

Student Centered Funding Formula

SCFF Dashboard

The Student Centered Funding Formula (SCFF) was adopted in the 2018-19 state budget as a new way to allocate funding to community college districts. The SCFF provides funding that supports access through enrollment-based funding, student equity by targeting funds to districts serving low-income students, and student success by providing districts with additional resources for student's successful outcomes.

What is the SCFF Dashboard?

The Student Centered Funding Formula Dashboard provides preliminary analytics and visualizations about the California Community Colleges funding formula. The data dashboard visually tracks, analyzes and displays trends, metrics and key data points.

About the Student Centered Funding Formula Dashboard (SCFF Dashboard)

- The SCFF Dashboard is interactive.
- The dashboard will not remain static – updates will be made every apportionment period.
- Stakeholder can expect the next data update in late February 2021.
- The SCFF Dashboard is housed on the College Finance and Facilities Planning webpage. It is linked to the SCFF webpage where additional details, FAQs, data definitions, and methodology are available.

SCFF Dashboard Project Phases

Project Phases

- **Phase 1:** Present an analysis and comparison of SB 361, the prior funding formula, and SCFF.
- **Phase 2:** Provide analysis option to view trends in the SCFF Supplement and Success Grants, and Minimum Revenue (also known as hold harmless).
- **Phase 3:** District planning tool

Phase 1 of the SCFF Dashboard compares the SCFF with the prior funding formula, known as SB 361. Specifically, it compares district revenues through the SCFF over three fiscal years (2018-19 through 2020-21) with the projected revenues that districts would have received if SB 361 had continued.

Findings

Preliminary Findings

- The Dashboard illustrates that even absent the hold harmless 87% of districts would have received more revenue through SCFF than under the prior formula.
- One of several underlying factors for changing the funding formula was the escalating challenge facing the system from declining student enrollment. The SCFF Dashboard features a graph illustrating a line tracking enrollment changes across the last three years and demonstrating that many districts have had declining enrollments over this period. The prior funding formula was based

predominantly on enrollment. As a result, when enrollment declined so did funding even though district costs continued to increase.

- Using the Dashboard to examine funding under the two formulas illustrates that some districts with declining enrollment have been able to mitigate losses in funding by receiving funding through the other two allocation streams in the SCFF.
- The Dashboard provides details of revenue districts have received through the supplemental allocation of the formula, which supports equity with funding determined by the number of low-income students in a district, and the student success allocation of the formula which focuses on supporting achievement of educational goals with funding determined by the number of outcomes in various measures of educational progress, transfer, completion and wage earning.

Methodology

The SB361 vs. SCFF Comparison Tool was designed to assist colleges in understanding how funding through the SCFF differs from projected funding under the prior funding formula (SB361). While data on the SCFF reflect actual funding provided to the colleges, the SB361 projections reflect possible funding per district. The list below provides some of the component pieces of each funding formula.

Cost of Living Increases (COLA): For both projected SB361 and SCFF the same COLA adjustments were applied to each fiscal year: 2018-19 (2.71%), 2019-20 (3.26%), 2020-21 (0%).

Enrollment Growth: For both projected SB361 and SCFF the following growth adjustments were applied: 2018-19: \$59.7 million (1%), 2019-20: \$24.7 million (0.55%), 2020-21 (0%). The same target growth percentages are applied to districts in each of the formulas.

Enrollment Changes (FTES): SB361 and SCFF use the same reported enrollment data. However, enrollment adjustments and funding rates differ based on statutory language, notably SCFF uses a three-year average for standard credit FTES.

Stability: SB361 included a protection for districts experiencing FTES revenue declines. Under SCFF districts may have been funded for declines in noncredit and Career Development and College Preparation (CDCP) FTES in 2018-19. Starting in 2019-20 no stability protections were applied through SCFF.

Funding Differences: In addition to the components of the funding formula detailed above, the SCFF includes funding provided by the Legislature specifically for implementation of the new formula as well as funding to provide a minimum revenue guarantee (Hold Harmless) during the phasing-in of SCFF. Specifically, the [2018-19 Enacted budget](#) provided \$151.3 million for additional apportionment funding to implement the SCFF (in addition to COLA) and \$58.7 million for the Hold Harmless.

The Legislature often intentionally provides funding for the creation of new programs and certain policy changes. In contrast, the decision to increase funding for existing programs varies from year to year and depends upon the level of state resources available and the priorities of the legislators. Therefore, the Chancellor's Office was unable to predict if additional resources would have been provided for the continuation of the SB361 formula.