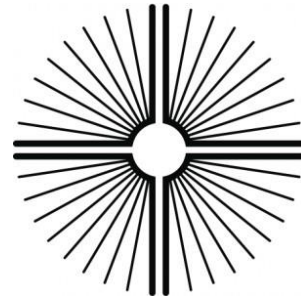


New Growth Formula to Impact Your District



Recently, the Chancellor's Office released the details of the new growth formula that will take effect in the 2015-16 fiscal year. As provided in last year's budget trailer bill language, SB 860 (Leno), this new growth formula will be driven by factors targeting unmet need in college districts.

As California's fiscal outlook improved, the Legislature and Administration began to focus on how colleges should grow as new funding became available to the community college system. It resulted in a change in statute which directed the Chancellor's Office to craft a growth formula that accounted for district demographics related to poverty and college attainment.

The new growth formula seeks to balance two key elements: 1) need based on local demographics, and 2) actual demand as demonstrated by the number of students served in previous fiscal years. The new formula does not change the current method in which unmet growth is allocated. Growth that is not captured by districts will continue to be distributed to those that have grown beyond their enrollment cap. In order to direct more resources to areas of the system with greater unmet need, factors of "need" will slightly outweigh demand in the new growth formula. Need is defined and dictated by the following three factors:

- Number of adults over the age of 25 without a college degree living in each district.
- Number of households below the poverty line living in each district.
- Number of unemployed adults living in each district.

While the League believes it is important to direct resources to populations with greater need, we share the concerns of the Chancellor's Office and districts that a prescriptive growth formula may not reflect the reality of enrollment at the district level. This change, however, is mandated in statute and the League is confident that the growth formula modification released by the Chancellor's Office is the most appropriate, given legislative parameters.

To see the memo on the new formula from Vice Chancellor Dan Troy, [click here](#). To see how your district might be impacted by this formula under scenarios for a statewide growth rate of 2% or 2.5%, [click here](#).