## Governor’s 2018-19 Budget Proposal

### Student Centered Funding Formula

#### Summary Chart

<table>
<thead>
<tr>
<th>Formula Framework</th>
<th>Calculation of Grants</th>
</tr>
</thead>
</table>
| **50%:** Base Grants | 1. Minimum funding level = 2017-18 FY  
2. Basic allocation based on number of colleges and centers  
3. Allocation based on credit, CDCP, and non-credit FTES  
4. Base grants equal to 45.2% of credit, CDCP, or non-credit FTES rates |
| **25%:** Supplemental Grants | 1. Supplemental grant equal to 25.07% of credit rate multiplied by number of California College Promise Grants (formerly BOG Fee Waiver) recipients  
2. Supplemental grant equal to 40% of credit rate multiplied by Pell Grant recipient cohort data |

**FTES Calculation:**
- The higher 2017-18 rate will be used to determine district base grant.
- In 2018-19 FY, districts must decide which year (2018-19 or 2019-20) to apply summer FTES.
- Summer shift of FTES ends after 2018-19.
- Decreases in FTES result in revenue reductions the year after the initial year of enrollment decline.
- Up to three years of restoration

**Growth:**
- Percentage allocated in annual budget
- Growth formula approved in 2015-16
- Growth attributable to supplemental grants
- Growth attributable to student success incentive grants

**Other:**
- Number of students is defined by number of students served by district
- Utilizes prior year data
- Decreases in number in BOG or Pell result in revenue reductions the year after the initial year of decline

<table>
<thead>
<tr>
<th>25%: Student Success Incentive Grants</th>
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<tbody>
<tr>
<td>1. Student Success grant equal to 104% of credit rate multiplied by number of Chancellor’s Office approved degrees, certificates, and awards granted by the district</td>
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<tr>
<td>2. Student Success grant equal to 120.2% of credit rate multiplied by number of students who complete a degree, certificate, or transfer in 3 years or less based on Scorecard cohort data</td>
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<tr>
<td>3. Student Success grant equal to 18.35% of credit rate multiplied by number of ADT degrees granted by the district</td>
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Other:
- Utilizes prior year data
- Decreases in number of success measures result in revenue reductions the year after the initial year of decline

<table>
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<th>Hold Harmless</th>
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<tbody>
<tr>
<td>1. Minimum 2018-19 = 2017-18 FY</td>
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<tr>
<td>2. Beginning in 2019-20 and each year thereafter, funding level determined by multiplying district’s new FTES by the associated FTES rates received in 2017-18.</td>
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</tbody>
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*Credit Rate = $5,320 multiplied by 2018-19 COLA
CDCP Rate = $5,320 multiplied by 2018-19 COLA
Noncredit Rate = $3,323 multiplied by 2018-19 COLA