



# Office of Government Relations

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## May 2015 Newsletter

### Upcoming Events:

May 14: May Revise Released

May 18-20: ACBO Spring Conference  
Hyatt Vineyard Creek  
Santa Rosa, CA

May 18-19: Board of Governors Meeting  
Sacramento, CA

May 22: Last Day for Policy Committees to Meet on House of Origin Bills

June 3-6: Classified Leadership Institute  
Tahoe City, CA

June 5: Last Day for Bills to Pass House of Origin

Follow bills tracked at:  
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Have an event you would like to highlight? Send event info to:  
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### Equity2015 - Inspiring Courageous Conversations



In 2010, the CCCT and CEOCCC boards adopted the Commission on the Future report *A 2020 Vision for Student Success*, which set as one of its three bold goals - *Equity: California's community colleges will eliminate the achievement gap*. Five years later, the League continues making strides towards this important goal providing

community college stakeholders with the tools needed to implement, integrate, and institutionalize student equity.

On May 6-7, the League hosted Equity2015 as an opportunity for the courageous conversations that are necessary to make progress towards eliminating racial and economic inequity in our colleges. Over 200 community college leaders and advocates gathered to build new momentum towards addressing issues of race and socioeconomic equity in our colleges and our state. While these issues are nothing new and have been discussed for decades, the Governor's proposal to fund another year of Student Equity Planning provides an opportunity to take effective campus practices to scale.

Dr. Ed Bush and Dr. Dyrell Foster led one of the sobering yet inspiring keynote sessions on how college stakeholders can foster "real" conversations, emphasizing that leaders need to be "color brave," not just color blind. A key takeaway was the reality that disparities are often created and maintained inadvertently through institutional policies and practices. However, colleges can address disparities by having ongoing open, authentic, truthful dialogue in an atmosphere of respect.



As part of his January budget proposal, Governor Brown proposed an augmentation of \$100 million for Student Equity Plan implementation. Between now and the June 15 budget deadline, League staff will work to reaffirm to legislators and legislative staff the merits of the proposal presented by the Administration. Our goal is to detail the research and scalable programs that will have an immediate impact on course completion and success rates through continued investment in Student Equity Plans.

## **New Growth Formula To Impact Your District**

Recently, the Chancellor's Office released the details of the new growth formula that will take effect in the 2015-16 fiscal year. As provided in last year's budget trailer bill language, SB 860 (Leno), this new growth formula will be driven by factors targeting unmet need in college districts.

As California's fiscal outlook improved, the Legislature and Administration began to focus on how colleges should grow as new funding became available to the community college system. It resulted in a change in statute which directed the Chancellor's Office to craft a growth formula that accounted for district demographics related to poverty and college attainment.

The new growth formula seeks to balance two key elements: 1) need based on local demographics, and 2) actual demand as demonstrated by the number of students served in previous fiscal years. The new formula does not change the current method in which unmet growth is allocated. Growth that is not captured by districts will continue to be distributed to those that have grown beyond their enrollment cap. In order to direct more resources to areas of the system with greater unmet need, factors of "need" will slightly outweigh demand in the new growth formula. Need is defined and dictated by the following three factors:

- Number of adults over the age of 25 without a college degree living in each district.
- Number of households below the poverty line living in each district.
- Number of unemployed adults living in each district.

While the League believes it is important to direct resources to populations with greater need, we share the concerns of the Chancellor's Office and districts that a prescriptive growth formula may not reflect the reality of enrollment at the district level. This change, however, is mandated in statute and the League is confident that the growth formula modification released by the Chancellor's Office is the most appropriate, given legislative parameters.

To see the memo on the new formula from Vice Chancellor Dan Troy, [click here](#). To see how your district might be impacted by this formula under scenarios for a statewide growth rate of 2% or 2.5%, [click here](#).

## **Legislators Weigh-In On Budget Priorities**

Throughout March and April, Assembly and Senate budget subcommittees met to discuss the Governor's January budget proposal and highlight some of their key budget priorities. The chart below compares the perspectives of each segment to those of the League.

**2015-2016 Proposed Budget Comparative Perspectives Chart (As of April 30, 2015)**

	<b>Governor</b>	<b>Assembly</b>	<b>Senate</b>	<b>LAO</b>	<b>League</b>
<b>SSSP &amp; Equity</b>	<ul style="list-style-type: none"> <li>• Augments by an additional \$100M for SSSP</li> <li>• Augments by an additional \$100M to Student Equity Plans</li> <li>• Brings total proposed amount for SSSP and Equity to \$471.7 million</li> </ul>	<ul style="list-style-type: none"> <li>• What is the right amount of funding for SSSP?</li> <li>• Equity funding can be used to increase overall funding for other categorical programs.</li> <li>• Continue monitoring the Student Equity Plan process to determine if it is working to narrow access and achievement gaps. Legislature may want to provide specific directions.</li> </ul>	<ul style="list-style-type: none"> <li>• Why does the Administration support increasing funding for SSSP and Equity Plans but not other categorical programs?</li> <li>• What are the most common types of actions colleges are undertaking to achieve student equity?</li> <li>• After May revise, would like to see how these resources can support child care, professional development, or the classroom experience.</li> </ul>	<ul style="list-style-type: none"> <li>• Rapid large augmentations proving difficult to absorb.</li> <li>• Governor’s approach too narrowly focused.</li> <li>• Recommend creating a student success block grant to consolidate seven similar categoricals.</li> <li>• Establish overall objectives and outcomes for categorical programs.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Support the Governor’s direction to close student achievement and equity gaps, per strategies identified in local Student Equity Plans.</b></li> <li>• <b>Support the proposed investment in Student Equity.</b></li> <li>• <b>Encourage continuation of momentum on college campuses to identify best practices that work for all students, from all backgrounds.</b></li> </ul>
<b>Base Allocation</b>	<ul style="list-style-type: none"> <li>• Proposes \$125 M General Apportionment base budget Increase</li> <li>• Provides Propose \$92 M for a 1.58% COLA, (likely to be revised at May Revision)</li> <li>• \$170 M contained in proposed budget left unallocate</li> </ul>	<ul style="list-style-type: none"> <li>• Governor’s Budget leaves many legislative priorities unaddressed.</li> <li>• Priorities include: increased funding for categorical programs, and funding for full-time faculty.</li> <li>• Subcommittee may wish to designate some unallocated funding to address legislative priorities and provide more</li> </ul>	<ul style="list-style-type: none"> <li>• Staff states that the Subcommittee may wish to designate some or all of the funding for specific purposes.</li> <li>• The Governor’s Budget leaves unaddressed many legislative priorities including: <ul style="list-style-type: none"> <li>- Increased funding for categorical programs;</li> <li>- Increasing the number of full-time faculty.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Asks legislature to consider how best to use \$295 M in total unallocated funds.</li> <li>• Supports proposed COLA increase.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Support the Governor’s proposal and strongly urge Legislature to maintain unallocated funds.</b></li> <li>• <b>The 1.58% COLA and \$125 million augmentation in the base allocation desperately needed for colleges to restore lost purchasing power, make a down payment on PERS and STRS increases,</b></li> </ul>

	<p>d by DOF (technical mistake); likely to be resolved at May Revise</p>	<p>transparency on how funding is spent.</p> <ul style="list-style-type: none"> <li>Other ideas for improving student outcomes deserve consideration: Full-time Faculty; Basic Skills Improvements; support for Foster Youth.</li> </ul>			<p>or pay for deferred maintenance, instructional equipment and other one-time costs.</p> <ul style="list-style-type: none"> <li>Support new May Revise funding to further increase base budget. Additional on-going funds can be used to meet legislative priorities such as full-time faculty and basic skills.</li> </ul>
<p><b>Enrollment Growth</b></p>	<ul style="list-style-type: none"> <li>Proposes \$107M for 2% Enrollment Growth.</li> <li>Eliminates Enrollment Growth line item in budget bill and merges growth dollars into main apportionment schedule.</li> <li>Reduces community college funding by \$47M</li> </ul>	<ul style="list-style-type: none"> <li>Data from May should give better information to determine enrollment growth allocation.</li> <li>Administration’s proposal to merge line items will make it more difficult for legislature and others to track enrollment growth.</li> </ul>	<ul style="list-style-type: none"> <li>While not part of the CCC budget, the Senate subcommittee is concerned that the transfer pipeline may be affected by lack of increased funding for UC and CSU.</li> </ul>	<ul style="list-style-type: none"> <li>Recommends restoring the enrollment growth schedule in the budget bill to ensure system transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>The League is grateful for Governor’s investment in serving new students at colleges and regions with growing demand.</li> <li>We support the modification to the new growth allocation formula crafted by the Chancellor’s Fiscal Working Group, which provides some predictability for enrollment planning and recognizes students’ right to choose their college.</li> </ul>

## May Revision Due Out May 14

Due to Proposition 98, K-12 education and community colleges are expected to receive a minimum of \$300 million in additional funding when the May Revision is released later this week. However, two questions have been under discussion over the past several weeks: 1) Can this year's expected budget surplus be more equitably shared between the education sector and the rest of California's services? and 2) How should legislators address the expiration of Proposition 30?

The Legislative Analyst's Office (LAO) has drafted a set of possible scenarios for sharing General Fund allocations to the non-Proposition 98 sector without violating Proposition 98 here: <http://lao.ca.gov/reports/2015/budget/scenarios/may-revision-scenarios-040715.pdf>

Meanwhile, *California Forward*, a nonpartisan organization devoted to improving government performance, is concerned that after Prop 30 sunsets in 2016, voters will still be enjoying California's growing economy without worrying about the decline predicted in the coming years. In place of supporting the alternate one-year scenarios presented by the LAO, *California Forward* will be seeking a long-term solution including overhaul of the entire tax system to produce a more stable, reliable, and consistent revenue system which will better cover the costs of California's other needs as well as smooth out the "roller coaster" revenues.

And, in the May 5 edition of the *Cabinet Report*, under the headline, "Schools should brace for another rough ride," Lee Funk noted that although the Great Recession officially came to an end in June 2009, it has only been in the last few budget years that legislation has attempted to return education funding levels to their level a decade ago. Currently both the housing and stock markets are exploding, leading to considerable growth of the General Fund, but reports from the US National Bureau of Economic Research indicate that national and state economies will be facing inevitable declines in the future. Funk suggests that, given the historic volatility of educational revenues, lawmakers and education leaders would be prudent to begin long-term fiscal planning that includes contingency plans for meeting the historical declines in educational revenues which are certain to come in the not-too-distant future.

## Momentum Increases Around Dual Enrollment

In order to continue crafting a dual enrollment partnership framework that can address the educational needs of students and those who will teach and serve them, AB 288 (Holden) – the College & Career Access Pathways Act (CCAP Act) – took critical amendments to provide demographic reporting, an employer of record, and strict parameters around serving students beyond a college's service area. These key amendments have led to increased support, including from two major K-12 organizations -- the California School Boards Association and the California Teachers Association.

To date, AB 288 has passed the Assembly Higher Education Committee and the Assembly Education Committee with unanimous support from legislators. As the bill approaches the Assembly Appropriations Committee, the League and the Chancellor's Office will make the case that dual enrollment provides cost savings to students, families and the state. Research shows

that, to the extent that students are earning college credits in high school or the program is reducing the need for remediation, there are significant savings for the state because it does not have to fund the higher costs of UC and CSU, or extensive community college remediation.

AB 288 seeks to reduce statutory restrictions that limit the development of dual/concurrent enrollment partnerships, and promote K-12 and community college concurrent enrollment partnerships that target a broader range of high school students than at present. AB 288 would authorize the governing board of a community college district to enter into a partnership with the governing board of a school district with the goal of developing seamless pathways from high school to community college for career technical education or preparation for transfer, improving high school graduation rates, or helping high school pupils achieve college and career readiness.

We thank the many colleges that have submitted resolutions in support and for reaching out to their K-12 partners to garner further support for this important educational model. As the bill continues to move through the legislature, the League can provide you an advocacy toolkit; contact Legislative Advocate Lizette Navarette ([Lizette@ccleague.org](mailto:Lizette@ccleague.org)). We have the opportunity to ensure more students will have early exposure and access to a college education!

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