

ASSEMBLY THIRD READING
AB 634 (Ward)
As Introduced February 9, 2023
Majority vote

SUMMARY

Requires changes to the way a California Community College (CCC) may take attendance for certain noncredit courses.

Major Provisions

- 1) Authorizes a CCC to claim state attendance funding based on census day attendance accounting rules for a student enrolled in an enhanced noncredit course, including a distance education course, at a CCC that is not an open-entry, open-exit courses.
- 2) Specifies a CCC may continue to claim state attendance funding using positive attendance accounting if a CCC chooses.
- 3) Requires the CCC Board of Governors (BOG) to adopt regulations to implement this change no later than May 31, 2024.
- 4) Makes clarifying and technical amendments to existing law.

COMMENTS

Background on credit, noncredit and CDCP. According to the Legislative Analyst's Office, community colleges in general, fulfill their mission of offering the first two years of college instruction in academic and vocational subjects through credit instruction, whereas they use noncredit instruction to address much of their precollegiate adult education mission. Regulations, however, permit colleges to offer some precollegiate instruction on a credit basis, including some ESL, secondary English and math courses, and many vocational education courses.

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

Credit instruction, which all CCCs offer, accounts for 94% of full-time equivalent students (FTES) enrollment and noncredit instruction accounts for 5%. To note, the remaining 1% is tutoring. As aforementioned, state law permits CCCs to offer noncredit courses in ten instructional areas. Four of these instructional areas are eligible for the CDCP designation: elementary and secondary education, English as a second language (ESL), short-term vocational programs, and workforce preparation (such as communication skills). In addition to being in an eligible instructional area, a course must be offered as part of a sequence of related courses leading to a noncredit certificate (such as certificates in basic reading skills and healthcare careers preparation) to qualify as CDCP.

The state provides CCCs funding for instructing CCC students at three different rates. For the 2020-21 academic year, the rate are as follows: a) \$3,381 for noncredit courses per-student; b)

\$5,622 for enhanced noncredit courses per student, also known as “career development and college preparation” courses; and c) \$4,009 for credit courses per student, with additional funding of up to \$1,648 based on student demographics and student achievement. (Noncredit courses typically are pre-collegiate-level courses in basic math and English skills and English in a second language. Enhanced noncredit courses typically are pre-collegiate-level courses in short-term vocational programs and other programs leading to certificates or transfer. Credit courses are collegiate-level courses that lead to an associate’s degree or transfer to a four-year university.)

Census date versus positive attendance. The number of FTES is a main component for determining CCC funding. The FTES represents the number of enrolled students whom attend 15 hours each week during the semester (or a group of students who, together, attend 15 hours each week). In an academic year, these hypothetical full-time students generate 525 student contact hours each. Even though not all students are full-time and not all classes are scheduled for the same number of weeks, FTES provides a unit of measure applicable to all classes and calendar types and is used for funding calculations only.

However, the way in which FTES is calculated depends on the course section because attendance accounting procedures vary. The meeting schedule of the course section determines the procedure. Typically, attendance is determined on a weekly census basis, meaning student attendance is measured on a single census date in the term. For courses that are irregularly scheduled, including noncredit courses, a positive attendance basis is used, meaning the classroom or lab hours that students attend must be tracked and reported.

Colleges use “census day attendance accounting” rules to generate funding for all credit CCC course enrollments. For example, if ten students are enrolled in a CCC credit course but only eight students attend the course on average, the CCC still receives funding for ten students. The rationale for this approach is that there are fixed costs associated with offering a course, regardless of how many students show up for every class. Moreover, this method is easier than positive attendance to administer because faculty do not have to record and report attendance for every class period.

This bill would allow colleges to use census day attendance accounting for enhanced noncredit courses that are not open-entry, open-exit (also known as “managed enrollment” courses), if they choose.

The rationale for this change is the same as for credit courses: colleges experience fixed costs and the administrative burdens of positive attendance accounting can be high for faculty. In addition, there is some evidence this change could incentivize CCCs to offer more managed enrollment courses, which could lead to better student outcomes when compared to open-entry, open-exit courses.

According to the Author

“Under current law, community college CDCP courses are funded based on positive attendance. In contrast, community college credit courses are funded based on a census date, which recognizes that there are up-front costs to offering a course regardless of whether or not all students show up daily.”

The author states, “While CDCP noncredit courses and credit courses receive the same funding per full-time student, CDCP noncredit courses generate less funding than credit courses because of attendance recording requirements.”

Further, the author contends that, “AB 634 will align funding for noncredit CDCP courses by authorizing the attendance of those courses to be taken according to a census date rather than on positive attendance. This measure will accurately compensate community colleges for courses that are essential to California's workforce and minority communities.”

Arguments in Support

According to the Faculty Association of California Community College (FACCC), “The bill would change student accounting practices for Managed Enrollment (ME) Career Development and College Preparation Courses (CDCP) (certain noncredit courses) by allowing attendance to be counted using a census date model. Noncredit is now more important than ever, as our State attempts to aid our most vulnerable community members during the COVID-19 pandemic. Noncredit offers low-cost and short-term vocational training for re-employment. Noncredit programs are typically the only alternative for underrepresented, disproportionately impacted students to train for immediate employment in a field with career advancement or transition to college. Noncredit short-term programs allow students to enter the workplace and immediately earn wages while providing a future career path that builds upon the entry level skills attained.”

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations:

- 1) Ongoing Proposition 98 General Fund costs in the tens of millions annually.

According to the CCC Chancellor’s Office, for the 2021-22 academic year, there were 37,670 students generating funding for CCCs in enhanced noncredit courses through CCC’s use of positive attendance accounting rules (explained below). Assuming (a) all courses switch to positive attendance accounting rules, (b) none are open-entry, open-exit courses and, (c) a 9% absence factor, these courses would generate funding for 41,060 students using a census day attendance accounting rules (also explained below). This is an increase of 3,390 students each generating funding of \$6,788 (the enhanced noncredit rate as of the 2022-23 academic year), or about \$23 million annually. However, using different assumptions, costs could be lower. According to a survey conducted by Mt. San Antonio College, about half of enhanced noncredit courses are open-entry, open-exit courses. If this is the case, costs would roughly half to about \$11 million annually. Lastly, many community colleges are currently under hold harmless funding provisions, meaning they will receive the same amount of state funding for a period of time, regardless of enrollment, in order to smooth a potential funding cliff. To the extent community colleges affected by this bill are currently held harmless, costs of the bill would be less.

To the extent this bill adds additional duties to CCCs to report attendance differently, it could be a reimbursable state mandate.

- 2) One-time General Fund costs to the CCC Chancellor's Office of between \$24,000 and \$62,000 to make the necessary changes to regulations, issue guidance, and provide technical assistance to CCCs.

VOTES

ASM HIGHER EDUCATION: 10-0-2

YES: Mike Fong, Ta, Addis, Arambula, Gabriel, Irwin, Ortega, Sanchez, Santiago, Wallis

ABS, ABST OR NV: Low, Weber

ASM APPROPRIATIONS: 15-0-1

YES: Holden, Megan Dahle, Bryan, Calderon, Wendy Carrillo, Dixon, Mike Fong, Hart, Lowenthal, Mathis, Papan, Pellerin, Sanchez, Weber, Ortega

ABS, ABST OR NV: Robert Rivas

UPDATED

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