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**6100 DEPARTMENT OF EDUCATION**  
**6870 CALIFORNIA COMMUNITY COLLEGES**

<b>Issue 7: Adult Education:</b>
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**Panel I:**

- Mollie Quasebarth, Department of Finance
- Paul Steenhausen, Legislative Analyst's Office
- Debra Brown, Department of Education
- Donna Wyatt, Department of Education
- Christian Osmeña, Chancellor's Office Community Colleges
- Javier Romero, Chancellor's Office Community Colleges

**Panel II:**

- Madelyn Arballo, Ed. D., Dean, School of Continuing Education, Mt. San Antonia College
- Rocky Bettar, Director Adult Education/Career Preparation, Rowland Unified School District

**Background:**

**Adult Education Block Grant.** The Adult Education Block Grant (AEBG) was created in 2015-16 and provides \$500 million in ongoing Proposition 98 funding annually for the provision of adult education through the K-12 and community college systems and their local partners. This new program was built on two years of planning to improve and better coordinate the provision of adult education by the Chancellor of the California Community Colleges and the Superintendent of Public Instruction. The program has restructured the provision of adult education through the use of regional consortia, made up of adult education providers, to improve coordination and better serve the needs of adult learners within each region.

There are currently 71 regional consortia with boundaries that coincide with community college district service areas. Formal membership in consortia is limited to school and community college districts, county offices of education (COEs), and joint powers agencies (JPAs). Each formal member is represented by a designee of its governing board. With input from other adult education and workforce service providers, such as local libraries, community organizations, and workforce investment boards, the consortia have developed regional plans to coordinate and deliver adult education in their regions. Only formal consortia members may receive AEBG funding directly. However, under a regional plan, funds may be designated for, and passed through to, other adult education providers serving students in the region.

**Adult Education Areas of Instruction.** Block grant funds may be used for programs in seven adult education instructional areas:

- 1) Elementary and secondary reading, writing, and mathematics (basic skills).
- 2) English as a second language and other programs for immigrants.

- 3) Workforce preparation for adults (including senior citizens) entering or re-entering the workforce.
- 4) Short-term career technical education with high employment potential.
- 5) Pre-apprenticeship training activities coordinated with approved apprenticeship programs.
- 6) Programs for adults with disabilities.
- 7) Programs designed to develop knowledge and skills that enable adults (including senior citizens) to help children to succeed in school.

**Consortia Funding.** The first year of funding (2015-16) was designed as a transition year. Of the \$500 million total grant; \$337 million was distributed based on a maintenance of effort amount for school districts and COEs that operated adult education programs in 2012-13, and subsequently became members of regional consortia. Each of these providers received the same amount of funding in 2015-16, as it spent on adult education in 2012-13. The remainder of the funds were designated for regional consortia based on each region's share of the statewide need for adult education, as determined by the chancellor, superintendent, and executive director of the State Board of Education. In determining need, statute requires these leaders to consider, at a minimum, measures related to adult population, employment, immigration, educational attainment, and adult literacy. Need-based funding in 2015-16 for consortia was \$158 million.

In 2016-17, and future years, the CCC and CDE distribute block grant funding based on (1) the amount allocated to each consortium in the prior year, (2) the consortium's need for adult education, and (3) the consortium's effectiveness in meeting those needs. If a consortium receives more funding in a given year than in the prior year, each member of the consortium will receive at least as much funding as in the prior year. The 2016-17 and 2017-18 fiscal year allocations provided the same amount of funding to each consortia as was provided in the 2015-16 fiscal year. Preliminary allocations for the 2018-19 year maintain this same distribution. Each consortium may choose a fiscal agent to receive state funds and then distribute funding to consortium members, or opt out and have members receive funds directly.

In addition, according the LAO, the state provides approximately \$300 million annually in noncredit apportionment funding for community college adult education programs.

**One-Time Funding.** In the 2015-16 budget act, the CCC and CDE were provided \$25 million Proposition 98 funds to identify common measures for determining the effectiveness of the consortia in providing quality adult education. Of the total data allocation, 85 percent is available for grants to establish systems or obtain necessary data and 15 percent is available for grants for development of statewide policies and procedures related to data collection and reporting, or for technical assistance to consortia. Consortia were allocated funding based on their share of total block grant funding, upon completion and approval of an expenditure plan. Funding was generally used for technology upgrades, updated data collection processes and procedures, professional development, and local research. The remaining 15 percent of the grant was used to update the state data system for the AEBG. The progress made on this new data system is discussed later in this item.

AB 1602 (Committee on Budget), Chapter 24, Statutes of 2016, a trailer bill to the 2016-17 budget act appropriated \$5 million in one-time funding to the Chancellor of the Community Colleges which contracted with the Sacramento County Office of Education to provide statewide leadership activities including; collecting and disseminating best practices, providing technical assistance and professional development, maintaining a website, and reporting on the effectiveness of the block grant among other things. Funds were to be expended over a three year period (2016-17 through 2018-19).

## Systems Alignment

As part of the effort to align systems, the original statute required the CCC and CDE to examine and make recommendations in several areas for potential streamlining and alignment across systems. While limited progress has been made, several alignment issues continue to remain unresolved, including:

- **State Funding.** Adult schools are funded primarily through the AEBG which does not provide funding on a per-student rate, while adult education at the CCC is funded through non-credit apportionments. As a result, the state continues to pay different amounts for similar types of courses.
- **Local Fee Policies.** Adult schools may charge fees for CTE courses (although there is no consistent fee policy) while the CCC may not charge fees for non-credit instruction. This perpetuates inequities for students statewide and within consortia.
- **Student Identifiers.** Different student identifiers that are used in the K-12 system (Statewide Student Identifiers), adult schools (unique identifiers) and the community college system (social security numbers). Other potential identifiers are the Individual Taxpayer Identification number and the California Driver's License number. Some progress has been made in aligning identifiers and there is potential to match records through the data system under development. However, tracking of students across K-12, adult schools, and CCC remains cumbersome.
- **Minimum Instructor Qualifications.** Instructors of noncredit courses at the CCC are required to have a bachelor's degree and specific coursework experience, while instructors at adult schools also need an adult education teaching credential. This may contribute to teacher shortages for adult schools, and the inability of CCC instructors to easily teach at adult schools.

## AEBG Reporting

**Progress in Serving Adult Students.** Consortia are in their third year of providing services under the AEBG, and the CCC and CDE were required to provide a report to Legislature on the implementation and effectiveness of the AEBG on February 1<sup>st</sup>. The report has not yet been submitted, but staff did receive a draft copy on April 20th. The report provides information on the program for the 2016-17 year and discusses progress made on data reporting. In 2016-17, the AEBG is using the TOPSPro Enterprise System to collect student data and outcomes. In addition, the AEBG utilized data matching to track student outcomes in the Community College Chancellor's Office data system (MIS), the Employment Development Department (EDD) Base Wage File System, and the CDE-High School Diploma Equivalent Match. In cases where students will not disclose information (undocumented students, no social security number, declined to state, etc.), AEBG collects self-reported student outcomes. The student data and outcomes will be displayed via a dashboard tool called "Adult Education Launchboard" on the AEBG website.

Specifically, the report notes that in 2016-17, adult education consortia served 695,162 unduplicated adult students. As noted in the chart below, not all of these students were enrolled in AEBG program areas, 85,608 received only services, which could include workshops, educational or career planning, assessment, or were referred to an outside supportive service, leaving 609,554 as the official number for students enrolled in a program.

#### **AEBG 2016-2017 State-Level Student Counts**

	K-12 <sup>1</sup>	College	Totals
<b>Total Adults Served by Consortia</b>	457,047	238,115	695,162
<b>Participants in AEBG Programs</b>	400,408	209,146	609,554
<b>Students Receiving Only Services</b>	56,639	28,969	85,608

The highest enrollment category continues to be English as a Second Language (ESL) and Civics as shown below, followed by Adult Secondary Education (ASE), Adult Basic Skills Education (ABE), and Career Technical Education (CTE).

<b>California AEBG Unduplicated Enrollment by Program – 2016-2017<sup>2</sup></b>			
	K-12 Adult <sup>3</sup>	College	Totals
<b>Primary AEBG programs</b>			
ABE	50,310	62,480	112,790
ASE	130,507	18,156	148,663
ESL and EL Civics	204,042	92,242	296,284
CTE Programs	68,447	41,784	110,231
<b>Subcategory AEBG programs</b>			
AWD	4,255	2,896	7,151
AWD Students in ABE, ASE, ESL, CTE Programs	1,861	692	2,553
Adults Training to Support Child School Success	9,584	3,556	13,140
<b>California AEBG Unduplicated Enrollment by Program – 2016-2017</b>			
	K-12 Adult <sup>4</sup>	College	Totals
<b>Subcategory AEBG programs</b>			
Adults Entering or Reentering the Workforce	8,281	6,436	14,717
Pre-apprenticeship	2,777	23	2,800
<b>Totals</b>	<b>480,064</b>	<b>228,265</b>	<b>708,329</b>

<sup>1</sup> K-12 enrollment data includes students served through other entities such as library literacy programs (n=13,500).

<sup>2</sup> Program enrollment data as reported through TE by CASAS for all categories except workforce entry/re-entry and AWD in other programs, which were calculated using new (2017-2018) program calculations for these categories.

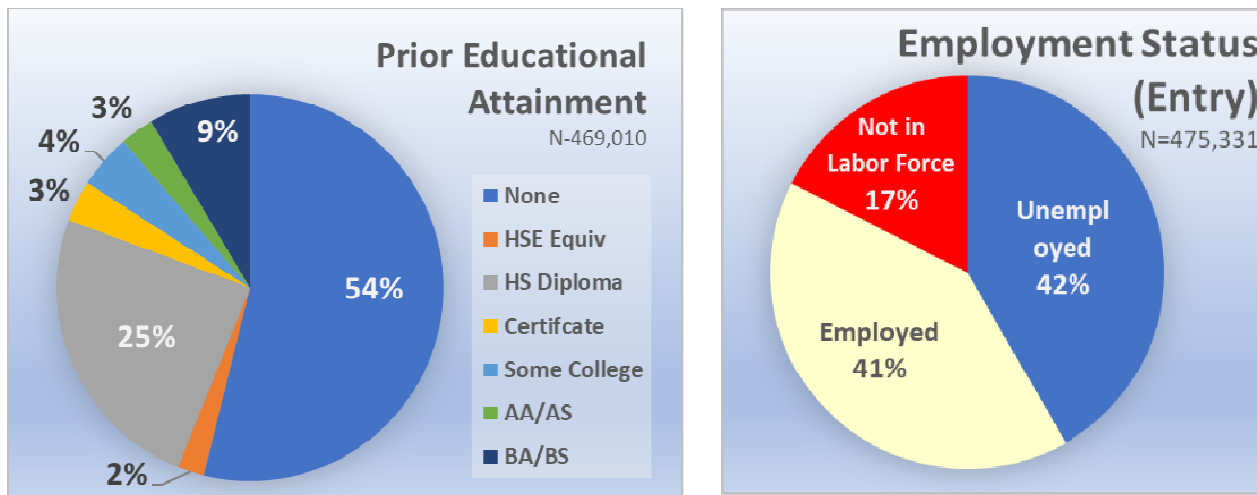
<sup>3</sup> K-12 enrollment data includes data from library literacy and other providers (n=13,500).

<sup>4</sup> K-12 enrollment data includes data from library literacy and other providers (n=13,500)

Enrollment category trends are generally consistent across both adult schools and community colleges with the exception being that adult schools serve a higher proportion of students in Adult Secondary Education while the community colleges are serving a higher proportion of students in Adult Basic Skills. The report suggests this may be due to traditional role of adult schools as a path to a high school diploma or equivalent and the focus on community colleges providing some courses that are levels below transfer level math and English.

Comparative Enrollment		
Program	K–12	College
ABE	10.5%	27.4%
ASE	27.2%	8.0%
ESL	42.5%	40.4%
CTE	14.3%	18.3%
Other	5.5%	5.9%

The consortia also attempted to collect data on the education and employment status of students that entered the system.



Finally, the report also included some information on student progress and educational outcomes. Approximately 185,659 students completed an educational milestone or achieved a measurable skills gain in 2016-17. A measurable skills gain generally reflects educational improvements through a variety of measures including pre/post assessments, or completion of an workforce preparation certificate or other occupational skills post-secondary certificate, degree, or training, and transition to postsecondary education. The report notes that the consortia are attempting to also collect employment and wage data, however this is limited by the length of time of the data sets, the ability to match with Employment Development Department wage files, the lack of social security numbers for many students, and the ability to collect survey data.

## **Report Recommendations**

- 1) Change the name from the AEBG to California Adult Education Program. The field notes that there continues to be confusion over the term “block grant” with the term signifying that this is a distinct categorical program, which creates challenges for local fund alignment decisions.
- 2) Create a \$30 million performance-based incentive funds for adult education consortia. This fund source would create an incentive for consortia to explore new pathway models, support service strategies, and further support the transition of adult education students into postsecondary and the workforce.
- 3) Allocate annual funding to support data and accountability systems for adult education. This would support the annual cost of data collection from providers, the costs of the Launchboard adult education data dashboard, and support the post exit student surveys.
- 4) Create a dedicated annual allocation for statewide system operations to adult education. This funding would support the web-based fiscal reporting and monitoring tools, statewide convenings and trainings, and technical assistance to the consortia on developing and implementing annual and three-year plans.
- 5) Alignment of federal and state reporting cycles. Currently timelines for reporting to the Legislature for a variety of adult education and workforce-related programs are not aligned. The CCC and CDE recommend a review and update of those reporting requirements to streamline data collection and review.

## **Governor’s Budget Proposal:**

The Governor’s budget proposal includes an increase of \$20.6 million in ongoing Proposition 98 funding. This is a cost-of-living-adjustment (COLA) of 4.1 percent over the 2017-18 budget appropriation and the Administration notes that the amount recognizes that the AEBG did not receive a COLA increase in 2017-18 (1.6 percent COLA associated with 2016-17 and 2.51 percent associated with 2017-18). The funds would be distributed to consortia based on their current allocation.

The Governor also proposes to provide \$5 million in ongoing funding for the Chancellor’s Office to support a data sharing platform, providing training and technical assistance related to data, and to collect survey data from AEBG participants who do not provide social security numbers.

The Governor’s budget also includes trailer bill language that would require regional consortia to develop a new three-year plan in 2019-20, instead of 2018-19, and place a cap of 5 percent or less on the amount of indirect (administrative costs) districts could charge their adult schools or community colleges.

## **LAO Analysis and Recommendations:**

In February 2018 the LAO released their analysis, *The 2018-19 Budget: Adult Education Analysis*, in which they reviewed the Governor’s Budget proposals for adult education and the program thus far. This report also reflects recommendations based on a request for LAO to examine remaining alignment issues that the CCC Chancellor’s Office and the CDE had been tasked with providing recommendations for, but had been unable to reach consensus on.



While the LAO notes that providing a COLA to the AEBG would treat the program similarly to other Proposition 98 programs that have generally receive COLAs on an annual basis, they recommend that the Legislature take this opportunity to address larger issues with the structure of the AEBG.

The LAO recommends that the Legislature consider adult education not just as the AEBG, but also include the funding received by community colleges for non-credit courses which are considered adult education. This would also require a conversation on the how different community colleges define credit versus non-credit courses. Creating consistency would allow for clarity in the state's offerings of adult education, consistency across colleges, and allow for better regional planning within AEBG consortia. The LAO notes that the state should set a uniform rate per full-time equivalent student that is provided for both adult schools and community college non-credit courses. In addition to allowing for consistency of services, and better tracking of courses offered in the state, a uniform base rate would also allow the state to consider a uniform fee policy, such that adult students would not be paying differing fees across the state for the same types of courses. The fee policy could either eliminate of fees or apply a nominal fee structure which would incentivize student commitment to completion of courses. The LAO also recommends that the funding system should include a performance component to incentivize regional consortia to work together to improve student learning and workforce outcomes.

In addition to funding changes, the LAO also recommends several changes to increase alignment within and across consortia regions. Specifically, that as a condition of receiving state or federal fund, adult education providers document that they are participating in their regional planning consortia and report adult education services and funding.

In general, the LAO recommends adopting the Governor's proposal for \$5 million in ongoing support for data and survey efforts, but also recommends that the CCC Chancellor's Office use a portion of the funding to collect or assign SSIDs to adult students without a SSN and for CCC to use and maintain these SSIDs in the adult education data platform.

Finally, the LAO recommends that the state no longer require adult school instructors to hold a credential. This change would align the qualifications for instructors across adult schools and community colleges and instructors could more easily teach at both. The LAO notes that if there are concerns with quality of instruction, consortia could consider providing professional development as needed.

### **Staff Comments:**

Staff notes that the first few years of the adult education block grant have been positive in terms of consortia establishment and the maintenance and expansion of adult education services. In general funding is flowing to the greatest areas of need (basic skills education and English as a second language). The ultimate goal of the adult education block grant however, was to ensure that through regional coordination adult students had access and opportunities to continue their education, including in the community college system, or to lead to better paying jobs. While legislation had required the CCC and CDE to make recommendations on what can be done at the state level to ensure the kind of alignment that supports outcomes across the state, in many areas a recommendation was lacking. The LAO provided recommendations after months of discussing and reviewing these areas as laid out above. The Legislature should consider whether additional state level policy setting is needed to move these alignment issues forward and consider adopting some or all of the LAO's recommendations.

Staff also notes that data collection, although improving, still lags behind the type of data needed to make decisions about funding and quality of the AEBG program. Some of this is due to timing and some is due to the limitations of the current program structure. While the continued funding of these efforts is valid, the Legislature may wish to consider what types of data would better inform future decisions on funding for the program and ensure that it is considered when appropriating funding for data moving forward.

Staff also notes that adult education makes up a large portion of the mission and offerings of the CCC, and changes to this program should be included in any discussions about what should be incorporated into a performance-based funding formula for the CCC.

**Suggested Questions:**

- How are the CCC and CDE continuing to work on alignment of all parts of the adult education system?
- What information is available of the type and amount of fees that are being charged for adult school courses statewide?
- Does the Administration, Chancellor's Office, or the CDE have a position on the LAO's alignment recommendations?

**Staff Recommendation.** Hold Open.