



Review of SB361 & New Funding Formula

District Budget Committee

*Current
Funding
Model*

*Proposed New
Funding
Formula*

Current Funding Model

- Proposition 98
- SB 361 Funding Allocation Model

*Proposition
98*

SB 361

Proposition 98

*The
Basics*

*The Shell
Game*

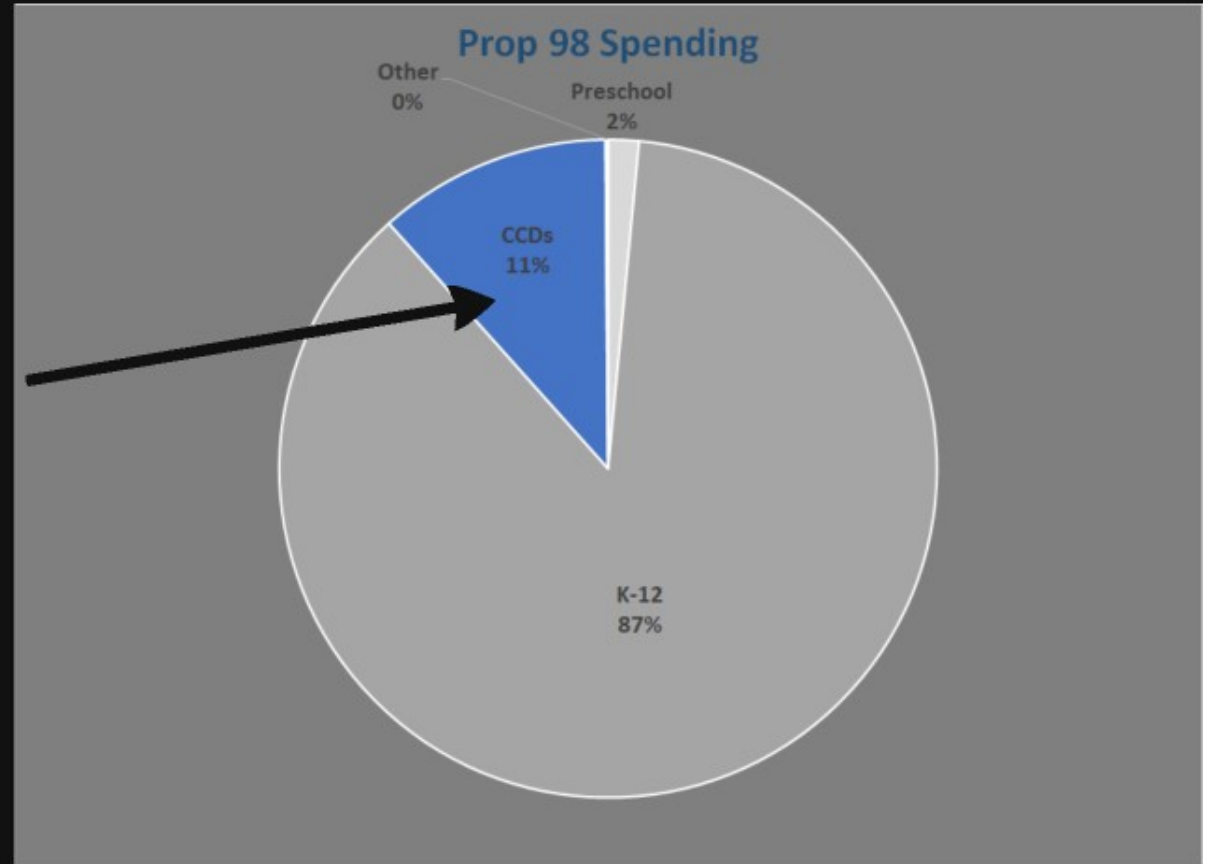
The Basics of Prop 98

California voters enacted Proposition 98 in 1988 as an amendment to the State Constitution. This measure, which was later amended by Proposition 111, establishes a minimum annual funding level for K-14 schools (K-12 schools and community colleges)

- Community college system receives approximately 11% share of Prop 98 revenues
- Minimum Guarantee??
 - Not really
 - The Legislature has complete discretion on how it spends monies on K-14
 - Not enough funding for K-14 (Deficit Factor)

The Shell Game

- Unrestricted
- Categorical
- Special Programs (i.e. Guided Pathways)



SB 361

- Adopted in 2006
- Districts to receive an annual allocation based on the number of colleges and comprehensive centers in the district, plus funding received based on the number of credit and noncredit Full-Time Equivalent Student (FTES)
 - Base Allocation
 - FTES Funding
- New Equalized Non-Credit as of 2016-2017
 - Career Development/College Prep (CDCP)

*Funding
Example*

*SB 361
Major Issues
& Next Steps*

*More on
SB 361*

Funding Example Based on SB 361

- Base Allocation
 - >10,000 FTES Multi-College
 - <10,000 FTES Multi-College
- FTES Funding
 - Credit FTES
 - Noncredit FTES

CALIFORNIA COMMUNITY COLLEGES 2017-18 ADVANCE PRINCIPAL APPOINTMENT SAN BERNARDINO COMMUNITY COLLEGE DISTRICT DISTRICT C									
Workload Measure	Base Funding	Marginal Funding	Base FTES	Growth FTES	Retention FTES	Stability FTES	Total Funded FTES	Unfunded FTES	Actual FTES
Credit FTES	5,075,111.707	5,111,498.770	15,875,110	285,036	8,800	0,000	16,960,146	0,000	16,960,146
Noncredit FTES	5,000,000.000	5,047,880.000	88,000	1,800	8,800	0,000	98,600	0,000	98,700
CDOP FTES	5,075,111.707	5,111,498.770		0,000	0,000	0,000	0,000	0,000	0,000
Total FTES			15,963,110	286,836	8,800	0,000	16,952,746	0,000	16,952,746
I. Base Revenue +/- Factors or Decline					V. Other Revenue Adjustments				
A. Base Allocation				\$7,288,251					\$0
B. Declined Base FTES Revenue				\$79,704,451					\$0
C. Credit Base Revenue		\$79,704,451							\$79,704,451
D. Noncredit Base Revenue		\$75,399							\$75,399
E. General Development College Prep		\$0							\$0
F. Current Year Decline		\$0							\$0
Total Base Revenue Less Declines				\$17,768,101					\$17,768,101
II. Inflation Adjustment					VI. Total Computational Revenue (sum of I, II, III, IV, V, VI)				
A. Inflation Adjustment		1.00%							\$17,768,101
B. Inflation Adjustment		\$1,776,810							\$1,776,810
Current Year Base Revenue + Inflation Adjustment				\$19,544,911					\$19,544,911
III. State Allocation & Reallocations					VII. District Revenue Sources				
A. Base Allocation Adjustment		\$0							\$0
B. Base Allocation Adjustment COA		\$0							\$0
C. Stability Allocation		\$0							\$0
Total State Allocation & Reallocations				\$0			\$1,983,945.7		\$1,983,945.7
IV. Growth					IX. Other Allowance and Total Apportionments				
A. Target Growth Rate		1.00%	\$1,462,332						\$0
B. Funded Growth Rate		1.00%	\$1,462,332						\$0
C. Funded Credit Growth Revenue		\$1,462,332							\$0
D. Funded Noncredit Growth Revenue		\$0							\$0
E. Funded Noncredit CDOP Growth Rev		\$0							\$0
Total Growth Revenue				\$1,462,332					\$1,462,332
					X. Unexpended Decline as of July 31st of Current Year				
					A. 1st Year				
					B. 2nd Year				
					C. 3rd Year				
					Total				
Base Allocation Calculation Before Current Year COA College/Center Base Funding Rates (Current Year FTES / Available)									
Single College District Funding Rate: Total FTES				Multi College District Funding Rate: Total FTES					
>20000	>18000	<=18000		Base	>20000	>18000	<=18000		
\$1,681,000	\$4,831,400	\$3,446,604		\$1,300,000	\$4,831,400	\$4,781,200	\$3,446,604		
FTES				Total Colleges					
0	0	0		0	0	0	0		
Revenue				Total Colleges Revenue					
\$0	\$0	\$0		\$0	\$0	\$1,288,200	\$1,445,004	\$1,445,004	
State Approved Center Funding Rates				Total State Approved Centers				Total Approved Center Revenue	
0	\$2,225,117			0				\$0	
Grand Total or Previously Approved Center Funding Rate @ FTES Levels									
>1000	>750	<=750							
\$1,784,027	\$2,140,320	\$488,238	\$3,412,585	\$1,288,200	\$1,445,004	\$1,445,004			
Number of GrandTotalled or Previously Approved Centers @ Total FTES				Total GrandTotalled or Previously Approved Centers				Total Base Allocation Revenue	
0	0	0	0	0	0	0	0	\$7,930,011	
Number of GrandTotalled or Previously Approved Centers Revenue				Total GrandTotalled or Previously Approved Centers Rev.					
\$0	\$0	\$0	\$0	\$0	\$0	\$0			

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College/Center Base Funding Rates (Current Year FTES Thresholds)

Multi-College District Funding Rate: Total FTES				
Rural	>20000	>10000	<=10000	
\$1,160,881	\$4,866,469	\$4,258,160	\$3,649,851	
				Total Colleges
0	0	1	1	2
				Total Colleges Revenue
\$0	\$0	\$4,258,160	\$3,649,851	\$7,908,011
Total State Approved Centers		Total Approved Center Revenue		
0		\$0		

ate @ FTES Levels

>250	<=100
\$304,154	\$152,077

Centers: @ Total FTES	Total Grandfathered or Previously Approved Centers	Total Basic Allocation Revenue
0	0	\$7,908,011
Centers Revenue	Total Grandfathered or Previously Approved Centers Rev.	
\$0	\$0	

**2017-18 ADVANCE PRINCIPAL APPORTIONMENT
SAN BERNARDINO COMMUNITY COLLEGE DISTRICT**

EXHIBIT C

Workload Measures	Base Funding	Marginal Funding	Base FTES	Growth FTES	Restored FTES	Stability FTES	Total Funded FTES	Unfunded FTES	Actual FTES
Credit FTES	5,072.111797	5,151.236729	15,679.150	283.026	0.000	0.000	15,962.176	0.000	15,962.176
Noncredit FTES	3,050.003561	3,097.583616	89.180	1.610	0.000	0.000	90.790	0.000	90.790
CDCP FTES	5,072.111786	5,151.236729	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total FTES			15,768.330	284.636	0.000	0.000	16,052.966	0.000	16,052.966

I Base Revenues +/- Restore or Decline

A. Basic Allocation				\$7,908,011
B. Revised Base FTES Revenue				\$79,798,401
1. Credit Base Revenue		\$79,526,402		
2. Noncredit Base Revenue		\$271,999		
3. Career Development College Prep		\$0		
C. Current Year Decline				\$0
Total Base Revenue Less Decline				\$87,706,412

II Inflation Adjustment

A. Statewide Inflation Adjustment		1.56%		
B. Inflation Adjustment		\$1,368,220		
Current Year Base Revenue + Inflation Adjustment				\$89,074,632

III Basic Allocation & Restoration

A. Basic Allocation Adjustment				\$0
B. Basic Allocation Adjustment COLA				\$0
C. Stability Restoration				\$0
Total Basic Allocation & Restoration				\$0

IV Growth

A. Target Growth Rate		1.91%		\$1,462,922
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V Other Revenue Adjustments

A. Misc. Revenue Adjustments		\$0
B. Full-Time Faculty Hiring (FTFH) Adjustments		(\$32,960)
C. Base Increase (FTFH)		\$23,343
D. Base Increase (Non-FTFH)		\$2,458,790
Total Revenue Adjustments		\$2,449,173

VI Stability Adjustment

\$0

**VII Total Computational Revenue
(sum of II,III,IV,V, & VI)**

\$92,986,727

VIII District Revenue Source

A1. Property Taxes		\$24,575,652
A2. Less Property Taxes Excess		\$0
B. Student Enrollment Fees		\$5,090,516
C1. State General Apportionment		\$49,170,554
C2. Full-Time Faculty Hiring		\$874,792
D. Estimated EPA		\$11,912,904
Available Revenue		\$91,624,418

E Revenue Shortfall 0.9853494252

\$1,362,309

Total Revenue Plus shortfall

\$92,986,727

IX Other Allowance and Total Apportionments

SB 361 Major Issues & Next Steps



COMMUNITY COLLEGE LEAGUE OF CALIFORNIA January 2017

FAST FACTS 2017

(916) 444-8641 • cclc@ccleague.org • www.ccleague.org

Per-Student Funding by Education System, 2016-17 (est.)
(Includes General Fund, local property taxes, and tuition and fee revenue net of discounts. Includes support for local assistance, state operations, and state-funded retirement contributions and debt service. CCC rates include Adult Education Block Grant funding which accounts for \$430 per FTE student in 2016-17.)

K-12	\$11,601
California Community Colleges (CCC)	\$7,949
California State University (CSU)	\$14,723
University of California (UC)	\$26,391

More on SB 361

- Higher Property Taxes = More funding?
 - No, Property Taxes are an offset to Entitlement
- Higher Tuition = More funding?
 - No, Tuition is an offset to Entitlement
- However, these two could decrease or eliminate Deficit Factor



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Proposed New Funding Formula

Base Grants (50% of formula)

- District base grants based on FTES enrollment.
- Non-credit is a component of FTES enrollment

Supplemental Grant (25% of formula)

- 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 BOF Waiver) and
 - 2) Enrollment of students that receive a Pell Grant.

Student Success Incentive Grant (25% of formula)

- Additional funding for:
 - 1) The number of degrees and certificates granted
 - 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

Hold Harmless Provision

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



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