



California Community Colleges

MEMORANDUM

July 6, 2018

SS & SP 18-15 | Via Email

TO: Chief Executive Officers
Chief Student Services Officers
Chief Business Officers
Financial Aid Officers

FROM: Rhonda Mohr
Vice Chancellor, Student Services and Special Programs

RE: 2018-19 Board Financial Assistance Program-Student Financial Aid
Administration (BFAP-SFAA) Funding, Advance Allocations and accompanying
policy Clarification
2018-19 Student Success Completion Grant (SSCG) Funding, Advance Allocations
2017-18 Reporting for BFAP-SFAA, R2T4, FTSSG, CCCG and MIS

SYNOPSIS:

Enclosed is the 2018-19 BFAP-SFAA and SSCG Advance Allocation and supporting information. In addition, this memo covers both legislative and policy changes to the aforementioned categorical funding.

This memorandum and attachment(s) are informational and may require local response or action to operationalize the legislative or administrative policy changes. Please share this information with all interested parties at the college/district.

With the passage of the 2018-19 Budget Act, we are pleased to announce the advance allocation of the 2018-19 BFAP-SFAA funds.

In addition, we are pleased to announce the consolidation of funding for the new SSCG program (formerly FTSSG and CCCG) for full-time Cal Grant B and C recipients at California Community Colleges and an increase of the award maximum to up \$4,000 to qualified students. Additional implementation guidelines, fact sheet, QA and flowchart documents will be forthcoming in the upcoming weeks.

Chancellor's Office, Student Services and Special Programs

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2018-19 Board Financial Assistance Program-Student Financial Aid Administration (BFAP-SFAA) Funding and SSCG Funding, Advance Allocations and 2017-18 Reporting
July 6, 2018

The table below identifies the budget act adjustments for Fiscal Year 2018-19 as compared to Fiscal Year 2017-18.

BUDGET Comparison	17-18	18-19	Delta Dollars	Delta %
BFAP (2%)	\$16,326,000	\$16,531,000	\$205,000	1.26%
SFAA BASE (\$.91)	\$16,226,000	\$16,352,000	\$126,000	0.78%
SFAA CAPACITY	\$34,923,000	\$35,200,000	\$277,000	0.79%
ICan Media Campaign	\$5,300,000	\$5,300,000	\$0	0.00%
SSCG	\$0	\$131,844,000	\$131,844,000	
FTSSG	\$66,187,000	\$0	(\$66,187,000)	-100.00%
CCCG	\$25,000,000	\$0	(\$25,000,000)	-100.00%
R2T4	\$500,000	\$500,000	\$0	0.00%
Total	\$164,462,000	\$205,727,000	\$41,265,000	25.09%

2018-19 BFAP-SFAA Funding

Please remember that the allocation formula has a predominant “fair-share” component in the calculation. As a result, college allocations are contingent upon reported data used in these calculations as it relates to the system’s aggregated data.

2018-19 SSCG Funding

The new program continues to follow the intended FTSSG and CCCG goal to be the capstone grant on a series of underlying ‘stackable’ grants including the Promise Grant (formerly Board of Governors Fee Waiver), a Pell grant, a Cal Grant, and now the Student Success Completion Grant.

Additional guidance is being developed and will be sent separately in the form of a memo with accompanying flow charts and a Q&A. It is important to note that even though it is the intent of the new legislation that all students have a student educational plan (SEP) on file, it is not required for award payment. Students should get encouraged to complete their education objective or transfer within two academic years or three academic years if required to take basic skills courses.

The new SSCG funding includes an increase of more than \$40 million to last year’s FTSSG and CCCG funding to accommodate an increase in minimum (\$1,298) and maximum awards (\$4,000).

The 2018-19 advance allocations are calculated using SSARCC data from FTSSG and CCCG P-2 in 2017-18, and reflect in large part actual reported utilization percentages in 2017-18. For those colleges who did not report mid-year data (P2) in April 2018, we have used amounts allocated for 2017-18 P-1.

SUMMARY OF THE 2018-19 Advance Allocations

The table below reflects the funding adjustments made to the 2018-19 BFAP-SFAA allocations and being reserved for future allocation or reallocation:

2018-19	Base	Capacity	Total	2% BFAP	SSCG
BUDGETED	\$ 16,352,000.00	\$ 35,200,000.00	\$ 51,552,000.00	\$ 16,531,000.00	\$ 131,844,000.00
ALLOCATED	\$ 16,303,596.00	\$ 35,184,830.00	\$ 51,488,426.00	\$ 15,809,403.00	\$ 109,081,212.00
PENALTY	\$ 8,404.00	\$ 15,170.00	\$ 23,574.00	\$ 225,667.00	
OUTREACH HOLDBACK	\$ 40,000.00		\$ 40,000.00	\$ -	
SETASIDE				\$ 495,930.00	
TOTAL	\$ 16,352,000.00	\$ 35,200,000.00	\$ 51,552,000.00	\$ 16,531,000.00	\$ 109,081,212.00
OVER/UNDER	\$ -	\$ -	\$ -	\$ -	\$ 22,762,788.00

2018-19 BFAP-SFAA Funding Allocation Adjustments

Four (4) outreach-funding holdbacks were reserved in the advance. Colleges who failed to post and host and event in the Spring of 2018 may be subject to a reduction of funding in 2018-19. One way to mitigate the reduction is to post your 2019 spring event before December. If you have questions please contact the SFA Program staff.

Additional adjustments were made to affected college allocations for Maintenance of Effort (MOE) penalties and SFAA categorical underutilization penalties.

- **Maintenance of Effort Penalties:** Four (4) colleges were subject to MOE penalties. Funding are held pending mitigating circumstances appeals and corrective actions. Any funds remaining after the conclusion of the appeal process will be reallocated to other colleges using the funding formula.
- **SFAA Under-Utilization Spending Penalties:** Eight (8) colleges were subject to underutilization penalties. Funding are held pending mitigating circumstances appeals and corrective actions. Any funds remaining after the conclusion of the appeal process will be reallocated to other colleges requesting additional funding in P-2.

SFAA Policy clarification effective for 2017-18:

1. **SFAA Policy Clarification:** Effective with the 2016-17 Advance, and continuing for 2017-18 the outreach holdback from SFAA Capacity funds has increased to \$10,000 but it is only being assessed for colleges not participating in the spring outreach campaign in the previous year (2016-17).
2. **Reminder: SFAA Allowable Use Guideline Policy Clarification:** Effective for 2016-17 and continuing for 2017-18, marketing and advertising purchases for event giveaways are to be kept to a minimum and should not exceed in aggregate 3% of a college's SFAA Capacity allocation.

As a general reminder, the funding provided in the 2003-04 Budget and maintained subsequently through the current year is intended to build and maintain staffing capacity in Community College Financial Aid Offices to:

- a) Increase awareness and participation in student financial aid programs through direct contact with potential students, current students, and families*
- b) Increase low-income and disadvantaged student participation in postsecondary education by providing access to information, application assistance, and expanding the number of funded financial aid awards*

2018-19 BFAP-SFAA REALLOCATION OPPORTUNITIES

Colleges assessed an outreach penalty may be subject to a \$-10,000 adjustment in their P-1 allocation unless they mitigate the penalty for non-compliance in 2017-18 which can be done by hosting a financial aid awareness event between March 1, 2019 and May 15, 2019 and posting it on the icanaffordcollege.com website.

Colleges assessed an underutilization or MOE penalty may have funding restored for mitigating circumstances. Those adjustments may be made to their SFAA and or BFAP 2% allocation in P-1 or P-2 as a result of funding previously reserved.

Consistent with program policy, we will also make requested and necessary reallocation adjustments in P-2 contingent on whether any colleges de-obligate SFAA funding on their 2018-19 BFAP Form 2 Report or whether funds from unmitigated penalties are available for reallocation.

2018-19 SSCG Funding

As a reminder, the 2018-19 budget includes the new SSCG funding, a consolidation of both FTSSG and CCCG programs, which was increased by more than \$40 million to accommodate an increase in the minimum (\$1,298 for 12 to 14 units per term) and maximum (\$4,000 for 15 and ore enrolled units per term) annual award.

FTSSG and CCCG Rollover Policy clarification effective for 2018-19:

- 1. All remaining 2017-18 FTSSG and CCCG allocations left over after the 2017-18 disbursements have been reconciled, should be carried forward since they have all been approved by the Chancellor's Office, for use in the 2018-19 year and should be expended before any SSCG advance funding for 2018-19 is expended.*
- 2. These pre-approved carry forward expenditures will be reported in the 2017-18 SSARCC file submission and identified in the award year field as 2018-19 award year (Fall 2018) expenditure from 2017-18 funds.*

2017-18 BFAP SFAA Reporting and SSARCC

SSARCC will be activated and available for update and submissions for 2017-18 on September 1, 2018. Colleges wishing to prepare and submit their SSARCC Form 3 reports may begin doing so on September 1, 2018. All SSARCC-FA Form 3 reports will be due no later than COB October 19, 2018.

2017-18 Return to Title IV (R2T4) Reimbursement Reporting

R2T4 Reimbursement reports for 2017-18 are available online and are due no later than COB on Oct 12, 2018. This is a voluntary reimbursement process and college R2T4 liabilities eligible for reimbursement fund in categorical apportionments in the R-1 cycle adjustments of the fiscal year.

2017-18 MIS REPORTING

This is a reminder that 2017-18 MIS FA data is October 1, 2018. Every college/district should have at least submitted their initial valid SFA program data file by this deadline. In addition, we have established a “drop dead date” for SFA program data reconciliation/re-submissions and corrections of December 1, 2018 and as a result, colleges must reconcile all SFA program data by that date or risk adverse consequences for 2019-20 funding.

FA data quality control is the FA program management’s responsibility and it is crucial for all colleges to remember that BFAP-SFAA administrative funding is derived directly from data reported to MIS and therefore has a direct impact on your funding. In addition, FA data also has a direct and demonstrable effect on VATEA funding.

There is a new MIS value for SF21, which is BD for the new Homeless fee waiver, and several other new values for reporting program grant funds provided through CAFYES, CalWorks, EOPS etc. The changes for the new year are summarized in the Cover Memo (.doc) and incorporates in the attachments by affected domains in the link below. (See SF Master and SF Financial Domain PDFs)

http://extranet.cccco.edu/Portals/1/TRIS/MIS/Memos_Tab/memo_03_03_17.docx

2017-18 FTSSG and CCCG REPORTING, REALLOCATION & FINAL RECONCILIATION

2017-18 FTSSG and CCCG funds will be reallocated in R-1 to those colleges needing additional resources, based upon reconciled and reported college disbursements for all colleges.

Reporting will follow the SSARC procedures and formats used to close out 2015-16 and throughout 2016-17.

Colleges will report preliminary closing 2017-18 FTSSG and CCCG disbursements and 2018-19 FTSSG and CCCG disbursements made from 2017 -18 funding separately by October 1, 2018. After reconciling cash requirements, we will contact colleges with any necessary adjustments and request final submission of 2017-18 payment data by November 1, 2018.

Finally, as a general reminder, money allocated in a fiscal year is intended to be utilized in that fiscal year. Absent any carry-over authority from the Chancellor's Office, colleges are expected to manage their allocations carefully to ensure full utilization of their allocation in the fiscal year. A failure to do so could result in a penalty to future year funding.

Please direct questions regarding this memo or BFAP-SFAA and SSCG allocations to SFA Program staff:

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Terence Gardner, at tgardner@cccco.edu and (916) 322-7412

Enclosures:

1. [2018-19 BFAP-SFAA and SSCG Advance Allocations](#)
2. [2018-19 BFAP-SFAA Allocation Formulas](#)
3. [2018 Budget Act Provisional Language on BFAP-SFAA and SSCG](#)
4. [Board of Governor BFAP-SFAA Use Guidelines](#)
5. BFAP-SFAA MOE Guidelines
6. ICAN outreach events posting instructions