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AT-RISK PROGRAMS IN MICHIGAN'S COMMUNITY COLLEGES

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Funding for Michigan's community colleges arises from two primary sources: operations funding and at-risk funding. While operations funding accounted for more than 98% of all funding for the colleges for Fiscal Year 1997-98, an understanding of the at-risk program provides important insights into legislative intent and the recognition of at-risk students.

State funding in Fiscal Year (FY) 1997-98 for the community college at-risk program was nearly \$3.6 million. Distributed to each of the 28 colleges, the funding responds to legislative intent to recognize the need for additional dollars to help at-risk students. It should be noted that the initial intent of the Legislature to directly impact the studies of at-risk students has changed over the years of the program's existence. This report will examine the funding formula and trace the program's evolution through the last eight fiscal years.

What is an At-Risk Student?

The term "at-risk" is frequently associated with students in kindergarten through twelfth grade. Beginning in FY 1989-90, however, this term has been used to describe a grant program for community colleges which addresses the needs of "at-risk" students in higher education.

K-12

In the latest *School Aid* budget, an at-risk student is defined as a student having at least two of the following characteristics: (a) is a victim of child abuse or neglect; (b) is below grade level in English language and communication skills or mathematics; (c) is a pregnant teenager or teenage parent; (d) is eligible for a federal free or reduced-price lunch subsidy; (e) has atypical behavior or attendance patterns; (f) has a family history of school failure, incarceration, or substance abuse.

At-risk can also include students not meeting any of the above criteria, but who have taken the Michigan Educational Assessment Program test and failed to achieve moderate scores on the mathematics or reading tests, or at least 50% of the objectives of the science test. A portion of funding in the *School Aid* budget goes directly toward activities related to at-risk students.

Community Colleges

The definition of an at-risk pupil as stated in the latest *Community Colleges* budget differs from the *School Aid* definition. For the purposes of eligibility in the community colleges' arena, an at-risk student must meet at least one of the following criteria: (a) is initially placed in one or more developmental courses; (b) is diagnosed as learning disabled; (c) requires English as a second language (ESL) assistance.

For at-risk funding calculations, the number of student contact hours (SCOH) generated in developmental and preparatory courses is used. A student contact hour is the equivalent of 50 minutes of instruction. For the 1996-97 academic year, total instructional SCOH were more than 65 million. However, developmental and preparatory SCOH accounted for 6.3% of that total, generating more than four million SCOH during the 1996-97 academic year.

While the definition of an at-risk student has not changed since FY 1990-91, methods of funding the at-risk program and restrictions on how to use at-risk dollars have seen recent changes. **Table 1** provides a historical analysis of at-risk apportionments, formula calculation methods, formula definitions, and usage restrictions. **Table 2** shows the at-risk funding history for each college since the program's inception.

At-Risk Formula

As shown in **Table 1**, at-risk funding is made up of two parts: base + formula. Each college receives a base grant regardless of the number of at-risk students served; the remainder of the appropriation for at-risk dollars is prorated to the colleges. The current basis for proration is each college's average number of SCOH generated for developmental and preparatory courses during the three most recent academic years.

This method of distributing funds has two advantages: a reliance on valid, auditable data (SCOH); and provision of a measure of stability for the colleges with respect to funding. Using a three-year average, large increases or decreases in the number of developmental and/or preparatory SCOH will not cause drastic changes in the levels of funding for any given year, but will result in a "smoothing" of at-risk funding over several years.

Since the implementation of the formula in FY 1989-90, each college has received a base grant of \$40,000. The remainder of the at-risk appropriation has been distributed in various ways (**Table 1**). One disadvantage of this type of funding is the fact that giving each college a base grant necessarily reduces the level of

funding available to respond to changes in the numbers of at-risk students served. In other words, the more dollars set aside for base grants, the less distributed by formula (driven by instruction taught to at-risk students) and vice versa.

Restrictions

Legislative intent in FY 1989-90 recognized the need to fund activities related to at-risk students at a level above the usual "operations" funding.

In FY 1989-90, funds could not be spent on equipment for the Michigan Opportunity Card program nor on indirect costs such as rent, utilities, or administration (see **Table 1**). The following year, an additional restriction was added: funds could only be used for activities related to at-risk students, such as pretesting for academic ability, counseling, or special programs. This reflected the legislative policy that at-risk funding should have a direct impact on at-risk students.

Beginning in FY 1995-96 and continuing today, many restrictions on the uses of at-risk funding have been removed. Currently, colleges may spend at-risk dollars on the acquisition, enhancement, or upgrade of equipment and software for use by students, faculty, or administrators. The FY 1997-98 Community Colleges Appropriations Act states that, "(E)quipment or information technology hardware or software purchased under this section need not be associated with the operation of a program designed to address the needs of at-risk students." Thus, colleges *may* spend at-risk program dollars on items *not* associated with at-risk students.

Conclusion

Though colleges receive at-risk funding based on the number of student contact hours generated by developmental and preparatory courses, these dollars do not necessarily have to be spent on at-risk students. Initially, colleges were limited to spending the money only on at-risk related activities. Now, colleges are able to spend their at-risk dollars in a wide array of technology arenas, as well as on at-risk

activities.

In FY 1989-90, the Legislature first recognized a need for funding at-risk activities above and beyond normal operating levels. Over the years,

the emphasis has shifted away from directly impacting at-risk activities to indirectly giving colleges more governance over spending procedures.

Table 1

HISTORICAL ANALYSIS OF AT-RISK FORMULA, DEFINITIONS, AND RESTRICTIONS

FORMULA

FISCAL YEAR	GRANT PER COLLEGE	APPORTIONMENT	METHOD	DEFINITION OF AT-RISK	PREREQUISITES FOR FUNDING	RESTRICTIONS ON USE OF FUNDS
1989-90	\$40,000	\$990,000	Prorated using number of at-risk students in 1988-89	Pupils participating in MJOB, MOST program, TIP, or Job Start*	1) Pretest for academic ability 2) One counselor per at-risk student 3) Report number of at-risk students	Not for Michigan Opportunity Card (MOC)*** equipment or on indirect costs such as rent, utilities, or administration
1990-91	\$40,000	\$1,840,000	Prorated using number of 1989-90 SCOH in development/preparatory**	1) Developmental enrollment 2) Learning disabled diagnosis 3) Require ESL assistance	Serve at-risk students and report number of at-risk students served each year	1) Only for activities related to at-risk students (programs, pretesting, counseling) 2) Previous year restriction remained
1991-92	\$40,000	\$1,960,000	1) Same as previous year 2) Formula development/preparatory SCOH not grow by more than 200%	Same as previous year	Same as previous year	Same as previous year
1992-93	\$40,000	\$2,122,400	Average number of SCOH generated for development/preparatory for past three years	Same as previous year	Same as previous year	Only for activities related to at-risk students, not on indirect costs; MOC restriction removed
1993-94	\$40,000	\$2,122,400	Same as previous year	Same as previous year	Same as previous year	Same as previous year
1994-95	\$40,000	\$2,220,900	Same as previous year	Same as previous year	Same as previous year	Same as previous year
1995-96	\$40,000	\$2,210,608	Same as previous year	Same as previous year	Same as previous year	1) Previous restriction removed 2) <i>Could</i> purchase equipment for use by faculty, students, or administration
1996-97	\$40,000	\$2,377,138	Same as previous year	Same as previous year	Same as previous year	Same as previous year
1997-98	\$40,000	\$2,464,566	Same as previous year	Same as previous year	Same as previous year	Same as previous year

*MJOB was a state-funded job retraining program; TIP is the Tuition Incentive Program; MOST was the Michigan Opportunity Skills Training Program.

**From the Michigan Department of Education's *Activities Classification Structure Activity Definitions* booklet; development and preparatory instruction includes basic writing, developmental reading, GED preparation, remedial math and English, spelling, learning labs, career guidance and college orientation, and tutorial instruction; one student contact hour (SCOH) is 50 minutes of instruction.

***Michigan Opportunity Card program was envisioned to create an "integrated, effective, and efficient human investment system," placing maximum emphasis on job placement, providing opportunities for educational and career growth to Michigan residents, and enhancing statewide economic growth and stability. Full definition of scope of program contained in Public Act 205 of 1990, Section 43.

**Table 2
At-Risk Funding History**

Community College	Fiscal Year 1989-90	Fiscal Year 1990-91	Fiscal Year 1991-92	Fiscal Year 1992-93	Fiscal Year 1993-94	Fiscal Year 1994-95	Fiscal Year 1995-96	Fiscal Year 1996-97	Fiscal Year 1997-98	One-Year Change
Alpena	\$63,867	\$82,200	\$108,700	\$94,400	\$90,000	\$90,900	\$102,972	\$123,629	\$133,007	7.59%
Bay de Noc	53,200	64,200	78,000	103,300	107,300	104,600	107,983	116,923	123,696	5.79%
Delta	147,600	70,600	71,300	93,100	90,900	103,300	103,683	106,535	104,629	-1.79%
Glen Oaks	50,133	44,500	45,800	127,800	155,100	136,100	126,518	119,101	126,792	6.46%
Gogebic	56,533	53,200	49,900	57,300	62,500	69,200	69,855	71,090	71,761	0.94%
Grand Rapids	93,867	79,400	67,400	67,500	64,600	65,300	64,648	65,252	67,730	3.80%
Henry Ford	63,467	54,500	51,400	70,100	91,500	117,900	131,988	147,155	157,432	6.98%
Highland Park*	174,400	181,100	163,900	151,200	147,300	147,000	0	0	0	0.00%
Jackson	69,333	81,800	104,900	123,200	114,600	116,500	112,690	110,482	109,187	-1.17%
Kalamazoo Valley	49,067	144,700	129,600	117,900	112,800	111,500	113,466	119,821	119,420	-0.33%
Kellogg	50,800	60,300	73,500	105,000	120,600	119,300	123,347	133,863	139,045	3.87%
Kirtland	111,867	138,300	139,600	154,400	137,400	140,800	137,957	142,964	144,074	0.78%
Lake Michigan	51,333	186,500	189,600	178,300	174,900	178,000	176,783	179,622	172,690	-3.86%
Lansing	115,333	153,200	140,500	129,700	115,700	109,100	109,301	108,792	112,045	2.99%
Macomb	71,333	94,100	88,000	84,500	80,600	80,700	81,025	84,175	84,116	-0.07%
Mid Michigan	86,133	123,800	97,000	108,800	103,900	109,700	111,559	119,919	125,416	4.58%
Monroe County	40,800	56,700	53,300	61,500	72,900	85,000	91,785	97,409	99,686	2.34%
Montcolm	59,200	80,000	79,800	83,900	80,200	76,400	77,832	78,126	76,470	-2.12%
Mott	157,067	118,200	105,000	101,200	96,400	97,600	98,371	106,507	110,453	3.70%
Muskegon	61,200	114,700	143,200	141,000	140,300	152,000	166,196	183,462	194,613	6.08%
North Central	49,333	51,800	48,300	55,100	78,300	97,300	109,177	111,002	110,082	-0.83%
Northwestern	75,733	129,600	130,400	123,000	118,500	119,700	123,727	130,573	135,720	3.94%
Oakland	71,467	80,100	105,300	123,400	123,700	134,400	146,610	162,405	163,949	0.95%
St. Clair	51,867	67,800	81,400	75,600	75,200	74,100	74,686	76,356	77,551	1.57%
Schoolcraft	50,533	167,200	163,400	163,100	159,700	165,600	167,570	169,917	166,019	-2.29%
Southwestern	41,867	204,600	175,400	162,600	152,200	151,300	155,268	166,421	177,401	6.60%
Washtenaw	63,467	126,100	176,400	147,900	149,000	135,900	132,337	133,533	136,655	2.34%
Wayne County	66,800	116,200	170,500	193,200	181,000	196,200	199,135	203,992	211,671	3.76%
West Shore	52,400	74,600	88,500	84,400	85,300	95,500	114,139	128,112	133,256	4.02%
Statewide Totals	\$2,150,000	\$3,000,000	\$3,120,000	\$3,282,400	\$3,282,400	\$3,380,900	\$3,330,608	\$3,497,138	\$3,584,566	2.50%

* Highland Park Community College discontinued operations during 1995-96.

