

# **COMMUNITY COLLEGE FUNDING STUDY AS REQUIRED BY THE 2002-03 APPROPRIATIONS ACT**

## **INTRODUCTION**

In the 2002 Legislative session, a major rewrite of the Florida School Laws was accomplished through Session Law 2002-387 also known as the “Code Rewrite”. Within this legislation, the Community College Funding Formula was incorporated into the statutes. Section 1011.84(3), Florida Statutes, describes the major components in the formula, which are used to distribute state appropriations to the colleges from the Community College Program Fund. This legislation is contained in Appendix A of this report.

In the same legislative session, the 2002-03 General Appropriations Act stipulated the following proviso relative to the Community College Funding Formula:

*From the funds in Specific Appropriations 166A through 166C, the State Board of Education shall develop and recommend to the Legislature by January 30, 2003, an allocation methodology for community colleges that shall provide for the equitable allocation of the total of currently available student fees and state appropriations. Full funding of the proposed methodology shall not require an increase in student fees and state appropriations.*

The key parameters within this proviso language are “equitable allocation” and “shall not require an increase in student fees and state appropriations.”

## METHODOLOGY

Since the community college funding formula was incorporated into the statutes in the same session as this proviso, the formula was used as the principle measurement tool to comply with the proviso language. Consultation with legislative staff who wrote the proviso indicated that the Community College Funding Formula provided a basis for calculating a unique funding factor for each community college. Thus, an equalization funding model which is similar to the Florida Education Finance Program Fund can easily be calculated. Such a funding formula can be described as follows:

Weighted Full-Time Equivalent Students	Multiply by	Funding per Weighted Student	=	Funding Formula Calculation
Funding Formula Calculation	Minus	Standard Fees and Revenues	=	State Formula Funding

There is agreement within the Florida Community College System that the Community College Funding Formula is fair and equitable. The details of the funding formula are explained in Appendix B. The amount generated by the Funding Formula is used to calculate the unique cost factor of each college and the funding per weighted FTE Student. The total Funding Formula of \$1,496,734,661 divided by 266,048 FTE students equals \$5,625.81 per weighted FTE for all colleges. In other words the Funding Formula provides an equal amount of \$5,625.81 per weighted FTE students for all colleges. The unique cost factor for each college reflects the combination of all the factors used to calculate the formula such as program mix, district cost differential, physical plant, etc., relative to its FTE student enrollment. The methodology for determining the unique college funding weight is described as follows:

College Funding Formula Calculation	Divide by	College FTE	Divide by \$5,625.81	=	Unique College Funding Weight
---	--------------	----------------	-------------------------	---	-------------------------------------

This calculation is shown as follows for all colleges on the next page.

**Community College Funding Study As Required by the 2002-03 Appropriations Act**

	Funding Formula	Formula Weighted	Formula Funding	Unique College
COLLEGE	Calculation	FTE	Per Weighted FTE	Funding Weight
BREVARD	55,870,681	9,629	5,625.81	1.03140
BROWARD	119,173,797	20,549	5,625.81	1.03088
CENTRAL FLORIDA	26,466,026	4,565	5,625.81	1.03058
CHIPOLA	11,076,041	1,478	5,625.81	1.33223
DAYTONA BEACH	66,729,971	12,150	5,625.81	0.97626
EDISON	35,179,432	6,206	5,625.81	1.00764
FCCJ @ JAX	103,044,164	18,926	5,625.81	0.96779
FLORIDA KEYS	7,556,457	923	5,625.81	1.45452
GULF COAST	26,879,015	4,552	5,625.81	1.04961
HILLSBOROUGH	74,944,169	14,010	5,625.81	0.95086
INDIAN RIVER	59,886,155	11,379	5,625.81	0.93547
LAKE CITY	13,579,545	1,963	5,625.81	1.22950
LAKE-SUMTER	12,628,980	1,891	5,625.81	1.18723
MANATEE	32,210,863	5,610	5,625.81	1.02061
MIAMI-DADE	260,934,741	46,241	5,625.81	1.00305
NORTH FLORIDA	7,006,125	974	5,625.81	1.27818
OKALOOSA-WALTON	25,312,149	4,820	5,625.81	0.93338
PALM BEACH	79,158,566	13,886	5,625.81	1.01330
PASCO-HERNANDO	23,571,157	4,067	5,625.81	1.03023
PENSACOLA	48,661,735	8,558	5,625.81	1.01074
POLK	24,647,800	4,044	5,625.81	1.08340
ST. JOHNS RIVER	20,811,129	3,527	5,625.81	1.04885
ST. PETERSBURG	85,055,312	13,395	5,625.81	1.12867
SANTA FE	56,147,468	10,631	5,625.81	0.93877
SEMINOLE	51,276,638	10,071	5,625.81	0.90502
SOUTH FLORIDA	18,202,019	3,253	5,625.81	0.99450
TALLAHASSEE	44,673,648	8,661	5,625.81	0.91690
VALENCIA	106,050,879	20,089	5,625.81	0.93836
<b>TOTAL</b>	<b>\$1,496,734,661</b>	<b>266,048</b>	<b>\$5,625.81</b>	<b>1.00000</b>

The formula weighted FTE for the colleges are determined by multiplying the FTE for each college time its unique funding factor. This calculation is displayed as shown below:

	30 Hour	Unique	Formula
COLLEGE	FTE	College	Weighted
		Funding Weight	FTE
BREVARD	9,629	1.03140	9,931
BROWARD	20,549	1.03088	21,183
CENTRAL FLORIDA	4,565	1.03058	4,704
CHIPOLA	1,478	1.33223	1,969
DAYTONA BEACH	12,150	0.97626	11,861
EDISON	6,206	1.00764	6,253
FCCJ @ JAX	18,926	0.96779	18,316
FLORIDA KEYS	923	1.45452	1,343
GULF COAST	4,552	1.04961	4,778
HILLSBOROUGH	14,010	0.95086	13,321
INDIAN RIVER	11,379	0.93547	10,645
LAKE CITY	1,963	1.22950	2,414
LAKE-SUMTER	1,891	1.18723	2,245
MANATEE	5,610	1.02061	5,726
MIAMI-DADE	46,241	1.00305	46,382
NORTH FLORIDA	974	1.27818	1,245
OKALOOSA-WALTON	4,820	0.93338	4,499
PALM BEACH	13,886	1.01330	14,071
PASCO-HERNANDO	4,067	1.03023	4,190
PENSACOLA	8,558	1.01074	8,650
POLK	4,044	1.08340	4,381
ST. JOHNS RIVER	3,527	1.04885	3,699
ST. PETERSBURG	13,395	1.12867	15,119
SANTA FE	10,631	0.93877	9,980
SEMINOLE	10,071	0.90502	9,115
SOUTH FLORIDA	3,253	0.99450	3,235
TALLAHASSEE	8,661	0.91690	7,941
VALENCIA	20,089	0.93836	18,851
<b>TOTAL</b>	<b>266,048</b>	<b>1.00000</b>	<b>266,048</b>

Whereas, the calculated level of funding generated by the Funding Formula is \$1,493,377,373. The current level of 2002-03 total Funds is \$1,234,518,094. Divide this total by the FTE of 266,048 and a current funding level of \$4,640.21 is determined. Appendix C graphically illustrates the amount of actual funding relative to the Funding Formula. Since the proviso language specifies “shall not require an increase in student fees and state appropriations,” this amount of funding per weighted FTE is the basis for an “equitable allocation.” Multiplying the amount of \$4,640.21 times the weighted FTE for each college calculates the Equalized Total Funding for each college. From this total amount, the standard 2002-03 Local Fee and Revenues are subtracted to determine the “equitable allocation” of state funds. These results are shown on the next page.

## Community College Funding Study As Required by the 2002-03 Appropriations Act

	Adjusted Formula Funding Per Weighted	Formula Weighted	Adjusted Formula Total	Standard 2002-03 Local Revenue	Adjusted Formula State Funds
COLLEGE	FTE	FTE	Funds		
BREVARD	4,640.21	9,931	46,082,561	(12,481,184)	33,601,377
BROWARD	4,640.21	21,183	98,295,451	(30,104,835)	68,190,616
CENTRAL FLORIDA	4,640.21	4,704	21,829,379	(6,398,038)	15,431,341
CHIPOLA	4,640.21	1,969	9,135,602	(2,473,923)	6,661,679
DAYTONA BEACH	4,640.21	11,861	55,039,386	(12,502,173)	42,537,214
EDISON	4,640.21	6,253	29,016,262	(8,308,282)	20,707,980
FCCJ @ JAX	4,640.21	18,316	84,991,607	(23,104,551)	61,887,057
FLORIDA KEYS	4,640.21	1,343	6,232,623	(1,385,377)	4,847,246
GULF COAST	4,640.21	4,778	22,170,015	(5,988,043)	16,181,972
HILLSBOROUGH	4,640.21	13,321	61,814,519	(17,421,055)	44,393,464
INDIAN RIVER	4,640.21	10,645	49,394,554	(10,181,832)	39,212,722
LAKE CITY	4,640.21	2,414	11,200,512	(2,878,504)	8,322,007
LAKE-SUMTER	4,640.21	2,245	10,416,478	(2,511,826)	7,904,652
MANATEE	4,640.21	5,726	26,567,764	(8,359,055)	18,208,708
MIAMI-DADE	4,640.21	46,382	215,220,953	(62,612,111)	152,608,841
NORTH FLORIDA	4,640.21	1,245	5,778,705	(1,328,421)	4,450,284
OKALOOSA- WALTON	4,640.21	4,499	20,877,653	(6,110,719)	14,766,934
PALM BEACH	4,640.21	14,071	65,290,585	(20,639,281)	44,651,304
PASCO-HERNANDO	4,640.21	4,190	19,441,669	(4,849,786)	14,591,883
PENSACOLA	4,640.21	8,650	40,136,568	(10,054,007)	30,082,561
POLK	4,640.21	4,381	20,329,692	(6,379,943)	13,949,750
ST. JOHNS RIVER	4,640.21	3,699	17,165,177	(3,784,335)	13,380,842
ST. PETERSBURG	4,640.21	15,119	70,154,266	(21,119,468)	49,034,798
SANTA FE	4,640.21	9,980	46,310,857	(15,081,688)	31,229,169
SEMINOLE	4,640.21	9,115	42,293,360	(10,527,636)	31,765,724
SOUTH FLORIDA	4,640.21	3,235	15,013,163	(2,206,385)	12,806,778
TALLAHASSEE	4,640.21	7,941	36,847,163	(12,162,298)	24,684,865
VALENCIA	4,640.21	18,851	87,471,569	(29,245,810)	58,225,759
<b>TOTAL</b>	<b>\$4,640.21</b>	<b>266,048</b>	<b>\$1,234,518,094</b>	<b>(\$350,200,567)</b>	<b>\$884,317,527</b>

To evaluate the results of this process to current state funding levels, the comparison of the formula to the current appropriation is displayed as follows:

	Adjusted Formula State Funds	Actual 2002-03 State Funds	Change in State Funds from Adjusted Formula
COLLEGE			
BREVARD	33,601,377	35,374,117	(1,772,740)
BROWARD	68,190,616	60,730,259	7,460,357
CENTRAL FLORIDA	15,431,341	16,240,874	(809,533)
CHIPOLA	6,661,679	8,115,304	(1,453,625)
DAYTONA BEACH	42,537,214	43,240,645	(703,431)
EDISON	20,707,980	21,161,471	(453,491)
FCCJ @ JAX	61,887,057	74,105,522	(12,218,465)
FLORIDA KEYS	4,847,246	5,311,769	(464,523)
GULF COAST	16,181,972	15,785,779	396,193
HILLSBOROUGH	44,393,464	42,427,752	1,965,712
INDIAN RIVER	39,212,722	38,722,120	490,602
LAKE CITY	8,322,007	10,948,657	(2,626,650)
LAKE-SUMTER	7,904,652	7,685,084	219,568
MANATEE	18,208,708	18,686,106	(477,398)
MIAMI-DADE	152,608,841	140,318,041	12,290,800
NORTH FLORIDA	4,450,284	5,534,415	(1,084,131)
OKALOOSA-WALTON	14,766,934	15,128,335	(361,401)
PALM BEACH	44,651,304	48,667,518	(4,016,214)
PASCO-HERNANDO	14,591,883	14,046,829	545,054
PENSACOLA	30,082,561	33,372,565	(3,290,004)
POLK	13,949,750	14,427,385	(477,635)
ST. JOHNS RIVER	13,380,842	12,027,683	1,353,159
ST. PETERSBURG	49,034,798	48,978,718	56,080
SANTA FE	31,229,169	31,635,852	(406,683)
SEMINOLE	31,765,724	29,700,782	2,064,942
SOUTH FLORIDA	12,806,778	12,224,820	581,958
TALLAHASSEE	24,684,865	24,925,635	(240,770)
VALENCIA	58,225,759	54,793,490	3,432,269
<b>TOTAL</b>	<b>\$884,317,527</b>	<b>\$884,317,527</b>	<b>0</b>

## **CONCLUSION**

If the Legislature seeks to equalize community college funding within existing state appropriations and student fee revenues, this would be the methodology recommended to facilitate the process.

Obviously, this “equitable allocation” methodology is unrealistic and would result in disastrous consequences for those colleges that would get an immediate reduction in current state funds. Consistent use of the Community College Funding Formula will ultimately result in funding equity through the infusion of additional state funds. It is strongly recommended that the Legislature utilize the Community College Funding Model on a consistent and long term basis.

## APPENDIX A

**Section 1011.84 Procedure for determining state financial support and annual apportionment of state funds to each community college district.**--The procedure for determining state financial support and the annual apportionment to each community college district authorized to operate a community college under the provisions of s. 1001.61 shall be as follows:

### (3) DETERMINING THE APPORTIONMENT FROM STATE FUNDS.

(b) The apportionment to each community college from the Community College Program Fund shall be determined annually in the General Appropriations Act. In determining each college's apportionment, the Legislature shall consider the following components:

1. Base budget, which includes the state appropriation to the Community College Program Fund in the current year plus the related student tuition and out-of-state fees assigned in the current General Appropriations Act.

2. The cost-to-continue allocation, which consists of incremental changes to the base budget, including salaries, price levels, and other related costs allocated through a funding model approved by the Legislature which may recognize differing economic factors arising from the individual educational approaches of the various community colleges, including, but not limited to:

a. Direct Instructional Funding, including class size, faculty productivity factors, average faculty salary, ratio of full-time to part-time faculty, costs of programs, and enrollment factors.

b. Academic Support, including small colleges factor, multicampus factor, and enrollment factor.

c. Student Services Support, including headcount of students as well as FTE count and enrollment factors.

- d. Library Support, including volume and other materials/ audiovisual requirements.
  - e. Special Projects.
  - f. Operations and Maintenance of Plant, including square footage and utilization factors.
  - g. District Cost Differential.
3. Students enrolled in a recreation and leisure program and students enrolled in a lifelong learning program who may not be counted as full-time equivalent enrollments for purposes of enrollment workload adjustments.
  4. Operating costs of new facilities adjustments, which shall be provided, from funds available, for each new facility that is owned by the college and is recommended in accordance with s. 1013.31.
  5. New and improved program enhancements, which shall be determined by the Legislature.

Student fees in the base budget plus student fee revenues generated by increases in fee rates shall be deducted from the sum of the components determined in subparagraphs 1-5. The amount remaining shall be the net annual state apportionment to each college.