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<th>Bill No:</th>
<th>AB 1727</th>
<th>Hearing Date:</th>
<th>June 26, 2019</th>
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<tbody>
<tr>
<td>Author:</td>
<td>Weber</td>
<td>Fiscal:</td>
<td>Yes</td>
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<td>Urgency:</td>
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<td>Consultant:</td>
<td>Ian Johnson</td>
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**Subject:** Community colleges: career development and college preparation courses.

**SUMMARY**

This bill allows the funding determination for career development and college preparation (CDCP) courses to be calculated based on either ongoing attendance counts or a census date count, as specified.

**BACKGROUND**

Existing law:

1) Prior to 2018-19, general purpose apportionments for credit instruction were funded based on an annual allocation according to the number of colleges and off-campus centers in a community college district and, principally, on a rate per full-time equivalent student (FTES) for enrollment in credit courses. The rate, which was adjusted annually for changes in the cost of living, was $5,151 per FTES in 2017-18.

2) Funds noncredit instruction, except for CDCP courses, at an established rate per FTES (currently $3,347) and adjusts the rate annually for the change in the cost of living.

3) Provides that CDCP courses, which are also noncredit, are funded at the same level as the credit rate, as established pursuant to (1), which is $5,457 per FTES in 2018-19.

4) Stipulates that the following courses and classes, for which no credit is given, and that are offered in a sequence of courses leading to a certificate of completion, that lead to improved employability or job placement opportunities, or to a certificate of competency in a recognized career field by providing a transition to college-level coursework, completion of an associate of arts degree, or for transfer to a four-year degree program, and that meet funding criteria established by the California Community College (CCC) Board of Governors, shall be eligible for funding, as CDCP courses, at the credit rate as established in (3):
   a) Classes and courses in elementary and secondary basic skills;
   b) Classes and courses for students, eligible for educational services in workforce preparation classes, in the basic skills of speaking, listening,
reading, writing, mathematics, decision making, and problem-solving skills that are necessary to participate in job-specific technical training;

c) Short-term vocational programs with high-employment potential, as determined by the chancellor in consultation with the Employment Development Department utilizing job demand data provided by that department; and

d) Classes and courses in English as a second language and vocational English as a second language.

e) Districts offering courses described above, but not eligible for funding at the credit rate are eligible for funding at the noncredit rate per (2).

5) Requires districts to compute FTES units for credit courses scheduled coterminously with the term by multiplying the student contact hours of active enrollment as of Monday of the week nearest to one-fifth of the length of the term (the census date) by the term length multiplier, and dividing by 525.

6) Requires districts to compute FTES units for credit courses scheduled to meet for five or more days and scheduled regularly with respect to the number of hours during each scheduled day, but not scheduled coterminously with the college's primary term, or scheduled during the summer or other intersession, by multiplying the daily student contact hours of active enrollment as of the census days nearest to one fifth of the length of the course by the number of days the course is scheduled to meet, and dividing by 525.

7) Authorizes a district, in lieu of applying (5) or (6), to use positive attendance count, i.e. to compute FTES units for any credit course by dividing the actual student contact hours of attendance by 525.

8) Requires that the FTES units, for any noncredit course, except for distance education courses, or for any open exit/open entry course, be determined using a positive attendance count.

ANALYSIS

This bill allows the funding determination for career development and college preparation (CDCP) courses to be calculated based on either ongoing attendance counts or a census date count, as specified.

STAFF COMMENTS

1) Need for the bill. According to the author, “AB 1727 would change noncredit CDCP Managed Enrollment (ME) courses from calculating attendance based on positive attendance to calculating attendance based on a census date. Census dates is when attendance calculations are based on active enrollments at a certain date.”
“Noncredit courses were originally funded based on positive attendance, attendance which is based on actual counting of enrolled students present at each class meeting these open entry/open exit enabled students to move in and out of the classes based on their ability to master certain course material.”

“In recognition of the importance of certain noncredit courses, the Legislature passed, and the Governor signed budget language in 2014, that equalized the funding for CDCP noncredit and credit courses. However, because of the way attendance is required to be taken in the two types of courses, CDCP noncredit funding is not truly equal to credit courses.”

“AB 1727 would better equalize funding for noncredit CDCP courses that are offered with a start and end date (managed enrollment) by authorizing the attendance of those courses to be taken according to a census date, rather than on positive attendance.”

2) **Credit vs non-credit courses.** According to the Legislative Analyst’s Office, community colleges fulfill their mission of offering the first two years of college instruction in academic and vocational subjects through credit instruction, whereas they use noncredit instruction to address much of their precollegiate adult education mission. Regulations, however, permit colleges to offer some precollegiate instruction on a credit basis, including some English as a Second Language, secondary English and math courses, and many vocational education courses.

Though community college credit and noncredit instruction overlap, they differ in certain ways. For example, credit courses may be in any academic or vocational subject, whereas noncredit instruction is limited to ten categories. Also, noncredit courses may be open entry/open exit. Students are charged enrollment fees only for credit courses, and the state funds some noncredit courses at a lower rate than credit courses and calculates attendance differently.

3) **Funding calculations depend on attendance accounting procedure used.** One of the main components for calculating community college funding is determining the number of FTES. The FTES represents the number of enrolled students whom attend 15 hours each week during the semester (or a group of students who, together, attend 15 hours each week). In an academic year, these hypothetical full-time students generate 525 student contact hours each. Even though not all students are full-time and not all classes are scheduled for the same number of weeks, FTES provides a unit of measure applicable to all classes and calendar types and is used for funding calculations only.

The way in which FTES is calculated depends on the course section, as the attendance accounting procedures can vary. The meeting schedule of the course section determines the procedure. Typically, attendance is determined on a weekly census basis, meaning student attendance is measured on a single census date in the term. For courses that are irregularly scheduled, including noncredit courses, a positive attendance basis is used, meaning the actual hours that students attend must be tracked and reported.
4) **Fiscal impact.** According to the Assembly Appropriations Committee, this bill would create ongoing Proposition 98 General Fund costs of about $20 million annually.

According to the community college chancellor’s office, in the first period of the 2018-19 academic year, there were 39,067 students generating funding for colleges in enhanced noncredit courses using positive attendance accounting rules. The vast majority of these courses are not open-entry, open-exit courses. Assuming all courses switch to use positive attendance accounting rules, none are open-entry, open-exit courses, and assuming a 9 percent absence factor, these courses would generate funding for 42,884 students using a census day attendance accounting rules. This is an increase of 3,816 students each generating funding of $5,457 annually.

**SUPPORT**

Association of Community and Continuing Education (co-sponsor)
San Diego Community College District (co-sponsor)
San Francisco Community College District (co-sponsor)
Allan Hancock College
Citrus College
Coast Community College District
Community College League of California
Compton Community College District
East Los Angeles College
El Camino Community College District
Foothill-De Anza Community College District
Gavilan College
Grossmont-Cuyamaca Community College District
Imperial Community College District
Kern Community College District
Los Angeles College Faculty Guild
Mt. San Antonio College
North Orange County Community College District
Peralta Community College District
Rancho Santiago Community College District
Riverside City College
Riverside Community College District
Santa Ana College
Santiago Canyon College
South Orange County Community College District
Victor Valley College
West Hills College Coalinga
West Hills College Lemoore
West Hills Community College District

**OPPOSITION**

None received

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