

Position Statement on “Redesigning California’s Adult Education Funding Model” - CCAE, CAEAA

In December 2022, after more than two years of research that included interviews of K-12 and CC administrators and staff, and visiting a number of schools and colleges, the California Legislative Analyst’s Office released the report, “[Redesigning California’s Adult Education Funding Model](#).” The LAO report calls for fairly dramatic changes to funding for K12 adult schools and community college non-credit programs. The current document articulates the position of the California Council for Adult Education (CCAЕ) and the California Association of Adult Education Administrators (CAEAA) with regard to this report.

Let us be clear at the outset that LAO reports do not have the force of law, nor do they require any statutory or fiscal changes. Rather, these reports are intended to serve policymakers and other Californians by providing objective perspectives on the issues they address. The release of this report does not put any new policy in place. Only if legislators, the Department of Finance, or other stakeholders in government and the broader public take action toward implementing any ideas presented in a report is there possibility of new policy coming about. The report itself is merely a set of recommendations and there is currently no timeline for any changes to current adult education funding.

That said, the report includes some provocative proposals for change in California’s adult education funding. Below we will identify the elements of the report’s proposals we believe will be beneficial to California’s adult education system, and the elements that require further exploration.

RECOMMENDATION 1

Establish Uniform Base Per-Student Adult Education Funding Rate

- 1.1- Apply uniform base rate to both adult school and CCC noncredit instruction.**
- 1.2- Provide funding according to the number of students served (attendance).**

California Education Code, as it relates to programs authorized under CAEP, frames the services of California community colleges funded by non-credit FTES and services of K12 adult schools funded by CAEP (California Adult Education Program) to be equivalent, two systems delivering comparable services to the same target population of Californians. It is reasonable for comparable services to be funded through similar mechanisms. Because of this, we affirm this element of the report - the intent to harmonize funding levels and funding mechanisms between K12 adult schools and college non-credit programs.

Grounding funding levels in terms of the volume of service provided (“number of students, attendance”) has its merits. Adult schools and colleges functioned for many years prior to the 2015 inception with funding mechanisms based on student attendance. The decoupling of funding from student attendance adult schools have experienced since 2015 has resulted in many practices that benefit students. This change has enabled adult schools to operate classes with lower student:teacher ratios which supports greater learning gains. Adult schools have also been able to provide various support services that further the goals of CAEP, such as transitions to work and higher education.

Additionally, adult schools and college non-credit programs have used distinct methods for counting student attendance - notably, counting each and every hour for each individual in adult schools, versus doing census days at the community colleges. The method for calculating numbers of students or attendance must be considered very carefully, along with the weight this factor is given in distributing adult education funds among provider adult schools and non-credit community college programs.

RECOMMENDATION 2:

Add Performance Component to Funding for Adult Schools and CCC Noncredit Programs

- 2.1- By end of implementation period, allocate approximately 30 percent of funding to adult education providers based on performance points.**
- 2.2- Use WIOA Title II performance measures but add one measure for providers (number of CTE certificates earned).**

We affirm the value of structuring a component of funding as an incentive for reaching CAEP's goals. The weighting of performance measures is the other side of the coin of weighting of attendance. This weighting requires further consideration.

We affirm the use of metrics currently reported for WIOA Title II programs as performance indicators for CAEP and non-credit programs. Because the WIOA indicators are not relevant to all CAEP and non-credit authorized areas of instruction, we recommend that the field, the Chancellor's Office and the California Department of Education work together to identify other performance measures appropriate to programs such as Career Technical Education, Adults with Disabilities, and programs to develop knowledge and skills to assist elementary and secondary school children to succeed academically in school.

RECOMMENDATION 3:

Eliminate Fees for Adult School Courses

Currently adult schools are permitted to collect student fees for students enrolling in particular program areas; college non-credit programs are not permitted to collect fees from students for any of their offerings. Equivalent systems should be funded in a parallel manner. We saw in the 2010s when K12 adult schools were permitted to collect fees for all program areas, there was evidence that nominal fees tended to enhance student participation rates. While we agree that fees should not be barriers to students, we also want to ensure that CTE programs are able to receive the necessary funding to continue their programs and meet any employer, state, or federal requirements on those programs. Further discussion on benefits of charging fees is in order.

RECOMMENDATION 4

Allocate Some CAEP Funding Directly for Consortium-Level Activities

- 4.1- By end of implementation period, designate about 10 percent of all CAEP funding for consortium-level activities.**
- 4.2- Provide each consortium a base amount, an amount linked to the number of its members and students, and an amount linked to its performance (specifically, student transitions to collegiate instruction).**
- 4.3- By end of implementation period, allocate approximately 30 percent of funding to consortia based on performance points.**

CAEP consortia across the state have developed with extreme diversity in the functions performed through a shared central fund and those served by individual consortium members from their CAEP allocation. Transition specialists, for example, may be hired by member agencies in one consortium and hired and paid through a central shared entity in another. And this administrative decision may make no material difference in the quality of services

students receive. We agree that a strong central consortium office adds value to CAEP outcomes but more evidence based research will be needed. We urge caution in mandating specific portions of funding to be spent on consortium-level activities without further research into the effective and efficient use of the funds, including protecting smaller agencies as the recommendation proposes.

RECOMMENDATION 5

Adjust Funding Allocations Annually to Account for Key Cost Drivers

- 5.1- Adjust CAEP funding annually based on demographic and economic factors that influence enrollment demand for adult education courses.**
- 5.2- Adjust CAEP and CCC noncredit funding annually in response to changes in performance points earned at provider and consortium level.**

We affirm that, from a state-wide perspective, changes in statewide distribution of adult education funds may be appropriate in response to changes in population distribution and economic factors. We affirm that, to maintain funding stability for providers, changes in funding allocations should be based on trends demonstrated over several years rather than changes appearing in a single year's data. For the same reason we affirm that policy should specify a maximum percentage decrease in funding which a member agency may experience in one year.

RECOMMENDATION 6

Phase In New Funding Model Over Several Years

We wholeheartedly affirm the report's recommendation for a staged-in transition to any new funding model. The potential disruption entailed in an immediate, one-year change is significant. A transition period of five years, as proposed by the report, may be sufficient to provide needed stability to maintain services to learners.

In conclusion, we agree with the intent of the LAO proposal to improve the Adult Education system through some changes to the funding model. We look forward to engaging the LAO, policymakers, and our Adult Education partners to this end. We want to emphasize that CCAE and CAEAA will make it a priority that overall K-12 Adult Education funding not be reduced, with the understanding that the system remains significantly underfunded. We also consider it a priority to ensure that funds intended for Adult Education students or generated by those students remain for the sole purpose of providing services to those students across the entirety of the Adult Education system.

For additional information, contact Carlos Rodriguez, CCAE State Legislative Chair ([Contact - CALIFORNIA COUNCIL FOR ADULT EDUCATION \(ccaestate.org\)](#)) or Steve Curiel, CAEAA Vice President/Legislation ([Contact Us - California Adult Education Administrators Association \(caeea.org\)](#))