update on the 2019-20 State Budget
5. Discussion on Regulations Related to Classroom Expenditures and Full-Time Faculty
6. State and Federal Update
7. Disabled Student Programs and Services Funding Formula
8. Proposed Changes to State Capital Outlay Program
9. Auxiliary Organizations Cash Reimbursement Requirement
10. Divisions List Revisions Summary Update
11. Other
    a. Announcements from Consultation Council members

FUTURE 2019 MEETING DATES:

July 18, 2019
August 15, 2019
September 19, 2019
October 17, 2019
November 21, 2019 (CCLC Annual Convention in Riverside, CA)
December – No Meeting

CONSULTATION COUNCIL | Digest

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Item: Student Senate Update

Date: June 20, 2019

Contact: Iiyshaa Youngblood, President Student Senate California Community Colleges
Michelle Hua, Vice President of System Affairs

ISSUE

The Student Senate for California Community Colleges will provide the Consultation Council members with an update on the Student Senate for California Community Colleges' (SSCCC) current initiatives, legislative stances, and system participation, as well as the current status of the board.

BACKGROUND

The SSCCC will present the council with an update on actions taken by the board since the previous Consultation Council meeting as well as concerns raised by the board and constituents, including, but not limited to, legislation and the state of the SSCCC.

- Student Senate Priorities
  - AB 1504, Amendment to Ed Code to implement the 2srf as an opt fee on all CCC campuses.
  - Phasing in the SSCCC Strategic Plan.
  - Implementing SSCCC structural changes at the Executive, Board of Directors, and Regional level.
  - In final stages of hiring an Interim Executive Director.
- Legislative and Advocacy
  - AB 1504 (2SRF) passed the Assembly and the Senate Education committee. Is now in Senate.
  - Appropriations.
  - AB 302 (Homeless Student Parking), passed the Assembly and will be heard in Senate Education committee June 19.
  - AB 381 (Title IX training), SB 150 (Better administration of the Chaffee Grant)

    - Joint advocacy efforts with UCSA and CSSA on basic needs, entire cost of attendance, summer Cal Grant, and expanding access to the Cal Grant (support for multiple bills aligning with these priorities).
- Upcoming Events/Activities
    - State Capitol Advocacy (June)
    - SCFF Oversight Committee (June 17)

FEEDBACK/QUESTIONS FOR COUNCIL

This item is presented for information only.

ATTACHMENTS

None.

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Item: Proposed Change to Extended Opportunities Programs and Services (EOPS) Regulations

Date: June 20, 2019

Contact: Rhonda Mohr, Vice Chancellor of Educational Services & Supports

ISSUE

The Chancellor's Office is proposing changes to Title 5 regulations governing the EOPS program. The regulatory change would codify in regulations the eligibility of Assembly Bill (AB) 540 students for EOPS services and financial aid funds.

BACKGROUND

In 2001 the Legislature enacted AB 540, which added section 68130.5 to the Education Code. This legislation allowed certain nonresident students who attended high school in California for three or more years, and received a high school diploma or its equivalent, an exemption from nonresident tuition. In 2011, additional legislation (Assembly Bills 130 and 131) passed allowing AB 540 eligible students to apply for and receive state financial assistance and to participate in state-administered student aid programs for which they are eligible.

The Chancellor's Office legal counsel determined that students who are AB 540 eligible and meet the eligibility requirements for EOPS may receive all EOPS services, as long as the number of financial aid awards received by California resident students from the same financial aid program is not be diminished as a result.

The Chancellor's Office did not update Title 5 regulations for the EOPS program when AB 130 went into effect. The attached regulation amendment ensures that the regulations regarding eligibility reflect that AB 540 students are eligible to participate in, and receive financial aid awards from, the EOPS program.

FEEDBACK/QUESTIONS FOR COUNCIL

Consultation Council is being consulted as part of the regular governance process for regulatory modifications.

ATTACHMENTS

1. Proposed Revisions to Title 5 Regulations of Special Programs

Item 3, Attachment 1

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Board of Governors of the California Community Colleges
Proposed Revisions to Title 5 Regulations
of
Special Programs

1. **Section 56220 of article 2 of subchapter 2.5 of chapter 7 of division 6 of title 5 of the California Code of Regulations is amended to read:**

§ 56220. Eligibility for Programs and Services.

(a) be a resident of California pursuant to the provisions of part 41 commencing with section 68000 of the Education Code., or be exempt from paying non-resident tuition pursuant to section 68130.5 of the Education Code.

(b) be enrolled full-time when accepted into the EOPS program. The EOPS director may authorize up to 10% of EOPS students accepted to be enrolled for 9 units.

(c) not have completed more than 70 units of degree applicable credit coursework in any combination of postsecondary higher education institutions.

(d) qualify to receive a Board of Governors Grant pursuant to section 58620(b)(1) or (2).

(e) be educationally disadvantaged as determined by the EOPS director or designee. In making that determination the EOPS director shall consider one or more of the following factors:

(1) not qualified at the college of attendance for enrollment into the minimum level English or mathematics course that is applicable to the associate degree.

(2) not have graduated from high school or obtained the General Education Diploma (G.E.D.).

(3) graduated from high school with a grade point average below 2.50 on a 4.00 scale.

(4) been previously enrolled in remedial education.

(5) other factors set forth in the district's plan submitted to the Chancellor pursuant to section 56270 of this subchapter.

Note: Authority cited: Sections 66021.6, 69648 and 70901, Education Code. Reference: Sections 69640 et seq., Education Code.

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Item: Update on the 2019-20 State Budget

Date: June 20, 2019

Contact: Christian Osmeña, Vice Chancellor of College Finance & Facilities

ISSUE

This item will represents an update on the 2019-20 state budget. At the time of preparation of this digest, information was not yet available on the actions taken by the Legislature on the budget.

BACKGROUND

The California Constitution requires that the Governor submit a budget to the Legislature by January 10 of each year. 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. 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.

The budget committees assign the items in the budget to subcommittees, which are organized by areas of state government (e.g., education). 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.

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.

FEEDBACK/QUESTIONS FOR COUNCIL

This item is being provided for the council’s information. Staff will be available to answer questions.

ATTACHMENTS

None.

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Item: Discussion on Regulations Related to Classroom Expenditures and Full-Time Faculty

Date: June 20, 2019

Contact: Christian Osmeña, Vice Chancellor of College Finance & Facilities

ISSUE

This item seeks to continue a discussion around potential changes to regulations related to classroom expenditures (i.e., the "50 Percent Law") and those related to full-time faculty (i.e., compliance with a faculty obligation number), with the intent to further progress toward the existing goal that 75 percent of credit instruction be taught by full-time faculty.

BACKGROUND

As discussed at the April 2019 meeting, former Chancellor Harris encouraged the formation of the Workgroup on Regulations (Workgroup) to focus on regulations in two areas: the "50 Percent Law" and provisions around full-time faculty. The Workgroup delivered several reports in recent years, responding to changes in system priorities and state policies that might affect its recommendations. Its final report was transmitted at the April meeting. Given the transmittal of this final report, the Workgroup's deliberations are now complete.

The Chancellor is now considering what actions, if any, should be proposed for consideration by the Board of Governors, to encourage accelerate increases in the number of full-time faculty and encourage increases in their proportion. In doing so, the Chancellor's Office expects that such increases be an opportunity to faculty composition to become more reflective student composition in the colleges. At the April meeting, the Chancellor asked Consultation Council representatives to provide written comments related to the proposals made by the Workgroup. The responses received to date are included as attachments to this digest.

FEEDBACK/QUESTIONS FOR COUNCIL

This item is being presented to allow for the council's continued discussion of the concepts included in the Workgroup's reports and other concepts. At the May 2019 meeting, the Chancellor's Office also presented the process for developing the Board of Governors' budget and legislative request. The Chancellor's Office is interested in a discussion of what measures could be included in that request.

ATTACHMENTS

1. ACBO Letter to Chancellor Oakley, April 29, 2019
2. ACHRO/EEO Letter to Chancellor Oakley, May 30, 2019
3. CCCCIO Letter to Chancellor Oakley, May 31, 2019
4. CCCI Resolution
5. CEOCCC Report

ASSOCIATION OF CHIEF BUSINESS OFFICIALS

April 29, 2019

Eloy O. Oakley, Chancellor
California Community Colleges Chancellor's Office
1102 Q Street
Sacramento, CA 95814

Dear Chancellor Oakley:

I am writing on behalf of the Association of Chief Business Officials (ACBO) Board. The ACBO Board has reviewed the *"50% Law and the Faculty Obligation Number: Updated Proposal"* (the Proposal) prepared by the Workgroup on CCC Regulations. While we respect and appreciate the efforts that went into the Proposal, we cannot support the recommendations in their entirety and, therefore, oppose the Proposal.

The ACBO Board fully supports a change to both the Faculty Obligation Number (FON) and 50% Law that reflect the current requirements and expected operations for colleges and acknowledges that each college serves their students in a way that best supports their students, faculty, and staff. However, the Proposal falls short of some things that we believe are paramount to any proposed change. We offer the following suggested changes to the Proposal:

FON:

- It is imperative that the State consistently fund this requirement, separate and distinct from general apportionment. We estimate that, on average, the Proposal would increase each district's costs by at least 3 percent.
- There should be a corresponding requirement that colleges achieve at least 525 (or higher, if compressed) WSCH/FTEF efficiency factor before requiring progress on the 75/25 split.
- The calculation needs to reflect the Student-Centered Funding Formula (SCFF) whereby the FTES should be multiplied by the same percentage as our Base Allocation FTES percentage within SCFF (currently 70%).
- Full-time faculty overload FTE should offset the part-time faculty FTE and not be excluded from the calculation.
- Rather than merely rebenching each district from where they are today, a standard should be established for all districts.

- Non-credit FTES should not be added into the calculation since it is still funded disparately from credit FTES.
- Penalizing a district financially for not meeting the 75/25 goal is not necessary under the new SCFF. If fewer full-time faculty reduces students' success, then the SCFF will reflect less funding for the district.

50% Law:

- Include Multimedia Technicians' and other classroom/lab computer specialists' salaries and benefits as part of the instructional costs. These positions only exist to provide direct support in the classroom.
- Include Educational Advisors' salaries and benefits as part of instructional costs. These positions augment counselors and directly advise students on their educational goals and pathways.

While we agree with the notion that full-time faculty are in a better position to help our students succeed, we do not agree with forcing progress towards meeting the 75/25 goal without the changes reflected above and without full funding from the State to do so. We should not be micromanaged on how we get to the outcomes that we are held accountable. Our focus should be on doing what it takes to help students succeed regardless of how we get there. Furthermore, any proposed changes should be thoughtfully construed after analyzing the impacts the changes will have on districts to avoid unintended consequences or placing an undue burden on districts to comply with the new changes without lead-time to plan and budget for the change.

Respectfully,

Ann-Marie Gabel
ACBO President

cc: ACBO Board

ACHRO/EEO
Association of Chief Human Resource Officers / Equal Employment Officers

May 30, 2019

Eloy O. Oakley, Chancellor
California Community Colleges Chancellor's Office
1102 Q Street
Sacramento, CA 95814

Dear Chancellor Oakley:

I am writing on behalf of the Association of Chief Human Resources and Equal Employment Officers (ACHRO/EEO) Board. We have reviewed the "50% Law and the Faculty Obligation Number: Updated Proposal" (the Proposal) prepared by the Workgroup on CCC Regulations. The ACHRO/EEO Board fully recognizes the need to change both the Faculty Obligation Number (FON) and 50% Law to reflect the current requirements and expected operations for colleges. However, we do not support the recommendations in their entirety, and therefore, we oppose the Proposal. The proposal lacks several items that we believe are necessary to meet the 75/25 goal in a manner that will yield overall success.

Respectfully,

C. Vyskocil

Dr. Cindy Vyskocil
ACHRO/EEO President
(949) 582-4699 / cvyskocil@soccd.edu

cc: ACHRO/EEO Board

May 31, 2019

Eloy O. Oakley, Chancellor
California Community College Chancellor's Office
1102 Q Street
Sacramento, CA 95814

Dear Chancellor Oakley,

On behalf of the Board of the California Community College Chief Instructional Officers (CCCCIO), I would like to provide you a formal written response to the recommendations presented within *The 50% Law and the Faculty Obligation Number: Updated Proposal* prepared by the Workgroup on CCC Regulations. Since 1998, with the implementation of AB 1725, the Chief Instructional Officers (CIOs) have continued to focus on student success and supporting students inside and outside the classroom. While both the 50% and the FON have been controversial, community colleges have continuously strived to meet these goals and guidelines delineated in AB 1725.

However, to support the transition to increase the level of instruction taught by full-time faculty, additional funding must be allocated to the 114 community colleges. Over the decades, colleges and districts have been forced to move dollars from instruction to better support student services in a period of increased focus on student success efforts such as AB 705 and Guided Pathways. Therefore, the instructional funding needs to be restored and increased in order to fully implement AB 1725.

We support the transformation of the Faculty Obligation Number (FON) and the 50% Law and recognize that this change is long overdue. This transformation will allow us to better meet the needs of our students and to achieve the goals of the Vision for Success.

As part of our review process, the CCCCIOs fully support the guiding principles and conclusions listed on Page 2 of *The 50% Law and the Faculty Obligation Number: Updated Proposal* document:

A. The focus of the 50% Law should continue to be on instructional costs.

B. Any new definition of instructional costs would necessitate a re-determination of the percentage of general fund dollars appropriate to those costs.
C. General fund match requirements should be eliminated for all restricted funds.
D. The FON should be modified to reflect an ongoing focus on making progress toward the 75% goal in a systematic way.

In addition, we want to emphasize, as stated in the document, that the discussions of the workgroup "constituted only the first step in a process" and that "a further set of meetings to review statistical data and establish the recommendation changes was required in order for these proposals to move forward." We cannot emphasize enough that accurate and current data models are a key element in the review and reflection process of any proposed changes of the 50% Law and/or the FON calculation.

As part of our inquiry of the workgroup's recommendations, we reviewed *The 50% Law and the Faculty Obligation Number: Updated Proposal*, the CCCCBO response, the CEOCCC response, and collected survey data from the CIOs regarding these recommendations. In addition, there have been a multitude of discussions with the CCCCIO Executive Board and during CIO Regional Meetings. The survey results provided additional insight and feedback from forty-six Chief Instructional Officers. The colleges represented in the survey results included small, medium, and large colleges from both single and multi-college districts from nearly every region of the state.

After an analysis of the survey results, review of feedback from regional meetings, and in consultation with the CCCCIO Executive Board, we support the following recommendations as long as adequate funding is provided for every college to implement these recommendations.

> The workgroup identified the following criteria (*The 50% Law and the Faculty Obligation Number: Updated Proposal,* page 3) to be added to the cost of instruction. While the survey results demonstrated general support for all five recommendations, only the first three of these criteria were strongly supported:

A. All faculty work outside the classroom that plays a direct role in the education of students.
B. Individuals who provide educational services directly to students.
C. Services that assist in the direct education of students.

The recommendations below are minimally supported and are not recommended by the CCCCIOs at this time to be included in the revision of the 50% law, the FON, or other faculty/instructional calculations. If further clarification is provided regarding the specifics of these recommendations, they may be reconsidered.

D. Governance activities that pertain directly to the education of students.
E. Professional activities that pertain to the curriculum.

The 50% Law and the Faculty Obligation Number: Updated Proposal also included additional expenses to be considered in the new calculation as instructional costs. The CCCCIOs considered these items in regards to priority—starting with the highest priority.

1. All expenses considered to be instructional in the current calculation.
2. Salaries and benefits of counselors and librarians.
3. All tutors performing in an instructional capacity in a supervised setting.
4. Faculty reassigned time for instructional program and curriculum development and modification.
5. Reassigned time for college and district academic senate governance activities.

In addition, the CCCCIOs have experienced inconsistencies with the FON, and colleges struggle to meet the FON requirement with limited budget allocations. CCCCIOs share the following points about the FON:

- Overload by full-time faculty should be included in the FTEF calculation for full-time faculty. Many of our faculty teach overload every semester and provide additional educational opportunities for our students to take courses to meet their academic goals of transfer, degrees, certificates, and completion.
- The current FON requirements for districts are often radically different from each other, even when districts may be contiguous geographically or have similar FTES. A new standard should be set for all districts with equitable expectations for all colleges. However, because this change would impact some districts more than others, the expectations need to be phased in over time and resources should be provided to help districts with low FON to hire additional FT Faculty.
- Funding for hiring new faculty must be ongoing, part of the base budget, and include total cost of hiring at a reasonable state-wide salary level. Total costs to be considered include items such facilities, supporting technology (phones, computers, etc.) and benefits.

Additional feedback regarding the 50% Law is below.

- We agree to include Librarians and Counselors in the instructional portion of the 50% Law. We also argue that classroom specialists including instructional specialists for classroom support including science labs, computer labs, CTE labs, fine arts labs, and others who directly support instruction should be included in the 50% portion of the calculation.

- Colleges are working diligently to support our students, particularly during the implementation of AB705, to ensure students will successfully complete their degrees, certificates, and transfer while eliminating the equity gaps which are core in accomplishing the goals of the Vision for Success. To accomplish these goals, faculty and staff are required to support these students through additional tutoring, mentoring, and other forms of student support. Our fear is that although counselors and librarians may be put on the instructional side of the 50% requirement, the percentage will be adjusted higher, making the gains we may have made meaningless. A realistic adjustment is necessary to support the colleges in providing student support services students need to meet their academic goals.

We greatly appreciate the hard work by the members of the workgroup that is reflected in *The 50% Law and the Faculty Obligation Number: Updated Proposal* and we agree students will be better served when all California Community Colleges achieve the 75/25 goal. By increasing full-time faculty and by fully supporting our student services, the 114 colleges will be more able to fully support the Vision for Success goals.

We appreciate your thoughtful review of these considerations.

Sincerely,

Kelly M. Fowler

Kelly Fowler

CCCCIO, President

Resolution

Whereas the California Community College Independents (CCCI) supports the mission of California Community Colleges to provide educational access to and opportunity for all Californians and to offer high quality education to all 2.2 million students in our system; and

Whereas CCCI supports efforts to close equity gaps, improve faculty diversity, and improve educational experiences and outcomes for all our students; and

Whereas community colleges receive significantly less funding per-student than any other segment of education in California ($8,099 compared to $11,564 K-12; $17,784 CSU; $32,593 UC); and

Whereas funding has a significant impact on educational quality as it affects teaching and student-support services in countless ways, from student access to full-time faculty and academic counselors to the breadth and availability of course offerings; and

Whereas restricted "categorical" funding has, over the past decade, reduced local flexibility in deciding how to allocate available dollars to best serve our students and make the best use of the faculty's expertise; and

Whereas the new "Student Centered Funding Formula" (SCFF), while claiming to help "mitigate" financial challenges, will in fact divert even more money from some colleges, thus severely and negatively impacting local efforts to serve and support students; and

Whereas studies of performance-based funding systems that claim to "reward success" have repeatedly shown that they shift resources away from those students and institutions that most need extra support and thus *increase* equity gaps; and

Whereas the "supplemental allocation" in the SCFF will substantially and unfairly cut funding to colleges in areas with a high cost of living, resulting in a reduction in the quality and number of educational experiences and student services at those colleges; and

Whereas the SCFF will redistribute funding in a harmful and capricious manner that will negatively impact many California college students by restricting access and diminishing support services in nearly half of all California community college districts; and

Whereas the SCFF was so poorly and hastily conceived (and without adequate input from stakeholders) that no college is able to predict future funding, which undermines the planning necessary to ensure educational quality; and

Whereas California voters, through Proposition 98, have endorsed minimal funding levels for public education, including community colleges, with the understanding that State support would be equitably distributed; and

Whereas efforts to improve the SCFF through recommendations from the Advisory Workgroup on Fiscal Affairs and the SCFF Oversight Committee have already been inappropriately constrained by narrow charges and political calculations that do not serve California students,

Be it therefore resolved this 27th day of April, 2019, that the California Community College Independents, representing more than 12,000 community-college faculty teaching more than half-a-million students, do formally and unanimously vote "no confidence" in the Student Centered Funding Formula, and we call on the Legislature and Governor to replace the SCFF with simple, stable funding, giving each district an equitable share of Proposition 98 funding every year plus enhanced funding to improve local efforts to support vulnerable student populations and close equity gaps.

Be it further resolved that CCCI calls on the State Chancellor's Office to cease supporting the SCFF or any other outcomes-based funding formula or inequitable redistribution of State funding and instead work with districts to strengthen counselor-student ratios, increase full-time/part-time faculty ratios, expand part-time-faculty office hours, and increase opportunities for students to work individually with faculty: proven strategies that improve educational experiences and outcomes for our students.

Workgroup on CCC Regulations : 50% Law and FON Final Report
Responses from the California Community Colleges

Background:
Members of the CEOCCC Boards asks CEO of their representative region to analyze and provide their perspective of the report, *The 50% Law and the Faculty Obligation Number: An Updated Proposal*, in advance of the April Consultation Council meeting. The Academic Senate seeks consensus support for the recommendations included in the document, with the goal of placing it before the Board of Governor's at their next meeting for their support. Below are responses revieved from various district regions.

Area	Support	Oppose	Comments
Area 1 Butte-Glenn CCD Feather River CCD Lake Tahoe CCD Lassen CCD Mendocino-Lake CCD Redwoods CCD Shasta Joint CCD Sierra Joint CCD Siskiyous CCD		**X**	Unanimous opposition with the following concerns: ● The proposed changes to the 50% law do not look like they are aligned to help us meet the goals of the Vision for Success, implementing Guided Pathways and AB 705, which will require more non-instructional support costs. ● There was concern over significant cost increases associated with this proposal for the same number of current offerings. ● There appears to be a mixed message for the FON, as it is being advocated that we would need to increase FT faculty by 10% a year with no additional funding ● The FON section does not address the fact that credit FTES is now funded at 70% of what it was funded prior to the SCFF. ● Some of the small colleges expressed concerns for different reasons. They are so small and serve such small communities that for many areas they do not have a full-time teaching loads in various programs/FSAs, but still view them as necessary academic disciplines that they want to offer. There is concern that small schools would have to reduce a significant amount of degrees and offerings that are not large enough to sustain a FT faculty member and it is next to impossible to find qualified faculty who meet very different FSA requirements where the load is small (e.g., physics, anthropology, photography, etc.).
Area 6 Allan Hancock CCD Cabrillo CCD Hartnell CCD Los Angeles Mission College Los Angeles Pierce College Monterey CCD San Luis Obispo County CCD (Custa) Santa Barbara CCD Santa Clarita CCD (Canyons) Ventura County CCD (Moorpark, Oxnard, Ventura)		**X**	Various CEOs' responses: ● I cannot support any change without an identified funding stream. The Fact Sheet on SB 777 specifies that: SB 777 would direct districts to annually reduce by 10% – using existing resources – the deficit between their existing full-time faculty percentage and the 75% goal. ● While crafted with language that equates tenured faculty with achieving the Vision for Success, to move from the current level of instruction taught by part-time faculty to tenured faculty requires additional dollars be assigned to instruction. Shifting dollars to instruction requires that support areas be reduced. We are not funded in a way that would allow me to reach 75% and maintain tutoring and support services at the current level. If the support services are as impactful as intended, there would be a negative impact on student success and academic outcomes. Our

Area	Support	Oppose	Comments
			system needs resources. This is not a problem that can be solved with a shuffling of the cards. ● It would be best to eliminate the 75% goal and just maintain the requirements that we meet with 50% requirement. I recognize that is an unlikely outcome. I do not have an issue moving to 75% in a systematic way if there is additional funding to the system to pay for that transition. ● A statement was made at the CEO conference that the 75% goal applies only to courses taught by full time faculty on their primary assignment (not overload). If the 75% goal only counts courses taught by full time faculty on their primary assignment, then any movement toward the goal should reorganize the BAM to allow reassigned time to be part of overload. ● To make this a requirement with no additional funding will require substantial rethinking of reassigned time – and even then would be problematic, particularly for small to midsize colleges. ● I agree. It makes no sense without additional, targeted funding for full-time faculty positions. ● I do not support it and, in fact wonder why we are not freezing the FON based on budget deficit projections.
Area 7 Cerritos CCD Compton CCD El Camino CCD Long Beach CCD Los Angeles Harbor College Los Angeles Southwest College Los Angeles Trade-Technical College Santa Monica CCD West Los Angeles College	**1X**	**2X**	Responses/Concerns: ● The identified growth each year seems like an additional unfunded mandate unless the state chooses to fund these positions. ● The state only provides limited and sometimes one-time funds that do not adequately cover the ongoing costs, plus salary step increases, negotiated raises, and increased benefit costs. ● Happy to see that the recommendation to include librarians and counselors in the instructional calculations. ● Would like clarification that the tutoring can be under credit and non-credit faculty supervision
Area 8 Citrus CCD Glendale CCD Los Angeles CCD East Los Angeles College Los Angeles City College Los Angeles Valley College Mt. San Antonio CCD Pasadena Area CCD Rio Hondo CCD		**X**	Pasadena City College Superintendent/President Erika Endrijonas: ● The idea that the goal of 75% has existed for 31 years but now colleges are expected to reach 75% in 10% increments is unreasonable. The regulations also appear to confirm the idea that if FT faculty teach overload, it does not count towards the FON which means that the FON is artificially inflated by discounting the high rate of FT faculty who teach overload. Whether they are teaching their load or overload, they are FT faculty, so their service should not be discounted. ● The possible inclusion of Non-Credit faculty will cause the overall FON requirement to skyrocket because the inclusion of Non-Credit will mean that the non-credit FTES will be brought into the equation, which is problematic because the cost will be huge, and more importantly, since not all NC FTES is paid at the maximum rate, we could wind up having to hire FT faculty with 50% funding. ● Most importantly, the suggestion that this change to the FON will somehow facilitate the implementation of the Vision for

Area	Support	Oppose	Comments
			Success Goals is unreasonable, especially since the Chancellor's Office can't even afford to pay for the SCFF this year. How is the system going to absorb the cost of the additional FT faculty if it can't even give us our TCR? This will become an unfunded mandate that the state can't afford. Mt. San Antonio College President/CEO William Scroggins: SB 777 is poorly constructed to the point that colleges would be severely harmed. No resources are provided, and implementation is driven totally by huge penalties for not hiring additional fulltime faculty. Even if funding were to be provided, the result would be a significant negative impact on college budgets. Just look at the cost of the fulltime hiring are doing this year with the $50 million appropriation. The Chancellor's Office number ($70,000) for our cost to hire a fulltime faculty member is too low by at least $40,000. Finally, what would be the benefit? Almost every study shows that, on average, adjunct faculty produce student outcomes just as effectively as fulltime faculty. Most of us have 60-65% fulltime faculty which is more than adequate for nonclassroom tasks such as curriculum development. There would be little benefit to the state for such a large investment of taxpayer money.
Area 9 Antelope Valley CCD Barstow CCD Chaffey CCD Copper Mountain CCD Desert CCD Mt. San Jacinto CCD Palo Verde CCD Riverside CCD (Moreno Valley, Norco, Riverside) San Bernardino CCD (Crafton Hills, San Bernardino Valley) Victor Valley CCD		**X**	Antelope Valley College President Ed Knudson: If we have to live with the 50% Law, I like the changes proposed in that component. The 75% goal is fiscally impossible and will stifle any hope of growing the system. As an example, for Fall 2019 only, at AVC we have scheduled 1750 sections. We have an average of 3 units per section. At 75% of that unit total I would need 262.5 full time faculty. We have 187 full-time now and we are 39 over the FON. There is no flexibility in the 75%, how would we adjust to the pressures of AB 705 if we couldn't afford to hire the adjuncts to fill in that expansion or back-fill the shift in other disciplines. Are we to assign overload to the full-time faculty? Institutions grow on the margins and incrementally, not with fixed costs. Abolish the FON and the 75% goal altogether, and with the 50% Law we will achieve a much closer goal of focusing the resources on our instructional mission. Recent legislation and appropriations have focused on programs that are not direct instruction and the proposed 50% adjustment addresses that inequity. Mandating 75% of total units be taught by full-time faculty is not attainable, reduce it to 50% and combine it within the proposed change to the 50% law and it can be achieved. Also, define governance reassigned time as not subject to being collectively bargained. Creates a conflict of interest. Academic Senate reassigned time should be outside of any CBA. Mt. San Jacinto College Superintendent/President Roger W. Schultz, I agree with Ed that it is not attainable nor sustainable, and in an economic downturn the impact would be devastating to access for students as well as the fiscal stability of institutions.

Area	Support	Oppose	Comments
Area 10 Coast CCD (Coastline, Golden West, Orange Coast) North Orange County CCD (Cypress, Fullerton, School of Continuing Edu) Rancho Santiago CCD (Santa Ana, Santiago Canyon) South Orange County CCD (Irvine Valley, Saddleback)		X	North Orange County CCD Chancellor Cheryl A. Marshall in response to the report on *The 50% Law and the Faculty Obligation Number: An Updated Proposal*: ● Page 2, Item B – A "redetemination" of the percentage of general fund dollars needs to be done collaboratively with input from the field and based on data analysis and review of scenarios. We support the statement that a "further set of meetings to review statistical data" would be necessary to recommend meaningful changes. ● Pages 3-4 – We support the inclusion of all of these items and the reasoning behind them. Counselors and Librarians play a critical role in student learning outside the classroom; all forms of tutoring support student learning and success; and, the time spent on program and curriculum development is relevant. ● Page 4 – We support the inclusion of relevant expenses from categorical funds. As with Item B, we recommend a collaboratively developed target percentage. ● Pages 7-8 – We support the idea of rebenching the FON if it contributes to an equitable requirement to hire fulltime faculty across colleges/districts and aligns with the SCFF. We recommend supporting colleges/districts by funding the actual costs for employing faculty, not a statewide average. We also support the inclusion of noncredit faculty as part of the FON but want to see a collaboratively developed solution for calculating the obligation for noncredit faculty. From our perspective, since regular noncredit classes are funded at a lower level, this needs to be considered in setting the target.

No responses received from the following areas:

Area 2
Los Rios CCD (American River, Cosumnes River, Folsom Lake, Sacramento City)
Marin CCD
Napa CCD
Sonoma County CCD
Yuba CCD (Woodland, Yuba)

Area 3
Kern CCD (Bakersfield, Cerro Coso, Porterville)
Merced CCD
San Joaquin-Delta CCD
Sequoias CCD
State Center CCD (Clovis, Fresno, Reedley)
West Hills CCD (Coalinga, Lemoore)
West Kern CCD (Taft)
Yosemite CCD (Columbia, Modesto Jr)

Area 4
Foothill-De Anza CCD
Gavilan CCD
Ohlone CCD
San Jose-Evergreen CCD
San Mateo County CCD
(Canada, San Mateo, Skyline)
West Valley-Mission CCD
(Mission, West Valley)

Area 5
Contra Costa CCD
(Contra Costa, Diablo Valley , Los Medanos)
Chabot-Las Positas CCD
Peralta CCD (Berkeley, Alameda, Laney, Merritt)
San Francisco CCD
Solano CCD

Area 11
Grossmont-Cuyamaca CCD
Imperial CCD
Mira Costa CCD
Palomar CCD
San Diego CCD
(San Diego City, San Diego Continuing Edu Ctr, San Diego Mesa, San Diego Miramar)
Southwestern CCD

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

Item: State and Federal Update

Date: June 20, 2019

Contact: Laura Metune, Vice Chancellor of Governmental Relations

ISSUE

The Chancellor's Office Division of Governmental Relations will provide Consultation Council with the State and Federal Update and seek feedback on several bills pending in the State Legislature.

BACKGROUND

California law (Ed Code § 70901(b)(4)) requires the Board to provide representation, advocacy and accountability for the system before state and national legislative and executive agencies. The Board Procedures and Standing Orders provide guidance to the Chancellor in representing the California Community Colleges on matters pending before the California Legislature and Governor, Congress, and the President. The Procedures and Standing Orders also authorize the Chancellor to take positions on pending legislation on behalf of the Board, as specified (Procedures and Standing Orders § 317).

The Governmental Relations division represents the Chancellor and the Board on state and federal policy and advocacy matters. The California Community Colleges *Vision for Success*, the 2019-20 Board of Governors Budget and Legislative Request, and prior Board positions guide the activities of the division. The Governmental Relations division seeks feedback from the Consultation Council and the Board of Governors prior to taking positions on pending policy matters.

FEEDBACK/QUESTIONS FOR COUNCIL

The Chancellor's Office is seeking feedback on Legislation for Discussion items.

ATTACHMENTS

The attached analyses are provided for the purposes of discussing the Chancellor's Office proposed policy position:

1. Assembly Bill 23 (Burke) – Small Business Advocate Deputy
2. Assembly Bill 376 (Stone) – Student Loan Servicing
3. Assembly Bill 751 (O'Donnell) – SAT/Smarter Balanced Testing
4. Assembly Concurrent Resolution 64 (McCarty) – SAT and ACT
5. Assembly Joint Resolution 2 (Vopel) – Pell Grant Increases
6. Senate Bill 150 (Beall) – Chaffey Grant

Item 6, Attachment 1 – Proposed Bill Position

CALIFORNIA COMMUNITY COLLEGES LEGISLATIVE BILL ANALYSIS

Bill Number: AB 23
Author: Assemblymember Autumn Burke
Status: Senate Business, Professions and Economic Development
Committee/Floor Votes: Assembly Floor, 76-0

Bill Summary:

This bill would require the Office of the Small Business Advocate to collaborate and coordinate with the Labor and Workforce Development Agency, Department of Education, and California Community Colleges Chancellor's Office to determine to what extent existing workforce development efforts and programs address the labor needs of small businesses across industry sectors and regions in the state.

Bill Detail:

This bill would establish a Deputy of Business and Workforce Coordination in the Office of Small Business Advocate (OSBA), appointed by the Director of the Governor's Office of Business and Economic Development (GO-Biz). The Deputy would collaborate and coordinate with the Labor and Workforce Development Agency, Department of Education, and California Community Colleges Chancellor's Office to engage industries and businesses to better align career technical education courses, workforce training programs, and pre-apprenticeship and apprenticeship programs with regional and local labor market demand. This bill would also require OSBA to determine the extent to which existing workforce development efforts and programs address the labor needs of small businesses across industry sectors and regions in the state, and include relevant findings and activities as part of its annual report to the Legislature.

Discussion:

The author is concerned that information about workforce training, career technical education programs, apprenticeship programs, and local economic development efforts are inaccessible or difficult to find for small business owners, which tend to be minorities and women. This bill intends to connect those resources and programs to small business owners and assist them in navigating these systems. While there is outreach to various businesses and sectors by the Chancellor's Office, an entity like the OSBA could have better insight into how to serve small businesses. The experience from WEDD could better inform OSBA on effective programs across sectors, and OSBA could better inform WEDD on how to more effectively address small business needs. AB 23 would bolster existing efforts to help make sure small businesses, which are the largest net job creators in the state and comprise over 90% of all firms, do not fall by the wayside.

Fiscal Impact:

Ongoing General Fund costs of about $450,000 for GO-Biz to hire a deputy position and add two staff under the deputy. This cost includes salary, benefits, operating expenses, and equipment.

The Governor's May Revision includes $806,000 and three positions for OSBA. This funding will allow OSBA to "administer a technical assistance expansion program and expand OSBA's approach in addressing the specific needs of small businesses in varying regions." The trailer bill language makes no other technical changes.

Support/Arguments in Support:

California Manufacturers & Technology Association (sponsor); California Business Roundtable; California Chamber of Commerce; California Construction and Industrial Materials Association; California Cotton Ginners and Growers Association; California Fresh Fruit Association; California League of Food Producers; California Professional Association of Specialty Contractors; California Rice Commission; California Workforce Association; Computing Technology Industry Association; El Dorado County Joint Chambers Commission; Elk Grove Chamber of Commerce; Far West Equipment Dealers Association; Folsom Chamber of Commerce; Grow Manufacturing Initiative of Northern California; Northern Rural Training and Employment Consortium; Orange County Business Council; Rancho Cordova Chamber of Commerce; Roseville Area Chamber of Commerce; Torrance Area Chamber of Commerce; United Chamber Advocacy Network; Western Agricultural Processors Association

Opposition/Arguments in Opposition

None on File.

GR Recommendation/Rationale

Support. The bill is consistent with the CCCCO's mission to serve as providers of workforce training, career technical education courses, and apprenticeship programs, which includes outreach to small businesses.

Item 6, Attachment 2 – Proposed Bill Position

CALIFORNIA COMMUNITY COLLEGES LEGISLATIVE BILL ANALYSIS

Bill Number: AB 376
Author: Assemblymember Mark Stone
Status: Senate Banking Committee
Committee/Floor Votes: Assembly Floor, 59-15

Bill Summary:

Imposes new requirements on student loan servicers, and creates the "Student Borrower Bill of Rights" to ensure that student borrowers receive accurate information, reliable customer service, and access to student loan repayment and forgiveness programs.

Bill Detail:

Specifically, provides definitions for an abusive act and other terms and conditions; requires the Department of Business Oversight (DBO) to monitor for risks to consumers in the provision of student loan servicing, and requires the Commissioner of Business Oversight to designate a Student Borrower Advocate to provide timely assistance to student loan borrowers and to receive and review complaints; and, provides new tools to the individual borrowers, the California Attorney General, and the DBO to stand up for student loan borrowers, ensuring that California continues to lead the nation in the fight to end the student debt crisis.

Discussion:

In 2016, California enacted the Student Loan Servicing Act with AB 2251 (Stone). This bill created a regulatory licensure program within the DBO and gave the department the ability to oversee companies that service student loans in California. The program currently helps ensure that student loan borrowers in the state are treated fairly. AB 2251 was introduced to complement increased servicing standards set to be enacted by the federal government in 2016 prior to the current Administration. Unfortunately, the new servicing standards were never implemented. Although AB 2251 created protections for borrowers, it does not offer comprehensive and enforceable standards used in other regulated financial markets.

This bill is important because recent actions by federal officials make it clear that that the federal government has no intention of fulfilling its obligation to protect student loan borrowers. For instance, Secretary of Education Betsy DeVos cancelled plans to increase servicing standards and consumer protections, and former Consumer Financial Protection Bureau director Mick Mulvaney closed the office investigating student loan abuses and fraud.

Notably, the bill creates special protections for vulnerable populations. The most vulnerable borrowers often have special rights under federal law and in loan contracts, but consumer complaints and government enforcement actions show that the industry routinely violates the rights of these borrowers. AB 376 requires student loan companies to train their staff to understand these rights and creates strong new protections to prevent companies from misleading military borrowers, deceiving teachers and public service workers, cheating borrowers with disabilities, and defrauding older Americans.

Fiscal Impact:

No costs to the California Community Colleges. According to Appropriations Committee: "Significant special fund costs to DBO in excess of $1 million in the first year and in excess of $790,000 ongoing. These costs include personnel, which this committee assumes to be the Student Borrower Advocate as well as support staff and an additional attorney, as well as onetime administrative costs during initial implementation."

Support/Arguments in Support:

NextGen California (Sponsor)
Americans For Financial Reform
California Asset Building Coalition
California Association Of Nonprofits
California Low-Income Consumer Coalition
Californians For Economic Justice
California Public Interest Research Group
Coalition For Humane Immigrant Rights
Consumer Action
Consumer Federation Of California
Consumer Reports
East Bay Community Law Center
Housing And Economic Rights Advocates
New Economics For Women
Public Law Center
Student Borrower Protection Center
Student Debt Crisis
The Institute For College Access & Success
Unidosus

Opposition/Arguments in Opposition

Student Loan Servicing Alliance.

GR Recommendation/Rationale

Support.

Item 6, Attachment 3 – Proposed Bill Position

CALIFORNIA COMMUNITY COLLEGES LEGISLATIVE BILL ANALYSIS

Bill Number: AB 751
Author: Assemblymember Patrick O'donnell
Status: Senate Education Committee
Committee/Floor Votes: Assembly Floor, 75-0

Bill Summary:

This bill requires the Superintendent of Public Instruction to approve one or more nationally recognized high school assessments, such as the SAT or ACT, a local education agency may administer in lieu of the 11th grade Smarter Balanced Assessment, commencing with the 2021-22 school year.

Bill Detail:

This bill requires the Superintendent of Public Instruction to approve one or more nationally recognized high school assessments that a local education agency may administer in lieu of the 11th grade Smarter Balanced Assessment, commencing with the 2021-22 school year. This assessment must meet federal and state requirements, including alignment with the State Board of Education content standards. This bill also authorizes the Superintendent to inform the publisher of a nationally recognized high school assessment of any deficiencies or concerns and request documentation showing the exam is valid and reliable for testing purposes. Under this bill, a local education agency that administers the alternative assessment must also do the following:

- Approve the alternative assessment at a public meeting.
- Notify the Superintendent and student parents and guardians that an alternative assessment will be used in lieu of the Smarter Balanced assessment for the corresponding school year.
- Administer the assessment free of charge to all students.
- Administer the assessment to individuals with exceptional needs, such as English learners, with appropriate accommodations.
- Report scores and student participation data to the State Board of Education.

The bill has a sunset date of five years after the first year in which the local educational agency is able to administer the alternative assessment, and requires the Superintendent to analyze the results and scores of the alternative assessment as part of its annual report to the State Board of Education.

Discussion:

While this bill attempts to standardize an ongoing school district function and reduce the overlap between nationally recognized exams and the Smarter Balanced Assessment, it conflicts with the Chancellor's Office recent policies on assessment and placement. Specifically, the Chancellor's Office, consistent with several academic studies, concurs that there is a weak relationship between standardized test scores and later academic achievement. These exams can disproportionally affect underrepresented populations, including English-learners and low-income individuals, who may be unaware that their test performance will affect their college career. Because SAT and ACT scores more closely correlate with wealth rather than college readiness, many colleges and universities are removing these exams as an admissions requirement. A recent study showed that institutions that made the SAT and ACT optional gained increased numbers of black and Latinx students applying and being admitted to their institutions.

While the bill stipulates that the nationally recognized exam must align with the state's content standards, it further reduces California's flexibility in tailoring its curriculum to student needs. The Smarter Balanced Assessment is based on the federal Common Core State Standards, and, while California has adopted these standards, it has modified them slightly to ensure consistency with local priorities. However, the SAT and ACT are not lawfully required to align with the state's Common Core standards, although the College Board indicates there is consistency between the federal Common Core standards and the SAT. By allowing outside, nonprofit organizations to determine the testing requirements, California could have less input in aligning its curriculum with the SAT and ACT over time.

Finally, the Smarter Balanced Assessment is designed to evaluate schools by measuring whether students are meeting educational benchmarks as established by the California Department of Education. However, the SAT and ACT rank-orders students according to score. In other words, the Smarter Balanced assessment is designed to ensure K-12 opportunity, while admissions tests are designed to ration college opportunity.

Fiscal Impact:

No costs to the California Community Colleges. According to Appropriations Committee: "Potential one-time Proposition 98 General Fund costs of about $1.5 million for the State Department of Education to contract for validation of the assessments to ensure they meet certain federal requirements. Assuming the exams meet federal requirements, one-time General Fund costs of about $400,000 for the State Department of Education to amend the state plan required by federal law to include information about the assessments, hire staff to produce technical guides, add the new assessment to the state’s accountability system, communicate with local education agencies on the alternative assessment options, and respond to questions. Ongoing Proposition 98 or General Fund costs of about $600,000 for various activities related to the alternative assessments, such as hiring staff to review and monitor local educational agencies' use of the assessment. Cost pressures to local educational agencies that elect to administer the alternative assessment in lieu of the Smarter Balanced Assessment. The cost to a school district to administer an alternative assessment is about $45 per student, significantly more than the $4 per student they now receive to administer the Smarter Balanced Assessment."

Support/Arguments in Support:

A number of local school districts support this bill, arguing: as long as the SAT and ACT are gatekeepers to college, school districts should ensure it swings open equally wide for all students. Offering a free SAT or ACT exam could encourage students to consider their postsecondary plans and future. This bill will enable the state to take advantage of a federal option to meet accountability requirements using an alternative assessment while removing a barrier to college attendance for students who may not otherwise have access to the exam or take it on their own.

Opposition/Arguments in Opposition

According to Education Trust-West, this bill would undermine fairness in our high schools: 1) it would weaken our K-12 accountability system—which is built upon an assumption that all schools and districts are measured against the same standards; 2) it would limit accessibility for English learners and students with disabilities and hinder their ability to fully demonstrate their knowledge and skills; and 3) it would reinforce and expand the use of the SAT and ACT at a time when we should be reassessing these tools for bias and fraud.

GR Recommendation/Rationale

Concern.

Item 6, Attachment 4 – Proposed Bill Position

CALIFORNIA COMMUNITY COLLEGES LEGISLATIVE BILL ANALYSIS

Bill Number: ACR 65
Author: Assemblymember Kevin McCarty
Status: Senate Education Committee
Committee/Floor Votes: Assembly Floor, Consent

Bill Summary:

This measure would request the California State University and University of California to conduct a study on the usefulness, effectiveness, and need for the SAT and ACT to determine student admissions.

Bill Detail:

This measure states certain declarations and findings regarding the SAT and standardized testing and would request the California State University and University of California to conduct a study on the usefulness, effectiveness, and need for the SAT and ACT to determine student admissions. This evaluation should include an understanding of test outcomes gaps based on ethnicity or income and testing issues, such as test anxiety or bias. The measure would also provide that the study should include recommendations and, if determined necessary, a plan for phasing out the use of the SAT and ACT as a basis for admission.

Discussion:

The SAT and ACT exams are standardized tests many students take as they prepare their college applications because many colleges consider scores on the tests in their admissions decisions. However, California's higher education segments have begun to study the efficacy of standardized testing as a requirement for admission. In September 2018, UC faculty leaders announced they were commissioning a study to determine whether SAT and ACT tests accurately predict college success. Overall, more than 1,000 universities across the country, and nearly 100 higher education institutions in California, have adopted policies that either do not require test scores to be submitted, or have otherwise de-emphasized the use of standardized tests. According to the bill's findings and declarations, the SAT rewards costly test preparation rather than hard work and merit, and emphasizes speed, quick recall, and time management over subject-matter knowledge. Moreover, standardized tests can perpetuate racial and income disparities; for example, wealthier students tend to do, on average, 400 points better than low-income students do on the SAT. This bill calls on the UC and CSU to investigate these concerns and determine, if necessary, whether to abolish the ACT and SAT as an admissions requirement.

Fiscal Impact:

No costs to the California Community Colleges. One-time General Fund costs in the hundreds of thousands of dollars for the study. To the extent a current study underway by the UC would fulfill some of the bill's requirements, costs would be lower.

Support/Arguments in Support:
According to the author, the recent college admissions scandal "not only undermines the public's trust in the college admissions process, but it further perpetuates the opportunity gap in our college system…the scandal also shed light on the many legal ways that wealth and social connections skew the college admissions process." The UC and CSU must develop a better understanding of the effectiveness, usefulness, and need of the SAT and the ACT to determine student admissions.

Opposition/Arguments in Opposition
None on File.

GR Recommendation/Rationale
Support.

Item 6, Attachment 5 – Proposed Bill Position

CALIFORNIA COMMUNITY COLLEGES LEGISLATIVE BILL ANALYSIS

Bill Number: AJR 2
Author: Assemblymember Randy Vopel
Status: Senate Floor
Committee/Floor Votes: Assembly Floor, Consent

Bill Summary:

This measure asks the Congress and the President of the United States to immediately take action to increase the maximum annual amount of the federal Pell award from $6,095 to at least $7,500, or an additional $1,405.

Support/Arguments in Support:

The proposed increase to the maximum Pell award would help low-income community college students stay in college and alleviate the burden of postsecondary education debt.

Opposition/Arguments in Opposition

None on File.

GR Recommendation/Rationale

Support.

Item 6, Attachment 6 – Proposed Bill Position

CALIFORNIA COMMUNITY COLLEGES LEGISLATIVE BILL ANALYSIS

Bill Number: SB 150
Author: Senator Jim Beall
Status: Assembly higher education
Committee/Floor Votes: Senate (38-0)

Bill Summary:

This bill provides for more flexible satisfactory academic progress standards for the Chaffee Educational and Training Voucher (ETV) Program, as compared to the existing Satisfactory Academic Progress (SAP) state benchmarks. It requires public postsecondary institutions to offer academic counseling for struggling students and an appeals process to account for the unique circumstances of foster youth. The bill also authorizes the California Student Aid Commission (Commission) to award up to 200% of the Chafee ETV allocation amount during the first award cycle; thereby, allowing a greater number of students to receive funds at the beginning of the school year when they are needed the most.

Bill Detail:

Specifically, this bill:

Authorizes the Commission to make initial award offers totaling up to 200 percent of the total state and federal program funding available for all awards commencing with 2021–22.

Requires the California Community Colleges and the California State University, and requests the University of California to provide grant recipients, after release of the first payment to the student, with information regarding campus support services and the process for completing an educational plan, and encouragement to avail themselves to these services.

Requires a student who does not meet satisfactory academic progress standards for two consecutive terms, to meet with a college staff member to develop a plan for improving academic progress or updating an existing education plan in order to receive their remaining Chafee grant funds.

Requires a student who does not meet satisfactory academic progress standards for three consecutive terms, to meet with an appropriate college staff member to update the education plan in order to receive their remaining Chafee grant funds.

Requires the remaining Chaffee ETV grant to be released to the student for the next applicable term once an education plan is developed or updated and submitted to the financial aid office.

Specifies that students who do not update their education plan or meet satisfactory academic progress standards for four consecutive terms will lose their eligibility to receive a Chafee grant.

Specifies a college staff member who can assist a student on their education plan includes an academic counselor, a Homeless and Foster Student Liaison, as described in Section 67003.5, an Extended Opportunity Programs and Services counselor, a Cooperating Agencies Foster Youth Educational Support Program counselor, a Disabled Student Programs and Services counselor, another campus-based foster youth support program staff member, or another appropriate adviser.

Requires the Commission to annually report to the Legislature on specified information.

Provides that, commencing with the 2018-19 award year, up to $80,000 of a state appropriation to expand the Chafee ETV Program may be used by the Commission or the State Department of Social Services for outreach purposes.

Establishes a five year eligibility period to receive a Chaffee ETV grant.

Prohibits institution from imposing additional eligibility criteria for a Chafee grant other than those described in this bill and in Section 677(i) of Title 42 of the United States Code.

Discussion:

The Program: The Chafee ETV is the only form of financial aid specifically created for current and former foster youth and, unlike many other forms of financial aid, may be used to pay for the cost of living rather than limited to tuition and fees. Current or former foster youth qualify for the Chafee ETV if they are under age 26 and were in foster care (i.e. in out-of-home placement) at any time between the ages of 16 and 18. The maximum grant is $5,000 per academic year; in the 2017-18 academic year the average grant amount was $3750.

The Problems and Proposed Solutions:

Currently, the Commission's award process for the Chaffee ETV Program grants creates problems for eligible students by disbursing the awards late in a term or preventing them from receiving their awards at all. Disbursement delays leave many foster youth students without their award until late in the school year making it difficult for them to successfully complete classes. Furthermore, the award process increased eligibility criteria because it requires students to meet the Satisfactory Academic Progress (SAP) state benchmarks, which apply to the Cal Grant Program, are not required by federal law, and do not appropriately account for the unique circumstances of foster youth.

Under the state's current award process, over half of foster youth who are awarded a Chafee grant are ultimately determined to be ineligible, primarily because these students do not end up enrolling in college. The Commission must then repackage funds to make awards to other additional students, which is a time-consuming process resulting in late disbursements of the awards. This creates a burden on foster youth who depend on Chafee ETV funds to cover expenses like rent and textbooks, which cannot be delayed. SB 150 is proposing the same solution created by the Commission to address a similar challenge with the State's Competitive Cal Grant program. The solution is a process known as "over-awarding." In recent years the Legislature authorized the Commission to make a greater number of awards than were budgeted for during the first award cycle, knowing that ultimately not all students would claim their award. The result has been a speedier disbursement of the available funds with an increase in the number of awards made to eligible students. SB 150 proposes to award up to 200% of the Chafee ETV allocation amount during the first award cycle, allowing a greater number of students to receive funds at the beginning of the school year, when funds are needed the most.

When a student fails to meet academic progress requirements, as defined by federal law for the Pell grant program, and defined by state law for the California Cal Grant program, the student loses access to most types of financial aid. For foster youth in particular, this sudden loss of income puts them in poverty and at-risk for experiencing homelessness because they lack an extended family to provide material support. In addition, students who are returning to school after failing to meet satisfactory academic progress in a previous term of enrollment often cannot access financial aid until they reestablish academic good standing. This poses a significant barrier to reenrolling in college as older foster youth.

SB 150 creates options for foster youth students facing academic difficulty after attending a public postsecondary institution for one year. Unlike the Cal Grant program or federal forms of financial aid, the Chaffee grant gives students a second year to work with a counselor to update education plans, seek and receive academic assistance, and demonstrate academic improvement. It is only in the third year, if no improvement is demonstrated, that a foster youth student would not receive a grant. In this manner the Chaffee ETV grant serves as a bridge to help students get beyond their academic difficulties. SB 150 also helps to establishes uniform policies and practices regarding satisfactory academic progress standards.

Fiscal Impact:

According to the Senate Appropriations Committee, this bill's provisions could result in additional, unknown General Fund cost pressures. While the overawarding of grants is intended to speed up the distribution process and there have been savings for the program in recent years, it could lead to increased acceptance rates that would exceed the amount of funding that is available in a given year. Additionally, eligibility for the program will be expanded to include former foster youth who are between age 22 and 26 beginning in the 2019-20 award year which could lead to even higher acceptance rates. Further, this bill would allow students that fail to meet satisfactory progress standards to retain eligibility and continue to receive a grant. The number of students that would benefit from this provision is unknown.

Support/Arguments in Support:

Numerous community based, non-profits and foster youth advocacy organizations support SB 150, arguing it is needed because the state's current award process is cumbersome, and delays leave many students without their award until late in the school year. Additionally, the state's current award process adds requirements for meeting Satisfactory Academic Progress

(SAP) benchmarks that are not required by federal law and that do not appropriately account for the unique circumstances of foster youth.

Opposition/Arguments in Opposition
None on File.

GR Recommendation/Rationale
Support.

CONSULTATION COUNCIL | Digest

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

Item: Disabled Student Programs and Services Funding Formula

Date: June 20, 2019

Contact: Rhonda Mohr, Vice Chancellor of Educational Services & Supports

ISSUE

Recent simulations of the Disabled Students Programs and Services (DSPS) funding formula identified a discrepancy between the new DSPS funding formula and a designated fund for colleges serving students with Deaf or Hard of Hearing (DHH) disabilities. To address this discrepancy, the Chancellor's Office will delay the implementation of phase three of the allocation funding formula for DSPS so that additional research and simulations of the formula can be studied.

BACKGROUND

In March 2016, Consultation Council provided feedback and support for a new allocation funding formula for DSPS appropriations from the state budget. This portion of the DSPS total allocations included calculations for weighted student count and for college effort (allocations based on a college's share of institutional contribution to the DSPS program). The new DSPS formula was phased in beginning in 2017-18, and was approved to be fully implemented by the 2019-20 Fiscal Year. In running simulations for the coming year, the Chancellor's Office discovered a discrepancy between the weighted student count portion of the formula and funds designated in another component of the formula directly targeted to students with DHH disabilities. The discrepancy resulted in allocations that reimburse colleges for more than the anticipated costs for serving students with DHH disabilities.

The Chancellors Office is in contact with the research firm that helped devise the weighted student count component of the approved formula and will enter into a contract to provide a recommendation to rectify the discrepancy involving DHH funds with the weighted student count component of the DSPS formula. Once the Chancellor's Office receives the recommendation, we will bring this item back to the Consultation Council for further feedback. The goals is to implement a revised allocation formula for 2020-21. While the 2019-20 full implementation will be delayed, the Chancellor's Office will apply the Cost of Living Adjustment approved by the administration for the coming year and calculate allocations using the 2018-19 formula.

FEEDBACK/QUESTIONS FOR COUNCIL

This item is provided for discussion and feedback from the Consultation Council.

ATTACHMENTS

1. DSPS Allocation Funding Formula Changes, March 2016
2. Side by Side Comparison, March 2016
3. Executive Summary of RTI Study, March 2016
4. Disability Categories and allocation amounts, March 2016

DSPS Allocation Funding Formula Changes

Attachment #1 - Consultation Council March 2016

Overview

The Disabled Students Programs and Services (DSPS) allocation provides funding to each California Community College to provide for the excess cost of services to students with disabilities as required by California Education Code sections § 67310 and § 84850.

The approved DSPS allocation formula includes assigned weights for various disabilities to simulate the cost of services for students within each of the defined disability categories. The current formula has been in effect for over twenty years. As a result of the emergence of new disabilities, an increase in costs to provide certain types of accommodations and changes in service patterns among other dynamic economic factors, the current disability categories and their associated weights that are used within the formula are now outdated and no longer reflect the actual costs of serving students with disabilities.

In addition to the need to update the weighting component of the formula based on those economic/cost factors that have arisen over the last twenty years, in 2010-11 the Chancellor's Office commissioned a research study that examined in isolation one of the disability groups under which DSPS students are reported within the Management Information Services (MIS) data system, for the purpose of the DSPS allocation: the "Other Disabilities" category. This was done upon some level of scrutiny of the existing formula during the State's economic crisis, as it was then noted that the largest portion of the DSPS funding was being determined and driven based on this one reporting category. One of the recommendations in the conclusion of that study (completed in 2011-12) was to address other overarching inequities in the DSPS allocation methodology that were revealed in the findings and analysis conducted in that study.

In 2012-13, the DSPS Unit of the Chancellor's Office convened a new Disability Policy Workgroup (DPW). After careful consideration of various other potential funding models, the final action plan developed by the DPW recommended that the Chancellor's Office undertake a study to provide current cost data analysis that would help inform the Chancellor's Office in updating and modifying the existing DSPS allocation formula. That update, as recommended by the DPW, would include a review of the weights for the nine disability categories as outlined in Title 5 California Code of Regulations, the identification of new disability categories, the modification of existing disability categories, and the development of weights for these new or modified groups. At that time, the new proposed categories were Autism and Attention Deficit Hyperactivity Disorder (ADHD), the Speech category was recommended to be deleted as a standalone category and instead merged with Other Disabilities, and nearly all of the other categories were proposed to have their regulatory definitions updated and refreshed. In addition, it was recommended that a system-wide allocation and weights research study examine the accuracy of current base costs in the allocation and the method utilized for determining college effort, as well as any options for simplifying the formula, and making it more transparent and equitable. At that time, it became apparent that the formula would require additional revisions to the other components of the formula (outside of just incorporating the new disability categories) in order to improve the equity, simplicity and transparency of state DSPS funding.

As a result, the DSPS Unit of the Chancellor's Office commissioned such a study via a competitive RFP, and a research firm named RTI International was selected to complete the study. The resulting report's Executive Summary and its recommendations are attached to this agenda item, as reference. These recommendations include, but are not limited to, the establishment of new weights for each of the previously existing categories, and the establishment of initial weights for the two new categories.

In the interim, new title 5 Regulations for DSPS were formally vetted, reviewed by Consultation Council, and subsequently approved by the Board of Governors and filed with the Secretary of State, and therefore became effective on October 16, 2015. Colleges will be become subject to audit compliance with these regulations on July 1, 2016.

Internally, the Chancellor's Office then ran allocation simulations showing funding levels colleges would have received in their final 2015-16 allocations had each of these new recommendations been in place for the most recent funding cycle, to then compare with the college's actual allocations. Those simulations were completed by the Chancellor's Office staff, reviewed with the DSPS field via the DSPS regional coordinators and the allocations and weights study's task force, and are summarized below and in the attached document. The resulting comparisons are quantified and displayed at the college level in the second attachment.

The Chancellor's Office is proposing sweeping changes to the 1991 approved DSPS allocation formula to conform to the new title 5 regulations and to make other equity related improvements as recommended by the RTI study. Also, the Chancellor's Office is proposing a documented commitment to revisit the formula, and to re-examine the accuracy of the updated weights after three years of implementation and funding the colleges using this new formula.

The Currently Approved DSPS Funding Formula

The current DSPS Allocation formula includes the following components. (See Attachment #2 for visual side by side comparison).

- **Base Funding**—All colleges are given a base amount every fiscal year that is calculated at the beginning of the allocation calculation process (approximately $72,000 per college) that was intended to cover the cost of the salary and benefits of a DSPS coordinator (the only required position in title 5 regulations).
- **"College Effort"**—College effort refers to the amount of funding that each district provides to its own colleges' DSPS program(s) from its unrestricted general fund. Ten percent of the post-base funds are determined by college effort. College effort is distributed based upon the total amount of general funds that the college contributes to DSPS, relative to the total amount contributed by other colleges statewide – so, this is a propositional distribution.
- **Weighted Student Count (WSC)**—The remaining 90 percent of the post-baseline funds are distributed based on a colleges' weighted student count, determined by student counts reported in different disability categories and their corresponding weights, relative to the total WSC statewide.
- **95 Percent Protective Guarantee**—Colleges receive no less than 95 percent of their DSPS allocation from the previous year, assuming there are sufficient state funds appropriated to fund the guarantee at this level in the given fiscal year. Based upon the amount of dollars necessary to fund all colleges at minimum at the 95 percent guarantee level, then a maximum percent ("growth ceiling") is established that limits funding increases for other colleges relative to the previous year's allocation.

The Proposed Formula

See Attachment #2 for visual side by side comparison.

- **Coordinator Funding Guarantee**—Replace the base allocation (approximately $72,000 per college) with a DSPS coordinator funding guarantee, which will bring any college's allocation up to $150,000 if their calculated, formula-driven allocation is less than $150,000. This is proposed as the last step in the process rather than the first step in the allocation process.

- **College Effort Re-envisioned**—Calculate college effort as a proportion of the total amount of general funds that the college contributes to DSPS (Adjusted College Effort), divided by the college's total DSPS budget. Each proportion is then ranked across the state and given a decile figure with a corresponding weight. Utilizing this weighted/ranking method, the formula now takes into account district contributions relative to the size of the college's budget. So, the exact same dollar contribution of college effort may not be valued the same in the formula, depending on the program's budget. For example a $100,000 college effort contribution in a $1,000,000 DSPS program is ranked and weighted lower than a $100,000 college effort contribution in a $500,000 DSPS program.
- **College Effort / Weighted Student Count "Split"**—Increase the percent of state DSPS funds that are calculated based on college effort from 10 percent of the state DSPS appropriation to 20 percent of the approbations. Consequently, lower the weighted student count from 90 percent to 80 percent.
- **90 Percent Guarantee**—Reduce the 95 percent guarantee to a 90 percent guarantee, preventing any college from losing more than 10 percent of its allocation from the previous year (state funds permitting).
- **"Prior-Prior" Data Year**—Use data from two years prior to the funding year to calculate the weighted student count and college effort. Using data from one full year earlier than the current formula model will allow the Chancellor's Office to calculate the allocations significantly earlier in the fiscal cycle and to distribute them in the first available apportionment payment cycle (Advance period) of the fiscal year.
- **Removal of the Secondary Disability**—Omit the reporting requirement and funding based on secondary disabilities. Only a student's primary disability will be used in the formula to calculate the allocations.
- **Disability Category Weights**—Utilize the new relative weights calculated and recommended by the Chancellor's Office commissioned Allocations and Weights study and its associated workgroup (see attached Executive Summary).

Policy Implications

- **MIS ramp up**: Internally, the Chancellor's Office will need to update the DSPS MIS data element, reprogram the state MIS system data submittal system, and allow for one full test year.
- **Changes to MIS reporting**: Locally, colleges will need to re-program and test their own MIS data systems.
- **Need for broad training**: The adoption and implementation of a new formula creates the need for broad, robust systemwide training for the field (both DSPS and MIS).
- **Need to update internal processes**: Internally, the Chancellor's Office will need to re-program the formulas and sub-formulas within its internal allocation spreadsheets and in the WSC report programming from MIS.
- **Update the data year by phasing in the "prior-prior" model**: The Chancellor's Office will need to determine which method to use in order to implement / roll in this model, as there are several different ways to accomplish this. This will need to be vetted with the DSPS Regional Coordinators and MIS.
- **More equitable funding**: As a result of updated weights for the disability categories, a lower protective guarantee (therefore a higher ceiling), and a fairer model of quantifying the value of College Effort contribution, funding for DSPS will be distributed in a manner that is more equitable.
- **More opportunity to predict forthcoming changes in the allocation**: Using the "prior-prior" data year model and after receiving training on how the new

formula works, colleges business office and Chief Business Officers will be able to predict earlier forthcoming changes in their DSPS funding level and have time to react.

- **Workload reduction** – Colleges will no longer need to track/report/document secondary disabilities.
- **Benefit to growing programs**: DSPS programs that grow (more WSC) will receive more of their formula driven, calculated allocation, and therefore be able to fund more services / hire more staff to keep up with the demand of their increasing populations.
- **Improve cash flow:** Funds will be apportioned to the districts earlier in the fiscal year (fully calculated allocation will be distributed during the advance apportionment period vs the first principal (P1) period) – addressing a local cash flow issue.
- **Earlier notice to set budgets for year**: Allocations will be calculated and posted significantly earlier in the fiscal /academic year; therefore DSPS program budgets will be set and confirmed earlier in the fiscal year.
- **Local control**: Colleges will have more control of their funding level by having a larger percent of the total allocation determined by local contributions (discretionary).
- **General Fund contribution incentivization**: Districts will be proactively incentivized to put more general funds into DSPS to support their colleges' DSPS programs based on the increased rate of return (RoR), over the long-run drawing in more resources system-wide to better support students with disabilities and provide the opportunity to build new and innovative programs and services.
- **Lower level of protection**: Colleges with declining weighted student counts and/or declining college effort contributions (or who make mistakes such as misreporting data or submitting data or reports late) will be protected at a lower "floor" funding level. Colleges could have a decrease in their allocation of up to 10 percent in one year, vs. only up to 5 percent in the current formula.
- **More dollars for sign language interpreters for colleges with high DHH populations**: The impact of the DHH category's weight being so high is that colleges with high DHH student counts will benefit from the new formula. This is appropriate from a fiscal and equity perspective because the cost of sign language interpreters is so high, while the bulk of the other categories' weights compress in the middle with the new formula. The differentiation between relative costs of other disabilities is not as wide.
- **Formula driven moreso by equity components vs. funding the guarantee**: More of the state dollars will be driven by the key components of the formula (College Effort and Weighted Student Count) instead of being driven by funding the guarantee for colleges who currently, in many cases, receive far more than their calculated allocation.

Summary of Simulated Data

See the attached simulations.

Comparing the current 2015-16 year's actual allocations vs. the simulated allocations incorporating the new recommended components, 52 colleges would have received more funding in allocation and 61 colleges would have received less funding in their allocations.

Comparing the current 2015-16 year's actual allocations vs. the simulated allocations incorporating the new recommended components, in the simulations 40 colleges would have been protected by the 90% guarantee and 26 colleges would be capped at the growth ceiling. In the actual allocations, 32 colleges were protected by the 95% guarantee and 38 colleges were capped at the growth ceiling. However, the growth ceiling in the actual allocations was 109.17%, while the growth ceiling in the simulated allocations was 118.81%.

Under the new model, the minimum rate of return for college effort contributions would be $.50 on the dollar. The maximum rate of return for college effort contributions would be $1.12 on the dollar. Under the current model's actual allocation, the college effort contribution rate of return was $.41 on the dollar.

Recommendations

1. To request Board of Governors approval of a new DSPS funding formula that incorporates; the proposed *Coordinator Funding Guarantee,* a newly weighted College Effort component that calculates college effort as a percent of the DSPS budget**,** a split of the state appropriation for DPS whereby 80 percent of that appropriation is based on Weighted Student Count and 20 percent is based on College Effort, a guarantee that no college will receive less than 90% of their previous year's allocation, new disability categories and new weights for each disability category. The formula will be calculated using data from two years prior to the funding year and will exclude any secondary disability component.

2. To change the MIS data element for DSPS to conform to both the newly adopted title 5 regulations and to this updated DSPS allocation formula.

3. To commit to the California Community Colleges that the Chancellor's Office will revisit and examine the fiscal impact of the new formula on the colleges and will reexamine the relative costs that inform the weights associated with each disability category in no less than three years after implementation of the new formula, to ensure that it has, in fact, constructed a formula that is more equitable and more in line with the current costs of providing services to students with disabilities. If it is determined that the disability categories should be re-weighted at that point, the Chancellor's Office will then seek approval from the Board of Governors to amend the DSPS formula by resetting the weights appropriately.

Attachment #2 - Side by Side Comparison, Consultation Council March 2016

2015-2016 FY Formula

Total Funds

Step 1

Baseline

Each college receives approximately $72,000 to provide a baseline amount that can fund a Coordinator.

Step 2

College Effort

10% of the post-baseline funds are allocated to college effort. College effort is calculated based upon the total amount of general funds that the college contributes to DSPS, relative to the total amount contributed statewide.

Weighted Student Count

90% of the post-baseline funds are distributed based on colleges' weighted primary and secondary student counts, determined by student counts of different disability categories and their corresponding weights, relative to the total Weighted Student Count statewide.

Step 3

95% Guarantee

Colleges receive no less than 95% of their previous years' allocation, funds permitted.

Step 4

Establish a Maximum

Based upon the amount needed to fund the 95% Guarantee, a maximum is established that limits funding increases relative to the previous year's allocation

Proposed Formula

Total Funds

Step 1

College Effort

20% of the total allocation is distributed based upon college effort. College effort is calculated as a proportion of the total amount of general funds that the college contributes to DSPS, divided by their DSPS budget. Each proportion is ranked across the state and given a decile with corresponding weight. The assigned weight is multiplied by the original college effort amount. This weighted college effort amount is then compared to the total amount of weighted college effort for the state.

Weighted Student Count

80% of funds are distributed based on weighted student counts of students' primary disability only from two years prior, determined by student counts of different disability categories and their corresponding weights. Secondary disabilities will no longer be used in funding allocations.

Prior-Prior

Weighted student counts and college effort amounts from two years prior to the funding year will be used in the allocation calculation.

Step 2

90% Guarantee

Colleges receive no less than 90% of their previous years' budget, funds permitted.

Step 3

Establish a Maximum

Based upon the amount needed to fund the 90% Guarantee, a maximum is established that limits funding increases relative to the previous year's allocation

Step 4

Coordinator Funding Guarantee (CFG)

The CFG applies after the allocation has been calculated, and brings any college that would have received less than $150,000 up to that amount.

Attachment 3:
Consultation Council March 2016

Executive Summary of RTI Study

The 2015 DSPS Allocation and Weights Study

Prepared under contract to
California Community Colleges Chancellor's Office

RTI International
2150 Shattuck Avenue, Suite 800
Berkeley, CA 94704

Contact
Jay Feldman
jayfeldman@rti.org
510-647-4318

Stacy Shaw
stacyshaw@rti.org
510-665-8240

Laura Rasmussen Foster
lrasmussen@rti.org
510-665-8282

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We would also wish to thank the Galvin Group for being an excellent guide and resource to inform the process of this study. The many members of the advisory workgroup we also feel indebted to, as each of you brought in a new perspective that really made the process fully-informed and decisions driven by the consideration of multiple factors.

Special thanks also to Scott Valverde, Scott Berenson, and Chelle Ellenberger from the Chancellor's office who helped with the day-to-day processing and advising of the study.

Executive Summary

DSPS offices receive funding from the state based upon an allocations formula, implemented in fiscal year 1989-90, that distributes funding to support students with disabilities at California community colleges. In 2010–11, The Galvin Group conducted a research study that examined the increase in the number of students with disabilities that were being categorized in the “others” category under which students are reported within the Management Information Services (MIS) data system. One of their recommendations was to address inequities within the DSPS funding formula allocation methodology that were revealed through the study. The California Community College Chancellor’s Office (CCCCO) contracted RTI International to conduct a DSPS Allocation and Weights study to address these inequities in the funding formula.

Goals

The overall goal of the study was to update the funding formula components used in DSPS program allocations to make them more data-informed, transparent, equitable, and simple. Specifically the goals of the study were to (1) revisit DSPS funding formula components (such as college effort and the 95 percent guarantee) and simulate changes suggested by the advisory workgroup and CCCCO; (2) capture the relative cost of serving students in different disability categories; and (3) identify costs of serving students in potential new disability categories (Autism, attention deficit hyperactivity disorder [ADHD]).

The Current Funding Formula

In this summary, funding formula components are described, the main challenges to their current application are presented, and the recommendations proposed by the workgroup are detailed.

Current Funding Formula Components

The current DSPS Allocation formula includes the following components:

- **Baseline**—All colleges are given a baseline amount at the beginning of the allocation calculation (approximately $72,000) to cover the cost of a coordinator.
- **College Effort**—College effort refers to the amount of funding that each college provides to its own DSPS program. Ten percent of the post-baseline funds are allocated by college effort. College effort is calculated based upon the total amount of general funds that the college contributes to DSPS, relative to the total amount contributed by other colleges statewide.
- **Weighted Student Count (WSC)**—The remaining 90 percent of the post-baseline funds are distributed based on colleges' weighted student counts, determined by student counts in different disability categories and their corresponding weights, relative to the total WSC statewide.
- **95 Percent Guarantee**—Colleges receive no less than 95 percent of their allocations from previous years, funds permitted. Based upon the amount needed to fund the 95 percent guarantee, a maximum is established that limits funding increases for other colleges relative to the previous year's allocation.

Funding Formula Challenges

Key challenges were identified through the study results of the "other" category, the CCCCO, and the advisory workgroup. Challenges of the current formula included the following:

- **Baseline**—$72,000 is no longer enough to fund a coordinator at the current salary/benefits level. Also, these funds are provided to colleges before applying any other component of the formula, which lessens the amount of resources that are distributed based upon college effort and weighted student count.
- **College Effort**—College effort currently rewards the colleges that contribute the highest amount of raw dollars, which can give larger colleges an advantage.
- **Weighted Student Count**—The current weights are almost 25 years old and no longer represent the current costs in serving students in different disability categories. Populations such as Autism and ADHD have also increased in postsecondary enrollment in recent years, and are being categorized in the "other" category.
- **95 Percent Guarantee**—The guarantee can stymie the fluid movement of dollars to follow students and creates a strict limit on how much funding colleges that are expanding can receive since dollars are prioritized to meet the 95 percent guarantee over growing colleges.

Methodology

Advisory Committees

An advisory workgroup of key stakeholders was convened, with the assistance of the DSPS department at CCCCO, to provide input into the study design and analysis and to offer guidance and feedback during the course of the study. The workgroup was comprised of 21 people, representing 16 organizations, constituencies, and roles within the DSPS community. Beyond providing critical guidance and feedback on the study's progress, workgroup members relayed information to their respective fields about the study as it progressed and brought up concerns from their fields during the workgroup meetings. The advisory workgroup met seven times (in person and on the phone) from April 2014 through July 2015. Throughout these meetings, RTI reviewed the study's progress and interim findings, presented data and funding simulations, posed questions for the group, and asked for feedback about the data, analyses, and simulations. A subcommittee focused on the Learning Disability category was formed to investigate issues related to students with learning disabilities and met three times in summer 2015.

Allocation Funding Formula Simulations

In this component of the DSPS Allocations and Weights study, the Advisory Committee debated all aspects of the current funding formula. RTI conducted a series of simulations on all aspects of the formula. To do so, RTI revised CCCCO allocation formula files to project the implications of changing different aspects of the formula and presented these simulations and their findings to the Advisory Committee for review and discussion.

The Disabled Students Programs and Services Weights Study

In this component of the DSPS Allocations and Weights study, RTI captured the relative cost of serving students in different disability categories and identified the costs of serving students in potential new disability categories (Autism, ADHD) and redefined categories (Learning Disabled to include some students currently reported as "other").

RTI used a historical data methodology to collect data from a sample of colleges from previous years in which services were not impacted by the budget cuts. RTI collected data on student service contacts, including what staff member(s) provided the contact, the length of the contact, and a description of the services. This information allowed for calculating the relative cost differences of serving students in different disability categories to create new weights.

Data from over 6,000 students at 12 colleges were analyzed. The total cost for every student was calculated and averaged across the student's disability category for each college. College averages were averaged to create an average cost estimate for each disability category.

Proposed Allocation Funding Formula Changes

Changes to ameliorate the challenges of the current funding formula were simulated, debated, and select recommendations were proposed by the advisory workgroup. These proposed changes are described succinctly below. Exhibit 1 provides a summary of the changes compared to the current formula.

1. **Coordinator Funding Guarantee**—Replace the baseline amount (approximately $72,000) with the coordinator funding guarantee, which will bring any college's allocation up to $150,000 if the formula allocates it less than $150,000. This is proposed as the last step rather than the first step in the allocation process.
2. **College Effort Calculation**—Calculate college effort as a proportion of the total amount of general funds that the college contributes to DSPS, divided by the college's DSPS budget. Each proportion is ranked across the state and given a decile with corresponding weight. The assigned weight is multiplied by the original college effort amount. This weighted college effort amount is then compared to the total amount of weighted college effort for the state.
3. **College Effort / Weighted Student Count Split**—Increase the percent of funds that go to college effort from 10 percent of the funds to 20 percent. Consequently, lower the weighted student count from 90 percent to 80 percent.
4. **95 Percent Guarantee**—Bring the 95 percent guarantee down to a 90 percent guarantee, preventing a college from losing more than 10 percent of its allocation from the previous year (funds permitting).
5. **Prior Prior**—Use data from two years prior to calculate the weighted student counts and college effort. Using previous data will allow the Chancellor's Office to calculate allocations and distribute them quicker than before.
6. **Removal of the Secondary Disability**—Omit the reporting and funding based on secondary disabilities to allow for a simpler formula. Allocations simulations were run with primary disability and primary/secondary disabilities categories only, and the difference in allocation for any college was minimal (around 1 percent difference in funding for any college).

7. **Disability Category Weights**—The advisory workgroup suggested that the weight of the lowest relative cost disability category be 1.0, as having a weight below 1 would make it seem that a student with a disability is regarded as less than a full student. The resulting weights are shown in exhibit 2.

Exhibit 1: Overview of proposed funding formula components

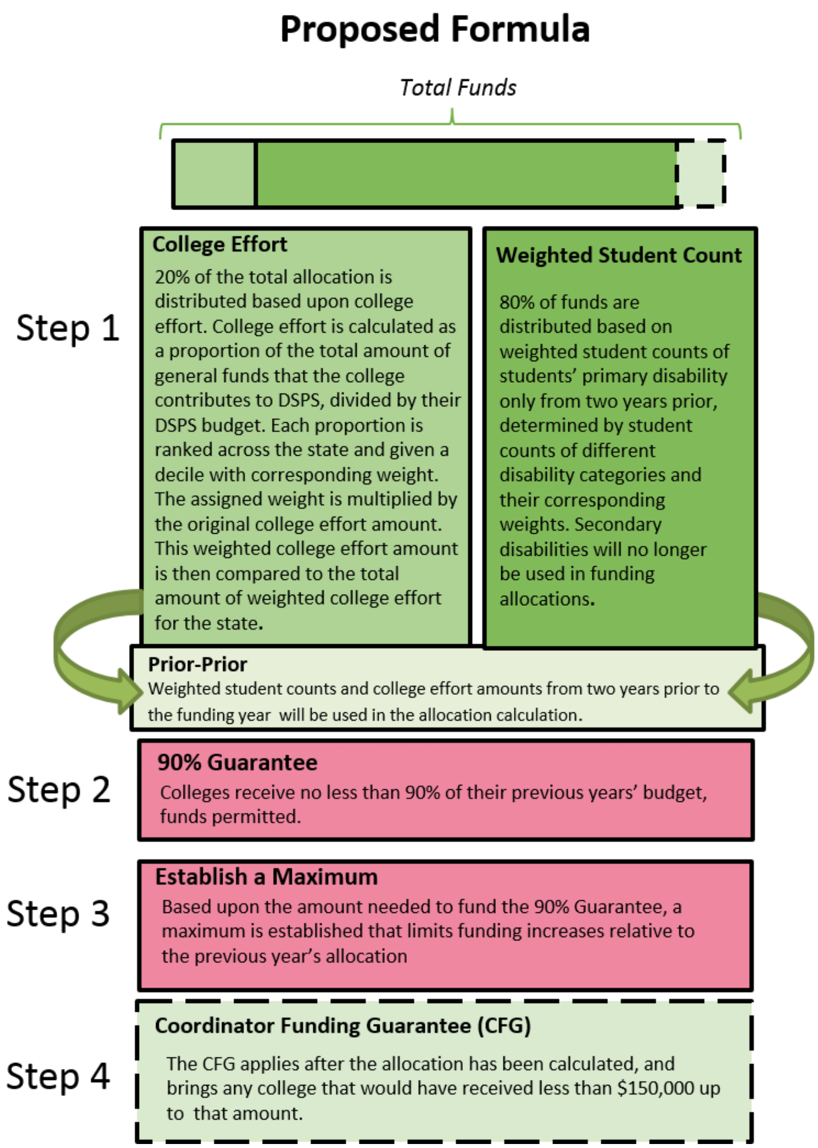

Exhibit 2: Current and proposed weights

	Allocation and weights study-informed weights	Current weights
Deaf and Hard of Hearing (DHH)	23.7	4.87
Autism	3.8	--
Learning Disability (LD)	3.5	3.15
Vision	2.9	2.25
Acquired Brain Injury (ABI)	2.6	3.34
Others (with Speech)	2.6	1.32
Mental Health* (Psychological Disability)	2.6	.38
Intellectual Disability* (Developmentally Delayed Learner)	2.0	1.29
Mobility	2.0	1.32
Attention Deficit Hyperactivity Disorder (ADHD)	1.0	--

* Updated titles per Board of Governors approval July 2015.

Exhibit 3 shows a summary of the proposed changes and the current formula in table form.

Exhibit 3: Summary of current formula and proposed changes

Current Formula Components	Proposed Formula Components
College Effort—calculated based on raw dollar amount contributed.	College Effort—calculated based on dollar amount contributed as a percentage of DSPS budget.
Baseline (approximately $72,000) distributed at the beginning of formula calculation.	Coordinator funding guarantee brings colleges that would receive less than $150,000 up to that amount after the allocation calculation.
95 percent guarantee	90 percent guarantee
10 percent college effort, 90 percent weighted student counts	20 percent college effort, 80 percent weighted student counts
Funding is determined from college effort and weighted student counts from the previous year.	Prior Prior—college effort and weighted student counts will be used from two years prior in order to expedite colleges' allocations.

Attachment #4 - For Consultation Council Only - March 2016

Previous Disability Categories	Weights
Deaf / Hard of Hearing	4.87
Learning Disability	3.15
Vision	2.25
Acquired Brain Injury	3.34
Other Disabilities	1.32
Psychological	0.38
Developmentally Delayed Learner	1.29
Mobility	1.32
Speech	1.00

NOTES

Autism and AD/HD were not in previous regs

Most Recently Approved Title V Disability Categories	Proposed Weights
Deaf / Hard of Hearing	23.7
Autism	3.8
Learning Disability	3.5
Vision	2.9
Acquired Brain Injury	2.6
Other (Incl. Speech)	2.6
Mental Health (Psych)	2.6
Intellectual Disabilities (DDL)	2.0
Mobility	2.0
ADHD	1.0

NOTES

Autism and AD/HD were added in Oct. 2015

Speech deleted and wrapped into Other

Psych became Mental Health

DDL became Intellectual Disabilities

College	Amount for College Effort (using proposed formula)	Amount for WSC (using proposed categories, weights and formula)	SIMULATION NEW Total Allocation (Includes the new 90% guarantee + Minimum $150,000)	CURRENT 2015-16 Allocation	Amount Difference between actual and simulated	Percent Difference between actual and simulated
ALLAN HANCOCK	$ 6,541	$ 400,863.00	$ 542,959.00	573,124.00	(30,165.00)	-5.26%
ANTELOPE VALLEY	$ 44,227	$ 417,122.00	$ 798,944.00	843,329.00	(44,385.00)	-5.26%
BARSTOW	$ 74,173	$ 112,900.00	$ 187,073.00	208,690.00	(21,617.00)	-10.36%
BUTTE	$ 14,112	$ 448,917.00	$ 463,029.00	543,787.00	(80,758.00)	-14.85%
CABRILLO	$ 32,201	$ 833,544.00	$ 1,085,630.00	1,226,328.00	(140,698.00)	-11.47%
CERRITOS	$ 619,138	$ 1,296,788.00	$ 1,721,746.00	1,493,137.00	228,609.00	15.31%
CHABOT	$ 98,256	$ 699,988.00	$ 905,504.00	1,060,771.00	(155,267.00)	-14.64%
LAS POSITAS	$ 60,609	$ 318,670.00	$ 379,279.00	436,366.00	(57,087.00)	-13.08%
CHAFFEY	$ -	$ 1,497,485.00	$ 1,497,485.00	1,550,788.00	(53,303.00)	-3.44%
CITRUS	$ 30,821	$ 584,575.00	$ 778,100.00	821,327.00	(43,227.00)	-5.26%
COASTLINE	$ 164,327	$ 641,231.00	$ 911,625.00	1,080,484.00	(168,859.00)	-15.63%
GOLDEN WEST	$ 147,793	$ 559,787.00	$ 707,580.00	693,037.00	14,543.00	2.10%
ORANGE COAST	$ 23,545	$ 931,682.00	$ 1,070,225.00	1,206,198.00	(135,973.00)	-11.27%
COMPTON	$ 227,854	$ 215,314.00	$ 431,859.00	356,435.00	75,424.00	21.16%
CONTRA COSTA	$ 5,808	$ 245,925.00	$ 679,174.00	716,906.00	(37,732.00)	-5.26%
DIABLO VALLEY	$ 254,925	$ 1,117,376.00	$ 1,372,301.00	1,350,548.00	21,753.00	1.61%
LOS MEDANOS	$ -	$ 704,554.00	$ 704,554.00	841,093.00	(136,539.00)	-16.23%
COPPER MOUNTAIN	$ 38,242	$ 267,620.00	$ 305,862.00	317,062.00	(11,200.00)	-3.53%
DESERT	$ 173,371	$ 623,038.00	$ 796,409.00	712,427.00	83,982.00	11.79%
EL CAMINO	$ 632,731	$ 1,374,970.00	$ 1,841,508.00	1,669,104.00	172,404.00	10.33%
FEATHER RIVER	$ 1,760	$ 75,717.00	$ 163,475.00	172,557.00	(9,082.00)	-5.26%
DE ANZA	$ 230,129	$ 907,643.00	$ 1,282,430.00	1,353,676.00	(71,246.00)	-5.26%
FOOTHILL	$ 375,223	$ 953,958.00	$ 1,226,881.00	1,077,486.00	149,395.00	13.87%
GAVILAN	$ 6,184	$ 547,780.00	$ 598,777.00	726,333.00	(127,556.00)	-17.56%
GLENDALE	$ 1,010,972	$ 637,776.00	$ 1,416,897.00	1,132,929.00	283,968.00	25.06%
CUYAMACA	$ 143,791	$ 601,463.00	$ 745,254.00	709,650.00	35,604.00	5.02%
GROSSMONT	$ 286,803	$ 1,039,967.00	$ 1,326,770.00	1,199,441.00	127,329.00	10.62%
HARTNELL	$ 20,020	$ 408,836.00	$ 428,856.00	482,768.00	(53,912.00)	-11.17%
IMPERIAL VALLEY	$ 224,492	$ 265,905.00	$ 431,602.00	396,586.00	35,016.00	8.83%
BAKERSFIELD	$ 74,007	$ 795,565.00	$ 953,644.00	1,006,624.00	(52,980.00)	-5.26%
CERRO COSO	$ 495,591	$ 169,748.00	$ 283,830.00	260,803.00	23,027.00	8.83%
PORTERVILLE	$ 13,820	$ 228,868.00	$ 290,196.00	314,301.00	(24,105.00)	-7.67%
LAKE TAHOE	$ 1,773	$ 72,238.00	$ 173,194.00	182,816.00	(9,622.00)	-5.26%
LASSEN	$ 1,578	$ 80,139.00	$ 196,286.00	207,190.00	(10,904.00)	-5.26%
LONG BEACH CITY	$ 133,716	$ 1,441,458.00	$ 1,458,864.00	1,340,506.00	118,358.00	8.83%

EAST L.A.	$	129,090	$	974,542.00	$	1,047,426.00	962,447.00	84,979.00	8.83%
L.A. CITY	$	12,071	$	553,916.00	$	963,684.00	1,017,222.00	(53,538.00)	-5.26%
L.A. HARBOR	$	390,123	$	632,460.00	$	784,376.00	720,739.00	63,637.00	8.83%
L.A. MISSION	$	73,814	$	297,941.00	$	371,755.00	357,410.00	14,345.00	4.01%
L.A. PIERCE	$	41,409	$	1,097,734.00	$	1,139,143.00	1,124,247.00	14,896.00	1.32%
L.A. TRADE-TECH	$	-	$	945,115.00	$	945,115.00	772,361.00	172,754.00	22.37%
L.A. VALLEY	$	36,998	$	624,802.00	$	661,800.00	728,834.00	(67,034.00)	-9.20%
SOUTHWEST L.A.	$	26,453	$	263,489.00	$	289,942.00	284,202.00	5,740.00	2.02%
WEST L.A.	$	2,968	$	390,788.00	$	416,682.00	501,902.00	(85,220.00)	-16.98%
AMERICAN RIVER	$	53,637	$	1,719,056.00	$	1,772,693.00	1,539,205.00	233,488.00	15.17%
COSUMNES RIVER	$	77,931	$	448,096.00	$	529,522.00	599,025.00	(69,503.00)	-11.60%
FOLSOM LAKE	$	182	$	500,933.00	$	501,115.00	585,838.00	(84,723.00)	-14.46%
SACRAMENTO CITY	$	58,500	$	1,501,302.00	$	1,559,802.00	1,669,095.00	(109,293.00)	-6.55%
MARIN	$	10,283	$	330,654.00	$	643,865.00	679,635.00	(35,770.00)	-5.26%
MENDOCINO	$	61,170	$	201,519.00	$	278,201.00	293,656.00	(15,455.00)	-5.26%
MERCED	$	14,166	$	709,555.00	$	723,721.00	811,540.00	(87,819.00)	-10.82%
MIRA COSTA	$	428,516	$	734,053.00	$	1,134,445.00	1,042,406.00	92,039.00	8.83%
MONTEREY	$	14,917	$	435,170.00	$	537,282.00	594,094.00	(56,812.00)	-9.56%
MT. SAN ANTONIO	$	682,214	$	2,050,435.00	$	2,732,649.00	2,617,967.00	114,682.00	4.38%
MT. SAN JACINTO	$	-	$	826,707.00	$	960,329.00	1,013,680.00	(53,351.00)	-5.26%
NAPA VALLEY	$	155,347	$	735,213.00	$	890,560.00	958,124.00	(67,564.00)	-7.05%
CYPRESS	$	208,587	$	687,280.00	$	851,227.00	782,167.00	69,060.00	8.83%
FULLERTON	$	111,271	$	1,316,672.00	$	1,866,892.00	1,970,608.00	(103,716.00)	-5.26%
OHLONE	$	1,617,610	$	858,791.00	$	1,275,295.00	1,121,163.00	154,132.00	13.75%
PALO VERDE	$	-	$	82,120.00	$	168,876.00	178,258.00	(9,382.00)	-5.26%
PALOMAR	$	53,631	$	785,901.00	$	854,839.00	902,330.00	(47,491.00)	-5.26%
PASADENA CITY	$	2,802	$	879,376.00	$	920,725.00	971,877.00	(51,152.00)	-5.26%
ALAMEDA	$	334,912	$	471,072.00	$	805,984.00	749,541.00	56,443.00	7.53%
BERKELEY CITY	$	218,350	$	395,886.00	$	561,669.00	497,652.00	64,017.00	12.86%
LANEY	$	347,257	$	563,049.00	$	872,606.00	801,811.00	70,795.00	8.83%
MERRITT	$	181,560	$	402,868.00	$	584,428.00	574,725.00	9,703.00	1.69%
SANTA ANA	$	350,125	$	842,942.00	$	1,193,067.00	1,071,863.00	121,204.00	11.31%
SANTIAGO CANYON	$	57,648	$	437,344.00	$	678,559.00	716,256.00	(37,697.00)	-5.26%
REDWOODS	$	36,028	$	449,352.00	$	611,112.00	645,062.00	(33,950.00)	-5.26%
RIO HONDO	$	56,509	$	703,829.00	$	760,338.00	865,165.00	(104,827.00)	-12.12%
MORENO VALLEY	$	58,440	$	360,201.00	$	418,641.00	442,956.00	(24,315.00)	-5.49%
NORCO	$	35,231	$	310,601.00	$	395,383.00	417,348.00	(21,965.00)	-5.26%
RIVERSIDE	$	63,917	$	1,617,778.00	$	1,681,695.00	1,390,034.00	291,661.00	20.98%
CRAFTON HILLS	$	4,517	$	296,830.00	$	354,329.00	429,811.00	(75,482.00)	-17.56%
SAN BERNARDINO	$	103,696	$	665,052.00	$	718,471.00	660,181.00	58,290.00	8.83%
SAN DIEGO CITY	$	20,737	$	792,931.00	$	813,668.00	783,938.00	29,730.00	3.79%
SAN DIEGO MESA	$	106,055	$	1,361,682.00	$	1,467,737.00	1,332,808.00	134,929.00	10.12%
SAN DIEGO MIRAMAR	$	85,615	$	1,617,440.00	$	1,717,124.00	1,972,351.00	(255,227.00)	-12.94%
SAN FRANCISCO CITY	$	365,630	$	1,792,720.00	$	2,158,350.00	1,974,315.00	184,035.00	9.32%

SAN JOAQUIN DELTA	$ 321,293	$ 671,479.00	$ 992,772.00	840,526.00	152,246.00	18.11%
EVERGREEN VALLEY	$ 204,178	$ 215,531.00	$ 340,950.00	313,289.00	27,661.00	8.83%
SAN JOSE CITY	$ 539,652	$ 591,896.00	$ 717,117.00	658,937.00	58,180.00	8.83%
CUESTA	$ 344,337	$ 436,233.00	$ 780,570.00	718,061.00	62,509.00	8.71%
CANADA	$ 81,411	$ 232,540.00	$ 313,951.00	303,109.00	10,842.00	3.58%
SAN MATEO	$ 25,299	$ 596,849.00	$ 677,006.00	789,339.00	(112,333.00)	-14.23%
SKYLINE	$ 217,073	$ 377,089.00	$ 577,009.00	530,196.00	46,813.00	8.83%
SANTA BARBARA CITY	$ 52,559	$ 1,024,360.00	$ 1,226,524.00	1,294,664.00	(68,140.00)	-5.26%
CANYONS	$ 20,837	$ 1,015,276.00	$ 1,036,113.00	1,092,162.00	(56,049.00)	-5.13%
SANTA MONICA	$ 1,080,063	$ 1,257,431.00	$ 2,121,390.00	1,949,281.00	172,109.00	8.83%
SEQUOIAS	$ 2,611	$ 1,105,296.00	$ 1,107,907.00	1,199,046.00	(91,139.00)	-7.60%
SHASTA	$ 44,989	$ 475,976.00	$ 520,965.00	531,469.00	(10,504.00)	-1.98%
SIERRA	$ 69,318	$ 553,844.00	$ 750,826.00	792,538.00	(41,712.00)	-5.26%
SISKIYOUS	$ 714,421	$ 134,644.00	$ 339,471.00	311,930.00	27,541.00	8.83%
SOLANO	$ 345,208	$ 407,531.00	$ 470,258.00	432,105.00	38,153.00	8.83%
SANTA ROSA	$ 463,111	$ 2,655,619.00	$ 3,118,730.00	2,929,335.00	189,395.00	6.47%
IRVINE VALLEY	$ 361,547	$ 638,114.00	$ 866,978.00	796,640.00	70,338.00	8.83%
SADDLEBACK	$ 245,986	$ 1,615,313.00	$ 1,861,299.00	1,960,311.00	(99,012.00)	-5.05%
SOUTHWESTERN	$ 405,911	$ 1,360,764.00	$ 1,766,675.00	1,827,922.00	(61,247.00)	-3.35%
CLOVIS						
FRESNO CITY	$ -	$ 2,142,412.00	$ 2,228,983.00	2,553,580.00	(324,597.00)	-12.71%
REEDLEY	$ -	$ 710,232.00	$ 717,193.00	828,124.00	(110,931.00)	-13.40%
MOORPARK	$ -	$ 891,093.00	$ 891,093.00	1,024,462.00	(133,369.00)	-13.02%
OXNARD	$ 134,894	$ 346,479.00	$ 481,373.00	508,826.00	(27,453.00)	-5.40%
VENTURA	$ 44,660	$ 853,984.00	$ 898,644.00	950,031.00	(51,387.00)	-5.41%
VICTOR VALLEY	$ 196,671	$ 357,375.00	$ 554,046.00	480,548.00	73,498.00	15.29%
COALINGA	$ 162,143	$ 42,401.00	$ 189,519.00	174,143.00	15,376.00	8.83%
LEMOORE	$ -	$ 200,045.00	$ 245,722.00	284,689.00	(38,967.00)	-13.69%
TAFT	$ 200,453	$ 101,206.00	$ 301,659.00	279,028.00	22,631.00	8.11%
MISSION	$ 103,629	$ 233,893.00	$ 390,592.00	412,291.00	(21,699.00)	-5.26%
WEST VALLEY	$ 126,175	$ 524,828.00	$ 737,011.00	777,956.00	(40,945.00)	-5.26%
COLUMBIA	$ 126,186	$ 193,038.00	$ 300,187.00	275,833.00	24,354.00	8.83%
MODESTO	$ 195,815	$ 1,003,896.00	$ 1,199,711.00	1,108,449.00	91,262.00	8.23%
WOODLAND	$ 127,494	$ 198,692.00	$ 326,186.00	299,811.00	26,375.00	8.80%
YUBA	$ 361,970	$ 363,391.00	$ 570,342.00	524,070.00	46,272.00	8.83%
	$ 19,678,338	$ 78,713,357.00	$ 98,391,696.00	$ 98,143,157.00		

# of colleges - simulated lower than actual	61
# of colleges - simulated greater than actual	52
Greatest percentage decrease by a college	-17.56%
Greatest percentage increase by a college	25.06%
Growth ceiling actual	109.17%
Growth ceiling simulated	118.81%

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

Item:	Proposed Changes to State Capital Outlay Program
Date:	June 20, 2019
Contact:	Christian Osmeña, Vice Chancellor of College Finance & Facilities Planning

ISSUE

This item presents proposed changes to the state capital outlay program intended to encourage alignment with the *Vision for Success*, adopted by the Board of Governors in 2016.

BACKGROUND

The Chancellor's Office administers a capital outlay program that typically has been funded through state general obligation bonds. These funds supplement significant local funds authorized under current law, including from local bonds. Under the state process, the Chancellor's Office receives multi-year infrastructure plans from community college districts and prioritizes projects for inclusion in an annual budget request.

In 1999, the Board of Governors adopted capital outlay priorities to determine how best to use state funds available for capital outlay. These priorities allocate funds for projects in each of the following categories: (a) life and safety, (b) growth of instructional space, (c) modernization of instructional space, (d) "complete campus" concept, (e) growth of institutional support space, and (f) modernization institutional support space. Within each of the categories, proposals receive a score based on existing conditions, need, and, in some cases, local contributions.

With the adoption of the *Vision for Success* (*Vision*) increased interest by the Board of Governors, the Chancellor's Office is proposing changes to the capital outlay program to encourage alignment of college infrastructure with educational programs that further student success. The policies also intend to clarify the role of state funds in meeting infrastructure needs, given that community college districts should have strong incentives to identify revenues locally to cover program needs.

In general, the changes aim to (1) recognize, and respond to, persistent achievement gaps, particularly across groups of students and regions of the state and (2) give districts greater flexibility to design spaces that encourage the positive integration of educational services and supports, including across traditional divides between instruction and student services.

The attached documents reflect the proposed policies that would be considered, following consultation, by the Board of Governors. Specifically, these changes aim to accomplish the following reforms:

- Direct that capital outlay plans should be aligned with goals aligned to the *Vision* adopted by the local governing board.

- Integrate the capital outlay priorities into three categories—life and safety, growth, and modernization—to encourage design around student pathways (rather than, for example, college function).
- Prioritize facilities modernization more intensely than in the prior policy (compared to facilities addressing growth).
- Within each of the new priority categories, include in the "scoring" process new measures around student need (i.e., the proportion of Pell Grant recipients enrolled) and the regional need (i.e., whether the college is located in a high-needs region).
- Adjust standards around space use to allow for greater flexibility in design around students' needs.

The changes have been reviewed by the Association of Chief Business Officers' Facilities Task Force. The version presented to the Consultation Council includes changes to the measures in the scoring (e.g., measures related to student success and career-technical education courses) recommended by the members of the taskforce.

FEEDBACK/QUESTIONS FOR COUNCIL

The Chancellor's Office seeks general feedback regarding the proposed revisions to the capital outlay program.

ATTACHMENTS

1. California Community Colleges Capital Outlay Program Priorities and Grant Application Process
2. Board of Governors Policy on Utilization and Space Standards

California Community Colleges Capital Outlay Program Priorities and Grant Application Process

BACKGROUND TO THE 2019 REVISION

In 1999, the California Community Colleges Board of Governors had adopted both priority-criteria and -funding categories scoring system to assist community college districts with local capital planning efforts so that their project proposals reflect the state's priorities. The Board of Governors priority-funding categories give preference to projects that best meet the following priorities: life and safety, growth of instructional space, modernization of instructional space, complete campus concept, growth of institutional support space, and modernization institutional support space. The Board of Governors' priority-criteria metrics primarily evaluate how a capital outlay project proposal meets the campus's instructional need, its use of space, and the condition of its existing facilities.

With the adoption of the *Vision for Success* and at the direction of the Board of Governors, the Chancellor's Office with the help of the Association of Chief Business Officers' Facilities Task Force has proposed improvements to the capital outlay program to align with effort to improve student success. These improvements include simplifying capital outlay project categories and aligning the project scoring metrics with the student-centered goals that are identified in the *Vision for Success*.

INTRODUCTION

Community college districts have the responsibility to maintain, modernize, and expand the facilities at their institutions on behalf of the students they serve. To accomplish these objectives, community college districts are authorized to seek local and state financing for their facilities.

In addition to local efforts, the state's capital outlay program provides voter-approved statewide general obligation bonds through grants to fund capital outlay projects on community college campuses. These grants are developed pursuant to the annual state capital outlay grant application process and approved by the Board of Governors of the California Community Colleges. Districts often leverage these grants with local funds; however, for some districts with minimal local resources for facilities, funds provided from the state capital outlay grant application process are the only source of funds available to modernize facilities and/or construct new buildings.

The Board has adopted priority funding categories to assist districts in their capital planning efforts so that the capital outlay proposals submitted for consideration of state funding reflect the state's priorities. The Board priority funding categories give preference to projects that best meet the following priorities:

- Expand campuses appropriately to meet enrollment demands,
- Modernize aging facilities,
- Meet the space utilization standards referenced in California Code of Regulations, and,
- Leverage state funds with local funds to provide facilities at the least cost to the state.

The Chancellor's Office facilities planning and utilization unit administers the state capital outlay grant application process for the community college system on behalf of the Board of Governors. Under the policy guidance and direction of the Board of Governors, the Facilities Planning and Utilization unit assists districts in meeting guidelines, regulations, and other requirements to receive state funding for capital construction projects.

The capital outlay grant application process is based on the Board priority funding categories and has three district inputs that culminate in the annual capital outlay spending plan:

1. District five-year capital outlay plans,
2. Initial Project Proposals, and
3. Final Project Proposals.

PROPOSED PRIORITY-FUNDING CATEGORY SCORING METRICS

For all capital outlay project funding categories, proposed projects must first be capacity load eligible; this includes modernizations where projects must not sustain or increase an overbuilt status. Additionally, community college districts that are proposing capital outlay projects must be align with the California Community College Promise requirements (AB-19, Santiago 2017), as these requirements establish the minimum conditions for participating in the California Community Colleges capital outlay program. California Community College Promise requirement include the following:

- Partner with local educational agencies to establish an early commitment to college
- Partner with local educational agencies to improve student preparation for college
- Utilize evidence-based assessment and placement practices at the community college including multiple-measures
- Participate in the Guided Pathways program
- Maximize student access to need-based financial aid

BOARD OF GOVERNORS PRIORITY FUNDING CATEGORIES

There are three Priority Funding Categories for which projects are classified. Table 1 below illustrates the maximum share of state funding allocated to each category in a specific plan year as follows:

Table 1: Proposed Project Categories, Definitions and Percentage Allocations

Category	Definition	**Proposed Allocation** (from age of building data)
A	To provide for safe facilities and activate existing space	Up to 50% of Total
G	To increase instructional and institutional support spaces.	35%
M	To modernize instructional and institutional support spaces.	65%

CATEGORY A – LIFE AND SAFETY PROJECTS

The most critical projects, life and safety projects, are assigned to Category A. Projects in Category A involve life and safety issues and are ranked according to the number of people threatened or affected by the condition of a facility or site. Please see Table 2 for details about Category A priority-criteria.

Table 2: Category A - Criteria

A-1: Life Safety Projects	The intent of this category is to permanently mitigate the life safety conditions in buildings or systems that create imminent danger to the life or limb of facility's occupants.
	One or more of the following must exist to be considered as an A-1 project: • Imminent Danger – immediate danger to the health, life or limb of the facility's occupants; • Health and Life – safety-obvious danger to health, life or limb exists. While danger is not immediate, remedy is needed to protect people; • Fire Safety – existing conditions could place people in grave peril and inadequate escape • The lack of compliance with existing code is not considered sufficient justification to warrant classification of an issue as a critical life-safety issue The Final Project Proposal (FPP) shall be accompanied by a third-party study that identifies the critical life safety issues and states that *imminent danger* exists to the facility's occupants (study must be performed by an independent, professional who is certified or licensed to perform the relevant study).
A-3: Seismic Retrofit Projects	The intent of this category is to seismically retrofit structures subject to the likely probability of collapse during a seismic event of greater than 6.0.
	Final Project Proposal (FPP) shall be accompanied by a third-party study/report that validates that the target building's structural deficiencies provides a risk that is equivalent to Risk Level 4 or greater as specified in the April 1998 *CCC Seismic Survey, Report and Recommendations*, prepared by the State Department of General Services – Real Estate Services Division. This study must be performed by an independent, professional who is certified or licensed to perform the relevant study and shall include possible mitigation measures.
A-4: Immediate Infrastructure Failure Projects	The intent of this category is to repair or replace the immediate failing infrastructure within a structure or campus system.
	Final Project Proposal (FPP) shall be accompanied by a third-party study that identifies the failing infrastructure and least cost mitigation measures that permanently mitigates the issues and restores the designed capability (study must be performed by an independent, professional who is certified or licensed to perform the relevant study).

CATEGORY G– GROWTH

Category G projects that expand space on sites earn eligibility scores based upon a site's need for space, projected enrollment growth over the next five years, the extent to which the proposed solution provides the needed space, and the extent to which local funds directly mitigate state costs of the project. Please see Table 3 for details about Category G priority-criteria.

Table 3: Metrics for Growth

Growth	Description	Proposed Points	Existing Points
Enrollment Growth	This factor looks at the campus' enrollment (WSCH) change over a 5-year period; the higher the enrollment increase, the more points the project will be eligible for.	50	50
Existing Inventory	This calculation compares the existing space capacity to the enrollment need or load. The lower the capacity load ratio, the greater the need for additional space, therefore the more points the project will receive.	50	50
Assignable Square Footage (ASF) Change	This factor promotes projects that create the needed space type.	N/A	50
FTES	**FTES Scale** / **Points** 500-999 — 6 1,000-9,999 — 12 10,000-19,999 — 16 20,000+ — 20	20	New
Vision for Success CTE Programs	This factor promotes projects that create the needed space type for CTE related TOP codes. • Scale: Ratio (CTE Space: Project Space).	20	New
Vision for Success Supplemental Allocation *(Low Income Students)*	Pell Grant Recipients, California College Promise Grant Recipients, and AB 540 Students. • Scale: Ratio or percent (All Low-Income students : Credit students headcount total) • Score : See scale pg. 6	10	New
Vision for Success Student Success *(All Students)*	Total Student Success (All Students): • It includes all metrics from the *Vision for Success*, Student Success. • Scale: Percent (Total success : Credit students headcount total) • Score: See scale pg. 6	10	New
Vision for Success Regions of Low Performance	Central Valley, Sierras, Inland Empire, and Far North.	10	New
Local Contribution/ Hardship	Minimum Local Contribution 25 percent (25 points) **AND** Local Contribution above minimum (maximum 25 points additional) • One point for every percent of local contribution up 50 percent **OR** Hardship (25 points maximum)- Demonstrate local effort to raise revenues – provide evidence of at least one of the following: • District has made a good faith effort (failed election) to pass a bond in the last five years at FPP submission • Debt-level of at least 70 percent of bonding capacity (2.5 percent of AV) • Total district bonding capacity less than $50M	50	50
	Total	**220**	**200**

CATEGORY M – MODERNIZATION PROJECTS

Projects that modernize existing space earn eligibility points based upon the age and condition of the existing facility or its infrastructure and the extent to which local funds directly mitigate state costs of the project. Please see Table 4 for details about Category M priority-criteria.

Table 4: Metrics for Modernization

Modernization	Description	Proposed Points	Existing Points
Age of Project Building	This factor provides priority to facilities 15 years and older that have a greater need for program space renovations. • Scale: One point for every year, starts with 15 years equal to 15 points and so forth to 60 years equal 60 points.	60	120
Activates Unused Space	This factor supports renovation of existing space that currently cannot be used but can be activated after the renovation. Activated unused space (050), is at least 5% of total space to be renovated.	N/A	30
Facility Condition Index (FCI)	FCI is from the FUSION assessments.	40	New
FTES	**FTES Scale** **Points** 500-999 6 1,000-9,999 12 10,000-19,999 16 20,000+ 20	20	New
Vision for Success CTE Programs	This factor promotes projects that create the needed space type for CTE related TOP codes. • Scale: Ratio (CTE Space: Project Space).	20	New
Vision for Success Supplemental Allocation *(Low Income Students)*	Pell Grant Recipients, California College Promise Grant Recipients, and AB 540 Students. • Scale: Ratio or percent (All Low-Income students: All students headcount) • Score : See scale pg. 5	10	New
Vision for Success Student Success *(All Students)*	Total Student Success (All Students): • It includes all metrics from the *Vision for Success*, Student Success. • Scale: Percent (Total Success : Credit Headcount Total Students) • Score: See scale pg. 6	10	New
Vision for Success Regions of Low Performance	Central Valley, Sierras, Inland Empire, and Far North.	10	New
Local Contribution/ Hardship	Minimum Local Contribution 25 percent (25 points) **AND** Local Contribution above minimum (maximum 25 points additional) • One point for every percent of local contribution up 50 percent **OR** Hardship (25 points maximum)- Demonstrate local effort to raise revenues – provide evidence of at least one of the following: • District has made a good faith effort (failed election) to pass a bond in the last five years at FPP submission • Debt level of at least 70 percent of bonding capacity (2.5 percent of AV) Total district bonding capacity less than $50M	50	50
	Total	**220**	**200**

SUPPLEMENTAL ALLOCATION & STUDENT SUCCESS METRICS SCALES

In alignment with the *Vision for Success*, the supplemental allocation and student success metrics have been included priority-criteria and -funding categories scoring system. Please see Tables for scoring rate associated with the supplemental allocation and student success metrics.

Table 5: Supplemental Allocation

Supplemental Allocation	
Percent	**Points**
0 - 9%	1
10% - 19%	2
20% -29%	3
30% - 39%	4
40% - 49%	5
50% - 59%	6
60% - 69%	7
70% - 79%	8
80% 89%	9
90% - 100%	10

Table 6: Student Success

Student Success	
Percent	**Points**
5 - 9%	1
10 - 14%	2
15 - 19%	3
20 - 24%	4
25 - 29%	5
30 - 34%	6
35 - 39%	7
40 - 44%	8
45 - 49%	9
50%	10

LOCAL CONTRIBUTION/HARDSHIP METRIC

The requirements for community college district eligibility for the local contribution hardship metric include the following:

- Minimum Local Contribution 25 percent (25 points)

AND

- Local Contribution above minimum (maximum 25 points additional)
  - One point for every percent of local contribution up 50 percent

OR

- Hardship (25 points maximum)
  - Demonstrate local effort to raise revenues – provide evidence of at least one of the following:
    - District has made a good faith effort to pass (failed election) a bond in the last five years
    - Debt level of at least 70 percent of bonding capacity (2.5% of AV)
    - Total district bonding capacity less than $50 million

FUNDING ALLOCATION BETWEEN CATEGORIES

Category A projects involve health and safety issues and are the highest priority in the capital outlay spending plan. Category A projects are ranked according to the number of people threatened or impacted by the condition of a facility or site, and up to 50 percent of the annual allocation of state funds is made available for projects in this category.

Once the continuing phases of previously funded projects and new Category A projects are prioritized, projects in the remaining categories are prioritized based on various factors for each Priority Funding Category. The proposals compete for the highest ranking within each category based on points calculated using the age of the facility, age of the campus, enrollment capacity load ratios, cost, project scope, and local contribution.

Projects in Categories G and M are ranked by eligibility points (highest to lowest). The annual capital outlay spending plan includes a maximum of one project from any Category G or M per authorized site. With the exception of projects that address life and safety, seismic or infrastructure failure problems, only one "new start" project per year is funded per authorized site. This limit ensures that more campuses will likely have new proposals included in the annual capital outlay spending plan.

If more than one project is eligible for potential funding from Categories G and M per authorized site, the project with the highest local ranking from the district's five-year capital outlay plan is proposed for funding. In recent years, the number of proposals seeking state funds and obtaining Board of Governors approval has greatly exceeded the amount of state funds available. Every year valid, meritorious proposals are excluded from the statewide spending plan. To mitigate such exclusions, the development of the proposed annual capital outlay spending plan may include a realignment of funds between categories.

DISTRICT FIVE-YEAR CAPITAL OUTLAY PLANS

Education Code sections 81820-81823 require the governing board of each community college district to annually prepare and submit to the facilities planning and utilization unit a five-year plan for capital construction. California Code of Regulations, title 5, section 57014 requires districts to receive approval of their five-Year capital outlay plans from the facilities planning and utilization unit prior to receiving state funding for projects. Districts are also required to complete district and campus master plans before preparing their five-year capital outlay plans. The districts' five-year capital outlay plans are submitted to the facilities planning and utilization unit on July 1 of each year.

In adopting capital outlay plans, governing boards should confirm that the plans reflect the infrastructure necessary to achieve the goals aligned to the *Vision for Success* adopted by that local board.

DISTRICT MASTER PLANS

The districts' five-year capital outlay plans are based on the local education master plan and facilities master plan for each campus. The California Code of Regulations, title 5, section 51008 requires districts to establish policies for, and approve, comprehensive or master plans which include academic master plans and long-range master plans for facilities.

Master plans define how a district will meet the needs of its students and the community. They outline the short and long-range goals for a community college district and for each of its major campuses. Districts use master plans as a tool to periodically reevaluate education programs and facilities needs in terms of past experience, current community requirements, and future goals.

An education master plan is therefore a prerequisite to the preparation of a facilities master plan. The preparation of a facilities master plan is in turn a prerequisite to the preparation of the five-year capital outlay plans districts submit annually to the facilities planning and utilization unit.

EDUCATION MASTER PLANS

An education master plan defines a district's goals for the future of the education program. An education plan describes current programs and details how those programs should develop in the future. The plan may introduce new programs and describe how the programs will be integrated into the curriculum and the direction in which they will grow in the future. Districts must consider state codes and regulations, long-term budget considerations, staffing requirements, and new educational delivery methods and technology when developing their education master plans.

FACILITIES MASTER PLANS

A facilities master plan is derived from the education master plan and provides a blueprint for the facilities and technology that will be required to fully implement the education master plan of a district for each campus. The decisions a district makes in developing a facilities master plan are critical due to the permanent nature of any decisions made. The construction process for buildings is lengthy and once buildings are constructed, change is very difficult. This is evidenced by the fact that 62 percent of buildings in the community college system are over 25-years old and 50 percent are over 40-years old.

Although educational programming is always supposed to drive facilities planning, the permanent nature of facilities will limit or dampen the ability of the education master plan to respond to rapid changes in the educational program, delivery systems and technology. Given this permanence, there are many factors districts must take into consideration as they develop facilities master plans:

1. **Community College Change and Growth -** Community colleges are inherently difficult to plan because the only constant is change – change in the size of the campus, rules and regulations, educational programs, administration, staff and faculty, and a myriad of other factors. Community college campuses often grow to many times their original size over a long period of time so the need to plan for and respond to change must be integral to a facilities master plan.

2. **Campus Design Guidelines –** The facilities master plan must define campus design guidelines, not only to provide a cohesive look for the entire campus but to ensure access and functionality. The campus needs to be designed for flexibility so that facilities can change to the extent possible to support changes in the educational program.

3. **State Rules and Guidelines –** California's community colleges are governed by laws, regulations and guidelines that are utilized by various governmental entities (i.e., Board of Governors, Department of Finance, Division of the State Architect) in the review of new campuses and building projects. The facilities master plan for any campus must be consistent with state rules and guidelines.

4. **California Environmental Quality Act –** The California Environmental Quality Act requires districts to define and possibly mitigate the negative impact of construction or new development on neighboring properties. Districts must evaluate the impact of vehicle traffic, pedestrian traffic, storm water run-off, historic structures and features, and a variety of other potential impacts on neighboring properties when developing a new site or starting a new project on an existing site.

5. **Operational Considerations –** The facilities planning process must take into account various operational issues, including those that influence staffing requirements and energy usage for new and/or modernized facilities. Incentives are provided by the Board and the various utility companies that encourage energy efficient design and construction. Laws and regulations impact staffing levels such as: the 75/25 percent full-time/part-time ratio of faculty; the 50 Percent Law which requires 50 percent of the operating costs to be spent on instruction; funding caps which limit the growth of a district, and collective bargaining which determines class size limitations and other working condition issues. Classroom scheduling issues must also be taken into account when determining the number and size of classrooms: faculty preference of rooms, availability of rooms, size of rooms, physical adequacy of rooms to teach specific types of courses, and the preference of students and faculty for morning classes.

6. **Funding Availability –** Funding for community college facilities is always less than what is required to support the facility needs of the community college system. State funding is dependent upon the passage of statewide general obligation bonds, and local funding is dependent upon the passage of local general obligation bonds. In recent years, the availability of state funds to finance new community college projects has been constrained due to the lack of an education bond in 2008, 2010, and 2012. Facilities master plans must plan to the extent possible for buildings that are efficient, flexible (can be used for more than one purpose and adaptable to change over time), and cost effective. Careful planning of classroom scheduling within existing facilities can increase facility utilization without the need for new buildings. Districts must explore alternative instructional delivery options such as distance education which can also mitigate the need for new facilities.

Districts submit their five-year capital outlay plans using the Facility Utilization Space Inventory Options Net (FUSION) online database. FUSION is a web-based project planning and management tool activated in May 2003 and updated between 2017 and 2019. A consortium of community college districts provided the initial funds to develop FUSION, and all districts annually fund the operation and maintenance of FUSION. The Foundation for California Community Colleges and the facilities planning and utilization unit provide support for FUSION. FUSION provides facilities planning and utilization unit staff, district staff and consultants access to data and applications useful in assisting with the administration of district capital outlay programs. Districts use FUSION to better assess the various components of their current buildings, update their annual space inventory reports, and update their annual district five-year capital outlay plans. FUSION is also used to prepare Initial Project Proposals and selected components of Final Project Proposals as part of the application process for state capital outlay funds.

INITIAL PROJECT PROPOSALS

An Initial Project Proposal (IPP) is submitted by districts requesting state funding for projects included in the district five-year capital outlay plan. The IPP provides a general project description including space, cost and funding schedule. Projects are to be submitted to the facilities planning and utilization unit by July 1 using the three-page IPP form.

The description of the intent and purpose of each project enables facilities planning and utilization unit staff to determine the appropriate board priority funding category to assign for the project. The IPP step in the screening process also allows the facilities planning and utilization unit to more accurately assess a district's capital outlay needs before there is a significant investment of time and money in projects by the district. After evaluating the IPPs, the facilities planning and utilization unit notifies the districts of those IPPs to be developed into Final Project Proposals which are due the following year for possible submission to the Board for project scope approval.

FINAL PROJECT PROPOSALS

A Final Project Proposal (FPP) describes the scope, cost, schedule, and financing array of a project and includes conceptual drawings of the project. The description of the project in the FPP includes an assessment of the problems of the existing facilities, as well as an analysis of alternatives considered prior to proposing the recommended solution. The proposal includes a detailed space array, detailed cost estimate and summary calculation of the state fundable equipment allowance.

The facilities planning and utilization unit staff performs an in-depth analysis of each FFP. This analysis determines the following for each project:

- Accurate cost and scope,
- Board priority funding category for each project,
- Feasible calendar and timing of state funds, and
- Comparison of a project's merits with other projects in the same category.

SCOPE APPROVAL

An FPP is eligible for inclusion in the annual capital outlay spending plan if it is consistent with the requirements, standards, and guidelines outlined in the Education Code, California Code of Regulations, title 5, and the State Administrative Manual/Capitalized Assets section 6800. The facilities planning and utilization unit staff determine whether or not a proposal satisfies the required governmental rules and regulations and works with districts to refine project proposals.

ANNUAL CAPITAL OUTLAY PLAN

The facilities planning and utilization unit develops an annual capital outlay spending plan that will be proposed for approval by the Board. The development of the spending plan draws upon a project's priority funding category, ranking among other projects within the same category, and total need for state funds versus the availability of state funds to determine which projects may be included in the plan. Following Board approval, the annual capital outlay spending plan is submitted to the Department of Finance for consideration of funding in the next budget cycle.

PROJECT PHASING

The annual capital outlay spending plan includes projects seeking state financing to complete preliminary plans, working drawings, construction, and equipment phases. Brand new projects are known as "new start projects," and projects seeking to obtain state funding for their remaining project phases are known as "continuing projects."

READY ACCESS PROJECTS

A "Ready Access" project is a special type of new start project that is seeking a state appropriation for all phases in a single budget cycle. A district is required to finance at least 10 percent of the state supportable cost for a Ready Access project and must commit to completing the project with no changes in scope or state financing.

DESIGN-BUILD PROJECTS

"Design-Build" is a project delivery method that community college districts can use instead of the traditional Design-Bid-Build delivery method. A Design-Build project will be funded in two phases: 1) Design and 2) Construction. The Design-Build delivery method involves a process whereby district staff work with an architect to develop minimum design standards, room capabilities, and functional adjacencies for new or redesigned space without first establishing floor plans. These design standards are assembled into bid documents accompanied by the anticipated project budget and distributed to multiple Design-Builders so that they can develop proposed solutions with various floor plans and elevations. District staff review the various proposals and select a winning Design-Builder who in turn completes the development of construction documents and builds the project.

Following a successful pilot test involving more than 10 projects at eight districts, Senate Bill 614 (Stats. 2007, Ch. 471) authorized community colleges to use the Design-Build delivery method for both locally-funded and state-funded community college projects costing more than $2.5 million.

Annual funding of the proposed projects is contingent on meeting the Governor's priorities and the availability of funds to meet continuing needs. The development of the annual capital outlay spending plan also considers the state funds needed by projects in future budget years so that a project included in the spending plan can have a reasonable expectation to receive the state funds necessary in future years to allow completion of the project.

ANNUAL "ZERO-BASED" BUDGETING METHOD

The annual capital outlay spending plan is developed using a "zero-based" budgeting method in which all proposals eligible to compete in a specific fiscal year are evaluated to determine that the highest priority projects are included in the spending plan based on the funds available. FPPs not included in a specific year's spending plan must compete in a subsequent budget cycle. Between budget cycles, districts may update or modify the proposals as needed to reflect changing local needs or priorities and resubmit in the next budget cycle. Otherwise FPPs that are submitted for state funding but do not receive appropriations in the annual state Budget Act have no automatic special standing in subsequent budget cycles.

APPEALS PROCESS

An appeal process is available when a district believes that its project was omitted in error from either the state scope approval list or proposed annual capital outlay spending plan. Districts are urged to contact their facilities specialist in the facilities planning and utilization unit for an explanation of the project's priority status. After discussions with the facilities specialist, if need be districts may appeal in writing to the Chancellor.

DEPARTMENT OF FINANCE/LEGISLATIVE PROCESS

Once the annual capital outlay spending plan is approved by the Board, facilities planning and utilization unit staff advocate for state funding with the department of finance and the legislature for inclusion in the governor's budget and the state budget act, respectively. The FPPs included in the capital outlay plan are transitioned into capital Outlay Budget Change Proposals (COBCPs) and submitted to the Department of Finance on July 1 of each year (usually a year after the FPPs are submitted to the facilities planning and utilization unit).

The Department of Finance evaluates each COBCP for potential inclusion in the next Governor's Budget. Once the project is included in the Governor's Budget, it is then evaluated by Legislative staff for potential inclusion in the final state Budget Act. The Administration and Legislative Budget Committees scrutinize all capital construction projects to determine if projects meet current state priorities, i.e., seismic, life-safety, vital infrastructure, major code deficiencies, and increased instructional access.

Board of Governors of the California Community Colleges Policy on Utilization and Space Standards - July 2019

INTRODUCTION

California plans its development of public higher education facilities using "utilization and space" standards. These standards are budgetary planning tools that can measure existing and future need for academic spaces such as classrooms, laboratories, library & technology space, and faculty offices. These measurements help determine the amount of physical space to be allocated state funding for capital outlay on a per-student or per faculty member basis in buildings, specific to program need.

Our system's current utilization and space standards date back to 1966 and were last updated in 1971, 1973, 1975 and 1991, 2010. Enclosed is a statement of policy of the Board of Governors of the California Community Colleges on the standards currently in use for determination of utilization and space of state funded facilities in our system. The computed existing and projected utilization and space standards listed in this document shall apply unless it is determined by the Chancellor in consultation with the Department of Finance that extraordinary conditions exist. Any change to the standards contained in this policy will be first reviewed and approved by the Department of Finance.

BACKGROUND TO THE 2019 REVISION

With the adoption of the *Vision for Success* and at the direction of the Board of Governors, the Chancellor's Office with the help of the Association of Chief Business Officers' Facilities Task Force has aligned the capital outlay program with statewide efforts to improve student success. These improvements include simplifying the project categories and aligning the project scoring metrics with the student-centered goals identified in the *Vision for Success.*

An important component of aligning the BOG priority-criteria and -funding categories scoring system with the *Vision for Success* also entails updating the *Board of Governors Policy on Utilization and Space Standards*, which the BOG last adopted in 2010. The proposed new policy increases Office Room Type standards by 25 percent and increases Lecture Room Type standards by 33 percent. These updates to the space standards will provide local community colleges with the flexibility to their serve students with the goal of improving student success and align with both the Division of the State Architect and California Fire Marshal safety codes.

2010 REVISION TO TITLE 5 STANDARDS

§ 57020. Standards.

(a) The Board of Governors hereby adopts and incorporates by reference, into this provision of the California Code of Regulations, the California Community Colleges *Policy on Utilization and Space Standards* as established September 2010.

(b) Revisions made to the *Policy on Utilization and Space Standards* after September 2010 shall be considered incorporated by reference into this provision when they have been adopted by the Board.

Note: Authority cited: Sections 66700, 70901, 81805 and 81836, Education Code. Reference: Section 81805, Education Code.

UTILIZATION STANDARDS

The Board of Governors will adopt the following *Policy on Utilization and Space Standards* at its September 2019 meeting.

Utilization standards refer to the amount of time rooms and "stations" (such as a desk, laboratory bench, or computer terminal) *should be* used. "Utilization" is the amount of time rooms and stations are *actually* used. Utilization standards used address utilization on an "hours-per-week" basis.

CURRENT UTILIZATION STANDARDS

There are different standards for utilization of space for the many instructional and administrative activities that take place at a campus. Our standards assume classrooms are available 53 hours a week and that they will be occupied—on average—two-thirds of the time. (That occupancy percentage might actually be achieved, for example, by having full classrooms two-thirds of the time and empty classrooms the remaining time.) Thus, the classroom utilization standard is 35 weekly hours station use. The utilization standards for laboratories are less than the levels of classroom standards.

Classroom Use. (57021)
Classrooms and seminar room use shall be not less than 48 hours per 70-hour week for a campus of less than 140,000 weekly student contact hours per week, and not less than 53 hours per 70-hour week for a campus with 140,000, or more, weekly student contact hours.

Laboratory Use. (57022)
Laboratory room use shall be not less than 27.5 hours per 70-hour week.

Classroom Occupancy. (57023)

Classroom and seminar room station occupancy shall be not less than 66 percent of capacity.

Laboratory Occupancy. (57024)
Laboratory room station occupancy shall be not less than 85 percent of capacity.

Abbreviations. (57031)

ASF/STN	=	Assignable square feet per student station
***Classrooms*:**		
Hrs./Wk.	=	Number of hours out of a 70-hour week, 8 a.m. to 10 p.m., a classroom, on the average, should be used
Class Laboratories:		
Hrs./Wk.	=	Number of hours out of a 70-hour week, 8 a.m. to 10

		p.m., a class laboratory, on the average, should be used
STN. Occ.	=	The percentage of expected student station occupancy when rooms are in use
STN. Use	=	The number of hours per week (out of the 70-hour week for classrooms and class laboratories) which a student station, on the average, should be used

WSCH = Weekly Student Contact Hours-8 a.m. to 10 p.m.
WSCH for non-laboratory (lecture) and laboratory hours.

Formula for Deriving the Standards. (57032)

$$\frac{\text{ASF/STN}}{\text{Hrs./Wk.} \times \text{STN. Occ.}} \times 100 = \text{ASF/100 WSCH}$$

Example A. For determining ASF/WSCH in Classrooms and Seminars on an 8 a.m. to 10 p.m. basis:

ASF/STN. = 20
Hrs./Wk. = 53
STN./Occ. = 0.66

$$\frac{20}{53.0 \times .66} \times 100 = 57.2 \text{ ASF/100 WSCH}$$

Example B. For determining ASF/WSCH in Biological Science Laboratory on an 8 a.m. to 10 p.m. basis:

ASF/STN = 55

Hrs./Wk. = 27.5

STN./Occ. = .85

$$\frac{55}{27.5 \times .85} \times 100 = 235 \text{ ASF/100 WSCH}$$

SPACE STANDARDS

Space standards are used to determine the amount of space needed in buildings to suit programmatic needs. They are the amount of space measured in assignable square feet ASF allocated on a per student or per faculty member basis in buildings.

CURRENT SPACE STANDARDS

There are different standards for space of the many instructional and administrative activities that take place at a campus.

Classroom Space Per Station. (57025)
The computed average space per station in both existing and future classroom, seminar room, and service areas shall be 15 square feet per student station.

Capacity of Future Assignable Space. (57027)
The formula for determining the assignable space for future classrooms and seminar rooms per projected 100 weekly student contact hours is as follows:

$$\frac{\text{Assignable square feet per station}}{\text{Room use standard X station occupancy standard}} \times 100$$

Capacity of Future Laboratory and Service Areas. (57028)
In determining the computed capacity of future laboratory and service area facilities, the following space allocations by standard classification of subject matter shall be applied on a campus-wide basis:

Assignable square feet per station and per 100 weekly student contact hours, California Community Colleges.

1. Classroom and Seminars
(Including Classroom Service) 8 a.m. to 10 p.m.

Campus Weekly Student Contact Hours	*ASF/STN.*	*ASF/100 WSCH**
Less than 140,000	20	63.1
140,000 or more	20	57.2

2. Teaching Laboratories
(Including Teaching Laboratory Service) 8 a.m. to 10 p.m.

TAXONOMY	SUBJECT GROUPING	ASF/100 WSCH	ASF per STATION
0100	Agriculture and Natural Resources	492	115
0115	Agricultural & Forestry Power/Machinery	856	200
0200	Architecture and Environmental Design	257	60
0400	Biological Sciences	235	55
0500	Business and Management	128	30
0600	Communications	214	50
0700	Computer and Information Science	171	40
0800	Education	321	75
0936	printing and Lithography	342	80
0937	Tool and Machine	385	90

0945	Mechanical Technology	556	130
0947	Diesel Technology	856	200
0948	Automotive Technology	856	200
0950	Aeronautical and Aviation Technology	749	175
0952	Construction Crafts/Trades Technology	749	175
0954	Chemical Technology	556	130
0956	Industrial Technology	385	90
All other 900s	(Engineering)	321	75
1000	Fine and Applied Arts	257	60
1100	Foreign Language	150	35
1200	Health Services	214	50
1300	Consumer Education/Home Economics	257	60
1400	Law	150	35
1500	Humanities	150	35
1600	Library Science	150	35
1700	Mathematics	150	35
1800	Military Studies	214	50
1900	Physical Sciences	257	60
2000	Psychology	150	35
2100	Public Affairs and Service	214	50
2200	Social Sciences	150	35
3000	Commercial Services	214	50
4900	Interdisciplinary	257	60

*Based on following utilization components for space standards computation:

Campus WSCH	***Hrs./wks***		***Stn. Occ.%***		***Stn. Use***
Classrooms and Seminars:					
Less than 140,000	48	X	.66	-	31.68
140,000 or more	53	X	.66	-	34.98
Laboratories:					
LD	27.5	X	.85	-	23.375

Office Space. (57029)
All office space (academic offices, administrative and clerical office service rooms, and conference rooms) shall be computed at 175 assignable square feet for each full-time equivalent instructional staff member. Office space for a small Community College district shall be computed at 200 assignable square feet for each full-time equivalent instructional staff member.

Library Space. (57030)
All library space shall be computed by assignable square feet for library functions as specified in the subdivisions of this section. Square feet are "assignable" only if they are usable for the function described. Areas such as the main lobby (excluding card catalogue area), elevators, stairs, walled corridors, rest rooms, and areas accommodating building maintenance services are not deemed usable for any of the described functions.

Stack Space = 0.1 ASF x Number of Bound Volumes
Number of Volumes
Initial Increment = 16,000 volumes
Additional Increments
(a) Under 3,000 DGE* = +8 volumes per DGS**
(b) 3,000-9,000 DGE = +7 volumes per DGS

(c) Above 9,000 DGE = +6 volumes per DGS

Staff Space = (140 ASF x Number of FTE Staff) + 400 ASF
Number of FTE Staff
Initial Increment = 3.0 FTE
Additional Increments
(a) Under 3,000 DGE = +.0020 FTE Staff per DGS
(b) 3,000-9,000 DGE = +.0015 FTE Staff per DGS
(c) Above 9,000 DGE = +.0010 FTE Staff per DGS

Reader Station Space = 27.5 ASF x Number of Reader Stations
Number of Reader Stations
Initial Increment = 50 Stations
Additional Increments
(a) Under 3,000 DGE = +.10 Stations per DGS
(b) 3,000-9,000 DGE = +.09 Stations per DGS
(c) Above 9,000 DGE = +.08 Stations per DGS

Total Space = Initial Increment = 3,795 ASF
Additional Increments
(a) Under 3,000 DGE = +3.83 ASF per DGS
(b) 3,000-9,000 DGE = +3.39 ASF per DGS
(c) Above 9,000 DGE = +2.94 ASF per DGS

For audio-visual and programmed instruction activities associated with library learning resource functions, additional areas sized for individual needs but not exceeding the following totals for the district as a whole.

Total Space = Initial Increment = 3,500 ASF
Additional Increments
(a) Under 3,000 DGE* = 1.50 ASF per DGS**
(b) 3,000-9,000 DGE = 0.75 ASF per DGS
(c) Above 9,000 DGE = 0.25 ASF per DGS

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* Day--Graded Enrollment
** Day--Graded Student

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

Item: Auxiliary Organizations Cash Reimbursement Requirement

Date: June 20, 2019

Contact: Marc A. LeForestier, General Counsel

ISSUE

The Education Code authorizes the governing boards of community college districts to establish auxiliary organizations to provide "supportive services and specialized programs for the general benefit of its college or colleges." (Ed. Code, § 72670.) It is common practice for districts to provide services to auxiliary organizations. However, the Board of Governors' regulations require "[f]ull reimbursement to the district for services performed by district employees under the direction of the auxiliary organization." (Cal. Code Regs., tit. 5, § 59257, subd. (j)(6).) In addition, the regulation requires that no more than 50% of this reimbursement may be in the form of "non-monetary benefits" such as increased community awareness, good will, or similar benefits. In other words, at least 50% of an auxiliary's reimbursement to a district must be in cash. This requirement exists only in regulation, and is not found in the Education Code.

According to the Foundation for California Community Colleges and the Network of California Community College Foundations, the 50% cash reimbursement requirement

> "is proving difficult for local foundations to meet. Further and perhaps more importantly, this cash requirement is putting a strain on what should be a synergistic relationship between districts and their foundations, one that is necessary to move the system forward to meet the goals contained in the *Vision for Success*."

The Chancellor's Office proposes to eliminate the 50% cash reimbursement requirement, provided that non-monetary benefits are given their "fair market value" and are disclosed in the auxiliary organization's annual audited statement of financial conditions.

BACKGROUND

In 1998, the California Attorney General issued an opinion addressing the rules governing auxiliary organization reimbursement to community college districts. (81 Ops. Atty. Gen. 111 (Cal. A.G. 1998).) At the outset, the Attorney General recognized that "the benefits and services conferred annually upon a community college district by an auxiliary organization ordinarily far exceed whatever value district employee services to the organization might total." Indeed, the purpose of auxiliary organizations is to benefit their districts by promoting their educational missions. (Educ. Code, § 72670; Cal. Code Regs., tit. 5, § 59259.) The Attorney General noted that auxiliary organizations save public funds that might otherwise be expended by districts to perform services (see e.g., Educ. Code, § 70902, subd. (b)(11)), and that in the previous year (1997) "auxiliary organizations and related foundations raised approximately $60 million for community college districts" in the state and that the corresponding value of district employee services the organizations received was "minuscule in comparison."

Against this backdrop, the Attorney General interpreted Title 5, section 59257, to require full reimbursement by an auxiliary organization for services community college district employees perform on behalf of the organization. (81 Ops. Atty. Gen. 111 (Cal. A.G. 1998).) However, the Opinion also clarified that reimbursement may be made "in the form of non-monetary benefits . . . such as increased community awareness or other such benefits that are agreed upon . . . ." (*Id*.) Prior to 1998, there had apparently been some question about the permissibility of non-monetary reimbursement.

Following the Attorney General's Opinion, the Board of Governor's amended section 59257 in 2006 to limit non-monetary reimbursements to a maximum of 50% of the value of the services provided to the auxiliary organization by the community college district. This cash reimbursement requirement is proving to be unworkable—particularly for auxiliary organizations of small districts.

FEEDBACK/QUESTIONS FOR COUNCIL

This item is presented for informational purposes and general feedback.

ATTACHMENTS

1. Text of proposed regulatory action amending section 59257
2. FCCC Letter to Chancellor Oakley, April 10, 2019
3. NCCCF Letter to Chancellor Oakley, April 10, 2019
4. CEO Letter to Chancellor Oakley, April 17, 2019

Item 9, Attachment 1

"This document contains strikethrough and underline text which may require adjustments to screen reader settings."

Board of Governors of the California Community Colleges
Proposed Revisions to Title 5 Regulations
of
Auxiliary Organizations

1. **Section 59257 of article 2 of subchapter 4.5 of chapter 10 of division 6 of title 5 of the California Code of Regulations is amended to read:**

§ 59257. Implementing Regulations.

Each district governing board wishing to establish an auxiliary organization must adopt implementing regulations, and submit such regulations to the Chancellor for approval. The implementing regulations must contain provisions which address at least the following subjects:

(a) Provisions which set forth the district's method for recognizing an auxiliary organization, which procedure must include a public hearing prior to such recognition;

(b) Provisions which limit authorized auxiliary organizations to those performing recognized functions described in section 59259;

(c) Provisions which implement section 72674 of the Education Code, regarding composition and meetings of boards of directors of auxiliary organizations;

(d) Provisions which implement subdivision (a) of section 72672 of the Education Code, regarding the audit of auxiliary organizations;

(e) Provisions which implement subdivision (c) of section 72672 of Education Code, regarding salaries, working conditions, and benefits for full-time employees of auxiliary organizations;

(f) Provisions which implement section 72675 of the Education Code, regarding expenditures and fund appropriations by auxiliary organizations. In implementing subdivision (b)(2) of section 72675, the district regulations may specify different standards for different types of auxiliary organizations.

(g) Provisions which establish recordkeeping responsibilities of auxiliary organizations;

(h) Provisions which establish a procedure for periodic review of each auxiliary organization by the district to insure that it is complying with sections 72670-72682 of the Education Code, district implementing regulations, any written agreement with the district, and its articles of incorporation or bylaws; and

(i) Provisions which prohibit the district from transferring any of its funds or resources other than funds or resources derived from gifts or bequests, to any of its auxiliary organizations, when the purpose of such transfer is either to avoid laws or regulations which constrain community college districts or to provide the district with an unfair advantage with respect to the application of any state funding mechanism. Such state funding mechanisms include, but are not limited to, general apportionment funding, capital outlay funding, Extended Opportunity Programs and Services funding, and funding for programs and services for students with disabilities.

(j) Provisions which shall specify the following:

(1) The function or functions which the auxiliary organization is to manage, operate or administer;

(2) A statement of the reasons for administration of the functions by the auxiliary organization instead of by the college under usual district procedures;

(3) The areas of authority and responsibility of the auxiliary organization and the college;

(4) The facilities to be made available, if any, by the district to permit the auxiliary organization to perform the functions specified in the implementing regulations or written agreement;

(5) The charge or rental to be paid to the district by the auxiliary organization for any district facilities used in connection with the performance of its function. The charge or rental specified shall not require involved methods of computation, and should be identified in sufficient time before its incurrence so that the auxiliary organization may determine to what extent it shall be liable therefor;

(6) Full reimbursement to the district for services performed by district employees under the direction of the auxiliary organization. ~~No more than 50% of the r~~ Reimbursement by an auxiliary organization may be made in the form of non-monetary benefits that the auxiliary organization provides to a community college district, such as increased community awareness or other such benefits that are agreed upon by district officials and the auxiliary organization. ~~Such non-monetary benefits shall be assigned a good-faith reimbursement value by the district.~~ The district shall accord such non-monetary benefits their fair market value as reported in the auxiliary organization's annual audited statement of financial conditions pursuant to subdivision (d). Methods of proration where services are performed by district employees for the auxiliary organization shall be simple and equitable;

(7) A simple and stable method of determining in advance to what extent the auxiliary organization shall be liable for indirect costs relating to federally-sponsored programs;

(8) The responsibility for maintenance and payment of operating expenses;

(9) The proposed expenditures for public relations or other purposes which would serve to augment district appropriations for operation of the college. With respect to expenditures for public relations or other purposes which would serve to augment district appropriation for the college, the auxiliary organization may expend funds in such amount and for such purposes as are approved by the board of directors of the auxiliary organization. The governing board shall name a designee who shall file with the governing board a statement of auxiliary organizations' policies on accumulation and use of public relations funds. The statement will include the policy and procedure on solicitation of funds, source of funds, amounts, and purpose for which the funds will be used, allowable expenditures, and procedures of control;

(10) The disposition to be made of net earnings derived from the operation of facilities owned or leased by the auxiliary organization and provisions for reserves;

(11) The disposition to be made of net assets on cessation of the operations under the agreement; and

(12) Provisions which require a covenant of the auxiliary organization to maintain its existence throughout the period of the agreement and to operate in accordance with sections 72670-72682 of the Education Code, and with the regulations contained in this subchapter as well as district implementing regulations.

In addressing the requirements of this subdivision in its district implementing regulations, a district may provide for such requirements in a written agreement or agreements with an auxiliary organization. The agreement shall provide for all requirements of this subdivision which have not been addressed in the district implementing regulations. Notwithstanding subdivision (e) of section 59255, if the requirements of this subdivision are provided for in the written agreement rather than the district's implementing regulations, the auxiliary organization may not be recognized by the district until the agreement is submitted to the Chancellor for approval.

Note: Authority cited: Sections 66700, 70901 and 72672, Education Code. Reference: Article 6 (commencing with Section 72670), Chapter 6, Part 45, Education Code.

FOUNDATION *for* CALIFORNIA
COMMUNITY COLLEGES

*Benefiting, Supporting, and Enhancing
the California Community Colleges*

1102 Q Street, Suite 4800
Sacramento, California 95811-6549
Toll-Free Telephone: 866.325.3222
Facsimile: 916.325.0844

www.foundationccc.org

April 10, 2019

Eloy Ortiz Oakley
Chancellor
California Community Colleges
1102 Q Street
Sacramento, CA 95811

Subject: In Support of a Revision to Current California Code of Regulations Title 5 – Auxiliary Organizations Cash Reimbursement Requirement

Dear Chancellor Oakley,

I am writing in support of a proposal from the Network of California Community College Foundations (Network) to revise language in current California Code of Regulations Title 5 related to cash reimbursement requirement of auxiliary organizations. Current regulation language includes a clause stating "No more than 50% of the reimbursement by an auxiliary organization may be made in the form of non-monetary benefits that the auxiliary organization provides to a community college district, such as increased community awareness or other such benefits…" This Title 5 provision is more restrictive than the Education Code statute (commencing with *EDC 72670*) as it limits "non-monetary" reimbursements. This limitation is not contained in Education Code, which does not specify cash or non-monetary reimbursement percentage levels. This Title 5 restriction is difficult for local foundations to meet and strains what should be a synergistic relationship between districts and their foundations. Most importantly, revising the cash reimbursement requirement will support a collaborative and mutually beneficial relationship between districts and foundations and help move the system forward to meet the goals of the *Vision for Success*.

College foundations are key partners in closing the regional achievement gaps identified by the *Vision for Success*. Our work with the Network has given us an understanding of the negative effects this 50% reimbursement rule has, especially on smaller foundations or those operating in rural areas in our state. These smaller operations often have little or no endowment funds and must fundraise each year to support their own operating costs in addition to providing support to colleges in the form of scholarships, faculty grants, public relations, community outreach, and more. I believe removing this cash reimbursement requirement will give districts and foundations flexibility in how they formalize their relationship. This ability to adapt based on local needs will help districts and foundations to partner and raise more funds in support of their community's colleges and students.

In short, I support removal of the limitation of "non-monetary" reimbursements by local foundations to their districts. This would be accomplished by eliminating the 50% limitation. Thank you for your leadership on this important issue affecting our community college foundations' ability to fundraise in support of the goals outlined in the *Vision for Success*.

Sincerely,

Keetha Mills

Keetha Mills
President and Chief Executive Officer

Network of California
Community College
Foundations

April 10, 2019

Eloy Ortiz Oakley
Chancellor
California Community Colleges
1102 Q Street
Sacramento, CA 95811

Dear Chancellor Oakley,

On behalf of the Network of California Community College Foundations (NCCCF), I would like to call your attention to a problematic provision of Title 5 California Code of Regulations governing the fiscal relationship between local foundations and the colleges they support.

As presently written, Subsection (J) (6) of 5CCR Section 5927 requires *"full reimbursement to the district for services performed by district employees under the direction of the auxiliary organization."* Further, the subsection reads, *"no more than 50% of the reimbursement by an auxiliary organization may be made in the form of non-monetary benefits that auxiliary organization provides to a community college district, such as increased community awareness or other such benefits that are agreed upon by district officials and the auxiliary organization."*

The above-noted Title 5 provision is more restrictive than Education Code statutes insofar as it limits "non-monetary" reimbursements, a limitation not contained in Education Code (which makes no mention of cash reimbursement). This more restrictive interpretation is proving difficult for local foundations to meet and is putting a strain on the relationship between districts and their foundations, one that is necessary to move the system forward to meet the goals contained in the *Vision for Success*.

<u>We support removal of the limitation of "non-monetary" reimbursements by local foundations to their districts</u>. Removal of such limitation will allow these matters of reimbursement to be negotiated by each college foundation and its district through a written Master Service Agreement (MSA). MSAs are negotiated between both parties and take into account the unique relationship between each district and auxiliary foundation. But, as currently written, the Title 5 Regulation stifles the ability of locals to fully negotiate their own agreements.

Local foundations are in a unique position to positively affect elements of the *Vision for Success*. They are poised to assist with closing achievement gaps by raising more private support and aligning those funds with student supports. Promise programs, student scholarships, emergency grants and textbook vouchers have been supported by community college foundations for some time. With increased flexibility to meet reimbursement requirements, more of the funds raised by our foundations can be directed to these student support efforts.

Likewise, our college foundations are supportive of faculty professional development and program innovations through grant making efforts at the campus level. Using more of the private resources raised for these purposes will further help our colleges to meet the needs of faculty, and in turn, our students.

Network of California
Community College
Foundations

In order for our system to reach the ambitious goals set forth in the *Vision for Success*, we will need to elicit support from every unit on our college campuses. Our college foundations, through their abilities to partner with corporate, alumni and community donors, can provide much needed private support for this effort. Let us reduce restrictions on our foundations so they can increase that support.

Thank you for your consideration of this matter and for your support of students throughout the community college system. Our NCCCF Board of Directors appreciates your support of the local foundations throughout California.

Sincerely,

George Boodrookas, Ed.D.
President, Network of CA Community College Foundations
Executive Director, Modesto Junior College Foundation

April 17, 2019

Eloy Ortiz Oakley
Chancellor
California Community Colleges
1102 Q Street
Sacramento, CA 95811

Dear Chancellor Oakley,

We, the undersigned CEOs of California community colleges and districts, would like to call your attention to a problematic provision of Title 5 (California Code of Regulations) governing the fiscal relationship between local foundation and the colleges they support.

As presently written, Subsection (J) (6) of 5CCR Section 5927 requires *"full reimbursement to the district for services performed by district employees under the direction of the auxiliary organization."* Further, the subsection reads, *"no more than 50% of the reimbursement by an auxiliary organization may be made in the form of non-monetary benefits that auxiliary organization provides to a community college district, such as increased community awareness or other such benefits that are agreed upon by district officials and the auxiliary organization."*

The above-noted Title 5 provision is more restrictive than Education Code statutes insofar as it limits "non-monetary" reimbursements, a limitation not contained in Education Code (which makes no mention of cash reimbursement). This more restrictive interpretation is proving difficult for local foundations to meet and is putting a strain on the relationship between districts and their foundations, one that is necessary to move the system forward to meet the goals contained in the *Vision for Success*.

<u>We support removal of the limitation of "non-monetary" reimbursements by local foundations to their districts. This would be accomplished by eliminating the 50% limitation.</u> Removal of such limitation will allow these matters of reimbursement to be negotiated by each college foundation and its district through a written Master Service Agreement (MSA). MSAs are negotiated between both parties and take into account the unique relationship between each district and auxiliary foundation. But, as currently written, the Title 5 Regulation stifles the ability of locals to fully negotiate their own agreements.

Local foundations are in a unique position to positively affect elements of the *Vision for Success*. They are poised to assist with closing achievement gaps by raising more private support and aligning those funds with student supports. Promise programs, student scholarships, emergency grants and textbook vouchers have been supported by community college foundations for some time. With increased flexibility to meet reimbursement requirements, more of the funds raised by our foundations can be directed to these student support efforts.

Likewise, our college foundations are supportive of faculty professional development and program innovations through grant making efforts at the campus level. Using more of the private resources raised for these purposes will further help our colleges to meet the needs of faculty, and in turn, our students.

In order for our system to reach the ambitious goals set forth in the *Vision for Success*, we will need to elicit support from every unit on our college campuses. Our college foundations, through their abilities to partner with corporate, alumni and community donors, can provide much needed private support for this effort. <u>Let us reduce restrictions on our foundations so they can increase that support</u>.

Thank you for your consideration of this matter and for your support of students throughout the community college system.

Sincerely,

Dr. Brian King
Chancellor
Los Rios Community Colleges District

Brent Calvin
President
College of the Sequoias

Dr. Elliot Stern
President
Saddleback College

Ed Knudson
Superintendent/President
Antelope Valley College

Dr. James Houpis
President
Modesto Junior College

Dr. David Viar
Superintendent/President
Glendale Community College

Dr. Glenn Roquemore
President
Irvine Valley College

Dr. Dianne G. Van Hook
Chancellor
Santa Clarita Community College District

Dr. Kevin G. Walthers
Superintendent/President
Allan Hancock College

Samia Yaqub, Ph.D.
Superintendent/President
Butte-Glenn Community
College District

Dr. Dena P. Maloney
President
El Camino College

Jill Stearns, Ph.D.
Superintendent/President
Cuesta College

William Duncan
Superintendent/President
Sierra College

CONSULTATION COUNCIL | Digest

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

Item: Divisions List Revisions Summary Update

Date: June 20, 2019

Contact: Dr. Alice Perez, Vice Chancellor of Educational Services & Supports

ISSUE

The Academic Senate for California Community Colleges (ASCCC) held two hearings, at Fall and Spring Plenary Sessions in 18-19, to review the request for a change to the Disciplines List to include Homeland Security. This is being brought forth as an information item for Consultation Council to review and provide feedback on the process.

BACKGROUND

Every year the Academic Senate for California Community College conducts a review of the Disciplines List, which establishes the minimum qualifications for the faculty of California community colleges. The annual process was implemented following the adoption of Resolution 10.01 F16 (www.asccc.org/resolutions/annual-consideration-disciplines-list-proposals). Disciplines List revision proposals received by September 30th that meet all the required criteria will undergo a first hearing at the fall plenary session immediately following the submission deadline, and may be considered for approval by the delegates at the following spring plenary session. The annual review cycle begins each February.

FEEDBACK/QUESTIONS FOR COUNCIL

The Chancellor's Office would like feedback on the review process.

ATTACHMENTS

1. ASCCC Disciplines List Revision Proposals

Item 10, Attachment 1

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ACADEMIC SENATE FOR CALIFORNIA COMMUNITY COLLEGES DISCIPLINES LIST REVISION PROPOSALS

October 3, 2018

Information for Proposed Disciplines List Changes

Italics indicate a proposed addition -- Strikeout indicates a proposed deletion
Notation of "Senate" or department name after listing of position indicates that the college senate or department took a position; otherwise position is that of an individual.

SECTION I: REVISIONS TO DISCIPLINES (MASTER'S)

PROPOSAL #1:

Proposed Revision Discipline: Homeland Security
Organization: Rio Hondo College Academic Senate

CURRENT MINIMUM QUALIFICATIONS:
Add new discipline.

PROPOSED CHANGE:
Master's degree in Homeland Security, Emergency Management, Emergency Preparedness, Crises Management, Disaster Management, or Cybersecurity.
OR
the equivalent.

RATIONALE:
Homeland Security as a social concept has changed the American way of life since the Terrorist Attacks of September 11, 2001. Since this event, a new cabinet level department was created—the department of Homeland Security—to address the threats and hazards to the nation. Paralleling the national efforts to operationalize Homeland Security as a professional industry was the development of academic programs to educate and train individuals in the new and merging career fields that make up the Homeland Security Enterprise. Recognized by industry and academic leaders, the call for Homeland Security education needs to be answered by a community of Homeland Security experts in a unique academic discipline. While Homeland Security is often approached from an inter- or multidisciplinary approach in educational programs, there is a consistent view that the unique nature and requirements of Homeland Security qualify it as a separate discipline outside other public safety related disciplines.

CONSULTATION WITH PROFESSIONAL ORGANIZATION:

a. While developing the Homeland Security Degree program at Rio Hondo College, the program coordinators formed an Advisory Committee that supported the creation of the Homeland Security degree and program. Members of the Advisory Committee were comprised of officers from the Department of Homeland Security, law enforcement, and fire services. There were also members from the emergency medical services, and academicians from public safety disciplines. A copy of the minutes is attached to this proposal (Enclosure 1).

b. Rio Hondo College has been in discussions with key faculty at Citrus College and Coastline Community College about their respective Homeland Security/Emergency Management programs. The lead faculty for the Coastline Community College Emergency Management/Homeland Security program seconded this proposal.
c. The California Chancellor's Office Public Safety Education Advisory Committee (PSEAC) has been briefed of this proposal. The verbal feedback was positive for this proposal. The PSEAC is formed from faculty members from various colleges throughout the state that have public safety programs.

TESTIMONIES:

Testimonies can be in the form of written email, letters sent to the ASCCC Office, or oral testimonies made by individuals at the Spring 2019 Plenary Session.

Name	College/Organization	Testimony	Position
Anne Holiday	Coastline College	Support	Academic Senate President
Richard Weinroth	San Diego Continuing Education	Support	Senate President, San Diego Continuing Education
Erik Reese	Moorpark College	Support	Individual
Nicole DeRose	Chaffey College	Support	Individual
Kevin Mark	Glendale College	Support	Individual
Deborah Henry	Coastline College	Support	Individual
Michael Berke	San Jose City College	Support	Individual