



**COMMUNITY COLLEGE LEAGUE
OF CALIFORNIA**

Agenda Item Details

Meeting	Feb 19, 2016 - CCCT - CEOCCC Joint Board Meeting
Category	3. Legislation and Finance
Subject	3.1 State Budget
Access	Public
Type	Discussion, Information

Public Content

SUMMARY

The Budget Trailer Bill Language is the implementing language of the California State Budget Bill. The 2016 Budget Trailer Bill was released on February 2. This year, the Trailer Bill includes policy implementation details and requirements for the Strong Workforce Program, the Student Success for Basic Skills Program, the Zero-Textbook-Cost Associate Degree Grant Program, the Awards for Innovation in Higher Education, and amendments to the Adult Education Block Grant.

Strong Workforce Program - Trailer Bill Language:

The Trailer Bill proposes the establishment of the Strong Workforce Program, §88820 Part 54.5 in the Education Code, to expand the availability of quality community college CTE and workforce development programs, pathways, certificates and degrees. The Strong Workforce Program is proposed to comply with the California Strategic Workforce Development Plan required by the federal Workforce Innovation and Opportunity Act (WIOA). The language calls for a regional structure based on the 14 WIOA regions. Currently, some college districts participate in multiple WIOA regions. However, the DOF intends for each college district to participate in only one region, therefore the final regional structure will include multiple college districts per region.

Structure of the Strong Workforce Program:

- Aligned with existing workforce and educational partnerships such as WIOA and Adult Education Block Grant.
- No later than June 30, 2017, the Chancellor's Office shall present to the Board of Governors policies, regulations and guidance necessary to implement the Strong Workforce Program. Plan shall:
 1. Include regional development, implementation and sharing of effective practices, curriculum models and courses.
 2. Enable districts to develop CTE workforce outcome and CTE associate degrees for transfer.
 3. Provide performance and labor market data to help align programming with regional labor market needs.
 4. Encourage local efficiency through regional partnerships.
 5. Enable students to transfer college-level CTE credits across college districts, CSU and UC.
 6. Improve engagement with employers to provide work-based learning.
 7. Enable college districts to optimize their resources.
 8. Ensure expenditures are focused on improving workforce outcomes.
 9. Streamline the process for course and curriculum approval.
 10. Reevaluate the minimum qualifications for CTE instructors.
- The Chancellor's Office shall review plans every four-years and determine if each regional collaborative has made significant progress in meeting goals, and provide technical assistance to collaboratives that have not.

Conditions for Receiving Funds:

- Be member of a CTE regional consortium.

- Identify a regional fiscal agent.
- Identify and agree to a regional governance model.
 - Participants in the collaborative can include K-12, CSU and workforce partners, while only the community colleges determine the governance model.
- Provide an analysis of regional labor market needs, an inventory of regional priorities, and programs and goals.
- Provide a work plan, a spending plan and budget for regionally prioritized projects.
 - Work plans are due every 4 years.
 - Update may be submitted annually.
- Funds appropriated shall supplement, not supplant.
- CTE regional consortia shall allocate funds only to college districts.

For 2016-17:

- Up to 5% to a college district for statewide activities and program administration.
- By August 30, 2016, the Chancellor's Office shall recommend to DOF the allocation of funds available to CTE regional consortia. Funds will be sent to the fiscal agent for distribution to college districts.
- The Chancellor's Office shall consider the following for allocation of 2016-17 funds: 1) local unemployment rates, 2) proportion of CTE FTES, and 3) proportion of projected job openings.

After July 1, 2017:

- Regional collaboratives shall have an approved plan that includes:
 - An identified fiscal agent
 - An identified governance model
 - Analysis of regional labor market needs including wage data
 - Regionally prioritized projects
 - Measurable regional goals aligned to WIOA
 - Description of alignment with regional work plans and spending plans
- Plans shall be approved regionally every four years by January 31.
- Plans should avoid duplication.
- College districts shall meet at least annually with their regional collaborative
- College districts should utilize regional plans to inform campus-level planning
- The Chancellor's Office shall recommend allocation of funds to CTE regional consortia based on 2016-17 criteria and the portion of successful workforce outcomes as evidenced by WIOA performance accountability measures.

WIOA Performance Accountability Measures:

The Strong Workforce Program also calls for alignment with the federal WIOA Performance Accountability Measures which consist of the following:

1. Percentage of participants who are in unsubsidized employment during the second quarter after exit from the program;
2. Percentage of participants who are in unsubsidized employment during the fourth quarter after exit from the program;
3. Median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program;
4. Percentage of participants who obtain a recognized postsecondary credential, diploma or GED during participation in or within 1 year after exit from the program;
5. Percentage of participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and
6. Indicators of effectiveness in serving employers.

Analysis:

The new Strong Workforce Program establishes a model similar to the Adult Education Block Grant (AEBG) in order to expand CTE offerings statewide. The principles outlined for the distribution of funds are consistent with the goals of the Strong Workforce Taskforce; they focus on expanded or new quality programs. However, the language does not establish a concrete plan to accomplish this. Instead, the Strong Workforce Program allows regional CTE consortia to make these determinations among the participating colleges. The program does not provide colleges

with a base level of funding to address the ongoing costs of existing CTE programs.

The regional planning structure is a valuable piece of this new program. Regional planning will help statewide coordination and provide the opportunity to close service needs. However, there are concerns about issues between districts in agreeing to a governance model, fiscal agent, and funding allocations. The program emphasizes avoidance of duplication but some duplication may be necessary to support commuting students in high-density areas or rural areas with limited transportation options. The new Strong Workforce Program moves to a performance accountability model in the 2017-18 fiscal year. A few questions remain from the current language such as the final composition of the regions since WIOA regions are not aligned with current sector navigator districts, and a framework statement on expanding programs from vulnerable populations or closing service gaps.

Student Success for Basic Skills Program – Trailer Bill Language:

The Trailer Bill proposes to establish the Student Success for Basic Skills Program, adding §88815 Part 54.3 to the Education Code. The program allocates up to 5% to a selected college district for the administration of faculty and staff development to improve curriculum, instruction, and student services in English as a second language (ESL) courses and basic skills. All remaining funds are designed to be grants to districts. While the program does not establish a competitive grant process, it does outline specific qualifying criteria and performance metrics for the funds. The Student Success for Basic Skills Program will hold college districts' funding harmless; colleges will not receive less funding than they received under the Basic Skills Initiative (BSI).

Use of Funds:

Funding can be used for a variety of purposes, including:

- Program and curriculum planning and development
- Student assessment
- Advisement and counseling services
- Tutoring
- Articulation
- Instructional equipment and materials
- Implementation or expansion of evidence-based practices identified in the Basic Skills Transformation Program of 2015.

Eligibility Criteria and Funding Allocation:

A college district must:

- Complete a revised assessment of programs and activities serving basic skills and ESL students
- Submit to the Chancellor's Office an action and expenditure plan
- Establish multiple measures for assessment and placement
- Prioritize funding applications to those grant participants from the prior year

Funding Allocation Based On:

- The percent of students who first enroll in a course below transfer level English or math or ESL and complete a college level course.
- The percent of incoming students undergoing assessment to pass college-level English or math within one year and within two years
- A 20% weighting for districts that participated in the prior year's basic skills grant
- Minimum allocation of \$100,000 per college
- Five lowest- performing districts will be encouraged to apply for technical assistance

Analysis:

The new Student Success of Basic Skills Program essentially establishes a performance-based model after the first year of funding. The new program plans to rank colleges based on their outcomes in order to identify which colleges can benefit from technical assistance.

It is likely that the new model will have unintended equity consequences by adding a performance factor to ESL programs which already serve vulnerable student populations.

The structure does not account for learning needs of retraining adults or immigrant populations who often take some

time to arrive at transfer level. Additionally, the program provides a stronger weight and likelihood of resources to colleges that have applied or received Basic Skills Transformation program grants. By focusing on the Basic Skills Transformation Program rather than the basic skills models that the DOF is hoping to incentivize, the new program is limiting the colleges that can potentially qualify for new ongoing basic skills resources.

Zero-Textbook-Cost Associate Degree Grant Program – Trailer Bill Language:

The Trailer Bill adds Article 4 (§78050) to the Education Code, the Zero-Textbook-Cost Associate Degree Grant Program, to reduce the overall cost of education for students. A “zero-textbook-cost degree” is defined as an associate’s degree or CTE certificate that can be earned without conventional textbook costs. The program calls for the Chancellor’s Office to distribute grants of up to \$500,000 for each zero-textbook-cost degree (Z-degree) it develops. The Chancellor may distribute both planning and implementation grants.

Conditions for Receiving Funds:

1. Develop and implement a Z-degree from an existing associate degree for transfer (ADT) or existing CTE certificate, or develop a certificate with high market value as a Z-degree.
2. Give priority to developing Z-degrees from existing degrees for transfer.
3. Develop model Z-degrees and post them on the California Digital Open Source Library.
4. Ensure that Z-degrees are clearly identified in college catalogs and course schedules.
5. Provide the Chancellor’s Office with planning and outcome information.
6. Consult with the college’s academic senate.
7. Include faculty, administrators, and other content-focused staff.

Up to 10% of the funds allocated in the Budget Act of 2016 for this program can be allocated to a college for administration of the program. By June 30, 2019, the Chancellor’s Office shall report to the Legislature and DOF on: 1) the number of degrees developed, 2) the estimated annual savings by students, 3) the number of students who completed Z-degrees, and 4) recommendations to increase or improve the program. Funds not awarded in 2016-17 may be awarded in 2017-18.

Analysis:

The Administration hopes to address college affordability by eliminating the reliance on traditional textbooks. Textbooks have become one of community college students’ highest educational expenses. It is likely that the development of Z-degrees will be an extensive process; therefore, the two-year period of fund availability makes the program more promising. The Academic Senate of California Community Colleges is engaged in this effort and will encourage colleges to work collaboratively with their local academic senates in the development of these degrees. The focus on increasing college affordability is consistent with League policy priorities.

Awards for Innovation in Higher Education – Trailer Bill Language:

The Trailer Bill adds Article 2.6 (§6010.96) to the Education Code, establishing the Awards for Innovation in Higher Education program. The program establishes a Committee on Awards for Innovation in Higher Education consisting of 7 members, include the Director of Finance, an appointee of the Speaker of the Assembly, an appointee of the Senate Rules Committee and four appointees of the Governor. The Committee shall use the one-time funds allocated in the Budget Act of 2016 and make awards of at least \$4 million each.

Criteria For Receiving an Award:

At least one award shall be made in each category:

1. Implementation of a concurrent enrollment program that allows students to earn a diploma and an associate degree for transfer (ADT) or CTE credential.
2. Implementation of a program that allows students to earn industry-recognized credentials and an ADT.
3. Implementation of a program that allows students to earn industry-recognized credentials through skill competencies and prior learning.
4. A set of fully online courses for basic skills in both English and math.
5. A set of fully online courses that meet IGETC, are included in the C-ID system, and available to all California residents.
6. Wide use of open educational resources (OER).

Analysis:

This is the third year the Department of Finance has proposed the Awards for Innovation; however, instead of structuring the program as a prize for a college’s existing efforts, this year the awards are structured as incentives to advance specific educational practices that increase access and save students time and money. The proposed

structure may provide colleges with start-up resources for practices that have been supported by the League, such as concurrent enrollment and OER. The program does not have to be implemented at the time of application but an applicant must provide evidence that the program can be implemented in a short period of time and is sustainable. .

Adult Education Trailer Bill Amendment:

The Trailer Bill amends §84905 of the Education Code, the Adult Education Block Grant (AEBG). The amendments states that each consortia shall consider the input of students, school district teachers, community college faculty, principals, administrators, classified staff and the local bargaining units of the school districts and community college districts before it makes a decision.

Analysis:

This amendment addresses concerns posed by organizations representing faculty and classified staff that their input was not considered when approving AEBG regional consortia plans. This amendment will likely prevent the introduction of a bill sponsored by CSEA to specifically include classified staff in consortia planning.

Administrative Content

Executive Content
