



Network Board Meeting Agenda

Monday, January 28, 2019 11:00 a.m.-3:00 p.m. Foundation for California Community Colleges | 1102 Q Street Suite 4800, Sacramento CA 95811

Call in: 1-646-876-9923 Meeting ID: 272 437 174

- I. **Call to Order**George Boodrookas
 - II. **Business**
 - i. Approval of October 2018 Minutes (* and **)George Boodrookas
 - ii. 2018-19 Membership Renewal Report (**).....Constance Crawford
 - iii. Budget year-to-date (**).....Geoff Green
 - III. **Committee Updates**
 - i. Governance (**) Bobbi Abram
 - ii. Resource Development..... Cindy Goga
 - iii. Professional Development & Best PracticesShannon Hill/Tim Foster
 - iv. Communications & Advocacy Geoff Green
 - v. CEO Advisory CommitteeSheri Horn Bunk
 - vi. Strategic Plan Actions Due (**) and Setting Next Due Dates.....George Boodrookas
- Lunch and Sharing**
- IV. **Welcome and Introductions**..... George Boodrookas
 - i. Chancellor's Office Financial Aid Reform Overview (**).....Laura Metune,
Vice Chancellor for Government Relations and Nadia Leal-Carrillo, Success Center
 - V. **General Board Comments/Questions**.....All
 - VI. **Meeting Adjournment**.....George Boodrookas

*Vote required **Handout

2019 Upcoming Dates

- February 20-22 | CASE District VII Conference, Anaheim
- Thursday, April 18th | Board Meeting, Santa Barbara City College Foundation
- June | Board Meeting, San Mateo Community Colleges Foundation
- October 2-4 | CASE Conference for Community College Advancement, San Diego



Network Board Meeting Minutes

Wednesday, October 3, 2018 9:00 a.m.-12:00 p.m. Westin Resort and Spa, Rancho Mirage

OASIS 3 (please see map)

Call in: 1-669-900-6833 Meeting ID: 945 443 233

I. **Call to Order**George Boodrookas

Called to order at 9:00 am.

II. **Business**

i. Approval of June 2018 Minutes (* and **)George Boodrookas

Approved.

ii. Executive Committee Members at Large George Boodrookas

Shannon Hill was nominated and approved.

iii. 2018-2019 Membership Renewal Report (**).....Constance Crawford

Constance to send membership talking points to assist board members with recruitment conversations.

iv. Strategic Plan Adoption (* and **) Bobbi Abram

Bobbi suggests updating photos on the cover to be more Network oriented rather than CASE. Plan Adopted.

Shannon volunteered to help George keep track of due dates and assignments related to the plan.

III. **Committee Updates**

i. Committee Assignments (review roster**)George Boodrookas

Board agreed to move the Grow our Champions Taskforce under the auspice of Comms & Advocacy to create one larger group.

ii. Strategic Plan Actions Due (**)

Action 1.1A- reassigned to Comms & Advocacy and new due date of November 1.

Action 1.3A – Update the photos and George shares to the listserv with an inquiry for feedback and volunteers for committee members. Also send to CEOs and partners who participated in surveys related to the development of the plan. Also reach out to non-members with the document and a plug to join.



Action 1.3B – reassigned to Comms & Advocacy, with full board invited to join calls including Sunset Blvd and Alan Daniels from LACC and new due date of update by Nov 1. (Bobbi to work with Elder Tree to investigate possible data support).

Action 2.6A – Task force meets in October – George and Paula perhaps attend in person.

Action 3.1B – Bobbi discussed a possible partnership with Jack Scott and Pend Armistead to develop a curriculum for fundraising for CEOs. The Network could be the presenting org, and this could be offered across the nation. June 26-28.

George and Melissa review Foundation + Network MOU ahead of January executive committee call.

Action 3.3A

iii. Resource Development.....Cindy Goga

Cindy requests the chairs of each committee to identify potential costs by January in order to develop a total list of need for Network fundraising.

Geoff and Constance and Cindy to discuss Network budget framing going forward.

iv. Professional Development & Best PracticesTim Foster

1. Roundtable updates

September roundtable was a large success at LACC with 30 in attendance and Graduway sponsoring.

2. Donor Software collaborative purchasing through CollegeBuys

In progress with Blackbaud, more information coming soon.

v. Communications & Advocacy Geoff Green

1. Osher Philanthropist of the Year Award

vi. CEO Advisory CommitteeSheri Horn Bunk

Perhaps entertain inviting additional CEOs to our committee, including Jack Scott.

IV. General Board Comments/Questions.....All

Governance committee to review inviting past members to rejoin. Also plan for advisory committee members.

V. Meeting Adjournment.....George Boodrookas

Adjourned 11:57am.

***Vote required **Handout**



2018 Upcoming Dates

- **Friday, November 16th** | 10th Anniversary Bernard Osher Philanthropist of the Year Award Presentation | CCLC Annual Convention, Westin Golf and Spa Resort, Palm Springs
- **Monday, January 28th** | **Board Meeting**, Foundation for California Community Colleges | In conjunction with the [Community College League of California's Annual Legislative Conference](#)
- **Thursday, April 18th** | **Board Meeting**, Santa Barbara City College Foundation
- *Tykia Warden offered to host June in San Mateo*

Institution Name (agregated by district)	2018-19		CASE Member Count (all colleges in district that pays - if one school in district pays, we pay CASE for district)	
	2018-19 NCCCF Dues Paid	2018-19 CASE Dues Owed	2018-19	2017-18
Allan Hancock College	\$ 1,250.00	\$ 1,526.00	1	1
Antelope Valley College	\$ 1,656.00	\$ 2,019.00	1	1
Kern Community College District		\$ 2,412.00		
Bakersfield College	\$ 1,656.00		1	1
Cerro Coso Community College	\$ 860.00		1	1
Porterville College	\$ 860.00		1	1
Barstow College	\$ 860.00	\$ 1,049.00	1	1
Butte College	\$ 1,656.00	\$ 2,019.00	1	1
Cabrillo College	\$ 1,250.00	\$ 1,526.00	1	1
Cerritos College			0	1
Chabot - Las Positas Community College District		\$ 2,019.00		
Las Positas College	\$ 1,250.00		1	1
Chabot College			1	1
Chaffey College	\$ 1,656.00	\$ 2,019.00	1	0
Citrus College	\$ 1,656.00	\$ 2,019.00	1	1
		\$ -		
Coast Community College District		\$ 2,412.00		

Coastline Community College				1	1	
Golden West College	\$	1,656.00		1	1	
Orange Coast College	\$	1,656.00		1	1	
College of the Canyons	\$	1,656.00	\$	2,019.00	1	1
College of the Desert	\$	1,250.00	\$	1,526.00	1	1
College of Marin *note special circumstances	\$	860.00	\$	1,049.00	1	1
College of the Redwoods				0	0	
College of the Sequoias	\$	1,250.00	\$	1,526.00	1	1
College of the Siskiyous	\$	860.00	\$	1,049.00	1	1
Contra Costa Community College District	\$	4,156.00	\$	2,412.00		
Contra Costa College				1	1	
Diablo Valley College				1	1	
Los Medanos College				1	1	
Copper Mountain College				0	1	
Cuesta College	\$	1,250.00	\$	1,526.00	1	1
North Orange County Community College District						
Cypress College				0	0	
Fullerton College				0	0	
Compton Community College District			\$	2,412.00		

El Camino College	\$	1,656.00			1	1
Compton Community College					1	1
Feather River College	\$	860.00	\$	1,049.00	1	0
Foothill-De Anza Community College District						
DeAnza College					0	1
Foothill College					0	1
Grossmont & Cuyamaca Community College District	\$	1,656.00	\$	2,019.00		
Cuyamaca College					1	0
Grossmont College					1	0
Santa Barbara City College	\$	1,656.00	\$	2,019.00	1	1
City College of San Francisco	\$	1,976.00	\$	2,412.00	1	0
Gavilan College	\$	1,250.00	\$	1,526.00	1	1
Glendale College	\$	1,656.00	\$	2,019.00	1	1
Hartnell College					0	1
Imperial Valley College					0	1
Lake Tahoe Community College	\$	860.00	\$	1,049.00	1	1

Lassen College				0	0	
Long Beach City College	\$	1,976.00	\$	2,412.00	1	1
Los Angeles Community College District	\$	1,976.00	\$	2,412.00		
East Los Angeles College	\$	1,976.00			1	1
Los Angeles City College	\$	1,656.00			1	1
Los Angeles Harbor College					1	1
Los Angeles Mission College					1	1
Los Angeles Trade-Tech College					1	1
Los Angeles Valley College	\$	1,656.00			1	1
Los Angeles Southwest College					1	1
Pierce College					1	1
West Los Angeles College					1	1
Los Rios Community College District	\$	6,132.00	\$	2,412.00		
Folsom Lake College					1	1
Cosumnes River College					1	1
American River College					1	1
Sacramento City College					1	1
Mendocino College					0	0
Merced College	\$	1,250.00	\$	1,526.00	1	1
MiraCosta College	\$	1,656.00	\$	2,019.00	1	1
Yosemite Community College District			\$	2,412.00		
Modesto Junior College	\$	1,656.00			1	1
Columbia College					1	1

Monterey Peninsula College				0	1
Ventura County Community College District	\$	2,412.00			
Moorpark College				1	1
Oxnard College	\$	1,250.00		1	1
Ventura College	\$	1,250.00		1	1
Mt. San Antonio College				0	1
Mt. San Jacinto College	\$	1,656.00	\$	2,019.00	0
Napa Valley College	\$	1,250.00	\$	1,526.00	1
Ohlone College				0	1
Palo Verde College	\$	860.00	\$	1,049.00	1
Palomar College				0	0
Pasadena City College	\$	1,976.00	\$	2,412.00	1
Peralta Community College District					
Alameda College				0	1
Berkeley City College				0	1
Laney College				0	1
Merritt College				0	1
Rancho Santiago Community College District	\$	2,412.00			
Santa Ana College	\$	1,976.00		1	1
Santiago Canyon College				1	1
Rio Hondo College	\$	1,656.00	\$	2,019.00	1
Riverside Community College District	\$	1,976.00	\$	2,412.00	

Riverside City Community College				1	1
Moreno Valley College				1	1
Norco College				1	1
San Bernardino Community College District		\$	2,019.00		
San Bernardino Valley College	\$	1,656.00		1	1
Crafton Hills College	\$	860.00		1	1
San Diego Community College District	\$	1,976.00	\$	2,412.00	
San Diego Miramar College				1	1
San Diego City College				1	1
San Diego Mesa College	\$	1,656.00		1	1
San Diego Continuing Education				1	1
San Joaquin Delta College				0	0
San Jose/Evergreen Community College District	\$	1,656.00	\$	2,019.00	
San Jose City College				1	1
Evergreen Valley College				1	1
San Mateo County Community College District	\$	1,976.00	\$	2,412.00	
Canada College				1	1
College of San Mateo				1	1

Skyline College				1	1	
Santa Monica College				0	1	
Santa Rosa Junior College				0	0	
Shasta College	\$	1,250.00	\$	1,526.00	1	0
Sierra College	\$	1,656.00	\$	2,019.00	1	1
Solano College Educational				0	1	
South Orange County Community College District			\$	2,412.00		
Irvine Valley College	\$	1,656.00		1	1	
Saddleback College	\$	1,656.00		1	1	
Southwestern Community College				0	0	
State Center Community College District	\$	1,976.00	\$	2,412.00		
Fresno City College				1	1	
Reedley College				1	1	
Clovis Community College				1	1	
Taft College (West Kern Community College District)	\$	860.00	\$	1,049.00	1	1
Victor Valley College	\$	1,250.00	\$	1,526.00	1	1
West Hills Community College District						
West Hills College Coalinga				0	1	
West Hills College Lemoore				0	1	

West Valley-Mission Community College District	\$	1,656.00	\$	2,019.00		
Mission College					1	0
West Valley College					1	0
Yuba Community College District						
Woodland College					0	0
Yuba College					0	0
Foundation for California Community Colleges			\$	1,667.00	1	1
TOTAL	\$	96,298.00	\$	97,578.00	88	96



Income Statement

For the Six Months Ended 12/31/18

Account Description	FY2019 YTD Actuals	FY2019 Forecast	FY2019 Budget	Forecast vs Budget Variance
Revenues				
NCCCF Membership Dues	96,298	95,000	100,000	(5,000)
Conference Fees from CASE	-	13,000	13,000	-
Event Fees and Sponsorships	25,661	25,661	20,000	5,661
Subsidy from FCCC	25,000	50,000	50,000	-
Total Revenues	146,959	183,661	183,000	661
Expenses				
Personnel (Salary & Benefits)	14,653	35,000	35,000	-
Consulting	6,486	6,486	6,134	352
Tax Return Preparation	1,050	1,050	1,050	-
Insurance	2,346	2,346	2,450	(104)
Other Expenses	997	1,000	1,000	-
Conference and Board Meetings	2,840	3,500	3,500	-
Event Expenses	9,563	9,479	9,000	479
Network Subsidy to CASE		7,105	5,000	2,105
Case Membership Dues	92,336	95,000	100,000	(5,000)
Admin Support Expense - 15%	5,690	8,829	9,470	(641)
Total Expenses	135,961	169,795	172,604	(2,809)
Net Income/(Loss)	10,998	13,866	10,396	3,470
Net Assets as of 06/30/18	40,909	40,909		
Net Income/(Loss)	10,998	13,866		
Net Assets as of 12/31/18	51,907			
Projected Net Assets through 6/30/19		54,775		

(a)

NCCCF Balance Sheet

As of: 12/31/18

Assets	Amount
Accounts Receivable - Third Parties	-
Cash held by FCCC	51,907
Total Assets	51,907
Liabilities	
Net Assets	
Net Assets as of 06/30/18	40,909
Increase/(Decrease) in Net Assets	10,998
Net Assets as of: 12/31/18	51,907
Total Liabilities & Net Assets	51,907

NCCCF Income Statement Notes

(a) Admin fee is calculated based on 15% on all expenses incurred with the exception of CASE membership dues.

CHECKLIST

of Board Roles and Responsibilities

Basic board roles and responsibilities are the foundation for a successful board. BoardSource has designed this checklist so you can quickly remind yourself of your key responsibilities. It's also a great board orientation tool! Can you check all the boxes?

ESTABLISHING IDENTITY AND DIRECTION

- Has the board adopted or revised a strategic plan or defined a strategic direction for the organization within the past three years?
- Does the board ensure that the organization's mission, vision, and values are reflected in the organization's programs?
- Are the organization's strategic priorities adequately reflected in the annual budget?

ENSURING THE NECESSARY RESOURCES

- Has the board adopted policies related to funds to be pursued and/or accepted in support of the mission?
- Does the board expect all its members to be active participants in fundraising efforts?
- Does the board's composition reflect the strategic needs of the organization?
- Is the board confident that the chief executive's skills and other qualities represent a good match for the organization's strategic needs?
- Does the board seek and review information related to the organization's reputation?

PROVIDING OVERSIGHT

- Does the board contract with an outside auditor for the annual audit?
- Does the organization have up-to-date risk management policies and plans?
- Does the board monitor progress toward achievement of goals related to the organization's programs?
- Does the board have a clear understanding of the organization's financial health?
- Does the chief executive receive an annual performance review by the board?
- Are all board members familiar with the chief executive's compensation package?

BOARD OPERATIONS

- Does the board regularly assess its own performance?
- Are organizational and board policies regularly reviewed?
- Do committees and task forces actively engage board members in the work of the board?
- Do board meeting agendas focus the board's attention on issues of strategic importance?
- Do board members have easy access to information needed for effective decision making?

[Source: Nonprofit Board Fundamentals](#)

Network of California Community College Foundations Board of Directors Roles and Responsibilities

Board Roles

The Roles of the Board of the Network are to:

1. Ensure that the Board has adopted and is functioning under a current set of Bylaws and a strategic plan.
2. Ensure that the Network's mission, vision and values are reflected in the Network's programs and operations.
3. Set appropriate membership dues, as needed.
4. Fundraise for and contribute to the Network's financial needs, as possible.
5. Approve an annual budget that reflects the Network's priorities.
6. Elect and train a diverse board of directors that actively leads the Network in accomplishing its goals.
7. Successfully negotiate and approve contracts with appropriate vendors to accomplish its goals.
8. Ensure that the Network is audited, as required by the Bylaws.
9. Ensure that the day-to-day operations of the Network are handled professionally, legally and ethically.
10. Obtain input and consider the opinions of its membership in leading the organization.

Board Responsibilities

The NCCCCF is led by a voluntary Board of Directors, made up of seasoned professionals representing various California Community College foundations. Board members are expected to:

- Actively support the goals and objectives of the Network of California Community College Foundations.
- Actively participate in quarterly NCCCCF board meetings.
- Serve on at least one of the active NCCCCF committees.
- Serve as a leader and advocate for California Community College foundations and advancement.
- Promote the NCCCCF and its goals throughout the California Community College system.
- Be willing to leverage personal and professional contacts to advance the goals of the NCCCCF, including recruiting new members or officers, increasing NCCCCF revenue, building corporate partnerships, and/or providing meaningful programming and professional development opportunities for members.
- Abide by the NCCCCF Code of Ethics.
- Participate in NCCCCF events and presentations.
- Support the final decisions of the NCCCCF board of directors.



NCCCCF Code of Ethics

Each member of the Network of California Community College Foundations shall:

1. Pursue individual and corporate conduct that demonstrates and enhances competence and integrity in all relationships with the public.
2. Advance ethical concepts, methods and skills for development and related activities that contribute to the well-being and financial success of the institution served.
3. Strive to increase and perfect professional knowledge and skills through active participation in the Network and related organizations whose work includes the improvement of the profession.
4. Encourage and support educational and training programs regarding advancement and related fields.
5. Respect the confidentiality of information gained in the process and pursuit of the profession.
6. Assist, support and provide leadership as appropriate in the civic development of communities and with other not-for-profit or community-based organizations.

STRATEGIC PLAN ACTIONS DUE – OCTOBER 3, 2018

Proposed Action 1.1A: Identify, collect, compile and analyze collective impact data and information. (Priority 1)

- By 1st board meeting 2019: Report on data collection processGeoff Green

Proposed Action 1.3A: Build awareness of the Strategic Plan among Network members. (Priority 1)

- The Strategic Plan is shared with the Network membership at the annual conference in October 2018 and on the Listserv in fall 2018

Proposed Action 1.3B: Develop and implement Network branding and messaging. (Priority 1)

- Before October 2018 meeting: conference call with Resource development committee and sunsetblvd.com to determine steps required and timelineRobert Schwartz/Cindy Goga

Proposed Action 2.6A: Understand the potential for revising Title 5 Full Reimbursement Requirement. (Priority 1)

- October 2018: Title 5 Task Force will report back on conversation with Success Center and Rickner and Morley at board meeting.....George Boodrookas

Proposed Action 3.1B: Review Strategic Plan priorities and responsibilities. (Priority 1)

- October board meeting: review and update dashboard

Proposed Action 3.3A: Develop a fundraising plan. (Priority 1) Resource Development Committee

- Oct 3, 2018 meeting: brainstorm a list of potential donorsCindy Goga

STRATEGIC PLAN ACTIONS DUE – JANUARY 28, 2019

1	Action 1.2A: Identify and build key relationships	page11	Communications & Advocacy	<input type="checkbox"/> By first 2019 Board meeting: Develop table and initial mapping of relationships	1/28/2019	<ul style="list-style-type: none"> •Table and initial mapping of relationships complete by early 2019
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1	Action 1.3A: Build awareness of the Strategic Plan among Network members	page 12	Board Chair	<input type="checkbox"/> By first 2019 Board meeting: Input gathered from Network members	1/28/2019	● The Strategic Plan is shared with the Network membership at the annual conference in October 2018 and on the Listserv in fall 2018
1	Action 2.3A: Develop a CEO Advisory Council Working Group Implementation Strategy	page 17	CEO Advisory Council Development Working Group (Geoff Green, Sheri Horn-Bunk, Cindy Goga, Dianne Van Hook, Bobbi Abram, Lisa Brooks)	<input type="checkbox"/> At first 2019 Board meeting: Present Implementation strategy to board	1/28/2019	● Implementation strategy is presented to the Board at its first meeting of 2019
1	Action 3.1A: Develop board roles and responsibilities	page 24	Governance	<input type="checkbox"/> January 2019: Committee to draft roles and responsibilities for review at first Board meeting of 2019.	1/28/2019	● Board roles and responsibilities are in place by February 2019



A Proposal to Support Community College Affordability

California boasts the nation's broadest commitment to making college accessible and affordable for all of its residents. The Master Plan for Higher Education in California commits the state to providing a place in one of the state's public institutions to all those who could benefit—relying on the 115 California Community Colleges to serve the top 100 percent of students. At the same time, for those students who continue their educational journeys at the community colleges, state policy reinforces two deeply concerning inequities. The state budgets the lowest funding, on a per-student basis, to the community colleges, and existing policy makes relatively few resources available to students to support the total cost of community college attendance.

To ensure a meaningful commitment to higher education access and success, California must make a greater investment in California Community College students. In doing so, attending college must become more affordable for students—which is a proven strategy to encourage student success, especially for low-income students—by providing greater need-based grant aid and establishing a reasonable price students pay toward their own education. Simultaneously, the California Community Colleges will make a clear commitment to ensure that investment pays off by putting students on Guided Pathways to completion. Finally, state policy must ensure (1) students are not required to work an unreasonable number of hours in order to afford college and avoid unmanageable loan debt, and (2) when students work, it should complement their classroom-based learning.

The California Community Colleges Board of Governors has approved a proposal to expand student financial aid based on three principles:

- **If a student is attending the California Community Colleges, we must serve the needs that they have—regardless of their age, time out of high school or their prior academic history.** Under the proposal, all California Community College students would be eligible for need-based financial aid. To apply for an award, a student would be required to file a timely Free Application for Federal Student Aid or a California Dream Act, as applicable. Using these forms makes sure that students maximize the aid already available. The Board of Governors proposal represents a commitment on the part of the California Community Colleges to guide students in a timely manner through pathways toward their academic goals. Therefore, we would expect that the new grant would make this aid available for up to two years, adjusted proportionally for part-time attendance. To renew awards, students would be required to maintain satisfactory academic progress—as is currently required for other grants.

- **We must link a student's financial aid to the total cost of attendance—not just the tuition and fees they pay directly to the colleges.** The total cost of attendance consists costs of tuition, fees, housing, transportation, food, books, and supplies. For students enrolled at California Community Colleges, the living costs generally exceed their tuition and fees. Therefore, the total cost of education must be the starting point for the new grant program design. The program would assume that students may have resources available to support some of these costs, including: (1) a student's expected family contribution (EFC) as determined pursuant to existing policies; (2) other gift aid, including the Pell Grant, the Cal Grant, the existing California College Promise Grant (formerly titled the BOG Fee Waiver), and the Student Success Completion Grant; and, (3) an amount that a student is expected to contribute from work—with our commitment to better link the classroom to the workplace and student career goals. The remaining amount would be funded through the new grant created by this program. This support would help more students attend college full-time and graduate on time. For those for whom part-time attendance better aligns with their needs, the new grant would be adjusted proportionately.
- **Students come to the California Community Colleges with many educational goals—not necessarily to earn degrees or transfer, and students with other goals should receive financial support to allow them to achieve those goals. California's future—and its economy—requires that commitment.** Therefore, the new grant would allow students enrolled in any community college program that meets the requirements for the federal Pell Grant to be eligible for this grant.

New investments in financial aid should challenge the California Community Colleges to do more to improve student success. The Board of Governors embraces that challenge. As a condition of a college's participation in the program, a college would need to commit to ongoing reform. This includes providing students in K-12 schools with early information about college, establishing formal partnerships with their local school districts, placing more students initially in college-level courses (rather than developmental education), reorganizing their institutions to offer students Guided Pathways, and making federal loans available to students who need it (which alleviates pressure for those students to take out risky private loans).

We are one education system, and all of our students are all of our responsibilities. Students come to our colleges from many places—having attended schools and colleges before they come to us and intending to seek further education after they leave. Many attend multiple institutions simultaneously. This proposal seeks to address one set of inequities—for the benefit of all Californians.

HOW A NEW GRANT WOULD REDUCE THE PRICE STUDENTS PAY TO ATTEND CALIFORNIA COMMUNITY COLLEGES

	Total Cost of Attendance
+	<ul style="list-style-type: none"><i>Tuition and Fees</i><i>Books, Supplies, Transportation, and Other Personal Expenses</i><i>Room and Board</i>
—	Expected Family Contribution
	Existing Grants
—	<ul style="list-style-type: none"><i>Pell Grant</i><i>Cal Grant</i><i>Existing California College Promise Grant (BOG Fee Waiver)</i><i>CCC Student Success Completion Grant</i>
—	Reasonable Contribution from Student Earnings or Other Resources
<hr/>	
=	Additional Grant Funds Awarded to Student through New Grant



Joint Analysis of the State Budget: Immediate Update on Governor's Budget

BACKGROUND

This analysis was developed jointly by:

- Association of California Community College Administrators (ACCCA)
- Association of Chief Business Officials (ACBO)
- California Community Colleges Chancellor's Office (CCCCO)
- Community College League of California (League)

Its purpose is to provide factual information about the Governor's budget proposal as a common starting point for each organization's further analyses and advocacy efforts. Over the next several months, updated analyses will describe the proposed budget in greater detail, the proposed trailer bills, the Governor's May Revision, and the enacted budget.

INTRODUCTION

This morning, Governor Newsom released his budget proposal for the 2019-20 fiscal year. Under the proposal, the overall state budget would increase 4.5% from the enacted 2018-19 budget, to \$209.1 billion. General Fund spending would increase 4.0%, to \$144.2 billion. Although we will receive additional details in the coming days and weeks, below are selected highlights.

In his first budget, the Governor has included funding for several education priorities, including some proposals he emphasized during the gubernatorial campaign. Major proposals would:

- Expand kindergarten and pre-kindergarten availability, support workforce development and capacity-building for subsidized childcare, and expand health screening for infants, toddlers, and expectant parents.
- Increase funding by the amount needed to extend the California College Promise to a second year of tuition-free college for first-time, full-time California Community Colleges (CCC) students.
- Expand the Cal Grant program to include a new grant for student parents and increase the number of competitive Cal Grants.
- Make a \$3 billion, one-time state contribution to the State Teachers' Retirement System (STRS), thereby lowering employer contribution rates in 2019-20 and 2020-21.
- Start development of a statewide longitudinal student data system.

OVERVIEW OF CALIFORNIA COMMUNITY COLLEGES BUDGET

Proposition 98 Estimates

Minimum Guarantee. Each year, the state calculates a "minimum guarantee" for school and community college funding based on a set of formulas established by Proposition 98, which was approved by voters in 1988. The state very rarely provides funding above the estimated minimum guarantee for a budget year. As a result, the minimum guarantee determines the total amount of funding for schools and community colleges. Though total funding is determined by these formulas, the distribution of funding is not prescribed. The Governor and legislature have significant discretion in allocating funding to various programs and services.



Estimates of the Guarantee. The Legislative Analyst's Office (LAO) estimates the minimum guarantee each November, and the Department of Finance (DOF) provides its estimates as part of the Governor's budget proposal. The table below compares the LAO and DOF estimates for the minimum guarantee in the prior, current, and budget years. The DOF estimates have been used to build the final state budget in recent history. These estimates are adjusted periodically; the minimum guarantee for a given fiscal year is not finalized until about 18 months after the end of that fiscal year.

Table 1: Estimates of the Proposition 98 Minimum Guarantee (Dollars in Millions)

	PRIOR YEAR (2017-18)			CURRENT YEAR (2018-19)			BUDGET YEAR (2019-20)		
	LAO	DOF	DIFFERENCE	LAO	DOF	DIFFERENCE	LAO	DOF	DIFFERENCE
Minimum Guarantee	\$75,391	\$75,453	\$62	\$77,932	\$77,867	(\$65)	\$80,765	\$80,680	(\$85)
Funding									
General Fund	52,911	52,887	(24)	54,230	54,028	(202)	55,447	55,295	(152)
Local property tax	22,556	22,610	54	24,096	23,839	(257)	25,318	25,384	66
Total Funding	\$75,467	\$75,497	\$30	\$78,326	\$77,867	(\$459)	\$80,765	\$80,680	(\$85)
Funding Above Guarantee	76	44	(32)	394	0	(394)	0	0	0

Lower Guarantee for Current and Prior Years. Both LAO and DOF estimate that the minimum guarantee declined compared to the projections when the 2018-19 budget was enacted in June of last year. Such a decline can occur if school enrollment, economic growth, or state revenues turn out to be lower than expected. The funding above the guarantee indicated in Table 1 reflects this decline for 2017-18 and 2018-19. Because estimates were higher in the enacted budget, the amount of funding provided for 2017-18 exceeds the current estimates of the minimum guarantee in that year. (The administration adjusted funding for 2018-19 to match the revised guarantee in that year.) Under a new process implemented as part of the 2018-19 budget, funding above the guarantee is credited to future obligations (thereby lowering new spending in those years).

CCC Funding Levels

Table 2 shows the Governor's proposed Proposition 98 funding levels for CCC in the prior, current, and budget years, based on DOF's estimates of the minimum guarantee in each year. For each of these years, CCC's share of total Proposition 98 funding is 10.93% (the traditional share).

Table 2: California Community Colleges Proposition 98 Funding by Source (Dollars in Millions)

CCC PROPOSITION 98 FUNDING	2017-18	2018-19	2019-20	CHANGE FROM 2018-19	
	REVISED	REVISED	PROPOSED	AMOUNT	PERCENT
General Fund	\$5,257	\$5,364	\$5,408	\$44	1%
Local Property Tax	2,963	3,119	3,321	202	6%
Totals	\$8,220	\$8,484	\$8,729	\$246	7%

Note: Prior to calculating the CCC share of Proposition 98 funding, funding for the Adult Education, Adults in Correctional Facilities, and K-12 Strong Workforce programs (\$515 million, \$706 million, and \$724 million in the prior, current, and budget years, respectively) is excluded from the total.

GOVERNOR'S PROPOSED CCC ADJUSTMENTS

The Governor's proposal provides \$246 million in new spending for CCC in 2019-20 compared to the revised 2018-19 level. Table 3 lists the Governor's proposed funding changes for CCC. These include a cost-of-living adjustment (COLA) of 3.46%.



Changes in Funding

Table 3: 2019-20 Changes in California Community Colleges Proposition 98 Funding (*Dollars in Millions*)

2018-19 REVISED BUDGET	\$8,484
Technical Adjustments	
Remove one-time spending	(\$109.7)
Student Centered Funding Formula base adjustments	111.6
Use settle-up and reappropriation funds for CCC Strong Workforce program	(76.6)
Workload adjustment to Student Success Completion Grant	10.9
Other technical adjustments	(28.3)
Subtotal	(\$92.1)
Policy Adjustments	
Provide 3.46% COLA for apportionments	\$248.3
Expand California College Promise Program	40.0
Fund 0.55% enrollment growth	26.0
Provide 3.46% COLA for certain categorical programs ^a	\$13.5
Make legal services to undocumented immigrants ongoing	10.0
Subtotal	\$337.8
Total Changes	\$245.7
2019-20 Proposed Budget	\$8,729

^a Applies to CalWORKs, Campus Childcare, DSPS, EOPS, and Mandates Block Grant programs.

Below, we highlight two of the Governor's CCC proposals—expanding the California College Promise and continuing implementation of the Student Centered Funding Formula. We also detail local support by program area, capital outlay, and state operations funding in the proposed budget.

Expansion of College Promise

Additional Funding. The Governor proposes \$40 million in new funding to expand the California College Promise (Assembly Bill 19 of 2017). The additional funds are estimated to be the amount needed to cover students' second year of attendance.

Use of Funds. Although this initiative is associated with "free college," the structure of the initiative allows districts to decide how best to use the dollars. Under current law, districts can use funds to waive or buy out enrollment fees for any first-time, full-time California students for up to one year. Districts also can decide to use the funds for other purposes, such as providing grants to students to pay non-fee expenses, working with local education agencies to promote college preparedness and attendance, or providing other services to foster better outcomes for students. Under the Governor's proposal, districts would be authorized to waive fees for up to two years.

District Eligibility. The requirements for districts to participate in the California College Promise remain unchanged from the original AB 19 implementation. Colleges must partner with local education agencies to establish an Early Commitment to College program, improve college readiness, reduce the need for remediation, use "multiple measures" for assessment and placement, participate in the Guided Pathways program, ensure that students complete the federal or state financial aid application, and participate in the federal student loan program.



Implementation of Student Centered Funding Formula

Planned Implementation. The Student Centered Funding Formula, which was implemented beginning in 2018-19, apportions funding to districts using a base allocation linked to enrollment, a supplemental allocation designed primarily to benefit low-income students, and a student success allocation based on each district's student outcomes. Under the planned three-year phase-in of new formula factors, the base allocation would decline from about 70% of total funding to 65% in 2019-20 and 60% in 2020-21. The student success allocation, conversely, would increase from about 10% to 15% and 20% in the three years, respectively. The supplemental allocation would constitute about 20% of total funding in each year of the phase-in. This implementation would occur through changes in the funding rates for the base allocation and student success allocation.

Adjusts Implementation to Use 2018-19 Rates, Adjusted for COLA, in 2019-20. The Governor's budget proposal continues the Student Centered Funding Formula but adjusts the implementation provisions, pending further data analysis. Specifically, funding rates for 2019-20 would instead reflect the 2018-19 rates plus a COLA. (The funding rates for 2020-21 and beyond would remain unchanged from current law.) As under current law, in 2019-20, a district would receive the highest of the following calculations: (1) the amount calculated pursuant to the Student Centered Funding Formula for 2019-20, (2) the amount calculated pursuant to the Student Centered Funding Formula for 2018-19, or (3) the amount the district received in 2017-18, adjusted by the COLAs in 2018-19 and 2019-20.

Additional Changes. The proposed budget limits year-to-year growth in the total amount of funds calculated for the student success allocation to 10%. In addition, proposed trailer bill language would modify the definition of the number of students who transfer to four-year universities.

Tables 4 shows the 2018-19 and proposed 2019-20 funding rates under the Student Centered Funding Formula.

Table 4: Student Centered Funding Formula Factors and Rates

FACTORS	2018-19	2019-20
Base Allocation (per FTES)		
Credit FTES ^a	\$3,727	\$3,856
Credit FTES of special admits	5,457	5,646
Credit FTES of inmates in correctional facilities	5,457	5,646
Noncredit FTES	3,347	3,463
CDCP noncredit FTES	5,457	5,646
Basic Allocation (by category)		
Single college district, fewer than 10,000 FTES	3,917,752	4,053,306
Single college district, 10,000-19,999 FTES	5,223,670	5,404,409
Single college district, 20,000 or more FTES	6,529,588	6,755,512
Multi-college district, fewer than 10,000 FTES	3,917,752	4,053,306
Multi-college district, 10,000-19,999 FTES	4,570,712	4,728,859
Multi-college district, 20,000 or more FTES	5,223,670	5,404,409
Rural college designation	1,246,086	1,289,201
State approved centers	1,305,918	1,351,103
Grandparented centers, more than 1,000 FTES	1,305,918	1,351,103
Grandparented centers, 750-999 FTES	979,437	1,013,326
Grandparented centers, 500-749 FTES	652,958	675,550
Grandparented centers, 250-499 FTES	326,479	337,775
Grandparented centers, 100-249 FTES	163,241	168,889



FACTORS	2018-19	2019-20
Supplemental Allocation (per headcount)		
Pell Grant recipient	919	951
California College Promise Grant recipient	919	951
AB 540 Fee Waiver recipient	919	951
Student Success Allocation (per outcome)		
All Students		
Associate degree for transfer	1,760	1,821
Associate degree	1,320	1,366
Baccalaureate degree	1,320	1,366
Credit certificate requiring 18 or more units	880	910
Transfer-level math and English courses completed within the student's first academic year of enrollment	880	910
Transfer to a four-year university	660	683
9 or more career technical education units completed	440	455
Regional living wage obtained within one year of community college completion	440	455
Additional for Pell Grant recipients		
Associate degree for transfer	666	689
Associate degree	500	517
Baccalaureate degree	500	517
Credit certificate requiring 18 or more units	333	345
Transfer-level math and English courses completed within the student's first academic year of enrollment	333	345
Transfer to a four-year university	250	259
9 or more career technical education units completed	167	173
Regional living wage obtained within one year of community college completion	167	173
Additional for California College Promise Grant recipients		
Associate degree for transfer	444	459
Associate degree	333	345
Baccalaureate degree	333	345
Credit certificate requiring 18 or more units	222	230
Transfer-level math and English courses completed within the student's first academic year of enrollment	222	230
Transfer to a four-year university	167	173
9 or more career technical education units completed	111	115
Regional living wage obtained within one year of community college completion	111	115

^a For some districts, existing law supersedes these rates with district-specific rates.



Local Support Funding by Program

Table 5 shows proposed local assistance funding by program for the current and budget years. As the table shows, most categorical programs received level or workload funding in the Governor's proposal.

Table 5: California Community Colleges Funding by Program^a (Dollars in Millions)

	2018-19	2019-20	CHANGE FROM 2018-19	
	REVISED	PROPOSED	AMOUNT	PERCENT
Student Centered Funding Formula	\$7,156	\$7,504	\$348	5%
Student Equity and Achievement Program	475	475	0	0%
Strong Workforce Program	255	171	-84	-33%
Student Success Completion Grant	132	143	11	8%
Adult Education Program	131	135	4	3%
Disabled Students Programs and Services (DSPS)	120	125	4	3%
Extended Opportunity Programs and Services (EOPS)	112	116	4	3%
California College Promise (AB 19)	46	80	34	74%
Financial aid administration	92	77	-15	-16%
Full-time faculty hiring	50	50	0	0%
CalWORKs student services	45	47	2	3%
Apprenticeship (CCC districts)	53	44	-9	-17%
Integrated technology	42	42	0	0%
Mandates Block Grant and reimbursements	33	34	1	3%
Institutional effectiveness initiative	29	28	-1	-5%
Part-time faculty compensation	25	25	0	0%
Online education initiative	58	23	-35	-60%
Economic and Workforce Development	23	23	0	0%
NextUp (foster youth program)	20	20	0	0%
California Online Community College	120	20	-100	-83%
Cooperative Agencies Resources for Education (CARE)	16	17	1	3%
Lease revenue bond payments	32	16	-16	-49%
Nursing grants	13	13	0	0%
Part-time faculty office hours	62	12	-50	-80%
Legal services	10	10	0	0%
Fund for Student Success	9	9	-1	-8%
Foster Parent Education Program	5	5	0	0%
Veterans Resource Centers	13	5	-8	-63%
Childcare tax bailout	4	4	0	3%
Other ^b	3	3	0	0%
Equal Employment Opportunity Program	5	3	-2	-43%
One-time program funding ^c	31	-	-31	-100%
Deferred maintenance and instructional equipment (one time)	28	-	-28	-100%
College-specific allocations	16	-	-16	-100%



	2018-19	2019-20	CHANGE FROM 2018-19	
	REVISED	PROPOSED	AMOUNT	PERCENT
K-12 passthroughs (adult ed, K-12 apprenticeship, workforce)	621	609	-12	-2%
Totals	\$9,888	\$9,888	\$0	0%

^a Table reflects total programmatic funding for CCC, including amounts from prior years available for use in the years displayed.

^b Other programs include Academic Senate, transfer, FCMAT, and part-time faculty health insurance.

^c Includes one-time allocations for hunger-free campus, mental health services and training, re-entry grant program, and open educational resources.

In developing the Governor's budget proposal, DOF used the information shown in Table 6.

Table 6: Planning Factors for Proposed 2019-20 Budget

FACTOR	2017-18	2018-19	2019-20
Cost-of-living adjustment (COLA)	1.56%	2.71%	3.46%
State Lottery funding per FTE	\$205.60	\$223.23	\$222.37
Mandates Block Grant funding per FTE	\$28.44	\$29.21	\$30.22
RSI reimbursement per hour	\$5.90	\$6.26	\$6.48
Financial aid administration per College Promise Grant	\$0.91	\$0.91	\$0.91
Employer pension contribution rates			
Public Employee Retirement System (PERS)	15.53%	18.06%	20.80%
State Teachers Retirement System (STRS)	14.43%	16.28%	17.10%

We are not aware of any changes in allocation methods or match requirements for local support programs, other than the funding formula adjustments described above.

Capital Outlay

The Governor's budget proposal provides \$358.7 million in capital outlay funding from Proposition 51, approved by voters in 2016. The funding is to support 15 continuing projects and 12 new projects, as listed in Table 7.

Table 7: Governor's Proposed CCC Capital Outlay Projects

			2019-20		ALL YEARS	
COLLEGE	PROJECT	PHASE	STATE COST	TOTAL COST	STATE COST	TOTAL COST
Continuing Projects						
Santa Monica College	Math/Science Addition	C	\$37,031,000	\$72,934,000	\$39,615,000	\$78,102,000
Laney College	Learning Resource Center	C	22,812,000	70,556,000	24,417,000	75,686,000
Mt. San Antonio College	New Physical Education Complex	C	53,993,000	67,768,000	57,541,000	72,238,000
Santa Rosa Junior College	Science and Mathematics Replacement Building	C	30,882,000	61,200,000	33,076,000	65,589,000
Orange Coast College	Language Arts and Social Sciences Building	C	28,305,000	55,706,000	30,353,000	59,803,000
Allan Hancock College	Fine Arts Complex	C	22,873,000	45,012,000	24,526,000	48,318,000
Golden West College	Language Arts Complex	C	21,925,000	43,248,000	23,540,000	46,478,000
North District Center	Center Expansion	C	40,275,000	40,275,000	42,403,000	43,285,000



			2019-20		ALL YEARS	
COLLEGE	PROJECT	PHASE	STATE COST	TOTAL COST	STATE COST	TOTAL COST
Santa Ana College	Russell Hall Replacement	C	19,192,000	37,875,000	20,729,000	40,948,000
Solano College	Library Building 100 Replacement	C	17,396,000	36,987,000	20,148,000	39,739,000
Compton College	Instructional Building 2 Replacement	C	14,891,000	23,050,000	16,167,000	24,995,000
Mission College	MT Portables Replacement Building	C	10,073,000	20,019,000	10,814,000	21,500,000
Merritt College	Child Development Center	C	5,692,000	18,593,000	6,128,000	20,013,000
Imperial College	Academic Buildings Modernization	C	8,647,000	16,949,000	9,043,000	17,741,000
Long Beach City College	Construction Trades Phase 1	C	6,712,000	12,032,000	7,304,000	13,107,000
New Projects						
San Bernardino Valley College	Technical Building Replacement	PW	2,313,000	5,174,000	34,411,000	75,647,000
College of the Redwoods	Phys Ed Replacement	PW	5,379,000	5,379,000	60,648,000	60,648,000
American River College	Technical Building Modernization	PW	1,258,000	4,191,000	29,959,000	57,966,000
Saddleback College	Gateway Building	PW	1,719,000	3,501,000	26,080,000	52,338,000
College of Alameda	Replacement of Buildings B and E (Auto and Diesel Technologies)	PW	1,278,000	2,555,000	17,044,000	33,650,000
Los Angeles City College	Theater Arts Replacement	PW	1,112,000	2,245,000	15,140,000	30,095,000
Merced College	Agriculture Science and Industrial Technologies Complex	PW	431,000	2,153,000	12,974,000	25,629,000
Santa Monica College	Art Complex Replacement	PW	793,000	1,585,000	10,901,000	21,526,000
Rio Hondo College	Music/Wray Theater Renovation	PW	847,000	1,959,000	9,873,000	20,486,000
College of the Sequoias	Basic Skills Center	PW	1,365,000	1,365,000	15,635,000	17,350,000
Fresno City College	New Child Development Center	PW	1,036,000	1,295,000	13,520,000	16,850,000
Butte College	Technology Remodel	PW	518,000	1,034,000	8,088,000	10,722,000
Totals			\$358,748,000	\$654,640,000	\$620,077,000	\$1,090,449,000

Note: P = preliminary plans. W = working drawings. D = design. C = construction.

State Operations

The proposed budget includes three substantive changes for state operations:

- \$5 million one time for outreach related to the California College Promise
- \$435,000 one time to support the work of the Student Centered Funding Formula Implementation Oversight Committee
- \$135,000 ongoing for an information security officer

The proposal would result in total budgeted resources for the Chancellor's Office of \$34.7 million in 2019-20 (including \$23.7 million General Fund).



BEYOND THE CCC BUDGET

In addition to the Governor's CCC proposals, the budget includes several efforts that would affect our students and colleges.

Cal Grant Expansion

The Governor includes \$121.6 million to provide additional financial aid for Cal Grant recipients who are enrolled in one of the public higher education segments and who have dependent children. For students receiving the Cal Grant A, the proposal creates a new access award that could provide up to \$6,000 annually. For students receiving the Cal Grant B, the maximum access award would increase to \$6,000 annually (from \$1,648). For students receiving the Cal Grant C (for students enrolled in career-technical education programs), the maximum book and supplies award would increase to \$4,000 (from \$1,094).

In addition, the Governor proposes to increase the number of competitive Cal Grant awards. These awards are for students who meet general Cal Grant eligibility requirements but do not qualify for the entitlement programs, primarily because of the amount of time they have been out of school. As a result, these awards generally serve older adults. The budget includes \$9.6 million to fund 4,250 new competitive Cal Grant awards, bringing the new total to 30,000 awards in 2019-20. The new awards are distributed evenly between those awarded following the March deadline (open to all students) and those awarded following the September deadline (for CCC students only).

Relief on STRS Costs

The Governor's budget includes a \$3 billion STRS payment that would reduce the unfunded liability for teacher pensions. A portion of this reduction in the liability would reduce the statutory employer contributions in 2019-20 and 2020-21. Table 8 compares the projected employer contribution rates to contribution rates under the current funding plan for these two years.

Table 8: California Teachers' Retirement System Employer Contribution Rates

YEAR	CURRENT FUNDING PLAN	GOVERNOR'S BUDGET PROPOSED RATES	CHANGE
2019-20	18.13%	17.10%	-1.03%
2020-21	19.10%	18.10%	-1.00%

New Longitudinal Student Data System

The Governor's proposed budget includes \$10 million one time to begin planning, and support the initial costs of, a new statewide longitudinal student data system. The California Department of Education will serve as the fiscal agent for these funds, with the education segments expected to participate in the planning and implementation of the new system.

In about a week, as additional details become available, the ACBO, ACCCA, CCCCO, and the League will provide a more complete joint analysis of the Governor's budget proposal.



CALIFORNIA
COMMUNITY COLLEGES
SCHOLARSHIP
ENDOWMENT

A PART OF THE OSHER INITIATIVE FOR
CALIFORNIA COMMUNITY COLLEGE STUDENTS

TO: California Community Colleges Scholarship Endowment Osher Scholarship Program Managers
FROM: Keetha Mills, President and CEO, Foundation for California Community Colleges
SUBJECT: AWARD INCREASE 2019-20 California Community Colleges Scholarship Endowment
DATE: February 2019
CC: Chancellor Eloy Ortiz Oakley

Colleagues,

I'm pleased to share an update to award amounts for Osher scholarships.

Per the Bernard Osher Foundation Grant Agreement, the Foundation for California Community Colleges annually reviews the Consumer Price Index to determine the effect of inflation. Based on this review, we have determined that California Community Colleges Scholarship Endowment (CCCSE) Osher Scholarship award amounts will increase by **\$100** beginning with the 2019-20 scholarship cycle.

Beginning July 1, 2019, CCCSE awards will **increase from \$1,100 per year or \$550 per semester to \$1,200 per year or \$600 per semester**. Osher Scholars will continue to be eligible for renewal scholarships not to exceed a cumulative award total of three times the amount of the annual maximum award, which will be **\$3,600** beginning July 1, 2019. Colleges may still choose to pro-rate awards based on a student's unit load.

Thank you for your ongoing commitment to this important systemwide scholarship fund. Our staff is happy to answer questions regarding scholarship criteria, the award increase, or details regarding the investment balance and estimated payout for your college. Please reach out with any questions or concerns to endowment@foundationccc.org or 866.325.3222, ext 144. As always, you can also find additional details regarding the CCCSE at foundationccc.org/cccsehub.

Sincerely,



Keetha Mills
President and CEO, Foundation for California Community Colleges

cc: Eloy Ortiz Oakley, California Community Colleges Chancellor