

DRAFT FOR CONSULTATION COUNCIL REVIEW

Introduction

The California Community Colleges is the largest system of higher education in the nation, composed of 73 districts and 115 colleges serving 2.1 million students annually. California Community Colleges provide career education and workforce training; transfer to four-year universities; and basic skills education.

Although access has long been a hallmark of the system, student success has only more recently become similarly emphasized. In 2017, the Board of Governors of the California Community Colleges accepted the *Vision for Success*, which identifies the North Star our system must follow if we are to meet the needs of California. It includes the following system-wide goals:

- 1) Increase by at least 20 percent the number of CCC students annually who acquire associate degrees, credentials, certificates, or specific skill sets that prepare them for an in-demand job.
- 2) Increase by 35 percent the number of CCC students system-wide transferring annually to a UC or CSU.
- 3) Decrease the average number of units accumulated by CCC students earning an associate's degree, from approximately 87 total units (the most recent system-wide average) to 79 total units.
- 4) Increase the percent of exiting CTE students who report being employed in their field of study, from the most recent statewide average of 60 percent to an improved rate of 69 percent.
- 5) Reduce equity gaps across all of the above measures by 40 percent within 5 years and closing those achievement gaps for good within 10 years.
- 6) Reduce regional achievement gaps across all of the above measures, with the ultimate goal of closing regional achievement gaps for good within 10 years.

The Vision for Success also reflects a set of commitments, as follows:

- 1) Focus relentlessly on students' end goals.
- 2) Always design and decide with the student in mind.
- 3) Pair high expectations with high support.
- 4) Foster the use of data, inquiry, and evidence.
- 5) Take ownership of goals and performance.
- 6) Enable action and thoughtful innovation.
- 7) Lead the work of partnering across systems.

Consistent with the focus on student success, the California Community Colleges have embarked on a set of changes aligned under the Guided Pathways framework and supported through the Student Centered Funding Formula. These reforms are aimed at better serving the "top 100 percent of students" that enroll in our colleges and ensuring colleges are provided flexible resources that incentivize student success.

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The 2019-20 Budget and Legislative Request adheres to the *Vision for Success*. It seeks to empower leaders at community colleges to design programs and support that best meet the needs of their students and local communities. This proposal builds on the 2018-19 budget, which requires districts to adopt goals aligned with the *Vision for Success* and to align comprehensive plans and local budgets with those goals. The 2019-20 state budget prioritizes resources for colleges to determine how best to meet the *Vision for Success* goals, while ensuring sufficient capacity at the Chancellor's Office to provide support along the way.

The 2019-20 budget and legislative cycles represent an important transition for the state. In November, Californians will elect a new Governor, and a new Legislature will be seated. The Board of Governors have an opportunity to articulate how the California Community Colleges can support the state's economic growth and serve the social and economic justice needs of all Californians.

Summary

Description	Action
1. Increases in Funding for the Student Centered Funding Formula	Additional appropriations consistent with growth in Proposition 98 guarantee.
2. Comprehensive Support for All Students	
Changes to the Cal Grant Program	Changes in statutes and associated General Fund appropriation.
Revised Allocations through the Student Equity and Achievement Program	Changes in statutes and additional appropriation.
California College Promise Grant	Changes in statutes and additional appropriation.
Resources to Support Outreach to Students	Additional appropriation.
Library Services	Additional appropriation.
3. Support for Educational Professionals	
Support for Classified Professionals	Changes in statutes and additional appropriation.
Pathways to Community College Teaching Pilot Program	Changes in statutes and additional appropriation.
4. Better Links to Future of Work	
Expand Apprenticeship and Work-Based Learning	Changes in statutes and additional appropriation.
Cross-Segmental Collaboration for Identified Shortages	Changes in statutes and additional appropriation.
5. Statewide Leadership for Educational Equity	

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Data Systems	Changes in statutes and additional General Fund appropriation.
Integration of Statewide Support Programs	Changes in statutes.
Augmentations for Chancellor's Office	Additional appropriations.

Process

The California Constitution specifies that money may be drawn from the Treasury only through an appropriation made by law. The annual budget act is a bill that serves as the primary authority for expenditures (accounting for about two-thirds of appropriations). Bills providing for appropriations related to the budget act (known as Budget Trailer Bill Language) are typically enacted with the budget. Existing law requires the Board of Governors, in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, to develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature.

The Legislature also makes policy through bills and resolutions considered in the legislative process. The standing orders of the Board of Governors also generally require the Chancellor to seek the advice of the Consultation Council regarding positions on state legislation.

The Chancellor's Office has worked to better integrate the Chancellor's Office's advocacy before the Governor and the Legislature; efforts are led by the Governmental Relations and College Finance and Facilities Planning divisions. Consistent with the Chancellor's Office approach over the past year, the office is producing a single request that would guide advocacy as part of both the budget and policy bill processes. This request was developed with a focus on proposals that advance the *Vision for Success*.

The timeline for the development of this request was presented to the Consultation Council at the May 17 meeting, and members of Consultation Council were invited to submit proposals for consideration by June 29. The submissions were presented at the Consultation Council meeting on July 19; the submissions were also subsequently provided to the members of Consultation Council via an online link. The proposals include increases in base funding, changes in academic programs, changes in personal-related programs (including faculty-related programs), changes in programs related to educational services, and facilities improvements.

In considering these requests, the Chancellor's Office generally applied the following criteria:

- The extent to which the proposal furthers the *Vision for Success*.
- Whether the proposal is statewide in nature.
- Whether the justification for state intervention is compelling.
- The extent of the evidence that the proposal would be effective in addressing an identified problem.

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- The extent to which the proposal is consistent with prior statements of BOG policy.
- The extent to which the proposal aligns with interests of the Governor and legislators.
- In addition to the proposals submitted from system stakeholders, the Chancellor has also considered other priorities for the system.

The following priorities and recommendations follow from that review.

Priorities

1. Increases in Funding for the Student Centered Funding Formula

The 2018-19 budget began a transition for the California Community Colleges to the Student Centered Funding Formula. The new formula calculates apportionments generally using three calculations: (1) a base allocation, which largely reflects full-time equivalent enrollment; (2) a supplemental allocation, which will allocate funds based on the numbers of students who received a College Promise Grant, students who received a Pell grant, and AB 540 students; and (3) a student success allocation, which will allocate funds for outcomes related to student success. Specifically, these outcomes are completion of ADTs, completion of associate degrees and baccalaureate degrees, completion of credit certificates, completion of transfer-level mathematics and English within first academic year of enrollment, transfer to four-year universities, completion of nine or more career-technical education (CTE) units, and attainment of regional living wage. The formula also provides "premiums" for outcomes of College Promise Grant recipients and Pell Grant recipients. Under this new model, noncredit FTES (and some other FTES) would be funded at current rates.

The Board of Governors requests an increase in funding for the Student Centered Funding Formula to increase the rates provided through each of the allocations. (This request is in addition to the cost-of-living adjustments and other baseline adjustments that are typically made for community college apportionments.) In approving this request, the state would recognize increases in the districts' operating expenses while providing them with discretionary resources to achieve their locally-adopted goals. Although the amount of funds allocated for these purposes would be based on the size of the increases in the Proposition 98 minimum guarantee, this request represents the highest priority for additional Proposition 98 funds.

2. Comprehensive Support for All Students

Changes to the Cal Grant Program to Better Serve Community College Students

While funding for the state's Cal Grant program is not part of the California Community Colleges' budget, expansion of financial aid for community college students is a key component of achieving the goals outlined in the *Vision for Success*. Two-thirds of California's higher education students attend a community college. However, only six percent of the total funding awarded by the Cal Grant program goes to community college students. This disparity is a function of the program's current design. Specifically, for most students, the maximum award is

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linked to the costs of tuition and fees charged by the institutions. Further, the program entitles awards to recent high school graduates who meet certain academic requirements. Only a limited number of awards are available to students who do not meet the entitlement criteria; to enter the competition, students must be no older than 28 years of age.

Given the importance of the state's need to support equity and access, the Board of Governors proposes to prioritize changes to the Cal Grant program, as follows:

- 1) Redesign the Cal Grant program to link the maximum awards to the total cost of attendance (rather than tuition).
- 2) Entitle students to awards based on the student's financial need as defined by the expected family contribution (rather than the recency of their high school graduation, their prior grades, and their age).
- 3) Extend the Cal Grant to all certificate and associate degree programs at community colleges, regardless of whether the programs are career education or transfer oriented.

These reforms should be the beginning of a longer discussion about college affordability in California.

Allocations through the Student Equity and Achievement Program

Historically, the Legislature and the Board of Governors have attempted to address the needs of special populations through narrow categorical or grant funds that establish program design and expenditure restrictions. The *Vision for Success* calls on the Chancellor's Office to change this approach, with a greater focus on student outcomes rather than on central monitoring of inputs. The *Vision* encourages the Board of Governors to prioritize flexibility and results over front-end restrictions when possible.

As discussed, and aligned to the *Vision for Success*, the 2018-19 budget consolidated three previous categorical programs (Student Success and Support Program, Student Equity Plans, and the Basic Skills Initiative) into a streamlined Student Equity and Achievement Program. This program is intended to allow districts adequate flexibility to support students—especially those with the greatest needs—in meeting the outcomes included in the Student Centered Funding Formula.

The Board of Governors requests any increases in funding for special populations to be made through the Student Equity and Achievement Program and authority to establish a methodology for allocation of funds appropriated for the program that respects local expenditure and program design flexibility while ensure appropriate financial incentives for meeting the goals of the *Vision for Success*.

California College Promise Grant and Program Framework

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In 2017, the Board of Governors changed the name of the Board of Governors Fee Waiver to the California College Promise Grant (CCPG). This change sought to take advantage of the power of students' recognition of college "promises." Subsequently, the Legislature approved AB 19 to create the California College Promise to establish a framework that maximizes access to existing financial aid programs, encourages colleges to engage in evidence-based student success strategies, and authorizes funding to be used to support one year of free tuition for first-time, full-time students who do not qualify for the CCPG. In recent months, the Chancellor's Office has identified a need to provide students, families, communities and colleges with accurate and complete information regarding the California College Promise and the CCPG.

The Board of Governors requests funds to support a California College Promise outreach and education regarding the CCPG and Promise frameworks.

Resources to Support Transfer Awareness Campaigns

The California Community Colleges must help students understand the options available to them once they leave the community colleges—including transfer to a range of institutions. The Associate Degree for Transfer provides a "degree with a guarantee" to the California State University, the California Community Colleges, the California State University, the University of California, Western Governors University, historically Black colleges and universities (HBCUs), and other four-year independent colleges and universities.

The Board of Governors requests appropriations for a new college awareness campaign. The intent is to help these institutions meet their transfer goals. The awareness campaign will aim to reach the 2.1 million students currently attending community colleges, as well as the nearly two million high school students in California.

The California community colleges have seen success with these types of campaigns in the past. Since the launch of the current Associate Degree for Transfer campaign in spring 2017, there have been more than one million new users to the ADegreeWithAGuarantee.com website, a ninety-eight percent increase over the 2016 numbers prior to the campaign.

Library Services

The CCC Library Services Platform (LSP) aims to allow all college libraries to transition to a state-of-the-art cloud-based library services platform. The state funded planning for this project through \$6 million Proposition 98 General Fund appropriated with the 2017 budget. These funds have allowed for the selection of a vendor and implementation of the new system at all college libraries that choose to participate. The first year focused on the request and selection of a vendor. The second year focuses on implementation and training.

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The Board of Governors requests \$4 million annually for five years beginning in 2019-20 (\$20 million total) for support of this system wide instructional project.

3. Improved Quality through Support for Education Professionals

Support for Classified Employees

AB2558
follow-up?

Professional development benefits students by assuring the growth and improvement of the skills and abilities of the employees who work directly with students. Classified staff are the backbone of the California Community Colleges and are instrumental in creating a positive educational experience for our students. The engagement and participation of classified employees is key to achieving the bold goals outlined in the *Vision for Success* and the comprehensive and transformative changes required by the Guided Pathways framework.

The Board of Governors requests \$10 million ongoing to provide professional development to classified staff aligned to the goals of the *Vision for Success* and the pillars of the Guided Pathways framework.

Pilot Program to Improve Faculty Diversity

The *Vision for Success* commits the system to cutting achievement gaps by forty percent within 5 years and fully closing those achievement gaps within 10 years. Recent data (fall 2017) shows that more than half of students indicate they are from underrepresented minority groups, while less than a quarter of full-time faculty identify with those groups. Colleges have a responsibility to establish a workforce that is continually responsive to the needs of our diverse student population. Studies have shown the educational benefits of a diverse faculty on student success.

The Board of Governors requests \$15 million one-time for the Pathways to Community College Teaching Pilot Program. The pilot would explore a new approach to create a pipeline for California community college students to become faculty within the community college system. The pipeline would include mentorship and training students after they have transferred to four-year universities, guaranteed admission into participating graduate schools (with further support), faculty internships at community college districts, and graduate program financial aid support if the participant agrees to teach at a community college for a period of years upon graduation.

4. Better Links to the Workforce

Expand Access to Apprenticeship and Work-Based Learning Opportunities

Apprenticeships and work-based learning programs are proven strategies for supporting nontraditional students and providing the “earn and learn” opportunities that prepare students to meet the education and training needs of the changing California economy. There is a

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growing need for these types of partnerships in sectors like advanced manufacturing, energy, health, information technology and hospitality.

The Board of Governors requests \$20 million one-time for new and innovative apprenticeship and work-based learning programs aligned to the Guided Pathways framework. The Chancellor's Office would provide grant funding to colleges to support public and private partnerships that leverage quality community colleges courses and programs to create training programs that allow students to "earn and learn".

Cross-segmental Collaboration to Address Workforce Shortages

The Board of Governors requests \$5 million one-time for a pilot program to support cross-segmental partnerships that address local or regional workforce needs in credential and degree fields that fall outside of the scope of authorized community college program offerings. The Chancellor's Office would administer grants on a competitive basis, with a particular focus on addressing health care workforce and teacher credential shortages.

5. Statewide Leadership for Educational Equity

Longitudinal Data System from K-12 through Workforce

A core commitment of the *Vision for Success* is to use data and evidence to drive decisions across our system. While the Chancellor's Office has experienced success in negotiating cross-segmental agreements and individual MOUs to support data sharing and longitudinal data access, there are significant limitations. It is generally only after months of legal negotiations and technology work that data sharing occurs. Efforts are often unsuccessful, largely because of questions regarding proprietary rights, liability under federal and state privacy law, and individual agency priorities and workloads. The Board of Governors proposes to support the Administration and Legislature in establishing a longitudinal student data system that meets the following criteria:

- Clear goals and principles that support bi-directional data flow for the purpose of supporting colleges in helping students be more supported and successful from K-12 into the workforce.
- Transparent rules that govern privacy, security, and authorized access and use. Rules should ensure data is shared in all directions and that no single party should control access. Consistent legal interpretation of privacy laws like FERPA will ensure those laws are not used as a means to control or deny access inappropriately.
- A system that supports the research application of data sharing as well as allows for access to real-time individual student level data that can be used to provide intervention and support for students.

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Integration of Support for Chancellor's Office Leadership of Statewide Initiatives

Currently, the state budgets several statewide activities through "set-asides" in various categorical programs. Because they are budgeted separately, they can be difficult to manage strategically in support of the *Vision for Success*.

The Board of Governors requests changes in statutes that would integrate those into a single funding source. Further, the Board requests authority for the Chancellor's Office to expend those funds directly. These changes would allow the state to more strategically use funds intended for statewide leadership and support.

Recent budgets have support additional resources for state operations at the Chancellor's Office. The office continues to review its administrative capacity, given major new initiatives that have been authorized in recent years and its shift to an organization focused more on building capacity at the local level. The office is organizing these under the *Guided Pathways* framework.

The Board of Governors requests an additional \$2 million for the state operations. These funds would help the Chancellor's Office provided guidance around the development of local goals, plans aligned with those goals, and budgets in support of those plans.

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