



MONTEREY PENINSULA
COLLEGE

PAG 04-10-18 – Formula Update

Department of Finance Model:

- 1 year hold harmless
- Full Implementation in 2019-20

New Funding Formula Factors										
Base Rate Credit	\$ 5,072	X	Base Grant	45.20%	=	Base Rate Credit	\$ 2,293	X	Credit FTES	Total Computational Revenue (Sum of all 8 + Basic Allocation)
Base Rate NonCredit	\$ 3,076					Base Rate NonCredit	\$ 1,390		NonCredit FTES	
Base Rate CDCP	\$ 5,072					Base Rate CDCP	\$ 2,293		CDCP FTES	
Base Rate	\$ 5,072	X	BOG	25.10%	=	BOG	\$ 1,272	X	Number of BOG Awards (PY)	
			PELL	40.00%		PELL	\$ 2,029		Number of Pell Awards (PY)	
			Completion Awarded	104.00%		Completion Awarded	\$ 5,275		Number of Awards (PY)	
			Completion Awarded (3-Yr)	120.20%		Completion Awarded (3-Yr)	\$ 6,097		Number of 3-Yr Awards (PY)	
			ADTs	18.40%		ADTs	\$ 931		Number of ADT Awards (PY)	

CEO Workgroup Model:

The Statewide CEO workgroup has developed formula recommendations that were heard by the Board of Governors on March 19, 2018. Amendments to the current funding formula proposal include:

- A process for annual review for possible adjustments to the formula be created and embedded within the implementation
- Metric Measures (currently outcomes & low-income) be combined into one “pot” known as the “Equitable Success Metrics”
- Consolidate SSSP, Basic Skills, and Equity categorical funding into one locally controlled restricted allocation
- Rather than BOG and Pell awards, economically disadvantaged students should be identified using the Carl D. Perkins CTE definition:

Individuals with disabilities; individuals from economically disadvantaged families, including foster children; individuals preparing for nontraditional training and employment; single parents, including single pregnant women, displaced homemakers; individuals with other barriers to educational achievement, including individuals with limited English proficiency.

- 7 year implementation
 - 2 year program transition (district’s held harmless both years)
 - COLA be given to all districts (if applicable)
 - 5 year equitable success metrics funding phase in as outlined below:

Year 1: 2018-19	Hold Harmless to 17-18 with COLA <ul style="list-style-type: none"> • One-time funds to recognize district performance under Equitable Success metrics
Year 2: 2019-20	Hold Harmless to 18-19 with COLA <ul style="list-style-type: none"> • One-time funds to recognize district performance under Equitable Success metrics • Summer FTE assigned to the fiscal year in which the final day of instruction was held. • Report on analysis of funding formula metrics due to the Board of Governors.

Implementation of Equitable Success Metrics			
Year	Access Metrics	Equitable Success Metrics	Estimated Equitable Success Dollar Amount
Year 3: 2020-21	Access: 95% 3-year average	Equitable Success: 5% 3-year average	\$419 Million
Year 4: 2021-22	Access: 90% 3-year average	Equitable Success: 10% 3-year average	\$838 Million
Year 5: 2022-23	Access: 85% 3-year average	Equitable Success: 15% 3-year average	\$1.3 Billion
Year 6: 2023-24	Access: 80% 3-year average	Equitable Success: 20% 3-year average	\$1.7 Billion
Year 7: 2024-25	Access: 75% 3-year average	Equitable Success: 25% 3-year average	\$2.1 Billion
Full Implementation	75% 3-year weighted average	25% 3-year average	

New "Equitable Success Metrics" would include the following:

METRIC	DESCRIPTION	ASSIGNED VALUE (points)	ASSIGNED VALUE/ECONOMICALLY DISADVANTAGED* (points)
Progress students who take more units are more likely to complete	# of students who completed 24 academic credits in one year	1/2	3/4
	# of students who attained 48 CDCP contact hours in one year	1/2	3/4
	# of student who persisted to next term (Fall to Spring)	1/2	3/4
	# of student who complete a credit course	1/2	3/4

<p>Completion* longer term awards yield stronger economic outcomes over time</p> <p><small>*Highest award student completed per year</small></p>	<p># of students who earned a credit certificate or degree</p> <hr/> <p># of students who earned a CDCP certificate</p>	<p>Cert 12-18 units = 1/2</p> <p>Cert 18 to <30 units = 1</p> <p>Cert 30+ units = 2</p> <p>Associate Degree = 3 Bachelor Degree = 4</p> <hr/> <p>CDCP noncredit certificate <288 hours =1</p> <p>CDCP noncredit cert 288 hours or more = 2</p>	<p>Cert 12-18 units = 3/4</p> <p>Cert 18 to <30 units = 1.5</p> <p>Cert 30+ units = 3</p> <p>Associate Degree = 4.5 Bachelor Degree = 6</p> <hr/> <p>CDCP noncredit certificate <288 hours = 1.5</p> <p>CDCP noncredit cert 288 hours or more = 3</p>
<p>Transfer faster time to transfer supports economic mobility</p>	<p># of unduplicated transfer prepared and students who transferred to any accredited four-year institution</p> <hr/> <p># of unduplicated transfer prepared and students who transferred to any accredited four-year institution in 3 years</p>	<p>3</p> <hr/> <p>4</p>	<p>4.5</p> <hr/> <p>6</p>
<p>Employment stable employment signals that students learned necessary skills</p>	<p># of non-transfer students who exited college and were employed one year later</p>	<p>2</p>	<p>3</p>
<p>Earnings improved earnings that lead to living wages are evidence of economic mobility</p>	<p># of non-transfer students who earned an award or were skills builders, exited college, and improved their earnings within one year</p> <hr/> <p># of non-transfer students who earned an award or were skills builders, exited college, and attained the regional living wage within one year</p>	<p>2</p> <hr/> <p>2</p>	<p>3</p> <hr/> <p>3</p>