



California Community Colleges Chancellor's Office State and Federal Legislative Program Agenda

**October 18, 2010
10:00 am to 3:00 pm**

**1102 Q Street, 3rd Floor
Conference Rooms 3 B&C**

- 10:00 am - 10:30 am Welcome and Introductions
- Expectations for the Day
 - Ground Rules
- 10:30 am - 11:30 am Capitol Insiders' View of Community Colleges and the Next Legislative Session
- Speakers:*
Danny Alvarez, Chief Consultant Senate Education Committee
Sandy Fried, Chief Consultant Assembly Committee on Higher Education
- What might we expect in the upcoming legislative session?
 - What are your perceptions and expectations of the community colleges?
 - How does the heightened federal attention on community colleges play out in Sacramento?
- 11:30 am - 12:15 pm Community College Messaging: What Works
- Speaker:*
Terri Carbaugh, Vice Chancellor of Communications
- 12:15 pm – 1:00 pm Lunch
- 1:00 pm – 3:00 pm Discussion of 2011 Legislative Proposals for Board of Governors Sponsorship
- Common Assessment
 - Continuous Appropriation
 - E-Transcript
 - Federal Financial Aid



2011-12 STATE AND FEDERAL LEGISLATIVE TASK FORCE

OVERVIEW

Each year the Board of Governors adopts a State and Federal Legislative Program, which contains bills recommended for Board sponsorship and helps guide the advocacy efforts of the system for the upcoming year. The Chancellor's Office will form a new State and Federal Legislative Task Force for the purpose of developing the 2011 State Legislative Program.

The Chancellor's Office proposes that the Task Force focus on identifying key, systemwide policy priorities that meet the objectives of the strategic plan, are in concert with the system's budget proposal and are viable given the current political and economic climate. Each member of the Consultation Council is invited to submit a name of an individual who represents their organization to participate in this year's Legislative Task Force.

Given the ongoing budget crisis, the Task Force will take a more minimalist approach to pursuing new legislation and will focus a significant amount of discussion on advocacy and messaging to support community college budget and policy priorities. The Task Force will review state policy proposals and federal proposals. Should the Consultation Council members wish to submit legislative proposals for discussion and review, these guidelines are recommended:

1. Council organizations are asked to submit **short** summaries of legislative policy proposals through their Legislative Task Force representatives.
2. In the summaries, include the following:
 - Contact information and organization
 - Identify the statute that should be enacted or amended
 - Indicate if the submission has been vetted in any forum, and identify the support and opposition if known

Guiding principles for considering legislative proposals

- Proposals must support the BOG Legislative Principles.
- There should be general agreement on proposed legislation.
- Legislative proposals should meet at least one of the following:
 - a) are part of the system budget proposal
 - b) provide an important clarification to existing policy
 - c) address an immediate problem needing resolution

PROPOSED SCHEDULE

2010

- August 19: Consultation Council is requested to provide representatives to sit on the State Legislative Task Force
- September 24: Proposals are due from Task Force members
- October 18: Task Force meets at the Chancellor's Office: 10 am to 3 pm (lunch will be provided)
- October 21: Consultation Council briefing
- November 8-9: Board of Governors meeting – Information Item – Presentation and status of the State Legislative Program
- November 18: Consultation Council follow up briefing

2011

- January 10-11: BOG Meeting – Legislative Program presented for adoption
- TBA: Follow up meetings if necessary
- January - February 2011: Chancellor's Office staff pursues authors for the legislation
- February 2011: Deadline for introducing legislation (TBD)

Board of Governors of the California Community Colleges
Statement of Legislative Principles

The Statement of Legislative Principles is adopted by the Board of Governors of the California Community Colleges to provide policy guidelines for the Chancellor when addressing matters pending before the California Legislature. The following constitute the core principles of engagement guiding the development of the System Office's positions on legislation on behalf of the Board of Governors. These principles are designed to:

1. Strengthen the California Community Colleges' ability to accomplish their statutory mission to provide the full range of community college programs and services; and
2. Increase community college student access and success and guarantee affordable, quality education.

Because the Board of Governors supports local governance, an overall guiding principle is that the Board will remain neutral on matters affecting local collective bargaining. Also, the Board of Governors will remain neutral on matters affecting only a particular community college district, except where a policy precedent, or resource allocations, have the potential of affecting other districts or the system and where the legislation would adversely impact the mission of the community colleges.

These legislative principles align Community College legislative priorities with the goals and priorities identified in the System Strategic Plan as follows:

A. Promote college awareness and access: *Increase awareness of colleges as a viable option and enhance access to higher education for growing populations in areas, such as:*

- Enhancing student financial aid to reduce the overall cost of attending college.
- Assisting students with the application process for attending a community college.

B. Support student success and readiness: *Promote college readiness and provide the programs and services that help all students achieve their educational and career goals in areas, such as:*

- Increasing effective delivery of English, ESL, and mathematics basic skills education.
- Strengthening the academic preparation of K-12 students and increasing success at a community college.
- Supporting efforts with four-year institutions designed to provide additional transfers to a four-year institution.

C. Strengthen partnerships for workforce and economic development: *Enhance the colleges' capacity to respond to current and emerging labor market needs and to prepare students to compete in a global economy in areas, such as:*

- Supporting coordinated state workforce programs and policies.
- Increasing efforts that align career technical education curriculum and program development between community colleges, K-12 and industry.

D. Improve system effectiveness: *Strengthen system effectiveness through communication and coordination, regulatory reform and performance measurement in areas, such as:*

- Enhancing and strengthening the bilateral governance model of the Board of Governors and local district governing boards.
 - i. Maintaining local authority and control in the administration of the colleges.
 - ii. Enhancing the flexibility of the Board of Governors and the chancellor regarding internal management and operation.
- Strengthening college districts' ability to use their capital outlay, infrastructure bonds, and property management funds more efficiently.
- Assuring adequate representation by the California Community Colleges on appropriate boards, commissions, task forces, study groups, and other bodies that may have an impact on the system.
- Developing positions through the Consultation Council as provided by *Board of Governors Standing Order 317*.

E. Enhance resource development: *Provide enhanced resources and allocation methods to ensure high-quality education for all in areas, such as:*

- Protecting the fiscal integrity of the system.
- Seeking legislative support for the principles and policies established through the system's budget process in accordance with the priorities established by the Board of Governors.
- Aligning the System Strategic Plan with legislative and fiscal priorities wherever appropriate.

Ensuring that new reporting requirements are adequately funded and serving the interests of students, the colleges and the system.

**California Community Colleges
2011-12 Legislative Program Task Force**

**Proposal
Centrally Delivered Student Common Assessment**

Subject: Centrally Delivered Student Common Assessment

Issue: Currently, dozens of different standardized tests are used throughout the CCC system. Many CCCs recognize only their own tests and require students who were previously tested at other CCCs to be reassessed. This creates an additional hurdle for prospective students and results in costly duplicative testing by CCCs.

The existing assessment model utilized at community colleges allows for the annual assessment of 1.6 million students at a cost of \$10 million. The proposed assessment model would cost approximately \$5 million annually to assess 2.5 million students. The objectives of this proposal are to reduce current assessment costs for the colleges, implement a consistent assessment tool systemwide for the benefit of CCC students, and increase the chances for improved student outcomes.

Background: Not all incoming CCC students are assessed. Existing law allows CCCs to assess students, and CCC districts are permitted to use any assessment tool they desire, so long as the assessment is approved by the Board of Governors (BOG). BOG regulations require CCC districts to provide assessment but allow CCC districts to establish criteria for exempting certain students from assessment. While BOG regulations do not permit nonexempt students from opting out of assessment, many students do; in the fall of 2006, 97,000 nonexempt students failed to participate in assessment.

Policy Solutions: Creation of a centrally delivered student common assessment system that will increase the number of students assessed and decrease assessment costs, save students' time and CCC funds by allowing students to take their test scores with them to different CCCs. Any cost savings resulting from the use of the common assessment would remain with the local colleges to be used at their discretion.

- The common assessment would be used as one of multiple measures, consistent with existing regulations, for the purposes of community college placement and advisement. It would provide a single, common assessment instrument for use by community colleges in the curriculum areas of English, mathematics, and English as a Second Language.
- The common assessment would be housed in a secure, central test data warehouse that collects all available assessment scores generated by assessed students at all participating community colleges, and all available K-12 assessment data and transcript information for these students. The use of this data would be strictly limited to placing and advising community college students to enhance their success with and completion of their postsecondary education objectives.
- This proposal would create an Internet Web portal that can be accessed by community college personnel and students. Through this Web portal students would be able to generate an assessment profile upon request, which includes all assessment information available in a data warehouse. The profile would be accessible **ONLY** for counseling, matriculation, and course placement purposes.
- A pretest application would be available to students that emulates the structure of the centrally delivered student assessment which they can practice on and familiarize themselves with before taking future assessments.
- An advisement tool would be made available to students describing the critical importance of taking the common assessment to be placed in English, mathematics, and English as a Second Language college-level courses, as well as information about the historical success rates for students who place in various levels of remedial coursework.

The Office of the Chancellor of the California Community Colleges would work with the California State University to align and leverage the state's college readiness assessments, including the Early Assessment Program, to facilitate the effective and economical implementation of the California Community Colleges Common Assessment.

The Board of Governor's would convene an advisory committee to review the development of the CCC common assessment that includes, but is not limited to, representatives from all of the following entities:

- The Office of the Chancellor of the California Community Colleges
- The Legislative Analyst's Office
- The Department of Finance
- The State Department of Education
- The Academic Senate of the California Community Colleges
- The Research and Planning Group for California Community Colleges
- The California Community Colleges Matriculation Professionals Association

Outcomes / Benefits: This proposal would ensure that students are allowed to take their test scores with them to different CCCs as needed, and provides for the option of online pre-testing which ensures they understand expectations before taking tests. The CCCs would be able to save millions of dollars by leveraging their buying power and purchasing testing instruments centrally rather than at the CCC district level. For example, currently 1.6 million students are assessed annually at a cost of \$10 million compared to the estimated cost for a centrally delivered student common assessment that is \$5 million to assess 2.5 million students. Finally, the California Community College Chancellor's Office (CCCCO) is currently well-positioned to leverage state dollars with foundation resources due to a recent grant that awarded funds to the CCCCCO to support the development of a pilot project on student assessment.

The objectives of this proposal are to reduce current assessment costs for the colleges, implement a consistent and high quality assessment tool systemwide for the benefit of CCC students, and increase the chances for improved student outcomes.

Chances of Success: Given current state budget constraints, support for the creation of a centrally delivered student common assessment is uncertain. However passage of SB 1440 (Padilla) provides an interesting insight into the current thinking of legislative members. Their focus is on identifying innovative ways to efficiently use state dollars and they are much more interested in "looking outside of the box" for solutions.

Author(s) to Consider: Assemblymember Marty Block

**California Community Colleges
2011-12 Legislative Program Task Force**

**Proposal
Continuous Appropriations Funding Mechanism**

Subject: Continuous Appropriations Funding Mechanism for Community Colleges

Issue: Under current law, general fund apportionments to K-12 districts are a continuous appropriation. This means that if a state budget is not passed by July 1st, K-12 districts still receive state funding. This proposal would seek to extend to the community colleges the same apportionment mechanism provided to the K-12 system.

Community colleges are adversely affected each day the state budget is not passed unlike K-12 school districts because they benefit from the continuous appropriation provision in existing law. The most compelling argument in favor of this funding mechanism for K-12 is that students are required by law to attend school. While community colleges cannot make this same argument, a case can be made for eliminating inefficient uses of taxpayer dollars within the community college system due to delays in passing the state budget. Examples of inefficiencies include increased borrowing costs to maintain payroll and other services and disruptions to public services.

Current Education Code sections that provide for continuous appropriation for K-12 School Districts include: 1) 14000 - Sources, Conditions of Apportionments, Amounts of Support Per Average Daily Attendance; 2) 41330-41343 - Disbursements by Superintendent of Public Instruction, and 3) 42238 - Apportionments and Revenue Control. These sections include complex descriptions of apportionments and in doing so authorize continuous appropriations for K-12 districts. These sections may be useful in developing language for community colleges. The appropriate sections of the Education Code for community colleges may be in the 80000 series - State Financial Management And Control, Moneys to Districts. However, we will need to seek expertise to determine the exact language necessary for the appropriate sections of the Education Code, as well as initiate legislation and seek an author.

Policy Solutions: Enactment of the continuous appropriations mechanism to fund community colleges would be an effective solution to problems associated with chronic state budget delays. These delays create uncertainty in offering courses, class schedules, charging fees and cause additional, unplanned costs associated with financing payroll, utilities and many other costs. By granting access to the continuous appropriations funding mechanism for the community colleges it would provide a comprehensive solution for the entire system. We presume it would be universally supported by the community colleges.

Outcomes / Benefits: This proposal would have a positive fiscal effect on community colleges, allowing for cost effective budget planning and eliminating inefficient uses of tax payer dollars due to state budget delays. The effect on the State would be revenue neutral because it does not require additional funds, only timely funding of budgeted allocations.

**California Community Colleges
2011-12 Legislative Program Task Force**

Proposal
***Converting CA Community Colleges from
Using Paper-based Transcripts to e Transcripts***

Subject: e-Transcripts

Issue: The process of mailing paper-based transcripts from one institution of higher education to another is timely and not cost-effective. Currently, paper-based transcripts can take weeks to be delivered to a college or university, thereby delaying the student's enrollment in classes. With the implementation of SB 1440 (Padilla), the Student Transfer Achievement Reform Act, community colleges anticipate transfer rates to significantly increase. Due to this increase, community colleges will need a more streamlined process to enable transfer credits to be applied at the California State Universities.

Background: *e Transcript California* is the statewide Internet-based system for requesting, transmitting, tracking, downloading and viewing electronic transcripts developed by the California Community Colleges. Currently, approximately 40% of California Community Colleges and 77% of California State Universities have successfully implemented *e Transcript California*.

Policy Solutions: Contingent upon receipt of federal funds or outside philanthropic grants, California Community Colleges would be eligible to receive an e Transcript grant to cover the initial conversion costs for fully implementing the e-Transcript system to streamline the student transfer process in order to promote access and student success.

Outcomes / Benefits: e Transcripts will fulfill transcript requests automatically by receiving student data from a college's information system and delivering that data to the requesting college's system without human interaction. Converting from a paper-based transcript to an e-Transcript system can save the college \$4 to \$10 per transcript by reducing paper consumption, operating costs, and postage, which depending on how many transcripts the college processes, can save the college tens of thousands of dollars annually. E-transcripts also allow the student to view their transcripts online, making it more accessible for students to choose their classes immediately rather than waiting weeks to obtain their transcripts in the mail. E-Transcripts are automated, processed through an online request, and sent directly to a college, which greatly reduces workload for Admissions and Records staff. Staff would no longer have to manually process transcripts, reducing the possibility of mistakes while re-keying transcript data into the recipient's student record.

Author(s) to Consider: Assemblymember Warren Furutani

**California Community Colleges
2011-12 Legislative Program Task Force**

Proposal
Community Colleges Property Tax Backfill

Subject: Community Colleges Property Tax Backfill

Issue: In 2007-08, community college property tax receipts fell short of Budget Act estimates by more than \$90 million. This property tax shortfall translated into a cut to colleges' general purpose revenues, significantly reducing resources available to support educational services. Property tax budget estimates have not matched actual property tax receipts for colleges for the past five years. This scenario was repeated in 2008-09 when the property tax shortfall reached \$28 million. The unexpected reduction in property tax receipts has a devastating impact on colleges that are already reeling from severe budget cuts the past several years.

The annual community college budget is built upon anticipated property tax revenue estimates. If actual property tax receipts come in lower than anticipated, the colleges are left scrambling to make up the difference in revenues or they seek a property tax backfill. An error in estimating property taxes is only corrected in the following fiscal year and only if the Governor and Legislature agree to provide relief in the form of additional funding. Securing a property tax backfill has been a hit or miss proposition for colleges.

Policy Solution: To remove any future funding uncertainty and to avoid mid-year cuts to base programs, there needs to be a statutory change that would provide community colleges with an automatic funding backfill of property taxes, similar to the one currently in place for K-12 school districts.

Outcomes/Benefits: The state's best strategy for meeting the higher education needs of its citizens within constrained state resources is to place maximum possible emphasis on property tax backfill to fully fund community college core programs and services. Community colleges provide the most cost-effective access to higher education as an increasing numbers of citizens are:

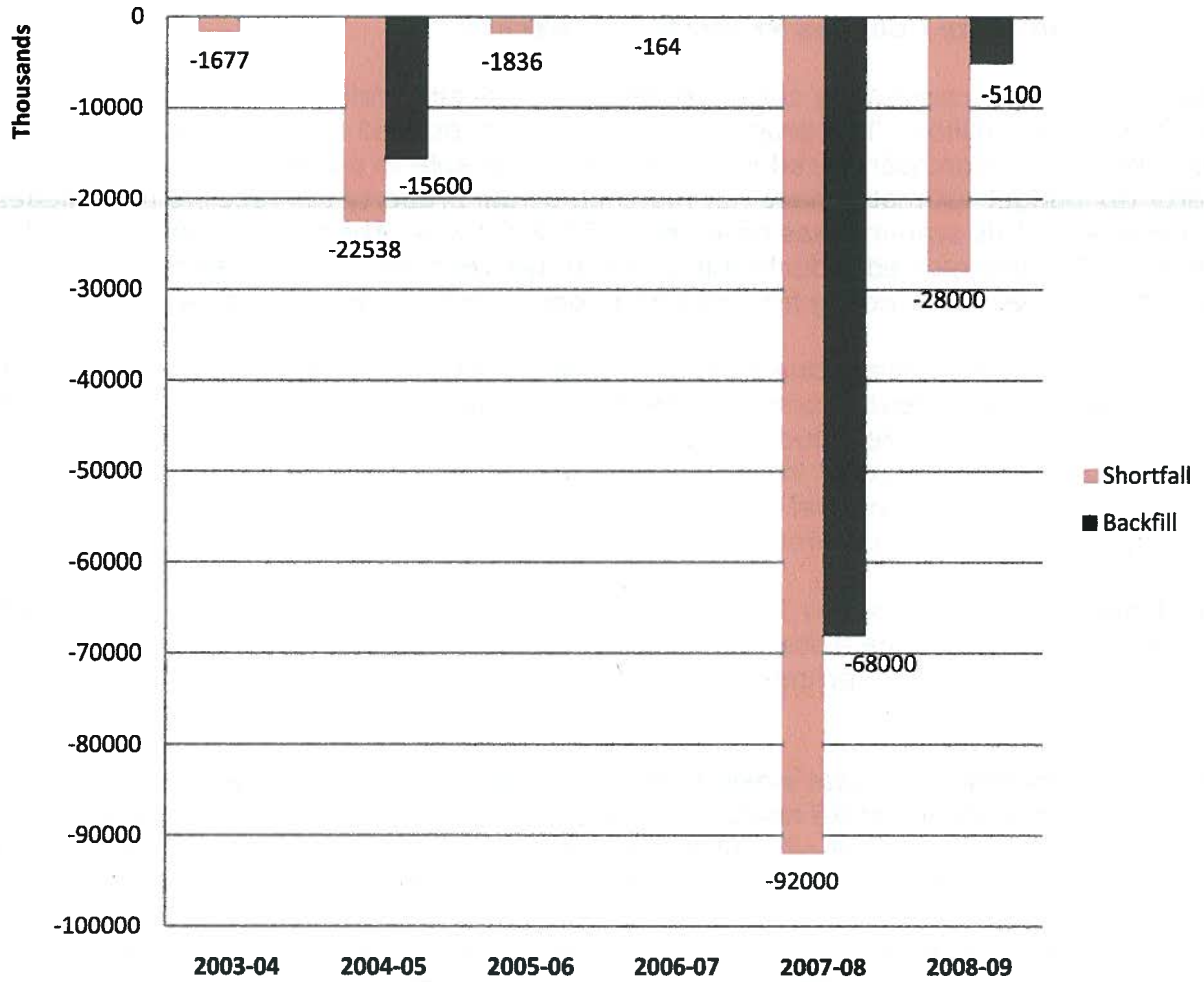
- Displaced from current jobs and return to the college to acquire additional job skills.
- Seeking to update their technical skills in order to remain competitive in the workplace.
- Diverting from other higher education institutions that have raised fees and limited enrollment.

Background and Resources: AB 2277 provided for the annual transfer of funds from the State General Fund to the State School Fund for allocation to community colleges in order to compensate colleges for estimated, but yet to be received property tax revenues. Please follow the links below for copies of the bill and committee analysis.

Link to version of AB 2277 for Property Tax Backfill
http://www.leginfo.ca.gov/pub/07-08/bill/asm/ab_2251-2300/ab_2277_bill_20080408_amended_asm_v98.pdf

Link to Assembly Education analysis of AB 2277 for Property Tax Backfill
http://www.leginfo.ca.gov/pub/07-08/bill/asm/ab_2251-2300/ab_2277_cfa_20080414_164022_asm_comm.html

**Property Tax Shortfalls and Backfills by Fiscal Year
(dollars in thousands)**



**California Community Colleges
2011-12 Legislative Program Task Force**

**Proposal
*Increase Student Participation in Federal Financial Aid Programs***

Subject: Federal Earmark to Support a Community College Financial Aid Pilot Program

Issue: California Community College (CCC) students have significant financial need, but are the least likely to take full advantage of federal financial aid opportunities. Earlier this year, the Institute for College Success & Access issued a report stating that only 33% of CCC students apply for federal financial aid, compared to 46% of community college students in other states. The Institute argued that CCC students are less likely than those in other states to complete the Free Application for Federal Student Aid (FAFSA). As a result CCC students are not accessing an estimated \$500 million in federal aid that would otherwise be available to them. However, of the students who receive a Board of Governors (BOG) fee waiver, 80% of them file a FAFSA.

The challenge in California is reaching students who are not aware of and do not take advantage of any state or federal financial aid opportunities. Many of these students likely are attending college part-time, juggling work and family and, as a result, do not spend much time on campus nor meeting with student services advisers.

Students who receive the maximum federal financial aid dollars available to them significantly improve their chances for success allowing them to work less and/or take out fewer loans. CCC students typically work in excess of 25 hours per week to support themselves and in many cases their families. The research shows that students who attend college full-time and work less are most likely to complete their college studies successfully.

Background: Since entering office, President Obama has doubled the funding for Pell Grants, not only to provide aid for the increasing numbers of students going back to school, but to increase the amount of support students receive. The maximum Pell Grant for the 2008-09 award year was \$4,731. The maximum Pell Grant increased to \$5,350 for the 2009-10 award year largely due to a \$500 increase as part of the Recovery Act. The maximum Pell Grant increased further to \$5,550 for the 2010-11 award year due to an additional statutory increase unrelated to the Recovery Act. As a result of the SAFRA Act (part of the Health Care and Education Reconciliation Act of 2010), starting with the 2013-14 academic year, the maximum grant will also automatically increase by the Consumer Price Index rate. These increased Pell Grant awards will provide additional direct aid to low-income students and families in future years.¹

Policy Solution: The Chancellor's Office would pursue a \$1 million federal earmark or other federal grant opportunities to fund a three-year pilot project that supports efforts to increase student participation in federal financial aid programs by: 1) accurately identifying CCC students who do not complete the FAFSA or BOG fee waiver application and who likely would be eligible for financial aid; 2) identifying barriers to better understand how to reach these students and developing strategies to remove obstacles; 3) identifying effective policies/practices at community college campuses with high rates of FAFSA completion that can be expanded systemwide; 4) providing financial resources to participating campuses and the Chancellor's Office to gather data, conduct research and implement new promising strategies and programs.

1. US Department of the Treasury, "The American Opportunity Tax Credit," October 12, 2010

The Chancellor's Office would establish a voluntary pilot program to increase student participation in federal financial aid programs. No more than 10 community college campuses would be selected to participate in the pilot program. In selecting campuses for the pilot program, the Chancellor, to the extent possible, would ensure geographic, economic, and demographic diversity. The federal earmark would provide financial resources to participating campuses and the Chancellor's Office to gather data and conduct research.

The pilot program would identify both of the following target populations to participate in the pilot program:

- (1) Students potentially eligible for financial aid who complete an application for a BOG fee waiver but do not complete a FAFSA.
- (2) Students potentially eligible for financial aid who do not receive any campus, state, or federal financial aid.

Outcomes / Benefits: This proposal would increase CCC participation in state and federal financial aid programs, and increase chances for CCC students to attain their educational goals.