General Library Item

Name   (First Read) Resource Allocation Model (RAM). Presenter: C.M. Brahmbhatt, Cambridge Associates. April 12, 2022

Content

TO: Peralta Board of Trustees

FROM: Adil Ahmed, Vice Chancellor for Finance & Administration

PREPARED BY: C.M. Brahmbhatt, Cambridge West Partnership, LLC

BACKGROUND/ANALYSIS:

The SCFF adopted in the 2018-19 state budget is a new way to allocate funding to community college districts. The funding formula supports access through enrollment-based funding, student equity by targeting funds to districts serving low-income students, and student success by providing districts with additional resources for students' successful outcomes. The SCFF was established in the 2018-19 budget bill, and details can be found in Assembly Bill 1809 and as summarized by the Governor in his annual budget. Modifications were made to the SCFF in subsequent years and can be found in Ed Code Section 84750.4.

The California Community College System has a diverse student body and has a mission that includes reducing equity gaps, providing educational access and opportunity, and strengthening the state's economy. The system has continued to face challenges in helping students reach their educational goals in an efficient and equitable manner, and older and working adults are often left behind. The objective of the SCFF is to mitigate these challenges through a system that focuses on rewarding equity and success in addition to access. The funding formula will help students by prioritizing their success and specifically by targeting access and success for disadvantaged students.

The *Vision for Success* includes the goal of closing achievement gaps for historically underrepresented students, which the SCFF addresses by not only providing additional funding for districts to enroll low-income students but also ensuring those students succeed. Language in the funding formula calls on districts to set performance goals that align with the system-wide goals established in the *Vision for Success,* ensuring that the colleges are aligning local goals with the equity and success metrics outlined in the *Vision for Success*.

The funding formula has a phased-in approach which contains a minimum revenue (hold harmless) guarantee for districts from 2018-19 through 2024-25; districts will receive at least the 2017-18 total computational revenues (TCR), adjusted by COLA each year, through 2024-25.

DELIVERABLES AND SCOPE OF WORK:

1. Evaluation of the current district's Budget Allocation Model (BAM)
2. Evaluation of individual college data using SCFF metrics
3. Review available SCFF metrics to establish trends for each metric
4. Develop a draft multi-college internal allocation model based on current data and district-wide priorities
5. Review 2020-2021 SCFF funding and its impact on the existing model
6. Conduct draft 2021-2022 SCFF allocation modeling and compare them side by side after P1 is certified.
7. Assist in preparing Resource Allocation Model (RAM) under SCFF for 2022-23 fiscal year.

Process:

Participate in the District steering committee meetings to:

1. Improve awareness and understanding of the SCFF elements
2. Discuss the data integrity, outcome strategies, and audit requirements
3. Participate in reviewing, modifying, and proposing a draft revenue allocation model using college specific SCFF data elements
4. Review and discuss the outcomes comparisons data and identify SCFF topics to discuss at the colleges.
5. Work with district BAM Task Force, PBC, and PGC committees from time to time to prepare the Resource Allocation Model under SCFF.

Timeline:
Phase I – Resources – October 2020 to December 2021 (Draft Completed)
Phase II – Expenditures – April 2022 to December 2022
Ready for Budget Development of 2023-24 fiscal year

EVALUATION AND RECOMMENDED ACTION:

Informational only.

Peralta CCD RAM Presentation 04 12 22 Final.pdf (773 KB)