



# Community College Support Fund (CCSF)

## Formula Overview

Postsecondary Finance and Capital

June 2021

# Overview of Funding

\$640.9 Million  
CCSF

- Appropriated for 2019-21 biennium
- HB 5024, 2019 Regular Session

## Authority/Rules

ORS 341.626

OAR 589-002-0100/0120

\$9.2 Million  
Set Asides

- Corrections, \$2.3 million
- Contracts Out of District, \$0.3 million
- Distance Learning, \$1.8 million
- Strategic Fund, \$4.8 million

\$631.7 Million  
Enrollment  
Funding

- July distribution (first year) based on prior year pymt
- Remainder of funding is distributed in seven equal payments

# Principles of the Formula

**Access** Funding follows the student.

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**Quality** Adequate funding per student.

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**Equality** Equalization of public resources per student using growth management.

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**Stability** Using a three-year weighted average and a base payment.

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# Components of the Formula

## CATEGORICAL FUNDING

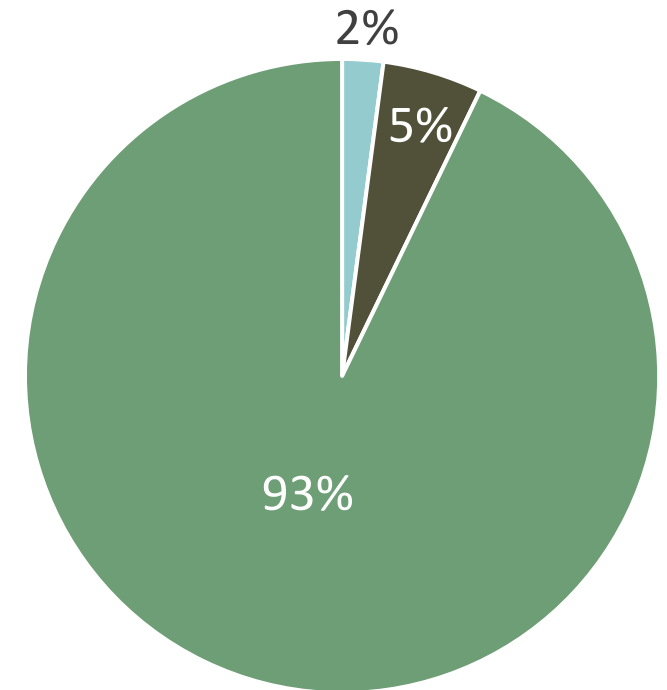
- Taken off the top to support contracts out of district, Department of Corrections, distance learning and strategic fund.

## BASE FUNDING

- Provides stable, predictable funding for basic district operations. Weighted to provide sufficient resources to small districts.

## ENROLLMENT FUNDING

- Considers Total Public Resources to ensure equality, three-year weighted average to ensure stability, and Growth Management to prevent erosion of funding to provide predictability.



- Categorical Funding
- Base Funding
- Enrollment Funding

# Categorical Funding

Funding is set aside for specific programs and subtracted from the appropriated funding amount before the formula is calculated. Funding is distributed via grant agreement.

## CORRECTIONS



Allows prisoners to take community college courses. The allocation changes by the same percentage as the overall CCSF.

**\$2.3 Million**

## CONTRACTS OUT OF DISTRICT



Allows students not in a service district to take courses at a neighboring district. The cost is reimbursed to the offering district based on the average support per FTE without the base payment.

**\$0.3 Million**

## DISTANCE LEARNING



Funds efforts to increase distance learning programs in all districts. The allocation changes by the same percentage as the overall CCSF.

**\$1.8 Million**

## STRATEGIC FUND

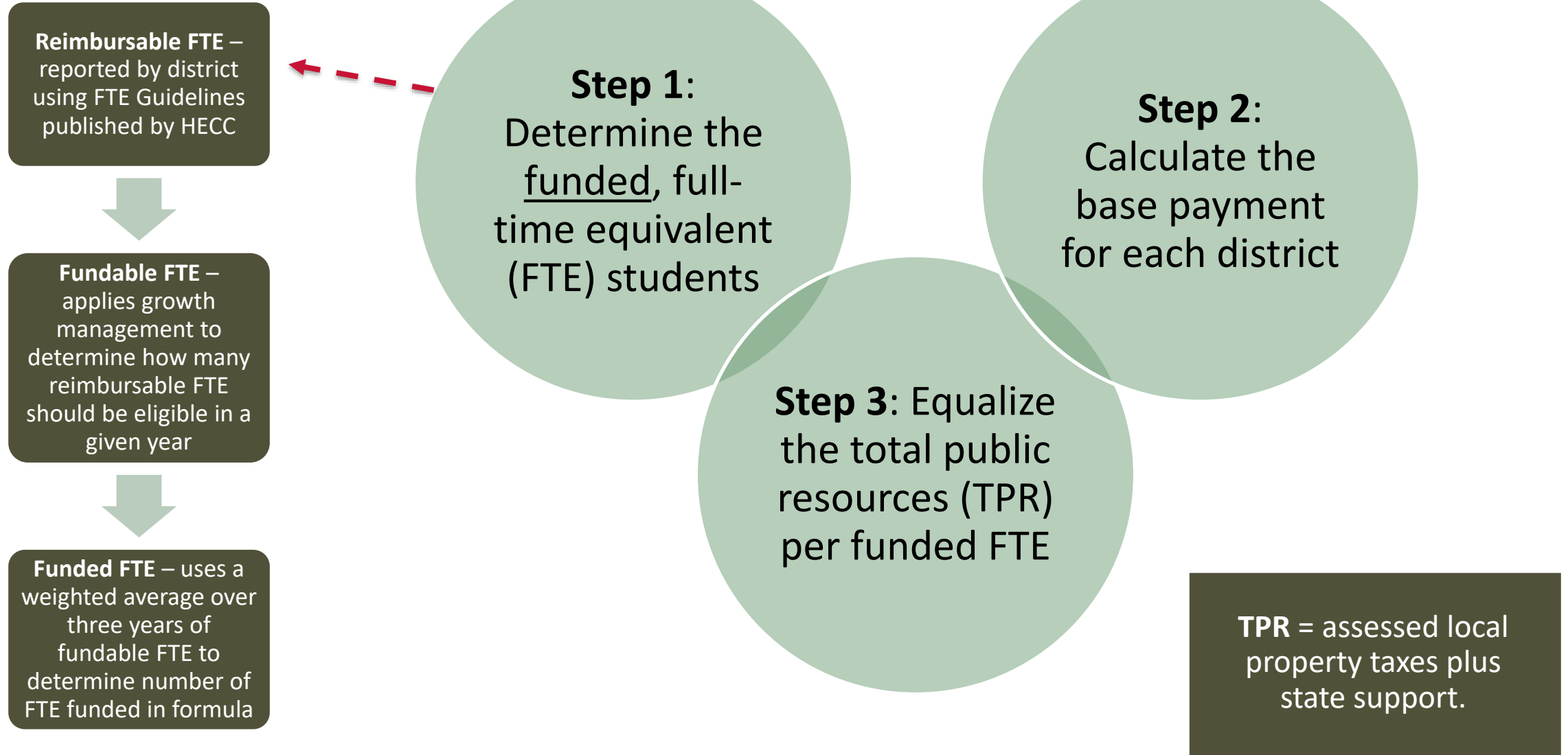


Funds strategic statewide initiatives and provides funding for districts to meet new legislative requirements. Currently 0.75% of total CCSF but this level is set by the Commission.

**\$4.8 Million**

**Totals \$9.2 Million for 2019-21 Biennium**

# Overview of Calculations



# What are Reimbursable FTE?

## REIMBURSABLE FTE



### Reimbursable Students

- Residents of Oregon, Idaho, Washington, Nevada and California taking courses in the State of Oregon
- High school students attending community college in the State of Oregon

### Reimbursable Courses

- Career-technical education (CTE)
- Lower-division collegiate (LDC)
- Postsecondary remedial (PSR) – developmental ed
- Adult basic skills (ABS)
- Adult high school diploma (AHSD)
- Health/safety/workforce development

## NON-REIMBURSABLE FTE



### Non-reimbursable Students

- International Students
- Students outside Oregon and border states

### Non-reimbursable Courses

- Classes provided at a location outside the State of Oregon
- Non-qualified classes defined in statute
- Hobby and recreation classes

**1 FTE = 510 Clock Hours**



# Fundable FTE – Applying Growth Management

- Intended to prevent erosion in the level of funding per FTE for all colleges with FTE above 1,100.
- Compares reimbursable FTE to prior year data to determine each district's fundable FTE as shown in the example below (for one district).

Step	Description	Value	Source/Calculation
A	Annual Growth Factor (AGF)	-3.59%	Separate calculation (see appendix)
B	Reimbursable FTE	2,530	Reported by example district
C	Preliminary Cap #1: Prior Year FTE Cap	2,258	Lesser of Prior Year FTE Cap + AGF (2,342*96.41%) <u>or</u> Reimbursable FTE (2,530)
D	Preliminary Cap #2: Prior Year Fundable FTE	2,258	Prior Year Fundable FTE + AGF
E	FTE Cap	2,258	Greater of C or D
F	<b>Fundable FTE</b>	<b>2,258</b>	Lesser of Reimbursable FTE <u>or</u> FTE Cap
Calculations above assume the following: Prior Year FTE Cap: 2,342      Prior Year Fundable FTE: 2,342			



# Calculating Funded FTE (Weighted Average)



Example Calculation		
3 Years Prior	30% * 2,429 =	729
2 Years Prior	30% * 2,342 =	703
Prior Year	40% * 2,258 =	903
<b>Funded FTE</b>		<b>2,335</b>



**Funded FTE  
(Weighted Average)**

# Base Payment – Overview

- Provides for essential district operations
- Increases funding stability and predictability
- Size factor for small district supplement

## Calculations

- All districts receive credit for 1,100 realized FTE
- The payment is based on an amount in rule plus inflation; currently \$910
- Base payment for unrealized FTE (those below 1,100) is ½ of the amount for realized FTE
- The college size factor is based on funded FTE

FTE	College Size Factor
0 – 750	1.3513
751 – 1,250	1.2784
1,251 – 1,750	1.2062
1,751 – 2,250	1.1347
2,251 – 2,750	1.0641
2,751 – 3,250	1.0108
3,251 – 3,750	1.0081
3,751 – 4,250	1.0054
4,251 – 4,999	1.0027
5,000 or more	1.0000

# Base Payment – Example Calculations

**District A  
\$733/FTE**

**VS**

**District B  
\$2,015/FTE**

Larger district  
receives less funding  
per FTE due to  
economies of scale

	District A	District B
Funded FTE	1,646	483
Base Funded FTE (Max 1,100)	1,100	483
Base per Realized FTE	<u>x \$910</u>	<u>x \$910</u>
<b>Subtotal</b>	<b>\$1,001,000</b>	<b>\$439,530</b>
Base Adjustment (for <1,100 FTE)		1,100
Less Funded FTE		<u>- 483</u>
FTE Below Base		617
Adjusted Base Per Unrealized FTE (1/2 * \$910)		<u>X \$455</u>
<b>Subtotal</b>		<b>\$280,735</b>
Preliminary Base Funding	\$1,001,000	\$720,265
College Size Factor	<u>x 1.2062</u>	<u>x 1.3513</u>
<b>Base Payment</b>	<b>\$1,207,406</b>	<b>\$973,294</b>

# Total Public Resources (TPR) – Using FY2020 Data

TPR per FTE for All Districts	
CCSF Funding Available	\$320,693,498
Property Taxes Available	+ <u>192,366,295</u>
TPR Available	<b>\$513,059,793</b>
Less Base Funding	- <u>17,893,961</u>
TPR for Distribution	\$495,165,832
Total Funded FTE for all districts	<u>84,915</u>
<b>TPR per FTE</b>	<b>\$6,042</b>

Enrollment funding is allocated by the relative proportion of funded FTE at each district. The funded FTE percentage is applied to the TPR available for distribution.

Enrollment Funding for an Example District	
District A Fundable FTE Percentage	2.16%
(1,836/84,915)	
TPR for Distribution	X <u>\$495,165,832</u>
District A TPR Funding	\$10,706,288
Less Property Taxes Assessed	- <u>\$6,264,585</u>
<b>CCSF Funds Distributed to District A</b>	<b>\$4,441,703</b>

# Funding per FTE

College	TPR per Funded FTE	Property Taxes per Funded FTE	State Funding per Funded FTE	State Funding as % of TPR
Blue Mountain	\$ 6,450	\$ 3,479	\$ 2,971	46%
Central	6,052	4,105	1,947	32%
Chemeketa	5,932	2,391	3,541	60%
Clackamas	5,980	3,123	2,858	48%
Clatsop	6,732	3,653	3,079	46%
Columbia Gorge	7,154	1,487	5,668	79%
Klamath	6,453	1,272	5,181	80%
Lane	5,957	2,735	3,223	54%
Linn Benton	6,016	1,687	4,329	72%
Mt. Hood	5,961	1,776	4,185	70%
Oregon Coast	7,904	2,959	4,944	63%
Portland	5,872	1,550	4,322	74%
Rogue	6,062	3,454	2,608	43%
Southwestern	6,294	2,759	3,535	56%
Tillamook Bay	7,932	3,014	4,918	62%
Treasure Valley	6,606	1,697	4,909	74%
Umpqua	6,225	1,513	4,711	76%
<b>Totals</b>	<b>\$ 6,042</b>	<b>\$ 2,265</b>	<b>\$ 3,777</b>	<b>63%</b>

- The funding formula considers total public resources to promote an equality of funding per student
- The funding per student varies by district based on size and local property tax effort
- The percentage of TPR per FTE that is state revenue varies from 32% to 80%

# Funding by Institution

## Calculated Base Payments Fiscal Year 2019-20

## Calculated Total Public Resources Fiscal Year 2019-20

College	Calculated Base Payments				Calculated Total Public Resources		
	Funded FTE	Preliminary	Size Factor	Final Base Payment	Total Public Resources	Property Taxes	State Funding
Blue Mountain	1,836	\$ 1,001,209	1.1347	\$ 1,136,072	\$ 11,842,633	\$ 6,387,189	\$ 5,455,444
Central	4,549	1,001,209	1.0027	1,003,912	27,530,986	18,674,445	8,856,542
Chemeketa	9,937	1,001,209	1.0000	1,001,209	58,946,071	23,763,505	35,182,567
Clackamas	6,714	1,001,209	1.0000	1,001,209	40,154,031	20,965,239	19,188,792
Clatsop	1,341	1,001,209	1.2062	1,207,658	9,027,382	4,898,032	4,129,351
Columbia Gorge	863	893,547	1.2784	1,142,310	6,177,239	1,283,700	4,893,539
Klamath	1,827	1,001,209	1.1347	1,136,072	11,792,302	2,325,077	9,467,225
Lane	7,947	1,001,209	1.0000	1,001,209	47,343,816	21,733,630	25,610,185
Linn Benton	5,411	1,001,209	1.0000	1,001,209	32,551,961	9,127,305	23,424,656
Mt. Hood	7,741	1,001,209	1.0000	1,001,209	46,139,945	13,744,114	32,395,831
Oregon Coast	464	711,856	1.3513	961,931	3,668,786	1,373,709	2,295,077
Portland	24,909	1,001,209	1.0000	1,001,209	146,255,751	38,599,892	107,655,859
Rogue	4,347	1,001,209	1.0027	1,003,912	26,351,592	15,015,779	11,335,813
Southwestern	2,304	1,001,209	1.0641	1,065,387	14,503,250	6,356,790	8,146,460
Tillamook Bay	455	707,769	1.3513	956,409	3,610,896	1,371,981	2,238,915
Treasure Valley	1,559	1,001,209	1.2062	1,207,658	10,300,692	2,646,209	7,654,483
Umpqua	2,709	1,001,209	1.0641	1,065,387	16,862,459	4,099,701	12,762,758
<b>Totals</b>	<b>84,915</b>	<b>\$ 16,330,098</b>		<b>\$ 17,893,961</b>	<b>\$ 513,059,793</b>	<b>\$ 192,366,295</b>	<b>\$ 320,693,498</b>

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The Oregon State Seal is partially visible behind the text. It features a circular design with the word "OREGON" at the top and "1859" at the bottom. The central emblem depicts a landscape with a rising sun, a plow, and a sheaf of wheat, symbolizing agriculture and industry.

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# Appendix – Example Annual Growth Factor Calculation

Step	Description	Value	Source/Calculation
A	Prior Biennium CCSF Reimbursable FTE Annualized	110,678	Formula calculations
B	Prior Biennium TPR Annualized	\$337,041,314	CCSF funding + district's assessed property taxes (from January 2011)
C	Prior Biennium's TPR per Fundable FTE	\$3,045	B/A
D	CCSF Current Service Level in Budget	6.57%	HECC Agency Request Budget
E	Cost Adjusted TPR per Fundable FTE	\$3,245	$C*(1+D)$
F	TPR Annualized	\$333,409,768	Formula calculations; CCSF funding + projected district assessed property tax
G	Preliminary Fundable FTE	102,746	F/E
H	Biennial Growth Component	-7.17%	$(G-A)/A$
I	Biennial Quality Growth Factor	0.0%	HECC Commission
J	Total Biennial Growth Management Component	-7.17%	H+I
K	<b>Annual Growth Factor</b>	<b>-3.59%</b>	J/2