

**Consultation Council**  
**April 18, 2019**  
**Revised SCFF Considerations**

#	Issue	Existing Law	Alternative for Consideration
<b>A</b>	<b>Student Centered Funding Formula (SCFF) Structure</b>		
1	Appropriations for SCFF Costs	Under existing practice, the state determines General Fund appropriations when the annual budget is enacted (typically before June 30 of the prior year), based on estimated SCFF costs and offsetting revenues (e.g., local property taxes, Education Protection Account revenues, and enrollment fee revenues).	Enact statutes that authorize the state to adjust General Fund appropriations for the SCFF following enactment of the annual budget to account for revised estimates of costs and offsetting revenues. That is, if costs are higher than estimated, General Fund appropriations would increase. Further, if offsetting revenues are lower than estimated, General Fund appropriations would also increase. (This has been called a “continuous appropriation” or an “automatic backfill.”)
2	“Hold Harmless” Provisions	Existing law specifies that a district would receive at least the following: in 2018-19, the 2017-18 total computational revenue adjusted by the 2018-19 cost-of-living adjustment (COLA); in 2019-20, 2017-18 revenues adjusted by the 2018-19 and 2019-20 COLAs; and in 2020-21, 2017-18 revenues adjusted by the 2018-19, 2019-20, and 2020-21 COLAs.	Extend this “hold harmless” provision by one year, such that, in 2021-22, districts would receive at least their 2017-18 revenues, adjusted by the 2018-19, 2019-20, 2020-21, and 2021-22 COLAs.
3	Adjustments to Various SCFF Rates	Existing law specifies rates for each of the factors included in the base allocation, supplemental allocation, and student success allocation, aiming for a 70-20-10 split across those three allocations in 2018-19 and moving toward a 60-20-20 split by 2020-21. Existing law specifies various point values within the supplemental allocation and student success allocation.	Consistent with Governor’s proposal, adjust the per-factor rates for each of the factors in the base allocation, supplemental allocation, and student success allocation, such that the split across the three allocations would be approximately 70-20-10 in 2019-20, with the existing points structure used to adjust the rates in the supplemental allocation and student success allocation.

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<b>B</b>	<b>Student Success Allocation</b>		
1	Counts of Student Success Allocation Awards	Existing law counts all outcomes, regardless of whether the same student attained more than one of the outcomes.	Count only one of the following in a single year: (1) associate degree for transfer, (2) associate degree, (3) baccalaureate degree, or (4) credit certificate (16 units or greater).  That is, if the student earned more than one of these in a given year, the district would receive funds for the outcome to which the highest points are attributed. However, if the student received one in the first fiscal year and another in a subsequent year, the district would receive funds for both of the outcomes in the respective years.
2	Definition of Completion of Nine or More Career Technical Education (CTE) Units	Existing law counts the number of students who completed nine or more CTE units in the same academic year. [CTE courses are Standard Accountability Measure (SAM) A, B, or C courses and all courses with a CTE Taxonomy of Programs (TOP) code.]	Count this outcome only if the student completes at least nine or more CTE units in the same discipline, defined as courses within the same two-digit TOP code, in the same academic year.
3	Definition of Successful Transfer to Four-Year University	Existing law counts the number of students who successfully transfer to any four-year university, with the requirement the student has completed at least 12 units systemwide prior to transfer, with an outcome credited to each district in which student enrolled prior to transfer.	Count this outcome at each district where the student completed 12 or more units prior to transfer.
4	Definition of Outcomes Related to Awards	Existing law counts all awards (i.e., associate degrees for transfer, associate degrees, baccalaureate degrees, and credit certificates) in a given year.	Count this outcome only if the student had enrollment in the academic year the award is made.

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<b>C</b>	<b>Clarifications Consistent with Intent</b>		
1	Clarification that Apportionment is Made to Residents Students Through SCFF	<p>Existing law apportions funds through the base allocation based on full-time equivalent student (FTES) enrollment only of students classified as resident students for purposes of administration of the enrollment fee. Existing law authorizes districts to charge nonresident fees for students who are not classified as resident students.</p> <p>However, existing law counts students as part of the supplemental allocation and student success allocation regardless of students' classification for fee purposes.</p>	<p>Include a student in the supplemental allocation counts (i.e., Pell Grant recipients and California College Promise Grant recipients) only if the student is classified as a resident student (for purposes of administration of the enrollment fee). Include a student in the student success allocation counts only if the student is classified as a resident student (for purposes of administration of the enrollment fee) at some point during enrollment at the community colleges.</p> <p>(This alternative does not change any provisions related to AB 540 students. That is, AB 540 students would continue to be counted and generate additional funding under the SCFF.)</p>
2	Clarification that Special Admit Students and Students in Correctional Facilities Are Funded through Base Allocation	<p>Existing law specifies, as part of the base allocation, higher per-FTES rates for credit FTES of special admit students and students in correctional facilities compared to all other credit FTES.</p> <p>However, existing law does not include provisions in the supplemental allocation and student success allocation related to counts associated with students exclusively enrolled as special admit students and students in correctional facilities.</p>	<p>Clarify statute consistent with the intent that funding be provided for special admit students and students in correctional facilities through the base allocation by making explicit that counts of students whose enrollment has been exclusively in one of those categories are not included as part of the supplemental allocation or student success allocation.</p>