



District Committee on Budget & Finance
January 21, 2020
District Board Room, 2 – 4 p.m.

Attendees: Eloisa Briones, Mary Chries Concha Thia, Sam Haun, Judy Hutchison, Steven Lehigh, Vincent Li, Graciano Mendoza, Micaela Ochoa, Martin Partlan, Ludmila Prisecar, Katrina Salas, Bernata Slater, and Chun Wai (Mark) Wong

Absent: Tony Burrola, Nick Kapp, Htet Htet Win Pyone Ei

Guests: Paul Cassidy, Sofia Fernandez, Peter Fitzsimmons, and Aaron McVean

Called to order at 2:05 p.m.

1. Introductions

Slater welcomed the participants present and introduced McVean to the committee.

2. FY 2018-19 PSP Direct Student Aid Costs

McVean opened by inquiring if any of the student committee members were participants in the program. None of the members were participants. McVean provided background to the program, which is in essence a replication of the City University of New York's (CUNY) Accelerated Study in Associate Program. The District's program started at Skyline College with the goal of reducing the amount of time needed to graduate and to break down financial barriers. Currently the District is the only "replicator" on the west coast. The program provides first-time, full-time students with up to \$750 per academic year for textbooks, \$50 per month for transportation, and covers all tuition/fees. Additionally there is a package of support that comes with the program such as dedicated counselors. Participants are required to initially have three engagement activities per month. The support is for three years with the goal of participants graduating within 3 years. It is considered to be a "high-cost" program and is estimated to cost \$3,200 per student per year. For FY 2019-20, the District has identified resource to support 2,000 participants (500 at Canada, 750 at CSM, and 750 at Skyline). There is demand for 5,000; however, there isn't enough resource currently to support the demand. McVean noted that the program is supports completion rates, which is a component of District's strategic plan.

Wong inquired if international students are eligible for participation to which McVean stated that currently these students are not included as the International Student Program is set up to provide similar support services as the PSP and that the costs and funding for international students differs from resident students.

McVean went on to state that the colleges are accepting new applicants for fall 2020. Hutchinson inquired as to how non-participants are doing that are not in the program to which McVean responded that there has been a lot of intentional work to connect those students to other programs (e.g., EOPs, TRIO). Eventually through implementation of Guided Pathways, the experience of the participants and non-participants should be similar. The program is designed around student engagement. He also mentioned that many of the participants qualify for the BOGFW.

Slater reminded the committee that the program is supposed to be "last dollar". The program will pay for the payment of fees and other incentives after all other resources (e.g., financial aid) are applied first. This decision

was in order to maximize the number of participants with finite resources. There is also a lot of focus on inclusive access vs. textbook in order to reduce costs.

Li inquired that if most of the participants receive the BOGFW does the program now have a number of middle-income students. McVean stated that with the fall 2019 cohort, the District implemented a prioritization ranking to ensure that the District is still meeting the intent of program. McVean explained the scoring and how students are selected for participation. The fall 2020 cohort is the smallest to date because of slots available.

Lehigh asked if the \$3,200 cost per participant considers the cost of the BOGFW. McVean responded that this is excluded in the calculation; however, it is projected that each new participant will cost approximately \$3,200 (\$1,600 in direct aid with another \$1,600 in support service costs annually). As the program expands, it will experience economies of scale with regards to the support service costs. The current cost to CUNY = \$3,500 per participant.

Partlan inquired as to the number of students serviced annually to which McVean reiterated that the program is currently serving up to 2,000 students with a demand of approximately 5,000 students.

Prisecar asked if McVean knew the number of participants receiving the BOGFW. McVean did not have that information readily available. McVean went on to state that it is important to hold to the fidelity of the model to meet full replication and noted that Canada College should meet this by 2021.

Partlan asked how much money is being received from the State to support the program. McVean stated that the District has received two grants: a \$1.5 million grant to launch the program and a \$3m grant to assist with the replication effort. The State does provide approximately \$1.5m annually to cover fees via AB19. Much of the grants have been expended and were both one-time in nature.

Lehigh asked if any other success metrics were included in the program (e.g. transfer w/o a degree). McVean stated that the program is ultimately designed for participants to obtain a degree. He went on to note that the District's Strategic Plan has components of both degree attainment and transfer. There are approximately 6% of students who transfer without a degree. McVean emphasized the importance of receiving an AA/AS Degree as sometimes students don't obtain a BA/BS after transferring. The District tracks both degree completion and transfer. Lehigh surmised that the gap would be relatively smaller for participants in the program as opposed to non-participants to which McVean concurred. Hutchinson opined that sometimes the degree requires additional courses that inhibit the student from finishing in two years and transfer without a degree. McVean stated that these students are counted in the transfer metric but not the degree attainment metric. Hutchinson stated that it would be nice to separate this data by discipline. McVean advised that the curriculum committees are looking at the alignment of general education patterns with two-year success, which is supported by the Guided Pathways Initiative.

Lehigh inquired as to if there have been any discussions regarding a simple tuition fee waiver without the additional wrap around services. McVean stated that there have been such discussions; however, there are legal opinions regarding "gifts of public funds." This topic will be discussed at the Board Retreat in February.

Slater stated that if there are additional questions to email her or McVean.

3. FY 2020-21 Budget Calendar Review

Fitzsimmons reminded the committee that the calendar was emailed the prior week with the meeting agenda and materials. The calendar is very similar to the prior years and will go the Board of Trustees tomorrow for their review and approval.

4. CCFS-320 P1 (FTES Report)

Slater reminded the committee that the full report was emailed the prior week with the meeting agenda and materials. She reviewed the district-wide residents and non-resident numbers with the committee. She also advised that the college specific numbers are illustrated on subsequent pages of the report. She provided an oral report of the differences between last year and this year's projections. Fitzsimmons stated that he would email the details to the committee members after the meeting concludes. Slater reminded the committee that declining enrollment does not impact the District from a general apportionment perspective given its basic aid status but does impact programs such as certain categorical programs, lottery revenues, EPA funds, and mandated block grant resources. Li asked what the enrollment trends are like in other bay area districts to which Slater responded that everyone is down. She went on to state that when the economy is robust enrollment declines. Demographics also play a part (e.g., fewer students graduating from high school, declining birth rates from 18 years ago, etc.) Cassidy stated that households with small children are likely moving away given the high cost of living. Li stated that affluent households may bypass community colleges by sending their children directly to four-year institutions. There was a discussion about an economic presentation at the State's Budget Workshop that spoke to the impact of demographics on enrollment. Fitzsimmons stated that he would email the presentation to the committee members after the meeting concludes. Mendoza asked how long the District has experienced declining enrollment to which Slater stated approximately nine years. Prisecar asked if there was any update on the State's Online College. Slater stated that enrollment is not yet robust. Fitzsimmons interjected that he read an article a couple months ago that the college is only providing a handful of courses at this point and is struggling with getting off the ground.

5. Governor's FY2020-21 State Budget Proposal

Slater provided a handout, which Fitzsimmons stated that he will email to the committee when the meeting concludes, summarizing the proposal and the potential impact to the District. This is the same communication provided to the Chancellor for the Board of Trustees. Hutchinson noticed that some of the new programs may receive an allocation on a "per college basis" instead of FTES. She opined that given regional cost of living and size of colleges that this may not be an equitable allocation. Slater opined that although this may be true the resources for the programs are likely inadequate. Fitzsimmons noted that the proposed allocation methodology is not of the Governor but rather the State Chancellor's Office. Mendoza inquired as to any potential changes to the funding formula for categorical programs, to which Slater stated that she has yet to hear of any changes; however, will communicate any information received.

6. Future Agenda Items

The committee will be reviewing the FY19-20 Mid-year Budget Report and the Estimated FY20-21 Site Allocations.

7. Public Comment

There were no public comments.

8. Next Meeting: February 18, 2020

Meeting adjourned at 3:37 p.m.