New Money, New Expectations

With money raised by Proposition 30 and an improving economy, the state is reinvesting in education. However it is clear that it is no longer “business as usual” and that Governor Brown intends to invest state resources where they are most needed, similar to the Governors’ and Legislatures’ changes to K-12 districts through the Local Control Funding Formula (LCFF).

For example, the 2014-15 budget includes $70 million to implement student equity plans. Each college’s plan will analyze the achievement level of different socio-economic groups and if there is an achievement gap, will propose ways to close it. While it is not yet known exactly how the money will be distributed, the likely factors include:

- Number of credit and noncredit FTES at a district.
- Number of students served within the district service area.

The budget also targets enrollment growth money appropriated in the 2015-16 fiscal year for community college districts with the greatest unmet need. While the details of this new funding formula have yet to be finalized, the factors that will drive the new formula include:

- Unemployment rate in the district.
- Number of low income students.
- Educational attainment level of district residents.

For a more thorough analysis, please [click here](#).

2014-2015 Budget

Governor Brown signed a very positive budget for community colleges. The budget funds 2.75% enrollment growth, almost eliminates cash deferrals, invests in student success, funds instructional equipment or scheduled maintenance, and provides resources to implement student equity plans. It will help California’s community colleges increase access to students while at the same time investing in student success.

Additionally the legislature and the Governor agreed to fully fund
CalSTRS within 32 years. Colleges, employees, and the state will each pay an increased amount to reduce the current outstanding liability. Finally, this budget increases the access portion of the Cal Grant B from $1,473 per award to $1,648 per award.

For a more thorough analysis, please click on the below link.


**Capitol Context**

The 2013-14 legislative session is winding down, with the legislators on recess until August. At this point all bills must have passed their second policy committee and either be considered by a fiscal committee or on the opposite house’s floor. Both houses still have significant policy proposals to consider, including accreditation, baccalaureate degrees, financial aid, concurrent/dual enrollment and many others. To see bills affecting community colleges, please click on the link below.

http://www.legtrack.org/ccleague

**Must Reads**


This report found that “inconsistent application of the accreditation process and a lack of transparency in that process are weakening the accreditation of California’s community colleges” and that the commission “sanctions its colleges at a much higher rate than do the other six regional accreditors.”

The auditor recommends that the Chancellor’s Office engage in the following activities “on behalf of the state’s 112 community colleges:”

- Request clearer guidance from the commission regarding actions that would allow for the full two-year period in which to remediate concerns and actions that would constitute good cause for extending time to redress deficiencies.
- Work with colleges to advocate that the commission change certain aspects of its appeal process.
- Assist community colleges in communicating their concerns to the commission regarding its transparency.
- Remove language from its regulations naming the commission as the sole accreditor of the colleges while continuing the requirement that they be accredited.
- Encourage the commission to develop formal opportunities for institutions to communicate with and receive feedback from the commission on institutional self-studies and other reports before a formal evaluation takes place.

*Community College Economics for Policymakers: The One Big Fact and the One Big Myth*

In reviewing broad policy trends in postsecondary education, particularly as they apply to community colleges, this paper juxtaposes one big fact and one big myth. The one big fact is that the economic returns to community college are very high. The one big myth is that the college affordability crisis is actually an efficiency crisis caused by wasteful college spending. Neglect of this fact and acceptance of this myth have impaired policymaking, resulting in reduced state funding and new practices (more adjuncts, larger classes, and online courses, for example) that cut spending and lower quality.

The paper argues that the direction of policy should therefore be shifted. Students should be provided with more information about how to maximize their returns to college. Colleges should implement practices that enhance quality. While spending will necessarily increase, making genuine quality enhancements should increase efficiency as well.

**Online Learning and Student Outcomes in California’s Community Colleges**
http://ppic.org/main/publication.asp?i=1096

California’s community colleges offer more online credit courses than any other public higher education institution in the country. By 2012, online course enrollment in the community colleges totaled almost one million, or 11 percent of total enrollment. Among students taking credit courses in 2011–12, one of every five took at least one online course.

The authors find that online learning has increased access to higher education; however, participation is uneven across groups, with African Americans participating at relatively high rates and Latinos lagging all groups. In addition, they find that students are less likely to complete an online course than a traditional course, and less likely to complete an online course with a passing grade. Lower course success rates are found across all types of students, across a wide set of subjects, and across almost all colleges. In the short term, on a course-by-course basis, students perform worse in online courses than in traditional courses; they are less likely to complete an online than a traditional course, and less likely to complete an online course with a passing grade.

Despite these negative findings on short-term outcomes, long term outcomes tend to be positive -- those who take at least some online courses are more likely than those who take only traditional courses to earn an associate’s degree or to transfer to a four-year institution. The authors suggest that there is reason to believe that these online performance gaps can be minimized with strategic planning and improved technology. They therefore recommend that community colleges do the following:

- Provide more online versions of high-demand courses;
- Review the quality of current online courses and consider implementing a standardized learning management system; and
- Gather information on the cost of developing and maintaining online courses.
New Appointment to Board of Governors

Scott Budnick, of Los Angeles, has been appointed to the California Community College Board of Governors. Budnick was executive vice president of production and film producer at Green Hat Films from 1999 to 2013. He is founder of The Anti-Recidivism Coalition and a member of the California Board of State and Community Corrections. Budnick is a teacher and advisory board member for InsideOUT Writers. He is a member of the Los Angeles Conservation Corps Board of Directors and the Loyola Law School Center for Juvenile Law and Policy Advisory Board. This position requires Senate confirmation and the compensation is $100 per diem.

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