# May 2016 Newsletter

# **Upcoming Events:**

**May Revise Budget Release** May 13 Sacramento, CA

**League Budget Webinar** May 13

**Board of Governors Meeting** May 16-17 Chancellor's Office Sacramento, CA

**Consultation Council** May 19 Sacramento, CA

ACBO Spring Conference May 23-25 Monterey, CA

CEO Summer Institute

July 10–12

Granlibakken Conference

Center, Tahoe City

Classified Leadership Institute

'une 16-18 Crowne Plaza Ventura Beach

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### May Revise Fast Approaching

California's May budget revise will be released by May 13. Unlike last year, the prospect for a May Revise with a significant increase in revenues seems slim. According to the State Controller's Office, collections are behind projections by around \$1 billion. California is also being affected by weakness in the broader national and world economies.

The release of the May Revise also marks the final four-week advocacy push for our budget priorities before the budget deadline of June 15. For California Community Colleges two important budget priorities have received significant attention – the Student Success for Basic Skills Program proposal and the Strong Workforce Program. We anticipate changes to both proposals that reflect feedback the Administration, Assembly, and Senate received from stakeholders. Specifically, the League has requested the following amendments to the 2016-17 budget Trailer Bill:

Student Success for Basic Skills Program Proposal:

The Governor has proposed \$30 million in new ongoing funding for the basic skills categorical. The budget Trailer Bill rewrites the existing categorical and proposes a new focus and implementation of performance-based funding. Performance Funding and Possible Inequities:

• The League is opposed to performance-based funding of basic skills programs. We are concerned with unintended consequences to equity of adding a performance factor to ESL programs - which already serve vulnerable student populations. Additionally, current research on the efficacy of performance funding is mixed, at best.

### **Proposed Alternative:**

- Rather than allocating funding based on performance, we recommend incentivizing proven practices that reform basic skills by establishing the following criteria to receive new basic skills funding:
  - 1. Submit a new basic skills plan;
  - 2. Implement multiple measures; and
- 3. Commit to adopting at least one evidence-based basic skills practice, such as contextualized learning, acceleration, or integrated student supports and instruction.

Strong Workforce Program Proposal:

Governor Brown has proposed \$200 million in ongoing funding for a new Strong Workforce categorical. This is a critical and much needed investment.

#### Funding to Colleges and Regional Planning:

- The League supports growing efforts to coordinate regionally and analyze service gaps. Planning regionally is important to ensure CTE programs remain responsive to industry needs.
- We ask that the proposal provide colleges with a base level of funding to address the ongoing costs of existing CTE programs, and to launch "shovel-ready" CTE programs that have lacked funding. A smaller portion of funding should flow through regions for collaboration, forecasting, and start-up programs. This approach maintains regional collaboration while recognizing that colleges must have the ability to plan ahead in order to offer more CTE courses to students.

Throughout the months of March and April, the Assembly and Senate subcommittees on education finance have held 10 hearings reviewing the Governor's 2016-17 proposed community college budget. The subcommittees have specifically analyzed the impact on colleges and the proposals' alignment to legislative priorities. League staff testified at each hearing sharing the perspective of districts and making a strong case for community colleges' top priority of funding a base augmentation.

## The Promise Land: Significant Legislative Interest in College Affordability Issues

In response to President Obama's proposal to make community college free for all, many legislators have introduced legislation providing financial aid to community college students. These well-meaning pieces of legislation could have a significant budgetary impact on colleges if they draw on operating funds to implement the bill.

Many of these bills would appropriate Proposition 98 dollars to provide financial assistance to needy students. Therefore it should be noted that to implement all of these pieces of legislation key system priorities like growing to meet enrollment demand, creating new and innovative workforce development programs or reforming how basic skills is taught at our institutions would have to be scaled back.

It is important to understand that a significant amount of financial aid already comes from community colleges' dollars through the Board of Governors Fee Waiver (BOGFW). The BOGFW is an \$800 million program and is by far the largest and most comprehensive free tuition program in the county. Neither the University of California nor the California State University devotes such a substantial proportion of their budget towards financial aid.

Another group of bills have been introduced to make community colleges more affordable through the Cal Grant program. Instead of taking dollars out of college budgets, these bills make direct appropriations to students utilizing the General Fund.

Therefore, we need to carefully evaluate these pieces of legislation. It is important to consider both the policy and cost implications in the context of limited Proposition 98 dollars. For a comprehensive list of these bills, their cost estimates and their funding source, please click here (http://www.ccleague.org/files/public/GovtRel/PromiseLand Matrix Final.pdf).

# Follow League Tracked and Sponsored Legislation

Currently, the League has identified 84 bills that impact community colleges. This year, in support of our student access and affordability agenda, the League is sponsoring three bills: AB 1721 (Medina), AB 1892 (Medina), and SB 1357 (Block).

**AB 1721 (Medina – D):** This bill would: 1) increase the Cal Grant B Access Award to \$3,000, 2) increase the number of competitive Cal Grants to 30,000, and 3) increase the age limit for the transfer entitlement from 28 to 31.

**AB 1892 (Medina – D):** This bill would: 1) increase the Cal Grant C Access grant award to \$3,000 for community college students, 2) match the allowable use of this grant with Cal Grant B, and 3) create an entitlement program similar to Cal Grant B.

**SB 1357 (Block –D):** This bill would create a \$1,500 supplemental grant for community college students receiving a Cal Grant B Access Award.

We encourage you to stay current on all bills tracked by the League by visiting our website and clicking on the "Bill Tracking" page. There you can find updated summaries, positions and status information. Visit the League Bill Tracking page here (http://www.ccleague.org/i4a/pages/index.cfm?pageID=3416).

### **Must Read**

*Indicators of Higher Education Equity in the United States: 2016 Historical Trend Report* Washington, DC: The Pell Institute for the Study of Opportunity in Higher Education. Cahalan, Margaret, Perna, Laura, Yamashita, Mika, Ruiz, Roman, Franklin, Khadish. April 2016.

The *Indicators of Higher Education Equity in the United State* — 2016 Historical Trend Report, which was released last month by the Pell Institute and the University of Pennsylvania's Alliance for Higher Education and Democracy, examines trends in postsecondary enrollment in the U.S. by family income, race/ethnicity, and family socioeconomic status. It uses data from the Current Population Survey (CPS), the National Center for Education Statistics (NCES) Beginning Postsecondary Study, the NCES high school longitudinal studies, and other public sources.

The report shows that while bachelor's degree attainment rates have increased for all family income quartiles, the distribution of bachelor's degree attainment between family income levels has remained relatively constant since 1970. The top two family income quartiles together accounted for 72 percent of the total bachelor's degrees attained in 1970 and 77 percent of the bachelor's degrees in 2014. It indicates that students from higher and lower income quartiles enroll in different types of colleges and universities with varying rates of college success. This report further highlights the importance of addressing the income and equity challenges that our students face.

Read the full report at: <a href="http://www.pellinstitute.org/downloads/publications-">http://www.pellinstitute.org/downloads/publications-</a>
Indicators of Higher Education Equity in the US 2016 Historical Trend Report.pdf

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