

AGENDA**ASSEMBLY BUDGET SUBCOMMITTEE NO. 2
ON EDUCATION FINANCE****Assembly Member Kevin McCarty, Chair****WEDNESDAY, MARCH 21, 2018
4 PM, STATE CAPITOL ROOM 126**

CALIFORNIA COMMUNITY COLLEGES

ITEMS TO BE HEARD		
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6870 CALIFORNIA COMMUNITY COLLEGES

The chart below is compiled by the Legislative Analyst's Office (LAO) and summarizes the Governor's Budget proposals for the community college budget. Changes to the funding formula and the proposal for a new online college were discussed at yesterday's hearing.

2018-19 Changes in California Community Colleges Proposition 98 Spending

(In Millions)

2017-18 Revised Spending	\$8,654
Technical Adjustments	
Remove one-time spending	-\$380
Other technical adjustments	-59
Subtotal	(-\$439)
Policy Adjustments	
Fund high school CTE initiative through Strong Workforce Program	\$212
Hold districts harmless for transition to new apportionment funding formula	175
Provide 2.51 percent COLA for apportionments	161
Fund new online college (\$100 million one time, \$20 million ongoing)	120
Fund deferred maintenance and instructional equipment (one time) ^a	81
Fund 1 percent enrollment growth	60
Fund AB 19 fee waivers for first-time full-time students	46
Fund consolidated financial aid program	33
Provide 2.51 percent COLA for some student support programs ^b	33
Provide additional funding for prior-year Apprenticeship costs (one time)	31
Fund Innovation Awards (one time)	20
Increase funding for Apprenticeship Programs	14
Fund adult education data system alignment	5
Fund certified nursing assistant program (one time)	2
Subtotal	\$992
Total Changes	\$553
2018-19 Proposed Spending	\$9,207
^a Budget appropriates a total of \$275 million for this purpose, including \$184 million in 2017-18 funds and \$11 million in settle-up funds.	
^b Applies to Apprenticeship Programs, Extended Opportunity Programs and Services, Disabled Students Programs and Services, CalWORKs student services, Mandates Block Grant, and campus child care support. Includes a 4.1 percent COLA for the Adult Education Block Grant.	
CTE = career technical education. COLA = cost-of-living adjustment.	

ITEMS TO BE HEARD

ISSUE 1: PROPOSITION 51/CAPITAL OUTLAY

The Subcommittee will discuss the Governor's Budget proposal to support five new capital outlay proposals using Proposition 51 bond funding.

PANEL

- Randall Katz, Department of Finance
- Edgar Cabral, Legislative Analyst's Office
- Christian Osmeña, Community Colleges Chancellor's Office

BACKGROUND

Voters approved Proposition 51 in November 2016. It authorizes the State to sell \$2 billion in general obligation bonds for community college projects (in addition to \$7 billion for K-12 school facilities projects). The funds may be used for any community college facility project, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment.

To receive state bond funding, community college districts must submit project proposals to the Chancellor's Office. The Chancellor's Office ranks all submitted facility projects using the following five criteria adopted by the Board of Governors (in order of priority):

- Life-safety projects, projects to address seismic deficiencies or risks, and infrastructure projects (such as utility systems) at risk of failure.
- Projects to increase instructional capacity.
- Projects to modernize instructional space.
- Projects to complete campus build-outs.
- Projects that house institutional support services.

In addition, projects with a local contribution receive greater consideration. (Districts raise their local contributions mainly through local general obligation bonds.) Based on these criteria, the Chancellor submits capital outlay project proposals to the Legislature and Governor for approval and funding as part of the annual state budget process.

The Chancellor recommended 29 projects for 2017-18. The 2017 Budget Act supported 15 of these projects, and \$17 million for the preliminary planning phase of the projects. Total state costs for these projects (all phases) are estimated to be \$441 million. Total project costs including local contributions are estimated to be \$676 million.

For 2018-19, the Chancellor's Office initially supported 15 projects, although one project has been withdrawn.

Governor's 2018-19 Budget Proposal

The Governor's Budget supports 5 of the 15 projects submitted by the Chancellor's Office, and provides \$4.7 million for preliminary planning costs for these projects. The chart below, compiled by the LAO, lists the projects and their budget year and total costs. The Administration states that it is only supporting projects that have a life-safety aspect as a key criteria.

The Governor's Budget also includes about \$55 million for previously approved projects, with \$40 million from Proposition 51 funding about \$14 million in 2006 bond funds for the construction of an instructional building at Compton College.

Figure 40

Governor's Proposed CCC Capital Outlay Projects^a

(In Thousands)

College	Project	Phase	2018-19		All Years	
			State Cost	State Cost	Total Cost	
Mount San Antonio College	New Physical Education Complex	P	\$1,634	\$51,978	\$65,284	
College of the Redwoods	Arts Building replacement	P	1,319	24,268	24,268	
Golden West College	Language Arts Complex replacement	P	763	23,740	46,870	
Laney College	Learning Resource Center replacement	P	761	24,699	76,480	
Merritt College	Child Development Center replacement	P	209	6,151	20,092	
Totals			\$4,686	\$130,836	\$232,994	

^a Reflects only new projects entering the planning phase. Apart from the College of the Redwoods project, the other replacement projects appear to increase available space.
P = preliminary plans.

LAO Recommendation

The LAO recommends the Legislature consider authorizing more projects than included in the Governor's budget. The LAO notes that a community college facility project on average costs roughly \$50 million. At this average cost, approving eight additional projects in 2018-19 would cost \$400 million, or 20 percent of the total bond authority granted by the ballot measure. At this rate, total bond authority would be committed over five years.

In addition to authorizing more projects in 2018-19, we recommend the Legislature develop a multiyear expenditure plan for remaining Proposition 51 funds. Such a plan would (1) help community colleges plan their capital outlay programs, (2) ensure that voter-authorized funds are put to use within a reasonable time, and (3) spread bond sales over several years.

STAFF COMMENT/QUESTIONS

Similar to last year, the Administration supports a relatively small group of projects based on narrow criteria that does not reflect the priorities of the Board of Governors or acknowledge the significant review process at the Chancellor's Office.

While life safety projects are important, the other priorities included in the Chancellor's Office review, such as increasing or modernizing instructional capacity, are in line with Assembly priorities such as access and student success. Staff sees no reason to

choose the Administration's limited review over the more expansive Chancellor's Office review.

The additional costs of supporting the other projects approved by the Chancellor's Office are relatively small: approving the nine unfunded projects would add about \$7.4 million in annual interest costs over the next 30 years.

Additionally, a letter in support of all of the projects from the Community College Facility Coalition notes that waiting to approve worthy projects will increase the costs of these projects. The letter also states that local matching funds are often required to be spent in a certain time period, and waiting to approve other projects may limit local colleges' ability to use already-approved local bond funds.

The chart below lists the nine projects that are not support by the Administration but are supported by the Chancellor's Office.

District	Location	Project	Total 18-19 Cost (Planning Costs in thousands)	Total State Cost (All Phases in thousands)
Los Rios	Natomas Education Center	Natomas Center Phase 2 and 3	\$926	\$29,146
Mt. San Jacinto	Menifee Valley Center	Math and Science Building	\$1,512	\$25,949
Cabrillo	Cabrillo College	Modernization of Buildings 500, 600, 1600	\$236	\$3,490
Imperial Valley	Imperial Valley College	Academic Buildings Modernization	\$692	\$9,020
San Mateo County	College of San Mateo	Building 9 Library Modernization	\$953	\$12,158
San Mateo County	Skyline College	Workforce and Economic Development Prosperity Center	\$794	\$14,084
Sequoias	College of the Sequoias	Basic Skills Center	\$1,280	\$16,712
Monterey Peninsula	Fort Ord Center	Ft Ord Public Safety Center	\$673	\$9,016
Yuba	Woodland College	Performing Arts Facility	\$1,299	\$18,275
Total			\$8,365	\$137,850

ISSUE 2: CALIFORNIA COLLEGE PROMISE FUNDING

The Subcommittee will discuss the Governor's Budget proposal to appropriate \$46 million Proposition 98 General Fund to support the implementation of AB 19 (Chapter 735, Statutes of 2017), which provides free tuition to all first-time, full-time freshmen at community colleges.

PANEL

- Maritza Urquiza, Department of Finance
- Edgar Cabral, Legislative Analyst's Office
- Christian Osmeña, Community Colleges Chancellor's Office

BACKGROUND

AB 19 established the California College Promise, which distributes state funding to allow colleges to waive fees for one academic year for first-time students who are enrolled in 12 or more semester units and complete and submit either a Free Application for Federal Student Aid or a California Dream Act application.

Colleges must complete the following activities to be eligible for the program:

- Partner with one or more local educational agencies to establish an Early Commitment to College Program to provide K–12 students and families assistance that includes, but is not limited to, learning about college opportunities, visiting campuses, taking and completing college preparatory courses, and applying for college and financial aid.
- Partner with one or more local educational agencies to support and improve high school student preparation for college and reduce postsecondary remediation through practices that may include, but shall not be limited to, small learning communities, concurrent enrollment, and other evidence-based practices.
- Utilize evidence-based assessment and placement practices that include multiple measures of student performance, which shall include, among other measures, overall grade point averages, including grades in high school courses, and using evidence-based practices to improve outcomes for underprepared students.
- Participate in the California Community College Guided Pathways Grant Program in order to clarify the academic path for students, help students enter a pathway, help students stay on an academic path, and ensure students are learning.
- Maximize student access to need-based financial aid by leveraging the Board of Governors fee waiver established under Section 76300, commonly known as the California Promise Grant, ensuring students complete the Free Application for Federal Student Aid, Cal Grant application, or Dream Act application, and participate in a federal loan program on or after January 1, 2019.

Colleges may use the state funding to waive some or all fees, and to support several goals, such as increasing the number and percentage of high school students who are prepared for and attend college directly from high school, increasing the percentage of students who earn associate degrees or career technical education certificates, increasing the percentage of students who successfully transfer from a community college to the California State University or the University of California, and reducing or eliminating regional achievement gaps and achievement gaps for underrepresented student groups.

Governor's 2018-19 Budget Proposal

The Governor's Budget proposes \$46 million Proposition 98 General Fund to support implementation of AB 19 (Chapter 735, Statutes of 2017.) This level of funding is based on 2016-17 enrollment data, which indicated there were 50,213 first-time, full-time students who were not already covered by a fee waiver.

STAFF COMMENT/QUESTIONS

The Assembly pushed for this proposal in both budget and policy discussions last year to allow colleges to send a strong message to Californians that community college is accessible to all. Full funding for this program is a critical step to meeting the Assembly goal of access to higher education.

The Chancellor's Office reports that most colleges are on track to be eligible for this funding. All colleges have indicated they will pursue the Guided Pathways structure, and of the 22 colleges currently not participating in a federal loan program, most have indicated they will begin participating by 2019, as required by the bill. The Chancellor's Office is working on an allocation formula to distribute this funding to colleges and may be able to provide an update on that process at this hearing.

ISSUE 3: DEFERRED MAINTENANCE

The Subcommittee will discuss the Governor's Budget proposal to provide \$275 million for the deferred maintenance and instructional equipment categorical program.

PANEL

- Maritza Urquiza, Department of Finance
- Edgar Cabral, Legislative Analyst's Office
- Christian Osmeña, Community Colleges Chancellor's Office

BACKGROUND

The community college system has identified \$6.6 billion in scheduled and deferred maintenance projects over the next five years, with \$1.2 billion in top priority projects to be completed over this period. Of this amount, the Chancellor's Office identified \$611 million in projects to undertake in the next two years.

The State provides support for this issue through a categorical program, which also funds the replacement of instructional equipment and library materials, hazardous substances abatement, architectural barrier removal, and water conservation projects. Historically, budget language for this program has required a one-to-one match (with districts meeting the local match using apportionments, local bond monies, or other general purpose funds), but no match has been required since 2013-14. To use this categorical funding for maintenance, districts must adopt and submit to the Chancellor's Office a five-year plan of maintenance projects. Districts also must spend at least 0.5% of their current operating budgets on ongoing maintenance and at least as much on maintenance as they spent in 1995-96 (about \$300 million statewide) plus what they receive from the categorical program. In addition to categorical funds, districts fund scheduled maintenance from their apportionments and other general purpose funds (for less expensive projects) augmented by local bond funds (for more expensive projects).

Over the last four years, the State has provided \$551 million for the CCC maintenance categorical program. Historically, this program has received large appropriations when a large amount of one-time Proposition 98 funding is available and no appropriations in tight budget years. The budget has typically allocated half of the program's funding for deferred maintenance and half for replacement of instructional equipment and library materials. In 2014-15, the budget removed this split, leaving associated allocation decisions up to districts. Data are not available on how much of the funding community colleges have spent on each of the allowable uses. Data also are not available on how much the colleges expect to spend from their apportionments and bond funds on maintenance.

Governor's 2018-19 Budget Proposal

The Governor's Budget proposes \$275 million Proposition 98 General Fund for this categorical program. Of this amount, \$184 million is from 2017-18 funds, \$81 million is from 2018-19 funds, and \$11 million is Proposition 98 settle-up funds. Consistent with recent practice, the Governor proposes no matching requirement and no required split between using the funds for maintenance or equipment and materials.

LAO Recommendation

The LAO recommends approval of this proposal. The LAO notes that the proposed funding would help address the large maintenance backlog and help update instructional equipment and materials. In addition, by dedicating \$81 million in 2018-19 Proposition 98 funding to one-time purposes, the proposal would provide a corresponding cushion against potential revenue declines and drops in the Proposition 98 minimum guarantee in the future.

STAFF COMMENT/QUESTIONS

This proposal clearly addresses a pressing need for colleges. However, the exact amount provided for this categorical must be weighed against other Assembly priorities, such as other categorical programs that support student success, or efforts to increase the percentage of full-time faculty at colleges. The Subcommittee can weigh how to use this funding – particularly the \$81 million in ongoing funding that the Governor uses here for a one-time purpose.

ISSUE 4: INNOVATION AWARDS

The Subcommittee will discuss the Governor's Budget proposal to provide \$20 million one-time Proposition 98 General Fund for another round of innovation awards.

PANEL

- Maritza Urquiza, Department of Finance
- Edgar Cabral, Legislative Analyst's Office
- Christian Osmeña, Community Colleges Chancellor's Office

BACKGROUND

The 2014 Budget Act provided \$50 million in one-time funding to promote innovative models of higher education at UC, CSU, and community college campuses. Campuses (or teams of campuses) that had undertaken initiatives to increase the number of bachelor's degrees awarded, improve four-year completion rates, or ease transfer across segments could apply for awards. Because awards were based on initiatives already implemented at the campuses, they functioned more like prizes or rewards than grants for specified future activities. A committee of seven members—five Governor's appointees (one each representing DOF, the three segments, and the State Board of Education) as well as two legislative appointees selected by the Speaker of the Assembly and the Senate Rules Committee, respectively—made award decisions, approving 14 of 57 applications. The winning applications were for strategies that included improving K-12 alignment to higher education standards and expectations, redesigning curriculum and teaching practices to improve outcomes, and using technology to expand access to courses. Each winning applicant received from \$2.5 million to \$5 million in award funds. Award recipients are to report on the effectiveness of their strategies by January 1, 2018 and January 1, 2020.

The Governor proposed another round of innovation awards in the 2015 Budget Act, but the proposal was rejected by the Legislature.

The 2016 Budget Act provided \$25 million one-time Proposition 98 General Fund for another round of the awards, this time focused exclusively on community colleges. Awards are based on proposed activities, and awards are to focus specifically on effective articulation and transfer pathways, successful transitions from higher education into the workforce, and innovations in technology and data. The Governor had more discretion in selecting his appointees to the awards committee. Fourteen colleges or districts were selected, and each received a \$2 million or \$1 million award.

The chart on the next page lists the winners for the 2016-17 round.

Innovation Award Summaries



Application # (DOF Purposes)	Coordinating Institution (Fiscal Agent)	#	What It Does	Awarded?
Awards that received \$2 million.				
7	Cuesta College		Students earn an ADT tuition-and-fee-free for one year after high school, and earn up to 36 GE credits through expanded dual/concurrent enrollment while in high school and a second free year through the Cuesta Promise Scholarship. It will be implemented at Paso Robles High School.	Yes. \$2 million.
9	Evergreen Valley College		Implements an online competency-based education format.	Yes. \$2 million.
20	Los Angeles Trade-Technical College		Uses competency-based placement and education; increasing student support services; and competency-based education professional development.	Yes. \$2 million.
22	Los Rios Community College District		Creates a regional, multi-system collaboration; invests in a new student scheduling and success software; and allow integrated counseling between the higher ed segments and K-12.	Yes. \$2 million.
26	Palomar Community College District		Creates STEM academies by establishing intentionally scheduled learning communities for an entire 2-year pathway. Also integrates 3-D design and "making" into traditional math and science courses. Will also develop structure for guided pathways.	Yes. \$2 million.
30	Santa Monica Community College District		Partner with Arizona State University to redesign an electronic pathways and student intervention tool.	Yes. \$2 million.
31	Shasta College		Redesign curriculum and instruction through the Accelerated College Education and Bachelor's through Online and Local Degrees, targeting students with some or no college and low-income and first-generation students. These programs are built on guided pathways, hybrid learning, degree maps, and cohort support.	Yes. \$2 million.
32	Sierra College		Begin career exploration with 9th graders, expand dual enrollment, launch the Promise program; publishing completion maps; establish success teams and increase student services; build a year-round schedule; restructure professional development.	Yes. \$2 million.
34	South Orange County Community College District	1	Create an electronic pathways tool for veterans that translate military experience into academic credit, and also help with career planning.	Yes. \$2 million.
38	West Hills Community College District	1	Uses prior learning assessment credit articulation; professional development; multi-institutional online platform to facilitate the PLA process.	Yes. \$2 million.
42	Riverside Community College District	1	Creates the Foster Youth Support Network to provide coordination between county services, schools, and support services for foster youth from high school to college.	Yes. \$2 million.
Awards that received \$1 million.				
14	Laney College		Utilizes technology-enabled learning for science courses.	Yes. \$1 million.
21	Los Angeles Valley College		Develops the LA Reverse Transfer Pilot, and allows students who have completed significant college coursework are awarded degrees.	Yes. \$1 million.
39	West Hills Community College District	2	Partner with GeekWise Academy , where students can learn and work alongside senior web developers simultaneously.	Yes. \$1 million.

The 2017 Budget Act provided \$20 million one-time Proposition 98 funding for a third round of innovation awards. Like the 2016-17 awards, the 2017-18 program focuses on innovations at the community colleges, with awards for addressing specified groups of underrepresented students and using technology to improve instruction and support services. The 2017-18 program is different, however, in that it eliminates the award committee appointed by the Governor and Legislature and tasks the Chancellor's Office

with making award decisions directly. Applications for these awards are due March 19, with winners to be announced by May 14.

Governor's 2018-19 Budget Proposal

The Governor's Budget includes \$20 million one-time Proposition 98 funding for an additional round of innovation awards to community colleges. As with the awards funded in 2017-18, the Chancellor's Office would set award criteria and select winners. Trailer bill language states that the 2018-19 awards are to focus on innovations that reduce regional achievement gaps across the state and gaps for students from traditionally underrepresented groups. In particular, the proposal emphasizes interest in closing gaps related to degrees and certificates awarded, increasing transfer to California State University, reducing the number of excess units taken by students attaining associate degrees, or increasing the number of career technical education students who become employed in their field of study.

LAO Recommendation

The LAO recommends rejecting this proposal. The LAO notes that the awards provide relatively large sums to a small number of community colleges to implement local initiatives that would not necessarily have statewide impact. This is because the proposal does not provide for dissemination of innovations to other colleges across the state nor does it do anything to promote buy-in among other colleges to implement the innovations. The LAO also expresses concern that the awards add yet another program to the State's numerous existing efforts to improve student outcomes. The current plethora of student support and success initiatives is already challenging for colleges to coordinate. Rather than funding another round of generous awards to a small number of colleges, the LAO recommends that the State should work on effectively implementing systemwide initiatives.

STAFF COMMENT

The innovation awards have been rejected by this Subcommittee each year they have been proposed. The Subcommittee's concerns are similar to those raised by the LAO.

Given the significant needs at colleges, including everything from rising pension costs to stagnant levels of full-time faculty, why spend money on a boutique program that has produced no clear results? Additionally, it appears that many programs funded by the innovation awards were either already supported through other funding sources or would likely have been supported without this funding.

Staff notes that a report due January 1 that is intended to show the effectiveness of the first round of innovation awards – which were awarded 4 years ago - has not been provided to the Legislature yet.

ISSUE 5: CHANCELLOR'S OFFICE STAFFING

The Subcommittee will discuss the Governor's Budget proposal to provide \$2 million General Fund to support 15 positions in the Chancellor's Office.

PANEL

- Mollie Quasebarth, Department of Finance
- Edgar Cabral, Legislative Analyst's Office
- Christian Osmeña, Community Colleges Chancellor's Office

BACKGROUND

The California Community Colleges Chancellor's Office supports the Board of Governors and formulates policies that determine the distribution of local assistance and capital outlay funds for the 72 community college districts. The office guides community college districts through a framework of indicators focused on accreditation, fiscal viability, student performance, and compliance with state and federal guidelines. The office consists of the divisions of Student Services, Academic Affairs, Workforce & Economic Development, College Finance & Facilities Planning and Internal Operations.

The office has 174 authorized positions and General Fund support for the office in 2017-18 is \$16.7 million.

In 2017, the Chancellor's Office developed a new strategic plan, called the Vision for Success, which was adopted by the Board of Governors. The plan has the following systemwide goals:

- Increase by at least 20 percent the number of CCC students annually who acquire associates degrees, credentials, certificates, or specific skill sets that prepare them for an in-demand job;
- Increase by 35 percent the number of CCC students transferring annually to a UC or CSU;
- Decrease the average number of units accumulated by CCC students earning associate's degrees, from approximately 87 total units (the most recent system-wide average) to 79 total units;
- Increase the percent of exiting career technical education students who report being employed in their field of study, from the most recent statewide average of 60% to an improved rate of 69%;
- Reduce equity gaps across all of the above measures through faster improvements among traditionally underrepresented student groups, with the goal of cutting achievement gaps by 40% within 5 years and fully closing those achievement gaps within 10 years;
- Reduce regional achievement gaps across all of the above measures through faster improvements among colleges located in regions with the lowest

educational attainment of adults, with the ultimate goal of fully closing regional achievement gaps within 10 years.

Governor's 2018-19 Budget Proposal

The Governor's Budget proposes an increase of \$2 million General Fund for the Chancellor's Office to support 15 positions. The positions would work on various activities tied to the Vision for Success goals or Governor's Budget proposals, such as the online college. The proposal would not add authorized positions but would repurpose existing positions. The chart on the next page describes the positions, cost and activity associated with the position.

Activity	Position	Avg Salary and Benefits
Funding Formula	Specialist - Fiscal Planning and Development	\$134,006
Online College	Administrator - Academic Planning and Development	\$151,839
Online College	Specialist - Info Systems and Analysis	\$134,006
Online College	Specialist - Info Systems and Analysis	\$134,006
Online College	Specialist - Info Systems and Analysis	\$134,006
Online College	Specialist - Info Systems and Analysis	\$134,006
Online College	Specialist - Info Systems and Analysis	\$134,006
AB 19	Specialist - Student Services	\$134,006
AB 19	Specialist - Student Services	\$134,006
Guided Pathways	Specialist - Student Services	\$134,006
Guided Pathways	Specialist - Info Systems and Analysis	\$134,006
AB 705 (Multiple Mesasures)	Specialist - Academic Planning and Development	\$134,006
K-12 CTE/SWP	Administrator - Vocational Education	\$151,839
Administrative Support	Accounting Officer	\$93,252
Administrative Support	HR - AGPA	\$105,332
Total	15 Positions	\$1,976,328

STAFF COMMENT

The duties of the Chancellor's Office have increased during the past several years, as the State has pushed the community college system to improve outcomes and adopt evidence-based practices in many of the services colleges provide students. As these duties have increased, the State has provided more positions and funding for the Chancellor's Office: since 2013-14, the number of authorized positions has grown from 153.7 to 174.7. It should be noted this proposal would not increase the number of

authorized positions; instead it is to shift 15 previously unfilled positions to these new duties.

Generally, the Vision for Success goals are in line with Assembly priorities, and therefore the Subcommittee may wish to support this proposal. Staff notes, however, that 8 of these proposed positions are tied to Governor's Budget proposals. Whether these positions are needed will depend on the resolution of the online college proposal, the funding formula proposal, and the K-12 career technical education proposal.

ISSUE 6: VETERAN RESOURCE CENTERS

The Subcommittee will review implementation of new programs in the 2017 Budget Act that support veterans resource centers at community colleges.

PANEL

- Christian Osmeña, Community Colleges Chancellor's Office
- David Lawrence, Community Colleges Chancellor's Office

BACKGROUND

There are approximately 70,000 veterans enrolled in California community colleges. Many colleges operate veteran resource centers, which provide a space on campus for students who are veterans, and various services to support these students, ranging from tutoring and counseling services to assistance in applying for federal veterans' benefits. Services and size of the centers vary.

The 2017 Budget Act appropriated \$5 million ongoing Proposition 98 General Fund and \$5 million one-time Proposition 98 General Fund to support the creation of or expansion of veteran resource centers at community colleges. Budget bill language regarding the ongoing funding required the Chancellor's Office to develop by Jan. 1, 2018 a set of minimum standards associated with high-functioning veteran resource centers and distribute funding only to colleges that commit to meeting or making progress toward the standards. Trailer bill language regarding the one-time money directed the Chancellor's Office to develop a grant program to distribute funds to colleges with a high need for a veteran resource center and indicate they will employ best practices for a high-functioning veteran resource center.

The Chancellor's Office has been asked to provide an update on how both programs are being implemented.

According to the Chancellor's Office, 106 community colleges applied for the ongoing funding, which has been distributed to colleges. The average amount per college is about \$50,000, depending on the number of veterans at the college. The Chancellor's Office developed minimum standards that include size and design of the center, services offered at the center, and staffing of the center.

The Chancellor's Office is in the process of creating a request for proposal document to allow colleges to apply for the one-time funding, which they expect to be completed in May. The Board of Governor is expected to approve grants at its July hearing.

Governor's 2018-19 Budget Proposal

The Governor's Budget continues the \$5 million ongoing Proposition 98 General Fund support for veteran resource centers. The Governor is not proposing additional one-time funding.

STAFF COMMENT

It appears the Chancellor's Office is adhering to legislative intent on both of these programs. Given the expectation that the veteran population at community colleges will increase, the Subcommittee could consider another round of one-time funding to help more colleges create or expand facilities and programs for veterans, or increasing the amount of ongoing funding. Should the Subcommittee pursue increased funding, it may wish to consider ways in which it could measure the effectiveness of veteran resource centers in helping veterans achieve their educational goals.