



LAO Formula “checking under the hood”

Topics

- Redesigning California's Adult Education Funding Model
- Funding Allocation Percentages
- Consortium Level Activities Funding Model
- K-12 Adult School Funding Model
- Questions & Open Discussion

LAO's Redesigning AEO Funding



Redesigning California's Adult Ed x Redesigning California's Adult Ed x +

https://lao.ca.gov/reports/2022/4652/Redesigning-CA-Adult-Education-Funding-Model-121322.pdf

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LAO 

Redesigning California's Adult Education Funding Model

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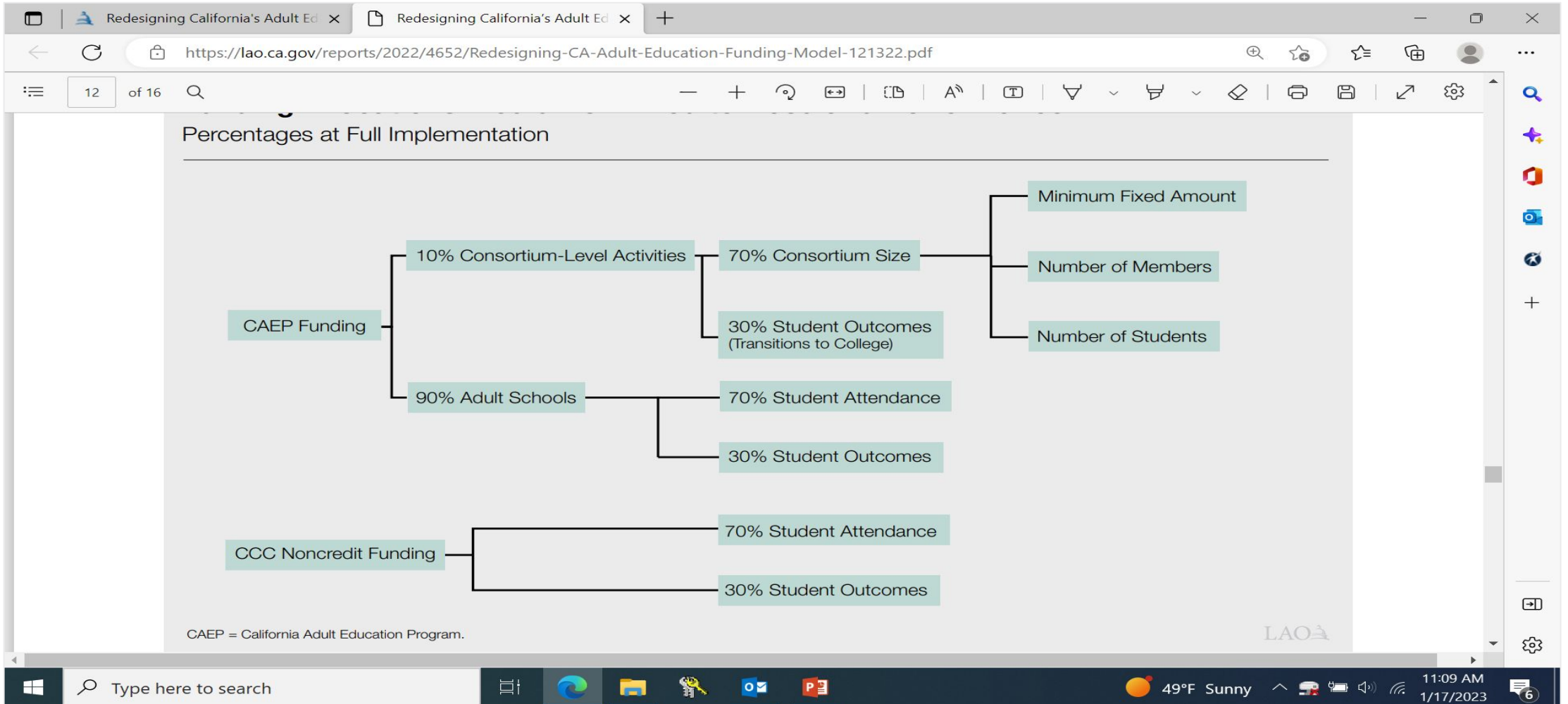
SUMMARY

State Began Restructuring Adult Education System Almost a Decade Ago. The primary purpose of adult education is to serve as a first point of entry for Californians seeking to acquire basic skills and pot...

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Funding Allocation Percentages



Funding Allocation Percentages (cont.)

CAEP Funding Model 90/10% split

- ✓ Ninety Percent = K-12 Adult Schools
- ✓ **Ten percent = Consortium Level Activities**



Consortium Level Funding Model (10%)

- Consortium Size (70%)

- ✓ Number of Members

- ✓ Number of Students

- Student Outcomes (30%)

- ✓ Transition to degree applicable (credit) coursework

Consortium 10% / Consortium Size

Consortium Size (70%)

✓ Number of Members

- What is a member? K-12, COE, CCD, JPA
- Unfunded members? (478 currently)
- Funded members? (386 currently)



Polling Question

Of the 10% consortium funding split 70%/30% which member number would you favor –

1. Unfunded & funded members
2. Funded members only
3. Funded member average over a 3 year period
4. Unfunded & funded members including partners

Consortium 10% / Consortium Size

Consortium Size (70%)

✓ Number of CAEP Students (K-12 & College)

Zero Hours (enrolled only) (Not tracked for both)

Reportable Individuals (1 hour + of instruction) (429K)

Participants (12 hours or more of instruction) (341K)

Seat Time / hourly attendance (Not tracked for both)



Polling Question

Of the 10% consortium funding split 70%/30% which enrollment number would you favor –

1. Zero hours/general enrollment
2. Reportable individuals/1 hour or more of instruction
3. Participants / 12 hours or more of instruction
4. I don't like any of these (come up with another option)



Consortium Model – Minimum Funding

- In 2015-16, the State created a minimum funding level for all consortia at \$750,000.
- Since that time minimum funded consortia have received COLAs which now boost their allocation in 23-24 to \$923,000.
- Using the LAO consortium funding formula, eight rural consortia would lose over 70% of their funding (some over 80%).
- Their new base would be between \$73K and \$282K.
- Any minimum funding would come out of the other consortia funding pot.



Polling Question

Of the 10% consortium funding split 70%/30% what should be the minimum funding amount for each individual consortium –

1. \$250K
2. Between \$250K and \$500K
3. Back to the \$750K amount
4. There should be no minimum funding – use the formula

Consortium Level Funding Model (10%)

- Consortium Size (70%)
- Student Outcomes (30%)
- ✓ Transition to degree applicable (credit) coursework

Consortium Level Funding Model (10%)

- CAEP Student Transition Outcomes (20-21 data)
 - ✓ Transition to degree applicable (26,475)
 - ✓ Transition to employment (65,744 _{2Q} or 67,365 _{4Q})
 - ✓ Transition to CTE (45,388)
 - ✓ Transition to Adult Secondary (35,874)



Consortium Level Funding Model (10%)

And don't forget.....

- ✓ Students with an enrollment (1 hour or more) who received services in 19-20 (284,703)
- ✓ Includes students who received orientation, assessment, academic and/or career counseling, referral, or other participant related support services.



Polling Question

For consortia funding – performance 30% - what metrics should be used?

1. Transition to degree applicable coursework (credit) only
2. Transition to credit and transition to employment
3. Include all transitions (ASE, CTE, employment, and credit/degree applicable)
4. Use other metrics like services along with transition metrics



K-12 Funding Model

CAEP K-12 Adult Funding Model 90/10% split

✓ **Ninety Percent** = K-12 Adult Schools

✓ Ten percent = Consortium Level Activities

CAEP K-12 Adult Funding Model 90%

K-12 Adult = 90%

- ✓ Seventy percent is based on attendance
- ✓ Thirty percent is based on student outcomes

CAEP K-12 Adult Funding Model 90% (cont.)

K-12 Adult Student Attendance (70%)

✓ Number of CAEP Students (K-12 only)

Zero Hours (enrolled only) (21-22 = 438K)

Reportable Individuals (1 hour + of instruction) (314K)

Participants (12 hours or more of instruction) (259K)

Seat Time / hourly attendance (no data available)



Polling Question

Of the 90% consortium funding split of which 70% is based on student attendance which number are you leading towards –

1. Zero hours/general enrollment
2. Reportable individuals/1 hour or more of instruction
3. Participants / 12 hours or more of instruction
4. Seat time / hourly increments

CAEP K-12 Adult Funding Model 90%

K-12 Adult = 90%

- ✓ Seventy percent is based on attendance
- ✓ Thirty percent is based on student outcomes

CAEP K-12 Adult Funding Model 90% (cont.)

K-12 Adult – 30% is based on student outcomes (data is from 21-22):

- ✓ Participants that completed an Educational Functioning Levels (60K)
- ✓ Participants that were awarded a High School Diploma and/or equivalency (HSE) (13K)
- ✓ Participants that completed an Immigration Integration milestone (57K)
- ✓ Participants that earned a certificate, licensure, or credential (41K)

CAEP K-12 Adult Funding Model 90% (cont.1)

K-12 Adult – 30% is based on student outcomes:

- ✓ Participants that obtained a job, kept their job, got a better job, and/or increased wages (45K)
- ✓ Participants that achieved workforce readiness skills, a training milestone, and/or a work-based project goal (split at 95K)
- ✓ Participants that achieved a mastered course competencies, and/or skills progression (split at 95K)

Polling Question



For the 90% funding for K-12 adult schools – rank the following metrics for use in the 30% student performance (1 being your top choice).....

^Participants that completed an Educational Functioning Levels

^Participants that were awarded a High School Diploma and/or equivalency (HSE)

^Participants that completed an Immigration Integration milestone

^Participants that earned a certificate, licensure, or credential (41K)

^Participants that obtained a job, kept their job, got a better job, and/or increased wages

^Participants that achieved workforce readiness skills, a training milestone, and/or a work-based project goal

^Participants that achieved a mastered course competencies, and/or skills progression





Questions & Open Discussion