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TITLE 3. POSTSECONDARY EDUCATION [66000 - 101060] (Title 3 enacted by Stats. 1976, Ch. 1010.)

DIVISION 7. COMMUNITY COLLEGES [70900 - 88933] (Division 7 enacted by Stats. 1976, Ch. 1010.)

PART 50. FINANCE [84000 - 85304] (Part 50 enacted by Stats. 1976, Ch. 1010.)

CHAPTER 5. Community College Apportionment [84750.5 - 84920] (Chapter 5 repealed and added by Stats. 1979, Ch. 282.)

ARTICLE 2. Program-Based Funding [84750.4 - 84810.7] (Heading of Article 2 renumbered from Article 2.5 by Stats. 1991, Ch. 1038, Sec. 11.)

84750.4. (a) (1) The board of governors, in accordance with this section, and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy proposals, shall develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

(2) It is the intent of the Legislature in enacting this section to adopt a formula for general purpose apportionments that encourages access for underrepresented students, provides additional funding in recognition of the need to provide additional support for low-income students, rewards colleges' progress on improving student success metrics, and improves overall equity and predictability so that community college districts may more readily plan and implement instruction and programs.

(3) It is the intent of the Legislature to determine the amounts appropriated for purposes of this section through the annual Budget Act. Nothing in this section shall be construed as limiting the authority of either the Governor to propose, or the Legislature to approve, appropriations for the California Community Colleges programs or purposes.

(b) Commencing with the 2018–19 fiscal year, and each fiscal year thereafter, the chancellor's office shall annually calculate a base allocation, a supplemental allocation, and a student success allocation for each community college district in the state pursuant to this section. This calculation shall only apply to the allocation of credit revenue. Noncredit instruction, and instruction in career development and college preparation full-time equivalent students (FTES) shall be funded pursuant to the requirements of paragraphs (3) and (4), respectively, of subdivision (d) of Section 84750.5, as that section read on January 1, 2018.

(c) For purposes of computing the base allocation, the marginal funding rate for credit revenue per FTES shall be no less than the following:

(1) Three thousand seven hundred twenty-seven dollars (\$3,727) for the 2018–19 fiscal year.

(2) Three thousand three hundred eighty-seven dollars (\$3,387) for the 2019–20 fiscal year adjusted for changes in cost-of-living and other base adjustments.

(3) Three thousand forty-six dollars (\$3,046) for the 2020–21 fiscal year adjusted for changes in cost-of-living and other base adjustment in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(4) Commencing with the 2021–22 fiscal year, the rate specified in paragraph (3) adjusted for changes in cost-of-living and other base adjustments in subsequent annual budget acts.

(d) (1) The base allocation shall be computed for each community college district as follows:

(A) Each community college district shall receive a basic allocation based on the number of colleges and comprehensive centers in the community college district that is consistent with the basic allocation formula established by the board of governors pursuant to paragraph (2) of subdivision (d) of Section 84750.5 as of the 2015–16 fiscal year.

(B) Unless otherwise specified in subparagraph (C), each community college district shall receive an allocation based on credit base revenues associated with funded FTES as computed pursuant to subparagraph (A) of paragraph (2) at the rate pursuant to subdivision (c).

(C) (i) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2018–19 fiscal year:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand seven hundred forty-five dollars (\$3,745).

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand eight hundred eighteen dollars (\$3,818).

(III) For Lassen Community College District, the rate shall be no less than three thousand seven hundred ninety-four dollars (\$3,794).

(IV) For Marin Community College District, the rate shall be no less than four thousand two hundred sixty-one dollars (\$4,261).

(V) For MiraCosta Community College District, the rate shall be no less than three thousand seven hundred thirty-four dollars (\$3,734).

(VI) For San Francisco Community College District, the rate shall be no less than three thousand seven hundred fifty-six dollars (\$3,756).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand seven hundred forty-four dollars (\$3,744).

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand seven hundred seventy-six dollars (\$3,776).

(IX) For South Orange Community College District, the rate shall be no less than three thousand eight hundred twenty-six dollars (\$3,826).

(X) For West Kern Community College District, the rate shall be no less than four thousand nine hundred thirty-four dollars (\$4,934).

(ii) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2019–20 fiscal year:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand four hundred three dollars (\$3,403) adjusted for changes in cost-of-living and other base adjustments.

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand four hundred sixty-nine dollars (\$3,469) adjusted for changes in cost-of-living and other base adjustments.

(III) For Lassen Community College District, the rate shall be no less than three thousand four hundred forty-seven dollars (\$3,447) adjusted for changes in cost-of-living and other base adjustments.

(IV) For Marin Community College District, the rate shall be no less than three thousand eight hundred seventy-two dollars (\$3,872) adjusted for changes in cost-of-living and other base adjustments.

(V) For MiraCosta Community College District, the rate shall be no less than three thousand three hundred ninety-two dollars (\$3,392) adjusted for changes in cost-of-living and other base adjustments.

(VI) For San Francisco Community College District, the rate shall be no less than three thousand four hundred thirteen dollars (\$3,413) adjusted for changes in cost-of-living and other base adjustments.

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand four hundred one dollars (\$3,401) adjusted for changes in cost-of-living and other base adjustments.

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand four hundred thirty-one dollars (\$3,431) adjusted for changes in cost-of-living and other base adjustments.

(IX) For South Orange Community College District, the rate shall be no less than three thousand four hundred seventy-six dollars (\$3,476) adjusted for changes in cost-of-living and other base adjustments.

(X) For West Kern Community College District, the rate shall be no less than four thousand four hundred eighty-three dollars (\$4,483) adjusted for changes in cost-of-living and other base adjustments.

(iii) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2020–21 fiscal year:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand sixty dollars (\$3,060) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand one hundred twenty dollars (\$3,120) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(III) For Lassen Community College District, the rate shall be no less than three thousand one hundred dollars (\$3,100) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(IV) For Marin Community College District, the rate shall be no less than three thousand four hundred eighty-two dollars (\$3,482) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(V) For MiraCosta Community College District, the rate shall be no less than three thousand fifty-one dollars (\$3,051) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(VI) For San Francisco Community College District, the rate shall be no less than three thousand sixty-nine dollars (\$3,069) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand fifty-nine dollars (\$3,059) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand eighty-six dollars (\$3,086) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(IX) For South Orange Community College District, the rate shall be no less than three thousand one hundred twenty-six dollars (\$3,126) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(X) For West Kern Community College District, the rate shall be no less than four thousand thirty-two dollars (\$4,032) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(iv) Commencing with the 2021–22 fiscal year, the rates in clause (iii) shall be adjusted for changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(2) To calculate the base allocation for each community college district, the chancellor's office shall calculate the three-year rolling average comprised of funded FTES from the current year, the prior year, and the year prior to the prior year, as follows:

(A) Commencing with the 2018–19 fiscal year, the chancellor's office shall compute the sum of annually funded credit FTES from the current year, the prior year, and the year prior to the prior year, and divide the sum by three.

(B) (i) In computing the three-year average pursuant to subparagraph (A), credit FTES associated with enrollment growth proposed in the annual Budget Act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average.

(ii) In computing the three-year average pursuant to subparagraph (A), credit FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be excluded.

(C) The sum of a community college district's computed three-year FTES rolling average and current year funded FTES growth shall be multiplied by a community college district's applicable base allocation funding rate pursuant to subdivision (c), or subparagraph (C) of paragraph (1), as applicable, to compute a community college district's base allocation.

(D) Community college districts shall be entitled to the restoration of any reductions in their base allocation due to decreases in FTES during the three years following the initial year of decrease if there is a subsequent increase in FTES.

(3) In addition to the amounts computed pursuant to paragraphs (1) and (2), each community college district shall receive an allocation based on credit base revenues associated with funded FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004. FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be multiplied by a community

college district's applicable credit revenue rate computed for the 2017–18 fiscal year pursuant to Section 84750.5, as that section read on January 1, 2018, as adjusted for 2018–19 fiscal year cost-of-living adjustment and other base adjustments, and adjusted for the changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(4) The chancellor shall allocate any funding appropriated in the Budget Act for enrollment growth to support the following:

(A) First, for the stated percentage of enrollment growth in the Budget Act and consistent with the growth formula used by the board of governors in the 2015–16 fiscal year.

(B) Second, for the amount of uncapped growth attributable to increases in the amount of a community college district's supplemental allocation.

(C) Third, for the amount of uncapped growth attributable to increases in the amount of a community college district's student success allocation.

(e) Commencing with the 2018–19 fiscal year, a supplemental allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) The marginal funding rate per point for computing a supplemental allocation shall be nine hundred nineteen dollars (\$919) and, commencing with the 2019–20 fiscal year, that rate shall be adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(2) Each community college district shall be granted one point for each student who is a recipient of financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) based on headcount data of students in the prior year.

(3) Each district shall be granted one point for each student who is granted an exemption from nonresident tuition pursuant to Section 68130.5, based on headcount data of students in the prior year.

(4) Each district shall be granted one point for each student who receives a fee waiver pursuant to Section 76300, based on headcount data of students in the prior year.

(5) For the purposes of calculating the supplemental allocation, the number of students shall be defined as the number of students served by the community college district.

(6) It is the intent of the Legislature that the annual Budget Act fully fund increases in the supplemental allocations computed under this section.

(f) Commencing with the 2018–19 fiscal year, a student success allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) (A) The marginal funding rate per point for computing student success allocation revenue shall be as follows:

(i) For the 2018–19 fiscal year, four hundred and forty dollars (\$440).

(ii) For the 2019–20 fiscal year, six hundred sixty dollars (\$660) adjusted for changes in cost-of-living and other base adjustments specified for the 2019–20 fiscal year.

(iii) For the 2020–21 fiscal year, eight hundred eighty dollars (\$880) adjusted for changes in cost-of-living and other base adjustment in the prior year and the cost-of-living and other base adjustments specified for the 2020–21 fiscal year.

(iv) Commencing with the 2021–22 fiscal year, the rate specified in clause (iii) adjusted for changes in cost-of-living and other base adjustments specified in subsequent annual budget acts.

(B) Each community college district shall be granted three points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(C) Each community college district shall be granted four points for each chancellor's office approved associate degree for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(D) (i) Each community college district shall be granted two points for each chancellor's office approved credit certificate requiring 18 or more units granted, based on prior year data.

(ii) Chancellor's office approved credit certificates requiring 16 or more units granted may be used to compute these points if the chancellor's office adopts regulations authorizing the approval and issuance of certificates requiring 16 or more units.

(E) Each community college district shall be granted two points for each student who successfully completes both transfer-level mathematics and English courses within the student's first academic year of enrollment, based on prior year data.

(F) (i) Each community college district shall be granted one and a half points for each student who successfully transfers to a four-year university, based on prior year data.

(ii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that has not demonstrated a track record of providing its students with a baccalaureate degree that leads to a majority of the private for-profit college's baccalaureate degree program students obtaining a regional living wage within one year of completing their degree program.

(iii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that does not meet the qualifications to offer its students federal financial aid.

(G) Each community college district shall be granted one point for each student who successfully completes nine or more career technical education units, based on prior year data.

(H) Each community college district shall be granted one point for each student who obtains a regional living wage within one year of community college completion, based on prior year data.

(2) (A) Each community college district shall also be granted additional points for an equity component of the student success allocation. The marginal funding per point for the equity component of the student success allocation revenue shall be as follows:

(i) For the 2018–19 fiscal year, one hundred eleven dollars (\$111).

(ii) For the 2019–20 fiscal year, one hundred sixty-seven dollars (\$167) adjusted for changes in cost-of-living and other base adjustments specified for the 2019–20 fiscal year.

(iii) For the 2020–21 fiscal year, two hundred twenty-two dollars (\$222) adjusted for changes in cost-of-living and other base adjustment specified for the prior year and the cost-of-living and other base adjustments specified for the 2020–21 fiscal year.

(iv) Commencing with the 2021–22 fiscal year, the rate specified in clause (iii) adjusted for changes in cost-of-living and other base adjustments specified in subsequent annual budget acts.

(B) In computing this allocation, each community college district shall receive points for a student who received a fee waiver pursuant to Section 76300 and generated points for any of the metrics described in paragraph (1), based on prior year data. For each student identified pursuant to this subparagraph, the community college district shall receive the number of points equal to the number of points that the student generated for each of the metrics described in paragraph (1).

(C) In computing this allocation, each community college district shall receive points for a student who received financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) and generated points for any of the metrics described in paragraph (1), based on prior year data. For each student identified pursuant to this subparagraph, the community college district shall receive the number of points equal to the following:

(i) Four and one-half points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(ii) Six points for each chancellor's office approved associate for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(iii) Three points for each chancellor's office approved credit certificate requiring 16 or more units granted, based on prior year data.

(iv) Three points for each student who successfully completes transfer-level mathematics and English courses within the student's first academic year of enrollment, based on prior year data.

(v) Two and one-quarter points for each student who successfully transfers to a four-year university, based on prior year data.

(vi) One and one-half points for each student who successfully completes nine or more career technical education units, based on prior year data.

(vii) One and one-half points for each student who obtains a regional living wage within one year of community college completion, based on prior year data.

(3) It is the intent of the Legislature that the annual Budget Act fully fund increases in the student success allocations computed under this section.

(g) To establish a hold harmless protection for community college districts pursuant to the funding allocation established in this section, a minimum funding level for all community college districts shall be computed as follows:

(1) For the 2018–19 and 2019–20 fiscal years, a level of funding to ensure that all community college districts receive at a minimum the total computational revenue the district received in the 2017–18 fiscal year, defined as a district's final entitlement for general purpose apportionment based on FTES and the number of colleges and comprehensive centers the district operates.

(2) Commencing with the 2020–21 fiscal year, and each year thereafter, community college districts shall receive the higher of (A) the funding level determined by the formula established in this section, or (B) the level of funding determined by multiplying the community college district's new FTES by the associated credit, noncredit, and career development and college preparation rate received by the district in the 2017–18 fiscal year. The level of funding shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year.

(3) (A) From the 2019–20 fiscal year to the 2023–24 fiscal year, inclusive, for the San Francisco Community College District and the Compton Community College District, the rates for computing the hold harmless provisions pursuant to paragraphs (1) and (2) shall be multiplied each year by the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES. The level of funding for the San Francisco Community College District and the Compton Community College District shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year multiplied by the 2018–19 fiscal year cost-of-living adjustment, and adjusted for changes in the cost-of-living in subsequent annual budget acts. The intent of these adjustments is to provide the San Francisco Community College District and the Compton Community College District with the greater of the amount that would have been calculated pursuant to the requirements of Section 84750.5, as that section read on January 1, 2018, adjusted for annual changes in the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases in FTES, or the amount computed pursuant to the funding formula established in this section.

(B) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for five fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

(C) (i) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for five fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the board of governors shall provide allocations to the Compton Community College District in an amount not less than the total amount that the district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year. The amount shall be adjusted to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(ii) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for five fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the Compton Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2017–18 fiscal year, if there is a subsequent increase in FTES.

(iii) In computing statewide entitlements to funding based upon the attendance of FTES, the Compton Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(4) Decreases in a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall result in the associated reduction beginning in the year following the initial year of decreases.

(h) For the fiscal years 2018–19 to 2020–21, inclusive, each community college district whose increase in 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5, compared to apportionment funding computed pursuant to this section, is less than the year-over-year cost-of-living adjustments applicable to those fiscal years, shall receive discretionary resources in an amount needed to ensure the community college district receives no less than their 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for annual year-over-year cost-of-living adjustments.

(i) The board of governors shall develop the criteria and standards within the statewide minimum requirements established pursuant to this section.

(j) (1) Except as specifically provided in statute, regulations of the board of governors for determining and allocating the state general apportionment to the community college districts shall not require community college district governing boards to expend the allocated revenues in specified categories of operation.

(2) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled student programs and services, shall continue

to be funded separately through the annual Budget Act, and shall not be assumed under the budget formula otherwise specified by this section.

(k) It is the intent of the Legislature to allow for changes to the criteria and standards developed pursuant to subdivisions (a) and (h) in order to recognize increased operating costs and to improve instruction.

(l) Notwithstanding Subchapter 1 (commencing with Section 51000) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations and Section 84751, the chancellor shall allocate the ongoing funds first appropriated to paragraph (1) of subdivision (e) of provision (2) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11 of the Statutes of 2015) to all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, on a per FTES basis by modifying each district's budget formula pursuant to this section. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements of subdivision (i).

(m) (1) (A) The governing board of each community college district shall certify it will do all the following, no later than January 1, 2019:

(i) Adopt goals for the community college district that meet the following requirements:

(I) Are aligned with the systemwide goals identified in the Vision for Success, which were adopted by the Board of Governors of the California Community Colleges in 2017.

(II) Are measurable numerically.

(III) Specify the specific timeline for achievement.

(ii) For the meeting when the goals are considered for adoption, include in the written agenda an explanation of how the goals are consistent and aligned with the systemwide goals.

(iii) Submit the written item and summary of action to the chancellor's office.

(B) The chancellor's office shall make available guidance to assist governing boards of community college districts in meeting the requirements of this section. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(2) Each community college district shall align its comprehensive plan pursuant to paragraph (9) of subdivision (b) of Section 70901 with the adopted local plan goals and align its budget with the comprehensive plan. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(3) If a community college district is identified as needing further assistance to make progress towards achieving specified goals, the chancellor's office, with the approval from the board of governors, may direct the community college district to use up to 1 percent of the district's apportionments allocation on technical assistance and professional development to support efforts to meet the district's efforts towards their goals.

(4) (A) The chancellor's office shall develop processes to monitor the approval of new awards, certificates, and degree programs. The chancellor's office shall also develop a process to monitor the number of students who transfer to for-profit postsecondary educational institutions and report on the growth of transfer to these institutions compared to four-year public postsecondary educational institutions.

(B) The chancellor's office shall also develop minimum standards, in consultation with the oversight committee established pursuant to Section 84750.41, for the approval of certificates and awards that would count towards the funding formula pursuant to this section.

(C) The board of governors shall include instructions in the audit report required by Section 84040 related to the implementation of the funding formula pursuant to this section. The chancellor may require a community college district to repay any funding associated with an audit exception identified in a community college district's audit report pursuant to this subparagraph.

(5) Notwithstanding Section 10231.5 of the Government Code, on or before October 15, 2019, and each year thereafter, the chancellor's office shall report to the Legislature, consistent with Section 9795 of the Government Code, on the course sections and FTES added at each community college that received apportionment growth funding in the prior fiscal year, including the number of course sections and if any course sections and FTES were added that are within the primary missions of the segment and those that are not within the primary missions of the segment.

(6) (A) On or before July 1, 2022, the chancellor's office shall report to the Legislature and the Department of Finance, consistent with Section 9795 of the Government Code, a description on how community college districts are making progress on advancing the goals outlined in the system's strategic vision plan.

(B) The requirement for submitting a report imposed under subparagraph (A) is inoperative on July 1, 2026, pursuant to Section 10231.5 of the Government Code.

(n) For purposes of this section, the following terms have the following meanings:

(1) "Career development and college preparation" means courses in programs that conform to the requirements of Section 84760.5.

(2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(3) "Primary missions of the segment" means credit courses and those noncredit courses specified in paragraphs (2) to (6), inclusive, of subdivision (a) of Section 84757.

(Added by Stats. 2018, Ch. 33, Sec. 32. (AB 1809) Effective June 27, 2018.)

84750.41. (a) There is hereby established the Community College Student Success Funding Formula Oversight Committee for the purpose of continuously evaluating and reviewing the implementation of the student success funding formula established pursuant to Section 84750.4.

(b) (1) (A) The committee shall consist of 12 members, as follows:

(i) Four members shall be appointed by the Senate Committee on Rules and shall serve at the pleasure of the Senate Committee on Rules. At least one of these members shall be employed by a community college district in a classified position.

(ii) Four members shall be appointed by the Speaker of the Assembly and shall serve at the pleasure of the Speaker of the Assembly. At least one of these members shall be a faculty member from a community college district.

(iii) Four members shall be appointed by the Governor and shall serve a four-year term. At least one of these members shall be a community college administrator.

(B) In appointing members, the appointing authority shall make every effort to ensure both of the following:

(i) There is a geographic balance of representation on the committee as a whole, with members from the northern and southern and urban and rural areas of the state.

(ii) The membership reflects a diverse expertise in higher education, taking into consideration factors, including, but not limited to, socioeconomic background and professional experience, which may include experience working in, or serving, disadvantaged communities.

(C) For members with four-year terms, vacancies on the committee shall be filled by the applicable appointing authority for the unexpired portions of the terms in which they occur.

(2) The committee shall elect one of its members as chairperson, who shall preside at all meetings, and a vice chairperson who shall preside in absence of the chairperson.

(3) Members of the committee shall serve without compensation, but the chancellor's office may reimburse members for their actual and necessary traveling expenses while on official business. Each member shall also receive one hundred dollars (\$100) for each day he or she is attending to official business.

(4) Any action taken pursuant to this section to develop a report pursuant to subdivision (c) by the committee is exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(5) All meetings of the committee shall be subject to Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code. The chancellor's office shall provide the committee with guidance and assistance, as necessary, to ensure the committee is in compliance with the requirements of this paragraph.

(6) (A) Notwithstanding Article 4.7 (commencing with Section 1125) of Chapter 1 of Division 4 of Title 1 of the Government Code, related to incompatible activities, Section 1099 of the Government Code, related to incompatible offices, or any other law, a member of the committee shall not be considered to hold an incompatible office or to be engaged in activities inconsistent or incompatible with his or her duties as a result of his or her employment or affiliation with the committee.

(B) Committee members shall not include any state legislator, member of the Board of Governors of the California Community Colleges, a trustee of a local governing board of a community college district, legislative staff, or staff from the Department of Finance.

(7) The committee shall arrive at a consensus as a condition of having a specified finding or recommendation included in the reports described in subdivision (c).

(c) (1) The committee shall review and make recommendations on the following aspects of the funding formula:

(A) The first priority of the committee shall be to review and make recommendations to the Legislature and the Department of Finance on or before January 1, 2020, on the following elements and their inclusion in the supplemental allocation of the funding formula including a proposed implementation plan.

(i) First-generation college students, including a timeline for data collection and incorporation into the funding formula by no later than the 2022-23 fiscal year.

(ii) The definition of a low-income student in subdivision (e) of Section 84750.4, and whether to adjust the point system to better reflect low-income students in regions of the state with a high cost of living.

(iii) Incoming students' level of academic proficiency, which may include, but is not limited to, measures such as performance on a nationally recognized high school assessment, high school coursework, high school grades or grade point average, or achievement of a high school diploma.

(B) The other priority of the committee shall be to review and make recommendations to the Legislature and the Department of Finance on or before June 30, 2021, on the following elements and their inclusion in the applicable allocation of the funding formula, including an implementation plan:

(i) Noncredit instruction and instructional service agreements, and whether these should be incorporated as part of the base and supplemental allocations of the funding formula.

(ii) How district allocations could be adjusted if a recession were to occur.

(2) Nothing in this subdivision shall preclude the committee from submitting interim reports.

(d) (1) The chancellor's office shall issue a request for application to select the staff to support the work on the committee. Notwithstanding any other law, a representative from each of the Assembly, the Senate, and the Department of Finance shall jointly evaluate the submitted applications and select the application to staff the work on the committee. The chancellor's office shall execute and fund the contract with the selected applicant pursuant to the final selection.

(2) It is the intent of the Legislature that the chancellor's office will share data and information with the committee and the selected applicant related to the work of the committee.

(e) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

(Amended by Stats. 2018, Ch. 426, Sec. 31. (AB 1840) Effective September 17, 2018. Repealed as of January 1, 2022, by its own provisions.)

84750.5. (a) The board of governors, in accordance with the statewide requirements contained in paragraphs (1) to (9), inclusive, of subdivision (d), and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy proposals, shall develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

(b) In developing the criteria and standards, the board of governors shall use and strongly consider the recommendations and work product of the "System Office Recommendations Based on the Report of the Work Group on Community College Finance" that was adopted by the board at its meeting of March 7, 2005. The board of governors shall complete the development of these criteria and standards, accompanied by the necessary procedures, processes, and formulas for using its criteria and standards, by March 1, 2007, and shall submit on or before that date a report on these items to the Legislature and the Governor.

(c) (1) It is the intent of the Legislature in enacting this section to improve the equity and predictability of general apportionment and growth funding for community college districts in order that the districts may more readily plan and implement instruction and related programs, more readily serve students according to the policies of the state's master plan for higher education, and enhance the quality of instruction and related services for students.

(2) It is the intent of the Legislature to determine the amounts to be appropriated for purposes of this section through the annual Budget Act. Nothing in this section shall be construed as limiting the authority either of the Governor to propose, or the Legislature to approve, appropriations for California Community Colleges programs or purposes.

(d) The board of governors shall develop the criteria and standards within the following statewide minimum requirements:

(1) The calculations of each community college district's revenue level for each fiscal year shall be based on the level of general apportionment revenues, state and local, the community college district received for the prior year plus any amount attributed to a deficit from the adopted standards to be developed pursuant to this section, with revenue adjustments being made for increases or decreases in full-time equivalent students (FTES), for equalization of funding per credit FTES, for necessary alignment of funding per FTES between credit and noncredit programs, for inflation, and for other purposes authorized by law.

(2) Commencing with the 2006-07 fiscal year, the funding mechanism developed pursuant to this section shall recognize the need for community college districts to receive an annual allocation based on the number of colleges and comprehensive centers in the community college district. In addition to this basic allocation, the marginal amount of credit revenue allocated per FTES shall be funded at a rate not less than four thousand three hundred sixty-seven dollars (\$4,367), as adjusted for the change in the cost-of-living in subsequent annual budget acts.

(A) To the extent that the Budget Act of 2006 contains an appropriation of one hundred fifty-nine million four hundred thirty-eight thousand dollars (\$159,438,000) for community college equalization, the Legislature finds and declares that community college equalization for credit FTES has been effectively accomplished as of March 31, 2007.

(B) The chancellor shall develop criteria for the allocation of one-time grants for those community college districts that would have qualified for more equalization under prior law than pursuant to this section and the Budget Act of 2006, and for those community college districts that would have qualified for more funding under a proposed rural college access grant than pursuant to this section and the Budget Act of 2006, as determined by the chancellor. Appropriations for the one-time grants shall be provided pursuant to paragraph (24) of subdivision (a) of Section 43 of Chapter 79 of the Statutes of 2006.

(3) Noncredit instruction shall be funded at a uniform rate of two thousand six hundred twenty-six dollars (\$2,626) per FTES, as adjusted for the change in the cost of living provided in subsequent annual budget acts.

(4) Funding for instruction in career development and college preparation, as authorized pursuant to Section 84760.5, shall be provided as follows:

(A) (i) Beginning in the 2006–07 fiscal year, career development and college preparation FTES may be funded at a rate of three thousand ninety-two dollars (\$3,092) per FTES for courses in programs that conform to the requirements of Section 84760.5. This rate shall be adjusted for the change in the cost of living or as otherwise provided in subsequent annual budget acts.

(ii) Beginning in the 2015–16 fiscal year, career development and college preparation FTES shall be funded at the same level as the credit rate specified in paragraph (2). This rate shall be adjusted for the change in the cost of living or as otherwise provided in subsequent annual budget acts.

(iii) The Legislative Analyst shall report to the Legislature on or before March 1, 2017, regarding the change in funding specified in clause (ii), including whether community colleges offered additional classes or programs related to career development or college preparation, and whether there was any change in FTES.

(iv) (I) The requirement for submitting a report imposed under clause (iii) is inoperative on March 30, 2019, pursuant to Section 10231.5 of the Government Code.

(II) A report submitted pursuant to clause (iii) shall be submitted in compliance with Section 9795 of the Government Code.

(B) Changes in career development and college preparation FTES shall result in adjustments to revenues as follows:

(i) Increases in career development and college preparation FTES shall result in an increase in revenues in the year of the increase and at the average rate per career development and college preparation FTES, including any cost-of-living adjustment authorized by statute or by the annual Budget Act.

(ii) Decreases in career development and college preparation FTES shall result in a revenue reduction in the year following the decrease at the average rate per career development and college preparation FTES.

(5) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled students programs and services, shall continue to be funded separately through the annual Budget Act, and shall not be assumed under the budget formula otherwise specified by this section.

(6) For credit and noncredit instruction, changes in FTES shall result in adjustments in community college district revenues as follows:

(A) Increases in FTES shall result in an increase in revenues in the year of the increase and at the amount per FTES provided for in paragraph (2) or (3), as appropriate, including any cost-of-living adjustment authorized by statute or by the annual Budget Act.

(B) Decreases in FTES shall result in revenue reductions beginning in the year following the initial year of decrease in FTES, and at the district's marginal funding per FTES.

(C) Community college districts shall be entitled to the restoration of any reductions in apportionment revenue due to decreases in FTES during the three years following the initial year of decrease in FTES if there is a subsequent increase in FTES.

(7) Revenue adjustments shall be made to reflect cost changes, using the same inflation adjustment as required for school districts pursuant to paragraph (2) of subdivision (d) of Section 42238.02. These revenue adjustments shall be made to the college and center basic allocations, credit and noncredit FTES funding rates, and career development and college preparation FTES funding rates.

(8) The statewide requested increase in budgeted workload FTES shall be based, at a minimum, on the sum of the following computations:

(A) Determination of an equally weighted average of the rate of change in the state's population of persons between the ages of 19 and 24 and the rate of change in the state's population of persons between the ages of 25 and 65, both as determined by the Department of Finance's Demographic Research Unit as determined for the preceding fiscal year.

(B) To the extent the state's unemployment rate exceeds 5 percent for the most recently completed fiscal year, that positive difference shall be added to the rate computed in subparagraph (A). In no event shall that positive difference exceed 2 percent.

(C) The chancellor may also add to the amounts calculated pursuant to subparagraphs (A) and (B) the number of FTES in the areas of transfer, vocational education, and basic skills that were unfunded in the current fiscal year. For this purpose, the following computation shall be determined for each community college district, and a statewide total shall be calculated:

(i) Establish the base level of FTES earned in the prior fiscal year for transfer courses consisting of courses meeting the California State University breadth or Intersegmental General Education Transfer Curriculum requirements or major course prerequisites accepted by the University of California or the California State University.

(ii) Establish the base level of FTES earned in the prior fiscal year for vocational education courses consisting of courses defined by the chancellor's office Student Accountability Model codes A and B that are consistent with the courses used for measuring success in this program area under the accountability system established pursuant to Section 84754.5.

(iii) Establish the base level of FTES in the prior fiscal year for basic skills courses, both credit and noncredit.

(iv) Add the sum of FTES for clauses (i) to (iii), inclusive.

(v) Multiply the result of the calculation made under clause (iv) by one plus the community college district's funded growth rate in the current fiscal year. This figure shall represent the maintenance of effort level for the budget year.

(vi) FTES in transfer, vocational education, and basic skills that are in excess of the total calculated pursuant to clause (v), shall be considered in excess of the maintenance of effort level, and shall be eligible for overcap growth funding if the community college district exceeds its overall funded FTES.

(vii) In no event shall the amount calculated pursuant to clause (vi) exceed the total unfunded FTES for that fiscal year. To the extent the computation specified in subdivision (c) requires the reporting of additional data by community college districts, that reporting shall be a condition of the receipt of apportionment for growth pursuant to this section and those funds shall be available to offset any and all costs of providing the data.

(9) Except as specifically provided in statute, regulations of the board of governors for determining and allocating the state general apportionment to the community college districts shall not require community college district governing boards to expend the allocated revenues in specified categories of operation or according to the workload measures developed by the board of governors.

(e) (1) The Chancellor of the Community Colleges shall develop, and the board of governors shall adopt, a revised apportionment growth formula for use commencing with the 2015-16 fiscal year. The chancellor shall allocate apportionments pursuant to the revised formula only after the revised formula, and any formulas for adjustment pursuant to paragraph (2), have been adopted by the board of governors. The revised apportionment growth formula shall support the primary missions of the segment, and shall be based on each community's need for access to the community colleges, as determined by local demographics. In developing the revised formula, the chancellor shall consider multiple factors in determining need; however, the primary factors shall be:

(A) (i) The number of persons under 25 years of age without a college degree, within a community college district's boundaries, and the number of persons 25 to 64 years of age, inclusive, without a college degree, within a community college district's boundaries.

(ii) Notwithstanding clause (i), the chancellor may use alternative age ranges depending on the availability of data.

(B) The number of persons who are unemployed, have limited English skills, who are in poverty, or who exhibit other signs of being disadvantaged, as determined by the chancellor, within a community college district's boundaries.

(2) Beginning with the 2016-17 fiscal year, the chancellor shall adjust upward the need determination based on each community college's effectiveness in serving residents of neighborhoods, within or outside of the community college district's boundaries, that exhibit the highest levels of need in the state.

(3) The chancellor shall calculate each community college district's proportionate share of the statewide need for access to the community colleges based on the application of this formula described in paragraph (1), as adjusted pursuant to paragraph (2).

(4) The chancellor shall calculate the difference between each community college district's proportionate share of the statewide need for access to the community colleges, as calculated pursuant to paragraph (3), and its current proportionate share of statewide enrollment in the community colleges.

(5) (A) Until a community college district reaches its highest level of apportionment revenues previously received, its apportionment revenues shall be eligible to increase by the lesser of 1 percent of its current apportionment base, or one-half of the statewide growth allocation on a proportionate basis, regardless of need.

(B) After a community college district reaches its highest level of apportionment revenues previously received, it is eligible to increase its apportionment revenues by the lesser of one-half of 1 percent of its current apportionment base, or one-quarter of the statewide growth allocation on a proportionate basis, regardless of its need.

(6) The remainder of the apportionment growth funding shall be allocated to allow each community college district to grow its apportionment revenues based on its relative share of the difference between the amounts calculated in paragraph (4), up to a maximum of its apportionment base for the preceding fiscal year appropriate to ensure that community college district is advancing the primary missions of the segment. The maximum established by the chancellor shall not be less than 5 percent nor greater than 10 percent of a community college district's apportionment base for the preceding fiscal year.

(7) Unless otherwise agreed upon by the board of governors, apportionment reductions shall be allocated proportionally based on the most recent levels of apportionment revenues.

(8) (A) It is the intent of the Legislature, consistent with direction provided in the 2014–15 Budget Act, that apportionment growth funding be expended for purposes of increasing the number of FTES in courses or programs that support the primary missions of the segment.

(B) (i) Notwithstanding Section 10231.5 of the Government Code, on or before October 15, 2015, and each year thereafter, the chancellor shall report to the Legislature on the course sections and FTES added at each community college that received apportionment growth funding in the prior fiscal year, including the number of course sections and if any course sections and FTES were added that are within the primary missions of the segment and those that are not within the primary missions of the segment.

(ii) A report submitted to the Legislature pursuant to clause (i) shall be submitted in compliance with Section 9795 of the Government Code.

(C) For purposes of this section, "primary missions of the segment" means credit courses and those noncredit courses specified in paragraphs (2) to (6), inclusive, of subdivision (a) of Section 84757.

(f) (1) It is the intent of the Legislature to allow for changes to the criteria and standards developed pursuant to subdivisions (a) to (d), inclusive, in order to recognize increased operating costs and to improve instruction.

(2) (A) If the annual budget act identifies funds appropriated specifically for the purposes of this subdivision, the chancellor shall adjust the budget request formula to allocate those funds without altering any of the adjustments described in subdivision (d). At least 30 days before allocating any state general apportionment revenues using a budget request formula revised pursuant to this subdivision, the chancellor shall submit to the Department of Finance and the Legislature a description of the specific adjustments made to the budget request formula.

(B) A report to the Legislature pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(g) Notwithstanding Subchapter 1 (commencing with Section 51000) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations and Section 84751, the chancellor shall allocate the ongoing funds first appropriated pursuant to paragraph (1) of subdivision (e) of provision (2) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11, Statutes of 2015) to all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, on a per FTES basis by modifying each district's budget formula pursuant to this section. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements of subdivision (f).

(h) Commencing with the 2018–19 fiscal year, this section shall only be used to allocate revenue pursuant to subparagraph (A) of paragraph (3) of subdivision (e) of Section 36 of Article XIII of the California Constitution, to compute allocations for noncredit instruction and career development and college FTES, and to compute allocations to community college districts for fiscal years prior to the 2018–19 fiscal year.

(Amended by Stats. 2018, Ch. 33, Sec. 34. (AB 1809) Effective June 27, 2018.)

84750.6. (a) Notwithstanding Section 84750.5, the board of governors shall provide the San Francisco Community College District with revenues, as specified in subdivision (b), if, on the effective date of the act that adds this section, both of the following conditions are satisfied:

(1) The board of governors finds that the community college district or a campus of the community college district is in imminent jeopardy of losing its accreditation.

(2) The board of governors has exercised its authority pursuant to Section 84040 of this code and Section 58312 of Title 5 of the California Code of Regulations as that regulation read on April 15, 2014.

(b) If the number of full-time equivalent students (FTES) of the community college district decreases from the number in the 2012–13 fiscal year, the board of governors shall provide revenues to the community college district, as follows:

(1) For the 2014–15 fiscal year, an amount not less than the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2012–13 fiscal year.

(2) For the 2015–16 fiscal year, an amount not less than 95 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2012–13 fiscal year.

(3) (A) For the 2016–17 fiscal year, an amount not less than 90 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2012–13 fiscal year.

(B) Funds shall be provided under this paragraph only if the Fiscal Crisis Management Assistance Team makes a finding no sooner than April 1, 2016, that the San Francisco Community College District is meeting or exceeding all of the following benchmarks:

(i) Effective fiscal controls and systems are in place.

(ii) The City College of San Francisco has, and is adhering to, prudent fiscal policies and practices, as corroborated by an analysis of multiyear projections of no less than three fiscal years commencing with the 2016–17 fiscal year.

(iii) The City College of San Francisco is applying resources in accordance with a budget plan approved by the special trustee.

(iv) The City College of San Francisco is maintaining appropriate fiscal reserves.

(v) The City College of San Francisco has, and is adhering to, a viable plan to address long-term liabilities including, but not necessarily limited to, "other postemployment benefits," as that term is used in accordance with generally accepted accounting principles defined by the Governmental Accounting Standards Board as of April 15, 2014.

(c) The amounts calculated in paragraphs (1) to (3), inclusive, of subdivision (b) shall be adjusted by the chancellor to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(d) Subdivision (b) shall only be used to determine the apportionment funding to be allocated to the San Francisco Community College District. In computing statewide entitlements to funding based upon the attendance of FTES, the San Francisco Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(e) Subdivision (b) shall only be operative for a fiscal year in which the San Francisco Community College District is in compliance with Section 51016 of Title 5 of the California Code of Regulations as that regulation read on April 15, 2014.

(f) It is the intent of the Legislature that any amounts necessary to make the apportionments required pursuant to subdivision (b) be drawn from the state general apportionment revenues for community college districts.

(g) (1) The Chancellor of the City College of San Francisco shall submit all of the following to the appropriate policy and fiscal committees of the Legislature, the office of the Governor, the Legislative Analyst's Office, and the Department of Finance on or before April 15, 2015:

(A) An overview of the college's current accreditation status, including a description of any identified accreditation deficiencies and activities underway to address those deficiencies.

(B) Enrollment totals for the current and prior years.

(C) Updated enrollment projections for the two subsequent fiscal years.

(D) The number of course sections offered in the current and prior fiscal years.

(E) A thorough explanation of the district's level of budgetary reserves and sources of revenue.

(F) A thorough multiyear budget plan that explains, at a minimum, both revenue sources and areas of expenditure.

(2) The Chancellor of the City College of San Francisco shall submit updates to the report submitted under paragraph (1) on or before the following dates:

(A) October 15, 2015.

(B) April 15, 2016.

(C) October 15, 2016, but only if funding is provided pursuant to paragraph (3) of subdivision (b).

(D) April 15, 2017, but only if funding is provided pursuant to paragraph (3) of subdivision (b).

(h) For five fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

(i) Commencing with the 2018–19 fiscal year, this section shall no longer be used to compute allocations to the San Francisco Community College District.

(j) This section shall become inoperative on July 1, 2021, and, as of January 1, 2022, is repealed.

(Amended by Stats. 2018, Ch. 33, Sec. 35. (AB 1809) Effective June 27, 2018. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)

84750.7. (a) Notwithstanding Section 84750.5, the board of governors shall provide the Compton Community College District with revenues, as specified in subdivision (b), if both of the following conditions are met:

(1) Compton College is accredited by an accrediting agency recognized by the United States Department of Education.

(2) The Compton Community College District is under the governing authority of the Board of Trustees of the Compton Community College District.

(b) If the number of full-time equivalent students (FTES) of the community college district decreases from the number in the 2017–18 fiscal year, the board of governors shall provide revenues to the community college district, as follows:

(1) For the first fiscal year Compton College is accredited under the governing authority of the Board of Trustees of the Compton Community College District, an amount not less than the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year.

(2) For the second fiscal year after Compton College is accredited under the governing authority of Compton Community College District Board of Trustees, an amount not less than 95 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year.

(3) For the third fiscal year after Compton College is accredited under the governing authority of Compton Community College District, an amount not less than 90 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year.

(4) For the fourth fiscal year after Compton College is accredited under the governing authority of Compton Community College District, an amount not less than 85 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the prior 2017–18 year.

(c) The amounts calculated pursuant to subdivision (b) shall be adjusted by the chancellor to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(d) Subdivision (b) shall only be used to determine the apportionment funding to be allocated to the Compton Community College District. In computing statewide entitlements to funding based upon the attendance of FTES, the Compton Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(e) Subdivision (b) shall only be operative for a fiscal year in which the Compton College is in compliance with Section 70902.

(f) It is the intent of the Legislature that any amounts necessary to make the apportionments required pursuant to subdivision (b) be drawn from the state general apportionment revenues for community college districts.

(g) Commencing with the 2018–19 fiscal year, this section shall no longer be used to compute allocations to the Compton Community College District.

(h) This section shall become inoperative on July 1, 2021, and, as of January 1, 2022, is repealed.

(Amended by Stats. 2018, Ch. 33, Sec. 36. (AB 1809) Effective June 27, 2018. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)

84751. (a) In calculating each community college district's revenue level for each fiscal year pursuant to Section 84750.4 or subdivision (a) of Section 84750.5, as applicable, the board of governors shall subtract, from the total revenues owed, all of the following:

(1) The local property tax revenue specified by law for general operating support, exclusive of bond interest and redemption.

(2) Ninety-eight percent of the fee revenues collected pursuant to Section 76300.

(3) Timber yield tax revenues received pursuant to Section 38905.1 of the Revenue and Taxation Code.

(4) Any amounts received pursuant to Section 33492.15, 33607.5, or 33607.7 of the Health and Safety Code, and Section 33676 of the Health and Safety Code, as amended by Section 2 of Chapter 1368 of the Statutes of 1990, that are considered to be from property tax revenues pursuant to those sections for purposes of community college revenue levels, except those amounts that are allocated exclusively for educational facilities.

(b) Notwithstanding subdivision (a), for the 2013–14 fiscal year, revenues received pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code after April 15, 2014, shall be counted as revenues received in the 2014–15 fiscal year.

(c) Notwithstanding subdivision (a), for the 2014–15 fiscal year, revenues received pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code after April 15, 2015, shall be counted as revenues received in the 2015–16 fiscal year.

(d) Notwithstanding subdivision (a), for the 2015–16 fiscal year, revenues received pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code after April 15, 2016, shall be counted as revenues received in the 2016–17 fiscal year.

(Amended by Stats. 2018, Ch. 33, Sec. 37. (AB 1809) Effective June 27, 2018.)

84751.6. (a) (1) On or before June 30 of each fiscal year, an amount to be determined by the Director of Finance shall be appropriated from the General Fund to the Board of Governors of the California Community Colleges in augmentation of Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act for that fiscal year.

(2) The funds appropriated pursuant to paragraph (1) shall only be available to the extent that revenues distributed to community college districts pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code are less than the estimated amount reflected in the Budget Act for that fiscal year, as determined by the Director of Finance.

(b) On or before June 30 of each fiscal year, the Director of Finance shall determine if the revenues distributed to community college districts pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code exceed the estimated amount reflected in the Budget Act for that fiscal year and shall reduce Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act for that fiscal year by the amount of that excess.

(c) In making the determinations pursuant to subdivisions (a) and (b), the Director of Finance shall consider any other local property tax revenues and student fee revenues collected in amounts greater than or less than the estimated amounts reflected in the Budget Act for that fiscal year.

(d) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee of his or her intent to notify the Controller of the necessity to take action pursuant to either subdivision (a) or subdivision (b), and shall report either the amount to be appropriated pursuant to subdivision (a) or the amount to be reduced pursuant to subdivision (b).

(e) The Controller shall make funds appropriated pursuant to subdivision (a) available not sooner than five days after notification by the Director of Finance. The Chancellor of the California Community Colleges shall work with the Controller to allocate these funds to community college districts as soon as practicable.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202, for that fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for that fiscal year.

(Added by Stats. 2015, Ch. 22, Sec. 15. (SB 81) Effective June 24, 2015.)

84751.7. (a) (1) On or before June 30 of each fiscal year, an amount to be determined by the Director of Finance shall be appropriated from the General Fund to the Board of Governors of the California Community Colleges in augmentation of Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act for that fiscal year.

(2) The funds appropriated pursuant to paragraph (1) shall only be available to the extent that offsetting revenues distributed to community college districts pursuant to subparagraph (A) of paragraph (3) of subdivision (e) of Section 36 of Article XIII of the California Constitution are less than the estimated amount reflected in the Budget Act for that fiscal year, as determined by the Director of Finance.

(b) On or before June 30 of each fiscal year, the Director of Finance shall determine if the offsetting revenues distributed to community college districts pursuant to subparagraph (A) of paragraph (3) of subdivision (e) of

Section 36 of Article XIII of the California Constitution exceed the estimated amount reflected in the Budget Act for that fiscal year and shall reduce Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act for that fiscal year by the amount of that excess.

(c) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee of his or her intent to notify the Controller of the necessity to take action pursuant to either subdivision (a) or subdivision (b), and shall report either the amount to be appropriated pursuant to subdivision (a) or the amount to be reduced pursuant to subdivision (b).

(d) The Controller shall make funds appropriated pursuant to subdivision (a) available not sooner than five days after notification by the Director of Finance. The Chancellor of the California Community Colleges shall work with the Controller to allocate these funds to community college districts as soon as practicable.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202, for that fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for that fiscal year.

(Added by Stats. 2015, Ch. 22, Sec. 16. (SB 81) Effective June 24, 2015.)

84752. (a) No community college district shall receive full-time equivalent student (FTES) funding for activities that are fully funded through another source. The Board of Governors of the California Community Colleges shall adopt regulations to implement this subdivision.

(b) The State Auditor shall report to the Legislature by January 1, 2000, on the status of community college district compliance with this section. In preparing this report, the State Auditor shall use the audit methodology used in the Bureau of State Audits Report No. 96103.

(Amended by Stats. 1997, Ch. 690, Sec. 1. Effective January 1, 1998.)

84753. Notwithstanding any other provision of law, for the purposes of this article, the revenue level, or full-time equivalent student (FTES) funding for the South Orange County Community College District for the 1996–97 fiscal year, and future fiscal years, shall not include any amounts that should have been allocated to the Saddleback Community College District in the 1994–95 fiscal year but that were not received by the district until the 1996–97 fiscal year, and future fiscal years, due to the bankruptcy proceedings initiated on December 6, 1994, by the County of Orange by its filing of a voluntary Chapter 9 petition in United States Bankruptcy Court, Case No. SA 94-22273-JR. These amounts shall not be included in the revenue limit, or FTES, computations for the 1996–97 fiscal year, and future fiscal years, but these amounts shall be treated as being received by the Saddleback Community College District in the 1994–95 fiscal year or the 1995–96 fiscal year, or both.

In 1997, the Saddleback Community College District changed its name to the South Orange County Community College District. For the purposes of this section, the "Saddleback Community College District" means the South Orange County Community College District, and the "South Orange County Community College District" means the Saddleback Community College District.

(Added by Stats. 1997, Ch. 242, Sec. 2. Effective August 6, 1997.)

84754.5. Pursuant to provisions of Chapter 581 of the Statutes of 2004, the board of governors provided the Governor and the Legislature recommendations regarding the design of a workable structure for the annual evaluation of district-level performance in meeting statewide educational outcome priorities. The Legislature recognizes that these recommendations were based on a study process that included input from institutional representatives of community college districts, nationally regarded experts in community college accountability, the Department of Finance, the Office of the Legislative Analyst, community college organizations, and other interested parties. In enacting this section the Legislature hereby establishes a program for the annual reporting and evaluation of district-level performance in achieving priority educational outcomes consistent with the intent of Chapter 581 of the Statutes of 2004. The program includes the following components:

(a) As a condition of receiving specified funds in the annual Budget Act to encourage district-level accountability efforts, community college districts shall provide data, in a format and according to a schedule to be specified by the Office of the Chancellor of the California Community Colleges, for the purpose of the annual report to the Legislature specified in subdivision (b) and for purposes of providing the means for both internal and external assessment of the district's educational offerings in meeting the high-priority educational goals of the state. The chancellor shall withhold, delay, or reduce funds specified in the annual Budget Act to encourage district-level accountability efforts from a district that fails to provide needed data by specified deadlines. If a district's failure to report by specified deadlines results in the omission of required data from, or inclusion of erroneous data in, the annual report required

by subdivision (b), the chancellor shall reduce that district's funding as specified in regulations for the implementation of this section.

(b) With data available through its management information system and other data provided pursuant to subdivision (a), and utilizing resources provided for this purpose in the annual Budget Act, the chancellor shall prepare an annual report to the Legislature, the Governor, the Department of Finance, and the Office of the Legislative Analyst evaluating the achievement of educational outcomes for each community college district and, as warranted, each college. This report shall be provided to the Legislature annually on or before March 31, beginning in 2007. Preliminary data reported from the districts shall be provided to the Department of Finance and the Office of the Legislative Analyst by January 31 of each year, beginning in 2007. For each district, and college as warranted, the report shall: (1) include performance data for the immediately preceding fiscal year, reflecting all measures specified in subdivision (c); (2) compare each district's and college's achievement with peer groups within the system as applicable to specific metrics; and (3) compare each district's and college's achievements with that of the system as a whole. The report shall further include a profile with summary background information on each district's or college's educational programs, missions, students, and service area demographics.

(c) (1) The report shall include, but not be limited to, district or college-level performance on outcome measures in the following categories:

(A) Student progress and achievement: degrees, certificates, and transfers.

(B) Student progress and achievement: vocational, occupational, and workforce development.

(C) Pre-collegiate improvement, including basic skills and English-as-a-second language.

(2) The specific measures to be included in the report shall reflect the April 2005 board of governors recommendations as refined and amended in consultation with the Department of Finance and the Office of the Legislative Analyst, and shall be periodically reviewed, in consultation with the Department of Finance and the Office of the Legislative Analyst, and, if necessary, modified by the chancellor. It is the intent of the Legislature that specific performance metrics and annual reporting requirements may be specified in annual Budget Acts, if warranted, by changes in state needs, legislative priorities, or the availability of data.

(d) As a condition of receiving specified funds in the annual Budget Act, each community college district board of trustees shall annually review and adopt its contribution to the segmentwide annual report as part of a regularly scheduled and noticed public meeting at which public comment shall be invited.

(e) The board of governors shall adopt regulations that it deems necessary to carry out this section no sooner than 30 days after notification in writing by the chancellor to the Director of Finance and the Chairperson of the Joint Legislative Budget Committee.

(Added by Stats. 2005, Ch. 73, Sec. 21. Effective July 19, 2005.)

84754.6. (a) The Chancellor of the California Community Colleges, in coordination with community college stakeholder groups, the appropriate fiscal and policy committees of the Legislature, and the Department of Finance, shall develop, and the board of governors shall adopt, a framework of indicators designed to measure the ongoing condition of a community college's operational environment in the following areas:

(1) Accreditation status.

(2) Fiscal viability.

(3) Student performance and outcomes.

(4) Programmatic compliance with state and federal guidelines.

(b) As a condition of receipt of funds appropriated for purposes of Article 1 (commencing with Section 78210) of Chapter 2 of Part 48, each community college within a community college district shall develop, adopt, and publicly post a goals framework that addresses at least all of the areas specified in subdivision (a). The development of the goals framework shall be guided by the statewide goals outlined in Section 66010.91. It is the intent of the Legislature that these goals be challenging and quantifiable, address achievement gaps for underrepresented populations, and align the educational attainment of California's adult population to the workforce and economic needs of the state, pursuant to the legislative intent expressed in Section 66010.93.

(c) The board of governors shall annually develop, adopt, and publicly post a systemwide goals framework that addresses at least all of the areas specified in subdivision (a). The development of the systemwide goals shall be guided by the statewide goals set forth in Section 66010.91. It is the intent of the Legislature that these goals be challenging and quantifiable, address achievement gaps for underrepresented populations, and align the educational attainment of California's adult population to the workforce and economic needs of the state, pursuant to the legislative intent expressed in Section 66010.93.

(d) Before the commencement of the 2015-16 fiscal year, and before the commencement of each fiscal year thereafter, the Chancellor of the California Community Colleges shall publicly post both of the following:

(1) Annually developed systemwide goals adopted by the board of governors.

(2) Locally developed and adopted community college or community college district goals and targets.

(e) Subject to the availability of funding in the annual Budget Act, the board of governors and the Chancellor of the California Community Colleges shall assess the degree to which each community college district is improving its outcomes in regard to the areas specified in subdivision (a) and any additional issues addressed in the goals frameworks described in subdivision (b), and shall offer technical assistance to community college districts that are not improving.

(f) If a community college district is receiving technical assistance pursuant to subdivision (e), the community college district shall submit a turnaround plan that details all of the following:

(1) The problem the technical assistance is attempting to solve.

(2) How the identified problem will be addressed in a plan adopted by the governing board of the community college district.

(3) A timetable of major milestones for improvement.

(4) Updates that will be submitted to the Chancellor of the California Community Colleges on the outcomes in regard to those milestones, as scheduled by the chancellor.

(Amended by Stats. 2014, Ch. 687, Sec. 8. (SB 876) Effective September 27, 2014.)

84755. (a) The Legislature finds and declares that program-based funding, once implemented, will more adequately and accountably fund the costs of providing quality community college education. Given that program-based funding will not be implemented until fiscal year 1991–92, given that community colleges will be entering a period of major reform and incurrence of new state mandates commencing in January 1989, and given that community colleges will be entering this period of reform having lost purchasing power since the 1977–78 fiscal year, the Legislature recognizes the need to create a transitional funding mechanism for program improvement and mandate funding that can operate until program-based funding is implemented.

(b) For the purpose of improving the quality of community college educational programs and services, for the purpose of reimbursing state-mandated local program costs imposed by this act, and for the purposes of initially implementing specified reforms, the board of governors shall, from amounts appropriated for purposes of this section, allocate program improvement revenues to each district on the basis of an amount per unit of average daily attendance funded in the prior fiscal year. However, this amount shall be increased or decreased to provide for equalization in a manner determined by the Board of Governors, consistent with Sections 84703 to 84705, inclusive.

Each community college district shall use its allocation to initially reimburse state-mandated local program costs, and then to implement specified reforms and make authorized program and service improvements as follows:

(1) Developing articulated programs provided for in Section 69 of Chapter 973 of the Statutes of 1988 with school districts and campuses of the University of California and California State University.

(2) Applying minimum qualifications to all newly hired faculty and administrators, including candidates for these positions as required by Section 87356.

(3) Developing and administering a process for waiver of minimum qualifications as required by Section 87359.

(4) Establishing and applying local hiring criteria as required by Section 87360.

(5) Establishing and applying faculty service areas and competency criteria as required by Sections 87743 to 87743.5, inclusive.

(6) Evaluating temporary employees, instituting peer review evaluation, and widely distributing evaluation procedures as required by Section 87663.

(7) Establishing and applying new processes for tenure evaluation required by Section 87610.1.

(8) Establishing and applying the tenure denial grievance procedure required by Section 87610.1.

(9) Establishing and applying a process for moving administrators into faculty positions as required by Sections 87454 to 87458, inclusive.

(10) Publishing and distributing a report on the affirmative action success rate as required by Section 87102.

(11) Improving instruction by reducing the ratio of full-time equivalent students to full-time equivalent instructors.

(12) Improving instruction by increasing the hiring of full-time instructors and limiting the practice of hiring part-time instructors.

(13) Augmenting budgets for college libraries and learning resources.

(14) Augmenting budgets for plant maintenance and operations.

(15) Adding new courses or programs to serve community need.

(16) Making progress towards affirmative action goals and timetables established by the district.

(17) Developing and maintaining programs and services authorized by Section 78212.5.

(18) Augmenting budgets for student services in the areas of greatest need.

(19) Providing for release time for faculty and staff as deemed appropriate by the governing board of each community college district, to enable faculty and staff participation in implementing reforms.

(20) Developing and administering a program that provides for reassignment of up to 20 percent of the time of individual tenured faculty member's teaching assignments, as determined by the governing board of each community college district, to counsel and assist newly hired faculty acquire teaching and classroom management skills. A governing board shall approve reassignment time for no more than 5 percent of the district's full-time equivalent tenured faculty in any one fiscal year.

(c) Except as provided by Section 87482.6, and except as necessary to reimburse the costs of new state mandates, district governing boards shall have full authority to expend program improvement allocations for any or all of the authorized purposes specified in subdivision (b).

(d) As required by the board of governors, the governing board of each community college district shall submit to the board of governors a plan for using the resources allocated pursuant to this section. The board of governors shall review each plan to ensure that proposed expenditures are consistent with the listing of authorized expenditures provided in this section, and the board of governors shall approve all plans to the full extent that expenditures are authorized by this section. To the extent that a community college district expends its program improvement allocation consistent with its plan, the board of governors shall include the district's allocation as part of the district's base budget for subsequent years.

(e) The board of governors, through the annual systemwide budget submitted pursuant to paragraph (5) of subdivision (b) of Section 70901, shall request necessary resources for the purposes of this section. It is the intent of the Legislature that the appropriation and allocation of program improvement money not otherwise provided pursuant to subdivision (b) shall be accomplished through the annual state budget process beginning with the 1989-90 fiscal year. After June 30, 1991, if Section 84750 is implemented, it is the intent of the Legislature to fund the ongoing operations of community college districts pursuant to Section 84750.

(Amended by Stats. 1993, Ch. 449, Sec. 1. Effective January 1, 1994.)

84756. It is the intent of the Legislature that community college districts with noncredit programs recognize the importance of noncredit programs and that they will continue to support these offerings.

It is also the intent of the Legislature that community college districts with noncredit programs consider the need for both credit and noncredit allocations in allocating future growth pursuant to board of governors regulations.

(Added by Stats. 1995, Ch. 758, Sec. 125. Effective January 1, 1996.)

84757. (a) For purposes of this chapter, the following noncredit courses and classes shall be eligible for funding:

(1) Parenting, including parent cooperative preschools, classes in child growth and development and parent-child relationships.

(2) Elementary and secondary basic skills and other courses and classes such as remedial academic courses or classes in reading, mathematics, and language arts.

(3) English as a second language.

(4) Classes and courses for immigrants eligible for educational services in citizenship, English as a second language, and work force preparation classes in the basic skills of speaking, listening, reading, writing, mathematics, decisionmaking and problem solving skills, and other classes required for preparation to participate in job-specific technical training.

(5) Education programs for persons with substantial disabilities.

(6) Short-term vocational programs with high employment potential.

(7) Education programs for older adults.

(8) Education programs for home economics.

(9) Health and safety education.

(b) No state apportionment shall be made for any course or class that is not set forth in subdivision (a) and for which no credit is given.

(Added by Stats. 1995, Ch. 758, Sec. 126. Effective January 1, 1996.)

84757.5.

(a) The chancellor's office, in conjunction with the department, shall annually report on the number and types of courses being taught and the number of students being served with funding provided to the regional consortia established pursuant to Section 84830. The chancellor's office shall annually report on the number and types of noncredit courses being taught and the number of students being served with funding provided to the community colleges for the courses offered pursuant to Section 84757.

(b) The chancellor's office shall identify any deficits in course offerings based upon levels, types, and needs for adult education programs identified in the consortia plans submitted as required under subdivision (c) of Section 84830.

(Added by Stats. 2014, Ch. 545, Sec. 3. (SB 173) Effective January 1, 2015.)

84758. Not later than May 15 of each year, the Department of Finance shall notify the Legislature and the Chancellor's Office of the California Community Colleges of the amount of revenue estimated to be available to community college districts during the next fiscal year from local property taxes, exclusive of bond interest and redemption, and timber taxes received. Not later than March 15 of each year, the chancellor's office shall certify to the Department of Finance the amount of revenue available from these tax sources for the current fiscal year. The Department of Finance shall subtract the total amount of available revenue certified by the chancellor's office from the total amount of available revenue estimated by the department the preceding May. The Department of Finance shall notify the Legislature of the resulting difference and shall advise the Legislature as to whether the difference represents a net surplus or a net deficit in the funds appropriated to meet the requirements of Section 84750.

(Added by Stats. 1995, Ch. 758, Sec. 127. Effective January 1, 1996.)

84759. (a) As used in this section, the following terms mean:

(1) "CalWORKs recipient" means a recipient of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, or any successor program.

(2) "Direct excess costs" means the fixed, variable, and one-time costs associated with providing noncredit instructional services to CalWORKs recipients, as determined by the chancellor's office.

(b) Notwithstanding any other provision of law, a community college district, to the extent funding is made available in the annual Budget Act, shall receive funding for noncredit instruction developed for and targeted to CalWORKs recipients, including funding to offset the direct excess cost of providing noncredit instruction to CalWORKs recipients when the cost of providing a specific course offering exceeds the average cost of noncredit instruction.

(Added by Stats. 1997, Ch. 270, Sec. 18. Effective August 11, 1997. Operative January 1, 1998, by Sec. 183 of Ch. 270.)

84760.5. (a) For purposes of this chapter, the following career development and college preparation 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 articulating with college-level coursework, completion of an associate of arts degree, or for transfer to a four-year degree program, shall be eligible for funding subject to subdivision (b):

(1) Classes and courses in elementary and secondary basic skills.

(2) Classes and courses for students, eligible for educational services in workforce preparation classes, in the basic skills of speaking, listening, reading, writing, mathematics, decisionmaking, and problem solving skills that are necessary to participate in job-specific technical training.

(3) 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.

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

(b) The board of governors shall adopt criteria and standards for the identification of career development and college preparation courses and the eligibility of these courses for funding, including the definition of courses eligible for funding pursuant to subdivision (a). The criteria and standards shall be based on recommendations from the chancellor, the statewide academic senate, and the statewide association of chief instructional officers. The career and college preparation courses to be identified for this higher rate of funding should include suitable courses that meet one or more of the qualifications described in subdivision (a).

(c) A district that offers courses described in subdivision (a), but that is not eligible for funding under subdivision (b), shall be eligible for funding under Section 84757.

(d) The chancellor, in consultation with the Department of Finance and the Office of the Legislative Analyst, shall develop specific outcome measures for career development and college preparation courses for incorporation into the annual report required by subdivision (b) of Section 84754.5.

(e) The chancellor shall prepare and submit to the Department of Finance and the Legislature, on or before July 1 of each year, a report that details, at a minimum, the following:

(1) The amount of FTES claimed by each community college district for career development and college preparation courses and classes.

(2) The specific certificate programs and course titles of career development and college preparation courses and classes receiving additional funding pursuant to this section, as well as the number of those courses and classes receiving additional funding.

(Amended by Stats. 2010, Ch. 236, Sec. 4. (AB 1713) Effective January 1, 2011.)

84810.5. (a) (1) Open course provisions in statute or regulations of the board of governors shall be waived for any governing board of a community college district for classes the district provides to inmates of any city, county, or city and county jail, road camp, farm for adults, or state or federal correctional facility. This section does not authorize the waiver of open course provisions in any context or situation other than those that are specifically authorized by this section. Subject to limitations set forth in subdivision (b), the board of governors may include the units of full-time equivalent students (FTES) generated in those classes for purposes of state apportionments.

(2) The attendance hours generated by credit courses shall be funded at the marginal credit rate determined pursuant to paragraph (1) of subdivision (c) of Section 84750.4 or paragraph (2) of subdivision (d) of Section 84750.5, as applicable. The attendance hours generated by noncredit courses shall be funded at the noncredit rate pursuant to paragraph (2) of subdivision (c) of Section 84750.4 or paragraph (3) of subdivision (d) of Section 84750.5, as applicable. The attendance hours generated by instruction in career development and college preparation shall be funded at the rate determined pursuant to paragraph (3) of subdivision (c) of Section 84750.4 or paragraph (4) of subdivision (d) of Section 84750.5, as applicable.

(b) (1) A community college district shall not claim, for purposes of state apportionments under this section, any class to which either of the following applies:

(A) The district receives full compensation for its direct education costs for the conduct of the class from any public or private agency, individual, or group of individuals.

(B) The district has a contract or instructional agreement, or both, for the conduct of the class with a public or private agency, individual, or group of individuals that has received from another source full compensation for the costs the district incurs under that contract or instructional agreement.

(2) In reporting a claim for apportionment to the Chancellor of the California Community Colleges under this section, the district shall report any partial compensation it receives from the sources described in subparagraphs (A) and (B) of paragraph (1) during the period for which the claim is made. The chancellor shall subtract the amount of any partial compensation received from the total apportionment to be paid.

(c) This section does not provide a source of funds to shift, supplant, or reduce the costs incurred by the Department of Corrections and Rehabilitation in providing inmate education programs.

(Amended by Stats. 2018, Ch. 33, Sec. 38. (AB 1809) Effective June 27, 2018.)

84810.7. (a) On or before March 1, 2015, the Department of Corrections and Rehabilitation and the Office of the Chancellor of the California Community Colleges shall enter into an interagency agreement to expand access to community college courses that lead to degrees or certificates that result in enhanced workforce skills or transfer to a four-year university. The courses for inmates in a state correctional facility developed as a result of this agreement will serve to supplement, but not duplicate or supplant, any adult education course opportunities offered at that facility by the Office of Correctional Education of the Department of Corrections and Rehabilitation.

(b) The Department of Corrections and Rehabilitation, in collaboration with the Office of the Chancellor of the California Community Colleges, shall develop metrics for evaluations of the efficacy and success of the programs developed through the interagency agreement established pursuant to this section, conduct the evaluations, and report findings from the evaluations to the Legislature and the Governor on or before July 31, 2018.

(c) (1) The requirement for submitting a report imposed under subdivision (b) is inoperative on July 31, 2022, pursuant to Section 10231.5 of the Government Code.

(2) A report to be submitted pursuant to subdivision (b) shall be submitted in compliance with Section 9795 of the Government Code.

(Added by Stats. 2014, Ch. 695, Sec. 2. (SB 1391) Effective January 1, 2015.)