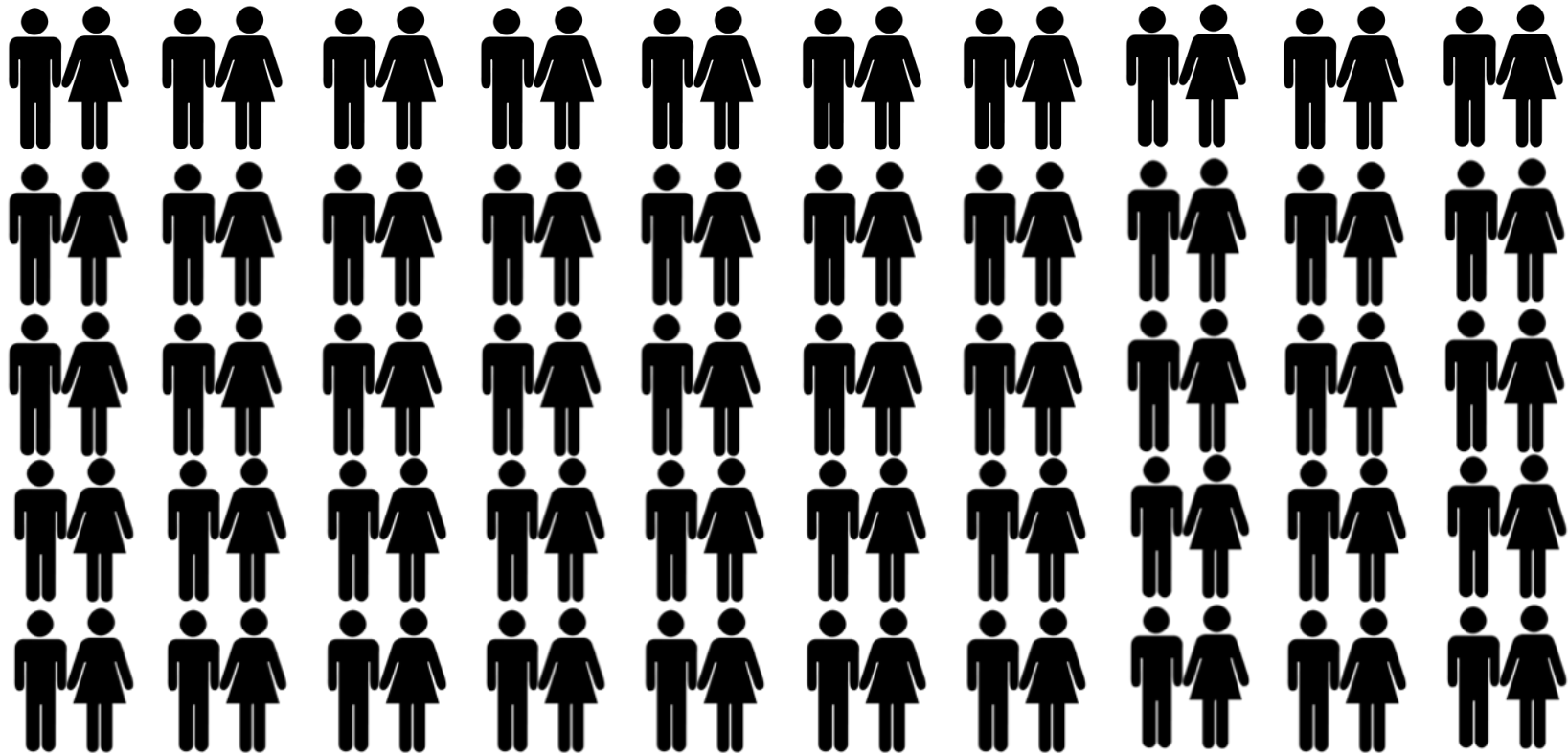Community College League of California

2018 Annual Legislative Conference

GOVERNMENT RELATIONS UPDATE

WE
Serve California's College Students!

74% at California's Community Colleges

How Can We Leverage Our Collective Voice?

Advocacy!

- *Federal Priorities*

- *Budget Update*

- *League Policy Priorities*

- *Working Together: Leveraging Our Collective Voice*

- *Q & A*

Community College League of California

What is the League?

- The League promotes student access and success by strengthening colleges through leadership development, advocacy, policy development, and district services.

- Two advisory boards – the California Community College Trustees, and the CEOs of the California Community Colleges

- Represent 113 colleges, 448 trustees and 136 CEOs.

Federal Priorities

Community College

League of California

Federal Priorities: Deferred Action for Childhood Arrival

- Spending deal set a deadline of acting on a potential deal regarding immigration reform by February 8th.

- League call for action – get ready!

- DACA Principles:
  - Codify protections into federal law.
  - Path to citizenship for students.
  - Permit DACA recipients to receive federal financial aid.

Federal Priorities: Higher Education Act

- PROSPER Act
  - House floor

- Senate Higher Education and Labor Committee Hearings on:
  - Access and Innovation
  - Financial Aid Application Simplification
  - Accountability

Federal Priorities: PROSPER Act – House Version of HEA

Contains some positive policy reforms, but if enacted will hurt your institution's ability to increase student success, access and equity.

Concerns:

- Increased liability for unearned Title IV (federal financial aid) funds.
- Elimination of Title III-A Grants
- Reduction of financial aid resources for students.
  - Elimination of Supplemental Educational Opportunity Grants.
  - Elimination of time based and public loan systems

Support:

- Full time incentive grant of $150 per semester for Pell recipients taking at least 15 units a semester.
- Students in short-term programs eligible for prorated Pell Grants.
- Reforming distribution of federal work study funds.

Federal Priorities: Higher Education Act

The Higher Education Act governs programs that are essential to helping keep college affordable for our students. Below are key principles should be contained within any reauthorization the act.

Pell Grants: Essential to Keeping College Affordable

- ✓ Reinvest Pell Grant surplus back into programs.
- ✓ Index Pell Grant award to inflation.
- ✓ Make students in short term programs eligible for Pell Grants.
- ✓ Simplify FASFA Form
- ✓ Increase Pell Grant eligibility from 12 semesters to 14.

Regulatory Relief: Let Colleges Focus on Education

- ✓ Create a federal six year graduation rate for community colleges.
- ✓ Ensure that any new rules regarding loan default rate contains flexibility for institutions with low numbers of borrowers.
- ✓ Implement a federal student unit record system.
- ✓ Align various reporting and outcome standards

State Budget Update
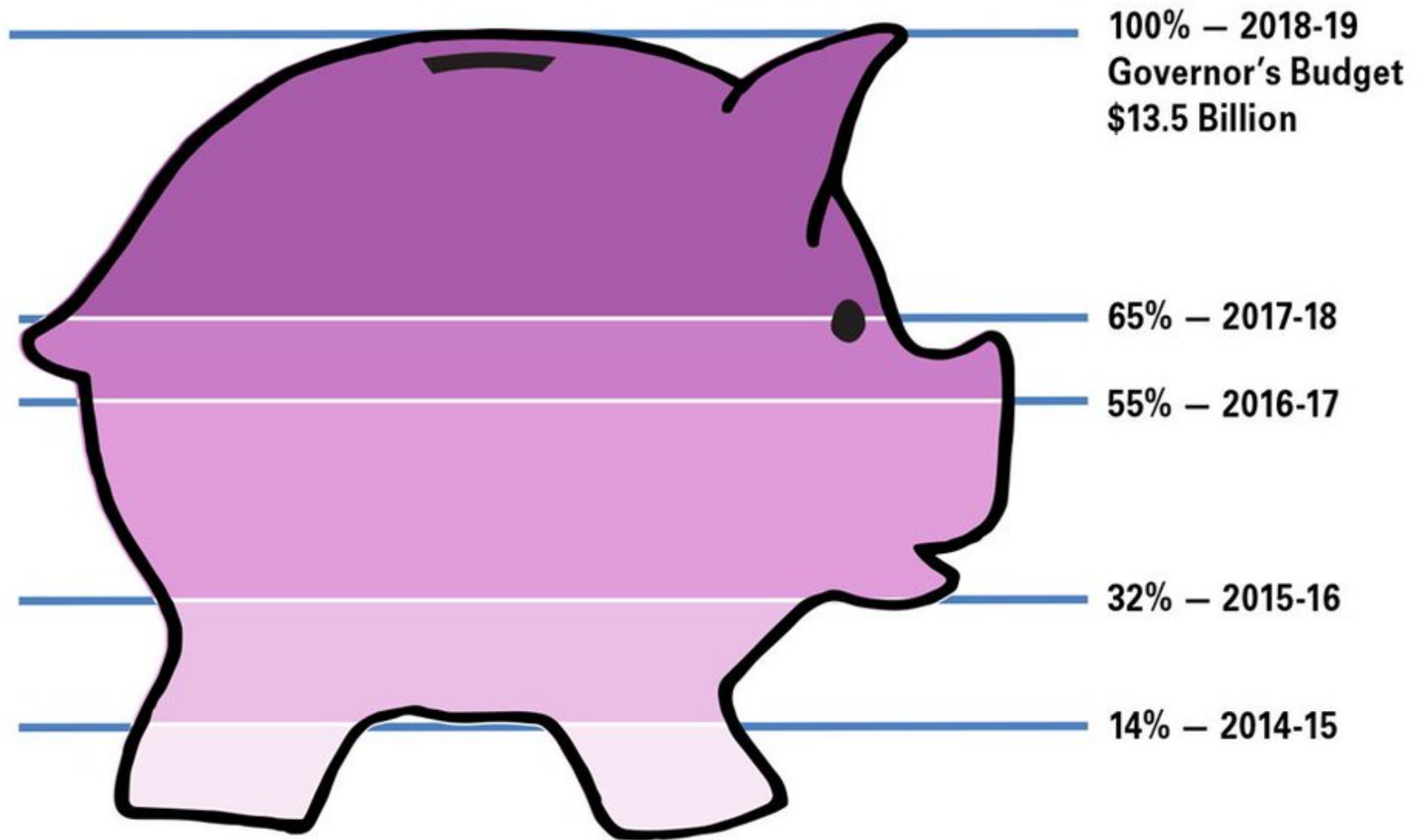
Community College

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Hang In There –
It Will Be Alright!

Filling Up the Rainy Day Fund Before the Next Recession

100% — 2018-19
Governor's Budget
$13.5 Billion

65% — 2017-18

55% — 2016-17

32% — 2015-16

14% — 2014-15

State Budget: The Big Picture

Education makes up half of state spending.

2018-19
General Fund Expenditures
(Dollars in Millions)

- K-12 Education ($55,167) 41.9%
- Higher Education ($15,450) 11.7%
- Other ($8,846) 6.7%
- Natural Resources ($3,029) 2.3%
- Health ($28,315) 21.5%
- Human Services ($9,068) 6.9%
- Corrections and Rehabilitation ($11,815) 9.0%
- CCCs $9.2B
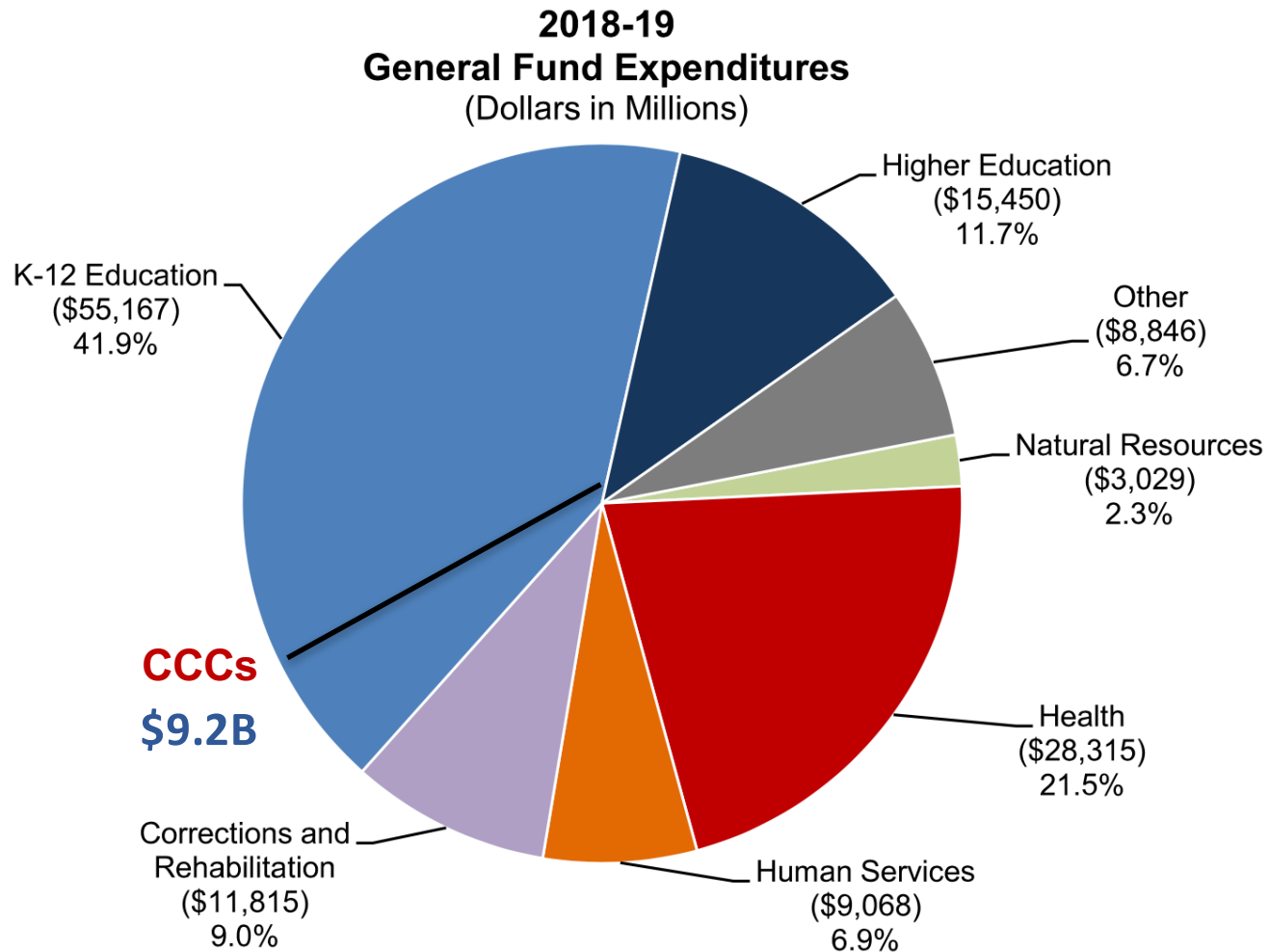
This year's primary budget discussion...

How will federal decisions impact California's budget?

State Budget: Community College

CCC Budget Overview

California Community Colleges	
Ongoing	
Increase apportionment funding and implement new allocation formula	$396
Fund AB 19 fee waiver program and consolidated financial aid program	79
Provide ongoing support for new online college	20
Make other ongoing augmentations	51
Subtotal	**($546)**
One Time	
Fund deferred maintenance and instructional materials	$275
Provide one-time support for new online college	100
Fund other one-time activities	53
Subtotal	**($428)**
Total	**$974**

Community Colleges: Primary Budget &Policy Proposals

Among other proposals, Governor Brown proposes 3 significant changes and notable expenditures in the 2018-19 budget:

Proposes new fully online community college targeting working Californians with no degree or credential

Proposes a new outcomes-focused funding formula

Asks stakeholders to provide recommendations for the consolidation of categorical programs

Growth

$60 Million or 1%

- Access resources help colleges meet the demand for classes.

- Growth funds provide more students with educational opportunities for success.

- The current proposal will allow us to serve approximately 25,000 more students.

COLA

$161 Million

Or 2.51%

- Provides necessary resources for ongoing costs and operations

- 2018-19 COLA will also be provided to the Adult Education Block Grant

Voter Will Not Honored

Fund Capital Outlay Projects

- In 2016, California voters approved a facilities bond providing a $2 billion infrastructure investment in California's community colleges.

- The proposed budget only funds five of 29 ready-to-go capital projects. Over $42 billion in facilities needs over the next 10 years, including $29.9 billion in unmet capital facility needs identified in the current Capital Outlay Plan.

Funds AB 19 Fee Waivers

- The budget provides $46 million to fund the fee waiver program established by (AB 19, Santiago).

- AB 19 authorizes fee waivers for all resident first-time, full-time students.

- The legislation allows colleges to use their program allotments for other purposes, such as providing more student support services.

Per-Student Funding

Also know as General Operating Funds

$175 Mil.
for the transition to a new formula

- General operating funds directly impacts the services we provide to help students persist and complete.

- Funds are conditioned on adoption of a new community college funding formula.

Student-Focused Funding

- Governor proposes a new allocation formula and provides $175 million to ensure no college receives less under the new formula than it would receive under current law.

- The new community college funding formula represents the most significant change to community college funding in many years.

Funding Formula:
Timing Is Everything

- Net systemwide growth in 2015-16 turned out to be only 0.4 percent.

- Net systemwide growth in 2016-17 was only 0.3 percent.

- 1/5 of districts met their enrollment targets last year.

- The need for a new funding formula is exacerbated by the fact that community colleges have lost nearly $80 million in enrollment growth over two years.

Formula Parameters

Hold Harmless Provision

During the first year of implementation, districts would be held harmless to 2017-18 levels.

- ***50%: Base Grants*** — District base grants based on FTES enrollment.

- ***25%: Supplemental*** — Supplemental grants based on the number of low-income students that the district enrolls reflecting two factors:
  - (1) enrollment of students who receive a College Promise Grant fee waiver (formerly known as the BOG Waiver) and
  - (2) enrollment of students that receive a Pell Grant.

- ***25%: Student Success Incentive Grant*** — Additional funding for: 1) the number of degrees and certificates granted and 2) the number of students who complete a degree or certificate in 3 years or less, 3) funds for each Associate Degree for Transfer granted by the college.

Categorical Consolidation

CCC Categorical Programs

- Funding restricted for specific purposes. Allocated to districts by program-specific formulas. Largest programs include Adult Education, SSSP, and Strong Workforce

- Supported by Proposition 98 General Fund

- Currently 27 Community College Categorical Programs

- The Governor does not propose elimination of Categoricals but rather <u>thoughtful consolidation</u>

Fully Online College

Expanding Public Online Options

- The budget includes $100 million one-time and $20 million ongoing for the creation of a new online community college.

- The college would create online programs aligned with industry needs and establish competency-based educational options.

- Target working adults who have a high school diploma but not a college degree or certificate.

California Online College

What We Know…

- BIG priority for Governor Brown
  - Included in State of State
  - Staff began advocacy
- One-Time Funds: $100 M
- Ongoing: $20 M
- 25-34 Target Population
- Governor and Legislature have been critical of limited Online Ed availability
- We need a quality public online option

What We Don't Know…

- A lot…
- Long-Term Governance Structure
- Funding Structure
- Outreach Plan for 25-34 Year Old Students
- Connection to OEI
- Details about integration to AA/AS and Transfer

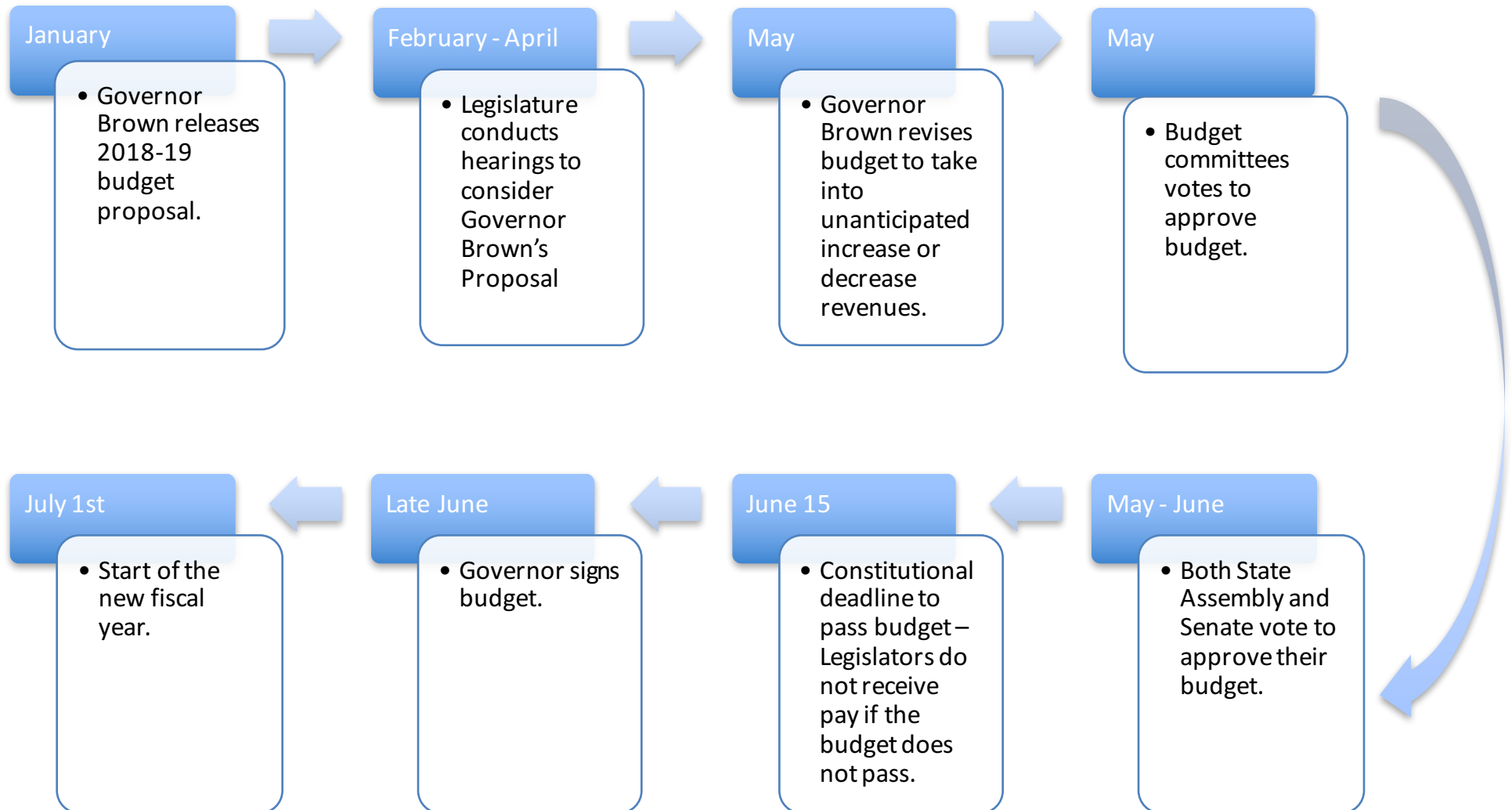**Trailer Bill Available February 1**

Funds that Enable
Success, Equity And Sustained Quality

System	Funding Amount
K-12	$12,057
CCC	**$7,624**
CSU	$14,914
UC	$26,162

- **Invest in Higher Community College Per-Student Funding.**

- **Colleges cannot maintain their QUALITY and grow innovation without a general operating resources!**

The Budget Process

January
- Governor Brown releases 2018-19 budget proposal.

February - April
- Legislature conducts hearings to consider Governor Brown's Proposal

May
- Governor Brown revises budget to take into unanticipated increase or decrease revenues.

May
- Budget committees votes to approve budget.

May - June
- Both State Assembly and Senate vote to approve their budget.

June 15
- Constitutional deadline to pass budget – Legislators do not receive pay if the budget does not pass.

Late June
- Governor signs budget.

July 1st
- Start of the new fiscal year.

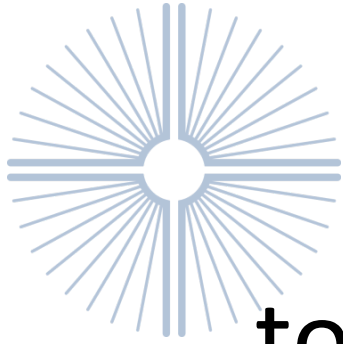# State Priorities

Community College

League of California

They're Back!

2018 Legislative Year: Potential Themes

- Janus vs. AFSCME
- President Trump vs. California
  - Title IX Investigations
  - Immigration
- Labor and Collective Bargaining
  - Mandated Benefits
  - Part-time Faculty Rehire Rights
- Sexual Harassment and the State Legislature
- Election Year

League Priority:
Expanding Access
to Open Educational Resources

In coordination with the Academic Senate, create a program that would:

- Implement open educational resources (OER) system wide.
- Coordinate state-level activities to increase access to OER.
- Support local OER implementation.

Goals:

- OER available for 70% of all C-ID courses.
- Reduce textbook and material costs for 50% of the most highly enrolled courses.
- Develop systems to replace high cost homework and other materials.
- Establish network of OER liaisons on local community college campuses.
- Create OER materials for selected CTE courses.

League Priority:
Strengthening Financial Aid Access & Advising

Under Resourced Financial Aid Offices: Impediment to Students Success

- Current processing process is long, labor intensive and can take up to four weeks to process financial aid applications.
- New financial aid initiatives increase administrative burden for financial aid offices.
  - FASFA Completion
  - Free tuition
  - Student Success Incentive Grants

Solution:

- Financial aid software that streamlines financial aid verification process.
- Cuts processing time from four weeks to three days.
- Allows colleges to turn their financial aid administrators into financial aid counselors.

Leveraging Our Collective Voice

"Unless someone like you cares a whole awful lot, nothing is going to get better. It's not."

— Dr. Seuss, The Lorax

Legislators want local context

- How are these resources helping your students?

- What successful efforts have these funds or policies allowed your college to launch?

- Give specific program examples.

Share Your District's Success Stories!

Questions?

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