

Association of Community and Continuing Education's (ACCE) Response to LAO Report: Redesigning California's Adult Education's Funding Model

Noncredit/Adult Education serves the most diverse and vulnerable adult learners including minoritized and low socio-economic students. Noncredit students have been disproportionately impacted by the pandemic as evidenced from drastic and abrupt drops in enrollments and slower-than-expected recovery post-pandemic ([see brief](#)). The LAO Report makes a series of recommendations that are contrary to the positions held by community college noncredit practitioners and ACCE. The following recommendations will limit the resources available to support adult learners thus diminishing their ability to succeed:

1. **Exclusion of CAEP funding for CCC noncredit programs.** The LAO Report recommends a phase in of a new funding model in which community colleges would be excluded from receiving California Adult Education Program (CAEP) funding. The justification does not align with the intent in AB 104 legislation and would remove adult education funding from the community colleges, thus depriving thousands of adult learners access to low or no cost training in the wide range of programs and services provided by their local community colleges.
2. **Cost per student.** The LAO Report recommends a funding formula largely based on a cost per student, i.e., FTES. This will lead to a loss of resources for adult learners and will have an especially harmful effect on community college providers already allocated through apportionment on a cost-per-student basis. The recommendation fails to recognize that the per-student rate is based on a Career Development and College Preparation (CDCP) rate for courses meeting specific requirements and is not applicable to all CAEP areas. Examples include CTE programs requiring specialized equipment, materials, and community-based sites for ESL classes.
3. **Performance-based funding.** The LAO Report recommends 30% of the CAEP and CCC apportionment funds to be allocated based on performance measures and 70% on attendance. This recommendation fails to recognize that extensive research on the CCC SCFF has already determined that funding noncredit by attendance hours allows for some fiscal feasibility for colleges to serve adult learners. Moving the SCFF for noncredit apportionment to performance based formula would impact College's fiscal stability at a time when the state budget is vulnerable thus limiting funds to underrepresented populations, particularly in high-cost vocational programs.

The LAO Report cites the WIOA Title II method for measuring student learning outcomes as a preferred method for assessing CAEP outcomes thus limiting ways of measuring student success to a standardized test. Such prescriptive method of assessing student performance goes against recent research findings about ineffectiveness of standard tests in community colleges and recent legislation prohibiting colleges from using standardized tests widely (AB 705, AB 1705). Furthermore, recommendations for WIOA II as the primary method for outcomes will widen the current misalignment of metrics between the community colleges and K12 adult education.

4. **CAEP funding for consortium-level activities.** The LAO Report recommends allocating up to 10% of CAEP funds for the administration of regional consortia, including student services, such as transition to credit programs and employment. This is a change in allowable uses of CAEP funding and severely restricts the types and levels of access of student services for adult learners that are critical for program completion and overall success in noncredit and adult education programs.

Recommendations for Adult Education Funding Improvement

- Maintain Community College noncredit programs within CAEP funding.
- Re-bench amounts of CAEP allocations based on current/pre-pandemic need and not Maintenance-of-Effort from 2008 funding level.
- Award performance-based funds on top of the base allocation to incentivize both K12 adult education and community college noncredit programs to improve outcomes.
- Reaffirm eligibility of student services for CAEP funding in all program areas.
- Reaffirm the use of the MIS system as way for collecting and reporting CAEP outcomes for community college providers.