

2017 Adult Education Framework & Outstanding Issues

We continue to welcome the implementation of the Adult Education Block Grant (AEBG) and the opportunity the overall restructuring of adult education in California offers us to increase success for the state's most marginalized adult students – and to do so we must protect and increase the access and service that characterize community-based adult schools. A dual-delivery system is what was agreed upon with the Department of Finance. The transformation is working where it is being done correctly, collaboratively and with an eye to protecting and enhancing the systems currently helping students succeed. That said, a number of issues remain unresolved and in need of further work to ensure stability and access for adult learners going forward.

State of Adult Education

Having worked so hard over the past three years to make meaningful headway with the Legislature, Administration and Department of Finance (DOF) on the future of adult education, we were largely pleased with the Governor's FY 15-16 budget plan as a good starting point for reform of adult education that provided stability for K-12 adult education when we needed it most.

Of greatest importance to help ease the transition to the regional approach, the proposal provided dedicated funding directly to K-12 school districts in the amount of the districts' previous maintenance of effort for adult education. This component was critically important and one of the key items we advocated heavily for to preserve current capacity as we made the transition. Other details of AEBG were also pulled directly from our advocacy, including the Chancellor of the Community Colleges and the Superintendent of Public Instruction being required to jointly approve allocation of funds to each region based on identified needs.

All-in-all, the AB 104 and the three-year implementation process it set forth was a good start and we look forward to continuing to work with the Legislature to improve upon it in the coming year(s).

Going forward, however, we remain concerned about access to K-12 based adult education programs absent increased funding. We are concerned that the expenditures reported for FY 15-16 are incomplete, and will not reflect the need given that much of the funding didn't reach providers until late in the year. Of note, fiscal accounting submitted by consortia this summer indicated that not all of the funds were spent by either the community colleges or adult schools. According to the Legislative Analyst Office (LAO), the need is greater than those being served as illustrated by the following:

- Unemployed: 1.553 million
- Limited English Speaking: 3.4 million
- No H.S. diploma or equivalent: 4.69 million
- 7th Grade education or lower: 2 million

- Below federal poverty level: 2.6 million

All of this said, K-12 adult schools' primary (and often only) funding comes from the Adult Education Block Grant (AEBG). And while the AEBG provisions that provided funding to maintain capacity and access in the system the last two years have been a good starting point, we are beginning to see erosion of that access as costs to run programs continue to increase and the number of adult students who need access to these programs also continues to increase. Adults in the most marginalized communities currently have a level of access that would be further jeopardized if the K-12 adult school system is not funded sufficiently to address the needs through ongoing, dedicated funding. Unlike our community college partners, AEBG funding is the only funding – aside from some minimal federal funds that we can draw down as a match – adult schools have access to in supporting their programs. The capacity still in place in K-12 adult schools needs to be protected and expanded to come even close to meeting the demand for services to help adults achieve literacy, basic skills, and secondary completion in order to successfully transition to higher education and/or careers with family-sustaining wages.

Even as collaboration between the systems expands through regional consortium-building and AEBG, the K-12 community-based adult schools still have as their core mission to serve those low basic skills adults who oftentimes get caught in the remediation of post-secondary education. Additionally, the structural and cultural differences between the two systems have become more evident through this planning process and it is critical that the strengths of each be leveraged in ways that support student learning outcomes and appropriate levels of support services. The adult learners that are best served by K12 adult schools must not be left out.

K12 Adult Schools vs. CCC System – AEBG Funding Differences

As noted, the AEBG funding is the primary source of funding for the operation of K12 adult schools. In contrast, our CCC partners have had funding sources, even beyond regular apportionment (which was recently increased by more than \$1,000 per FTE), to enable them to build capacity and offer services, including Student Success and Support Program, Student Equity, and Basic Skills Initiative and even more recently the Strong Workforce funds. These are exactly the kinds of funds to be “leveraged” as described by Objective 7 of AB 104. But they are not available to adult schools who are working at the regional level to connect these dots and build the bridges and pipelines envisioned by the legislature and DOF. Some colleges are utilizing the funding as supplemental funding to hire consultants and project managers, deans and counselors, and build infrastructure and systems that may or may not connect with the work of the AEBG. While infrastructure, consultants with desired expertise and systems are important, given the significant number of adults in need of basic skills and fluency, adult schools have focused the resources derived from the AEBG on direct services and programs for adult students. While there are many 15-16 funds left unspent as reported this past summer, a deeper analysis will show that although the funding got out to the field late in the year, the *nature* of the spending also bears scrutiny. Simply put, the adult schools need funding to expand direct services to lower basic skilled students, and the colleges may use funding to supplement existing structures.

Going forward, it is critical to ensure sufficiency of funding for the K12 system to continue providing a greater level of direct services and programming for those most in need of basic skills and fluency. In doing so, K-12 is well positioned to build more bridges with community-based organizations and the community colleges and catalyze the kind of systems' change AB

104 intended. K-12 funds are being targeted to direct services to help ensure these bridges produce beneficial, tangible outcomes for those most in need.

2017 UNRESOLVED ISSUES

Funding

- *Maintenance of Capacity* (formerly Maintenance of Effort / MOE)
 - o In 2008, K12 adult schools were funded at \$750M. Although the current allocation of \$500M may sound like a lot of money, it does not come close to maintaining the capacity of services K12 adult schools were able to provide in 2008 – in 2008 dollars.
 - o Although K12 adult schools strongly supported the maintenance of effort provisions that directed the bulk of AEBG funding to them, with rising costs associated with labor, materials, infrastructure and more the current level of funding through the AEBG will not be sufficient to maintain the capacity and access the AEBG funding structure was originally created to protect. With each passing year, the AEBG funds will serve fewer and fewer students.
 - o The funding reports from this summer can lead to mistaken conclusions about the need. The funding came to providers late in the year, and “consortium” funding was spent proportionately less than the adult schools’ “MOE” funding for FY 15-16, in large part because of the colleges’ perception of the funding being a grant, while adult schools need the funding for all operational costs for direct services to students.
 - o Access/growth funding for AEBG should take into consideration that K-12 adult education and community college noncredit education are currently reaching only a small fraction of the potential students who would benefit from classes that provide career preparation and college placement. All 71 consortia’s three-year plans document the unmet need for adult education.
 - o Personnel costs are 85-90% of expenses for a K12 adult school and pay increases/contract changes impact student access when there are fewer classes because there is no funding to cover pay increases.
 - o In order to address these concerns at a time when the need for basic skills, fluency and short-term job training are at their highest, we propose the following:
 - Instituting a COLA for AEBG members so as to protect the current capacity and access.
 - The statutory COLA for AEBG should be the same percent as COLA for K-12 programs or Community College programs.

- Terminology – Adult Education Block Grant

- o Perception regarding the term “grant” is proving to be problematic both with the community college districts and K12 school districts and individual adult schools. Stakeholders perceive the term “grant” to be tied to short-term funding versus the long-term commitment DOF has assured the statewide organizations, CDE and CCCO is intended. It is difficult for K12 stakeholders, in particular, to conduct long-term planning and hiring without the ability to hire full time staff who are committed to a long-term view of K12 based adult education..
- o In order to address the concerns and perception associated with the use of “grant” in characterizing adult education funding, we recommend the following:
 - The term “grant” should be revised in statute wherever it is used in the context of adult education funding. This formal change in statute is

important to ensure consistency in applicability and treatment of the programs and funding as sustainable. Some workable alternatives may include:

- Adult Education Block **Allocation**
- Adult Education Block **Funding**
- Adult Education Block **Apportionment**
- DOF should work with CDE, CCCCO, School Services and the various trade associations to clarify the term grant should not be considered short-term funding. Instead, it is ongoing funding that will support the ongoing implementation and support of the adult education system and our students.

- *Transparency in Available Funding*

- Under AB 104, the statute called for all stakeholders participating within a consortium to be transparent and forthcoming with details about the funding they have available to them for supporting adult education programs and services in line with the priorities outlined in the consortium's plan. CCAE and CAEAA proposed such language and strongly supported it with the interest in helping to prioritize the limited funding available under AEBG to the needs and gaps in a region.
- Unfortunately, however, many consortia are finding that not all stakeholders in each region are being as transparent as would be helpful for helping to prioritize the limited funding. As an example, some community college partners are not providing insight into what pots of funding they have access to that could be used in lieu of AEBG funding. If a community college partner has access to funds to support CTE programs, staff, etc. and there are needs and gaps elsewhere in that region, consortia members should know so as to decide whether AEBG funds should instead be prioritized to fill those gaps instead of supporting efforts where alternative funding may be available and accessed.

- *Base Funding*

- AEBG funds allocated to K12 Adult Education programs should be considered "base" apportionment and fall under normal apportionment expenditure guidelines for the purpose of delivering educational services to adult students in accordance with Education Code Section 84901 and 84913 and with all additional funding following outcomes.

- *Unspent Funding in Consortia*

- Unspent funds in any given year should be justified with a expenditure plan in line with the consortium's regional plan and associated outcome deliverables or be subject to redistribution to those members that are spending the funds. If all programs are not spending then it can be redistributed through a joint decision by CDE and the Chancellor's Office. Consortia plans should include a protocol for this redistribution.

OR

- If a consortium does not spend all of its allocation, unambiguous technical assistance should first be provided, including guidance on how to get the funding out in direct services to students. If a consortium still does not use its funds the state office will redirect the funding levels of unspent funds to area of the state in

high need, where consortia have spent all their funds appropriately to meet the need.

- *Allowable Expenditures & Consortium Sign-Off*
 - o AEBG adjustments should be made to recognize and prioritize programmatic, direct service operating funds over the use of funds for infrastructure and systems when other funds can be accessed to cover such costs. In this regard, language clarifying funds used by adult schools to rent or maintain a facility that are used for direct programming and services should not need to be itemized as part of a consortium budget. Adult schools have AEBG as its sole operational resource, and this distinction must be acknowledged. In contrast, our community college partners have access to operational dollars that should be used.
- *Expansion Based on Identified Needs of Adult Learners*
 - o For example, the outcomes listed in AB 104 define the specific outcomes sought, and a structure to compensate. The data systems being developed locally and at the state level should focus on the accurate reporting of these outcomes (educational functioning levels gains, course completions, high school/equivalency completions, transition to training and post-secondary education, completion of CTE certificate programs, and job placement). Further down the road the capacity to measure income gains must be developed. Consortia may develop additional outcomes, approved by the state that might trigger additional funding (i.e. immigrant integration, civic engagement, family literacy).
The CDE is the agency that delivers and monitors the federal adult education funds, WIOA. The WIOA outcomes are in alignment with the AEBG outcomes, (all WIOA outcomes are noted and required to be reported in AB 104). The AEBG programs should be supported by those who support the WIOA program. The funding levels should parallel the payment points reported for WIOA. The technical support, data systems, accountability for funding that is in place for AEBG should really be very closely connected or integrated to that given for WIOA.
- *Distribution – CDE vs. CCCCO / Direct Funding vs. Fiscal Agent*
 - o Having assurance of continuing funding has been essential for adult education to any sense of stability with the ability to make strategic changes to programs. Given the data we have so far about the ability to spend the funds quickly and get them to students, it suggests that a reconsideration how funds are sent to providers would be appropriate. The CDE which monitors the delivery of services through WIOA should have more of a direct role with distributing, and monitoring, the expenditure of AEBG funds. It should be noted that after one year of having only a few consortia with direct funding, that changed in Summer 2016 with most of the \$500 million now being delivered to members directly.

SB 173 (Liu) – Recommendations & Implementation

- *Placement Criteria*
 - o For purpose of placement of adult students into Adult Education Block Grant supported classes, members of a consortium should agree upon a set of criteria that can be used for purposes of placement into classes. All agreed upon

placement criteria should be accepted by all member agencies for placement into classes.

- CTE can use these same criteria to determine if students are able to succeed in a CTE program. Resulting scores can help CTE programs integrate adult basic education support instruction.
- Utilizing WIOA Title 2 relevant placement criteria for placement consideration under the new AEBG framework and consortia planning will help to ensure alignment and consistency.
 - As an example, in one region funding was allocated from the AEBG to all non-WIOA funded districts so that they could use CASAS assessments and CASAS e-testing. This particular consortium is sharing data consortia-wide through TOPSpro Enterprise to help with students transitioning/moving from district to district within the consortium and having their data follow them.

- *Accountability*

- Accountability for K12 and community college adult education programs should focus on outcomes including certifications, placement in training, immigrant integration, and the workforce. More specifically, they should encompass NRS outcomes including transitions to post-secondary, obtain and retaining employment, obtaining a high school diploma or High School Equivalency, and more. Additionally, consortia and their members should participate in conversations at the state level to share and integrate data. Adult schools, in particular, should also work with their local workforce development boards as they develop local data integration goals as required by the newest WIOA legislation. More specifically, accountability should be aligned to the changes within and accountability metrics tied to WIOA.
- There is so much that has been achieved so far, as we have shifted from wondering if K12-based adult education would have a sustainable future to working regionally with our college partners and our communities in radically different and innovative ways. But in the first year we have also identified so much that still needs resolution and guidance. This clarity is needed for consortia to understand what the state wants, and it also, thankfully, aligns with what is best for our students. Coherent and timely guidance needs to be provided for measuring student achievement outcomes.
- Student Achievement: Improving achievement and outcomes for all adult learners, as measured in multiple ways, such as test scores, English proficiency and college and career preparedness. All adult learners should be provided information about career pathways with targeted support to prepare for training or post-secondary placement.
 - How are students grouped for assessment/placement into regular post-secondary programs to avoid remediation?
 - How are pathways designed with momentum points, stackable certificates and multiple-exit and re-entry points?
 - How will you measure progress in each of the five program areas?
 - How will you align allocation of funding to student outcomes as identified in your regional plan?
- Other Student Outcomes: Measuring other important indicators of student performance in all required areas of study. All students receive instruction that enables them to mark and achieve progress quickly.

- How will you provide a range of delivery models to help student accelerate progress toward their goals – (short term courses, contextualized learning, blended and distance-learning)?
- How will faculty be supported with professional development to provide instruction for all adult learners and to use data about learning, to authentically assess student progress with multiple measures, so students progress more quickly toward their goals?
- How will progress be measured towards the full integration of immigrants into the workplace, with increased civic engagement in the public sphere and in the community at large?
- Should consider transitions, course completion, citizenship, certificates, immigrant integration metrics, etc.

- Student Engagement: Providing students with engaging programs and course work that keeps them in school until completion. All students are provided personalized instruction and support that keep them engaged in their learning.
 - How will all students develop and take responsibility for Individual Learning Plans with goals aligned to local community and workforce development needs?
 - How will all providers access and share data about students' Individual Learning Plans to provide targeted supports and seamless transitions?
 - How will you measure student engagement and persistence in all programs (retention rates, completion rates, NRS metrics)?
 - How will you support students with additional services, addressing barriers to success, making appropriate referrals and building upon assets? Support services, funding for it, tracking it, getting credit for it, etc.
- Performance Based Funding: Needs to be developed in such a way as to drive effective and prudent fiscal and programming decisions. To this end a portion of AEBG funds should be distributed under a performance based model that is based on stated outcomes (similar to WIOA pay for performance system). At the same time, consortia and member schools must be able to rely on some form of stable funding in order to plan for three years out, as required for K-12 districts. Considering both of these factors, a funding system that is based on 20/80 split (20% performance / 80% base) funding would be implemented at the consortium level while maintaining the current requirements that no member receive less than the prior year without due process under the current AB 104 Ed Code.
 - 20% of overall state funding would be distributed to consortia on a per pay point basis as defined by the SPI and CCCCO.
 - 80% of funding would be apportioned to consortia to maintain capacity of each member
 - Poor performing consortia who see a drop in funding would decide how the reduction would be distributed among the consortia members.
 - High performing consortia who see an increase in funding would decide how the increase would be distributed among the consortia members.

- *Reciprocity / Teacher Certification and Minimal Qualifications*
 - Challenge: disparity in compensation between K12 adult school teachers and CC faculty (non-credit teachers vs. adult school teachers); credential component for K12 adult schools is an extra requirement that deters potential new adult school teachers.

- K12 adult school teachers are required to have a credential. As K12 representatives, we believe this is incredibly important and should be retained. While it institutes an additional requirement on adult school teachers, K12 adult school students benefit from this requirement. More specifically, the credential is focused on helping prepare a K12 teacher for practices in teaching that are geared towards little to no educational background giving teachers the tools necessary to help them grow a student's intellectual capacity from the ground up. These skills are not taught as part of a prospects college education, it is separate and apart from those skills. Further, K12 adult school teachers are often working with adult students who have a lower current skill level than those students attending community college who are often working from some base skill set that doesn't require as much in the way of teaching tools and style.
- *Student Identifier*
 - In order to track progress of adult students, it is important to identify and utilize consistent, student-unique identifiers that follow the student through his/her educational career. There are a few potential mechanisms that could be utilized that would respect the challenges for some adult students who may not have residency status but ensure a mechanism through which they can be assessed, accountability can be measured and progress can be monitored.
 - The SPI, CCC, and the Executive Director of the Workforce Development Center should jointly determine the best identifier(s) for such purposes and develop a statewide database that tracks all adult education student transitions from educational systems to employment.
 - Identifier options may include:
 - Taxpayer identification number, to be used as an alternative for professional licenses for non-citizens as enacted by SB 1159 (Lara)
 - Driver's license number
- *Fees*
 - Earlier this spring, UC Berkeley student Rezwana Abed prepared a report for the Senate Office of Research regarding fees. In her report, she provides recommendations associated with adult education fees that presume additional funding is provided to the adult education system to help backfill funding that would be lost with a decreased fee authority, particularly for CTE programs. Absent an additional infusion of funding to backfill fees for programs like CTE, access and capacity will inevitably be diminished. Further, data shows that students are more successful and retention is highest when they have some accountability and financial investment in their education. In this regard, we propose the following:
 - K12 adult schools and community colleges may (not required) institute a nominal fee not to exceed 10% to help cover materials utilized by the student in the course of the programming for ESL and adult basic skills.
 - Presuming the loss of funding is backfilled with an influx of additional funding in to the AEBG for CTE, pre-apprentice, and adults with disabilities, fee authority should:
 - Be provided at a level not to exceed 50% of the cost associated with the student's participation in the course of the programming.

- We wholeheartedly support the SPI and CCCCO joint decision-making intent and process outlined in AEBG. Similarly, it is imperative that both systems be on equal footing for allocation of resources. CDE staff serves as a resource to K12 adult schools and provide assistance with a host of administrative, certification, and training activities. Both systems were given the authority to fund support for the AEBG reform. We strongly support the Adult Education Office in CDE be more empowered to actively participate and play a stronger leadership role in the ongoing implementation of AEBG. Currently, the analysts and primary consultant in the AEBG office are all under the direction of the CCCCO.
- Increasingly we see the logic and benefit of strengthening the alignment between the WIOA programs and AEBG, both their outcomes and reporting systems. The CDE oversees the WIOA program, and using its current resources to also monitor and support AEBG would streamline and enhance the accountability needed for both. The quandary over having a data system that receives, integrates, analyzes and reports data might be resolved by adding capacity to the system currently required for WIOA reporting.

Creation of an AEBG Stakeholder Advisory Committee – Oversight, Coordination, Facilitation, Neutral Party, “Tie-Breaker”

The field representation at the state level, which was so important in the AB 86 planning process, has vanished in AEBG implementation. CDE, the CCCCO and the field would be better served by structured, regular and *meaningful / actionable* input from the critical field representatives, including faculty senate and unions, and the adult education professional organizations. We want this reform to be successful and we can help on a state level to make that happen.

- To make recommendations to CDE and CCCCO for AEBG policy that need to be implemented to support the Adult Education Block Grant system. Areas the advisory would advise on:
 - o Fiscal operations and accountability
 - o Curriculum and assessment alignment
 - o Consortium performance accountability
 - o Compliance monitoring
- It is the intent that the recommendations given through the AEBG Stakeholder Advisory Committee would be responded to and or addressed within 60 days of receipt by both CDE and CCCCO.
- In addition, the Committee would assist in the development in and approval of reports to the legislature and DOF on the status and effectiveness of AEBG.
- AEBG Stakeholder Advisory would meet quarterly and publish minutes of meetings to the field. The Committee would also seek input from the field on a bi-annual basis.
- Stakeholder Appointed Members to include:
 - o Two CDE Representatives
 - o Two CCCCO Representatives
 - o One CWIB Representatives
 - o Two K-12 Adult School Representatives
 - o Two CCC Representatives

OR

- o Two CDE Representatives

- Two CCCCO Representatives
- One California Workforce Investment Board Representative
- One Member of the California Council for Adult Education
- One Member of the California Adult Education Administrators Association
- One Member of the California Teachers Association
- One Member of the Association of Community & Continuing Education
- One Member of the California Community College League
- One Member of the Academic Senate

If you have any questions regarding this framework and associated outstanding issues, please contact Dawn Koepke with McHugh, Koepke & Associates at (916) 930-1993. Thank you!