

2018-19 California Adopted Budget
Student Centered Funding Formula

MPC Campus Forum
Friday, September 7, 2018
LF103

Presentation Topics

- Previous funding formula (SB 361)
- Governor's intent for new funding formula
- Mechanics of new funding formula
- Potential impact on MPC
- Possible action plans

Previous Funding Process

- Based on the 2006 Senate Bill (SB) 361:
 - California community college districts were funded on the **sum** of 2 measures –
 1. Base allocation (flat amount for each accredited college and state approved center)
 2. Workload measures - “FTES” (**F**ull-**T**ime **E**quivalent **S**tudents)
 - 1 FTES = any combination of 15 units
 - 1 FTES (15 units) earned the following workload rates (as of fiscal year 2017-18):
 - Credit courses: \$5,151 per 15 units
 - Non-credit courses: \$3,097 per 15 units
 - Enhanced non-credit courses: \$5,151 per 15 units

Governor's Intent for New Funding Process

(as stated in new CA Ed Code – 84750.4)

- The general purpose of the new funding formula will:
 - Encourage access for underrepresented students (BOG, Financial Aid)
 - Recognize the cost for additional support needed for low-income students (BOG, Financial Aid)
 - Reward colleges for moving the metrics in student success (completion)
 - Improves overall predictability of community college funding
 - Colleges may more readily plan and implement instruction and programs

New Funding Process

- California community colleges will be funded annually by 3 separate allocations:
 - Base allocation (FTES + campus & center allocation) – *previous funding formula*
 - Supplemental allocation (low-income student population) - *new*
 - Student success allocation (completion metrics) - *new*
- New funding structure will be phased in over the next 3 fiscal years:
 - 2018-19 total revenue = base 70%, low-income 20%, completion 10% (*year 1*)
 - 2019-20 total revenue = base 65%, low-income 20%, completion 15% (*year 2*)
 - 2020-21 total revenue = base 60%, low-income 20%, completion 20% (*year 3*)
- Calculation shall only apply to credit courses and credit revenue
 - Non-credit and enhanced non-credit funding will remain the same (FTES x workload rate = revenue)

Base Allocation (FTES)

- FTES will be determined using a 3 year rolling average
 - Previous method used only the actual FTES in the specific fiscal year
- Three year projected funding rates per 1 FTES (15 units):
 - 2018-19 - \$3,727
 - 2019-20 - \$3,387
 - 2020-21 - \$3,046
- 2017-18 MPC revenue in context:
 - 2017-18 Funding Rate per FTES = \$5,151
 - In 2018-19 – MPC receives \$1,424 less per FTES (\$9.0M) – Approx. 23% of MPC revenues

Supplemental (Low-Income/Equity) Grant

- Allocated to each district based on total points calculated annually
 - 1 point for each student who *receives* financial aid (Pell)
 - 1 point for each student who is *granted* an exemption for non-resident tuition (AB540)
 - Non-resident student who attended a CA high school for at least 3 years & earned diploma
 - 1 point for each student who *receives* a **Promise/Board Of Governors (BOG)** fee waiver
- Each point funded at **\$919** (adjusted upward for any future COLA increases)

Completion Grant

Allocated to each district based on total *duplicated* points accumulated

Completion Measures	<u>All Students</u> <i>Per Point: \$440 18/19, \$660 19/20, \$880 20/21)</i>	<u>BOG/Promise Students</u> <i>Per Point: \$111 18/19, \$167 19/20, \$222 20/21)</i>	<u>Pell Students</u> <i>Per Point: \$111 18/19, \$167 19/20, \$222 20/21)</i>
AA/AS	4	4	6
ADT	3	3	4.5
Credit Certificates (16+ units)	2	2	3
Transfer Math & English (Yr1)	2	2	3
Transfer	1.5	1.5	2.25
9+ CTE Units	1	1	1.5
Regional Living Wage	1	1	1.5

Possible Impact

Projected Revenue Impact

MPC will be funded at the highest of the following each year:

2018-19	2019-20	2020-21	2021-22 & Beyond
Student Centered Funding Formula \$37.2M	Student Centered Funding Formula	Student Centered Funding Formula	Student Centered Funding Formula
2017-18 Total Computational Revenue (TCR) \$38.9M	2017-18 Total Computational Revenue (TCR) Rates	2017-18 Total Computational Revenue (TCR) Rates	2017-18 Total Computational Revenue (TCR) Rates
2017-18 TCR adjusted for 18/19 Cost of Living (COLA) \$39.9M	2017-18 TCR adjusted for 18/19 & 19/20 COLA	2017-18 TCR adjusted for 18/19, 19/20 & 20/21 COLA	N/A

Projected Budget Impact

Assuming *no* changes in FTES, student demographics, and/or completions

Fiscal Year	Total Revenue	Total Expense	Surplus/ (Deficit)	STRS Compensation Percentage	PERS Compensation Percentage
2017-18 Budget	\$42.0M	\$42.0M	-	12.58%	16.05%
2018-19 Budget	\$43.5M	\$43.5M	-	16.28%	18.06%
2019-20 Projected*	\$44.5M	\$44.9M	(\$0.4M)	18.13%	20.80%
2020-21 Projected*	\$45.3M	\$45.7M	(\$0.4M)	19.10%	23.50%
2021-22 Projected	\$42.0M	\$45.8M	(\$3.8M)	18.60%	24.60%
2022-23 Projected	\$42.0M	\$45.8M	(\$3.8M)	18.10%	25.30%

* - Assumes a 2% COLA increase

Possible Action Plans

Possible Action Plans

- Assist part-time students in becoming full-time
 - Child care, transportation, student work and materials.
- Implementation of SIS Ed Plan
- FAFSA & Promise (BOG) marketing & processes
- Classroom materials
 - Rental laptops/calculators
 - Open educational resources
- Adjusting priority registration
 - Incentivize program progress and completion
- “15 to Finish” program
- Student re-engagement position
- Strengthen bridge between non-credit and credit programs
- College-wide “students first” evaluation team

Academic Affairs

Grow Enrollments:

- Grow Marina enrollments and obtain full "Center" status for Marina to increase base funding
- Get new enrollments online, evening and summer
- Increase online degree options
- Build pathways from Adult Education to MPC
- Expand "reverse transfer" especially during the summer.
- Implement scheduling software to improve room utilization
- Use waitlist data from current semester for schedule development in future semester/s
- Expand counseling services during the summer
- Expand summer bridge programs to all incoming freshman
- Offer bridge program in Early Spring
- Develop robust Alumni Network (of more recent graduates)

Improve Retention:

- Purchase copies of textbooks from grants and place on reserve.
- Establish college textbook policy. Example: Adopt textbook for two years minimum for all sections of a course.
- Establish college-wide tutoring program.
- Fund Supplemental Instruction program with categorical funds such as BSI
- Faculty professional development
- Develop Puente Program
- Establish "Study Zones" around campus - quiet study areas

Academic Affairs

Improve Completions:

- Get Chancellor's Office approval for MPC Certificates of Training to become Certificates of Achievement (completions included in MIS and student transcripts)
- Re-package curriculum into certificates when meaningful to industry and students.
- Streamline high-unit programs.
- Promote a 'Completion Culture'.
- Implement Guided Pathways
- Promote completion in all our classes and services.
- Discuss courses to enroll in for the next semester in each of our classes.
- Implement Degree Audit. Proactively contact students who are close to completion.

Other:

- Develop a strong Continuing Education program to serve the community we are not serving.
- Counselor-faculty partnerships improve enrollment, retention and completion.
- Marketing campaign "Be a MAJOR success!"; "Fifteen to Completion"; promote online degree completion
- Student clubs promote completion and transfer

Student Services

We provide RICH services, regardless of location or means of delivery, and students will be informed, engaged, and connected with the campus community.



Access

- Summer Bridge Programs
- Adult Education Presence
- Revamping Orientations
- California College Promise Grant
- Cash 4 College/HS Fin Aid Wkshops
- Dual Enrollment (AB 288)
- Join The Pack Day
- Applied/Not Enrolled Report

Retention

- Increased access to Emergency Grants
- Increased \$ to On-campus Work Study
- Increased \$ to Meal Plans
- Academic Supply Kits
- Expanded Textbook Lending Library
- Early Alert Program
- Probation/Dismissal Workshops
- Student Portal
- Follow-up Services
- Grad Guru
- Student Ambassadors
- Peer Mentor Programs
- Ed Plan Report (Ab. vs. Comp)
- Financial Aid (More \$ + Faster Process)

Completion

- Graduation Petitions (AA/AS+ Cert)
- UC/CSU application workshops
- University Tours
- Student Portal Announcements (40+ units)
- Implement Degree Audit System

Office of Advancement

- Identify and apply for grant funding for projects/programs that lead to improved retention, completion and transfer
- Continue supporting students financially with scholarships and through our Textbook Assistance and Emergency Assistance programs
- Collaborate with Student Services to continue recruiting and supporting low-income, full-time students through the Evans College Incentive Program
- Focus fundraising efforts on initiatives that lead to improved completion and transfer
- Raise community awareness and support for MPC as we adjust to the new model

Questions
