PRESENTED TO THE BOARD OF GOVERNORS
DATE: July 20, 2015

SUBJECT: Adult Education Block Grant

CATEGORV: Workforce & Economic Development

Recommended By: Van Ton-Quinlivan, Vice Chancellor

Approved for Consideration: Brice W. Harris, Chancellor

**Issue:** This item requests Board of Governor’s approval of the $525,000,000 expenditure plan for the Adult Education Block Grant in order to process the funds as follows:

- Up to $375 million will be transferred via an interagency agreement to the California Department of Education (CDE) for ‘Maintenance of Effort’ of K-12 Adult Schools and County Offices of Education. This amount is being finalized by CDE through an audit process of 2012-13 actual expenses by these providers.
- Up to $125 million will be transferred via an interagency agreement to the California Department of Education for distribution to K-12 fund administrators.
- $25 million one-time Proposition 98 General Fund to help consortia establish the systems necessary to evaluate the effectiveness of their programs.
- The remaining amount will be dispersed by formula* to the 71 adult education consortia of providers (see attached schedule) established under Assembly Bill 86 (AB86).

*Where a consortium is led by a K-12 Adult School or County Office of Education, the CCCCO reserves the option to interagency transfer the funds to CDE for dissemination.

**Recommended Action:** It is recommended that the Board of Governor’s approve the $525,000,000 expenditure plan for the Adult Education Block Grant in order to process the funds describe above.
BACKGROUND:

**AB86 Lays Groundwork for Rebuilding Adult Education Services in California**

In 2013, AB86 appropriated $25,000,000 to distribute to ‘regional consortia’ composed of at least one K-12 adult school district and one community college district to develop joint plans for serving adult education students in their region. Across the state, 70 consortia were formed, representing all 72 community colleges and 320 K-12 school districts. (**Note: This number will change to 71 regional consortia for the 2015-16 school year.**)

Each consortium identified current adult education services and service gaps and developed a joint plan to address them. The programs included in this planning process (and reflected in the data in this report) were non-credit, enhanced non-credit, and credit basic skills programs, non-credit career technical education (CTE) programs, noncredit programs for adults with disabilities, and formal, state-recognized apprenticeship programs.

AB86 planning limited allowable scope to five areas:
1. Elementary and secondary basic skills, including classes required for a high school diploma;
2. Classes and courses for immigrants in English as a second language, citizenship, and workforce preparations;
3. Education programs for adults with disabilities;
4. Short-term career technical education programs with high employment potential; and
5. Programs for apprentices.

For implementation, Assembly Bill 104 revised and expanded the scope to the following seven areas:
1. Programs in elementary and secondary basic skills, including programs leading to a high school diploma or high school equivalency certificate;
2. Programs for immigrants eligible for educational services in citizenship, English as a second language, and workforce preparation;
3. Programs for adults, including, but not limited to, older adults, that are primarily related to entry or reentry into the workforce;
4. Programs for adults, including, but not limited to, older adults, that are primarily designed to develop knowledge and skills to assist elementary and secondary school children to succeed academically in school;
5. Programs for adults with disabilities;
6. Programs in career technical education that are short term in nature and have high employment potential; and
7. Programs offering preapprenticeship training activities conducted in coordination with one or more apprenticeship programs approved by the Division of Apprenticeship Standards for the occupation and geographic area.
History of Adult Education in California

Almost 160 years ago, the state’s first adult education program began offering instruction to residents seeking basic language and job skills. Adult education has been an important part of California’s education system since the early 1850s. An adult education student may be a nineteen-year-old young woman interested in getting a high school equivalency certificate or a ninety-year-old man who wants to take a computer class. Through its adult education programs, California offers learners a diverse range of knowledge and skills necessary to participate effectively as citizens, workers, parents, and family and community members. Adult students are served by providers as diverse as the students themselves—school districts, community colleges, community or faith-based organizations, volunteer literacy organizations, public or private nonprofit agencies, public libraries, state agencies, and correctional facilities.

Originally adult schools and community colleges were under one administrative roof. That changed in the late 1960s and early 1970s when the Legislature transferred governance of the community colleges from the State Board of Education to their own Board of Governors. Since then, responsibility for adult education has been shared between the two systems.

Many years of operating separately produced different cultures and practices and different administrative and legal requirements. Too often, adult education students found the complexity difficult to navigate, and the disconnections between the systems slowed student progress and had a negative effect on student outcomes.

In the past five years, both K-12 Adult and the community colleges separately implemented new initiatives to improve student performance. The California Department of Education’s adult education program launched a strategic planning process that resulted in a plan to focus adult schools more squarely on transitioning students to postsecondary education and the labor market, in addition to their mission of immigrant integration. The community colleges implemented a statewide Basic Skills Initiative. Inside and outside both systems, however, concerns continued to be raised about the lack of coordination.

AB86 Legislation – New Beginnings

Beginning in 2009, the Great Recession led to a sharp drop in state funding for adult education programs and a serious fall in enrollments, estimated to be at least 800,000 students. K-12 school districts were given the flexibility to divert adult education monies to other educational purposes, and most used these funds for their K-12 programs.

In December 2012, the Legislative Analyst’s Office produced a major report, entitled “Restructuring California’s Adult Education System,” warning of the erosion of the adult education mission and pointing to the need for systemic reforms. In response to the Legislative Analyst’s Office findings, in 2013 the Governor proposed and Legislature approved Assembly Bill 86, Section 76, Article 3 (AB86), which charged the California Department of Education and the California Community Colleges Chancellor’s Office with jointly implementing an adult education planning process.
In September 2014, the Legislature also passed Senate Bill 173 (SB173), which tasked the California Department of Education and Chancellor’s Office to develop joint recommendations around assessment and placement practices, accountability, and fees.

AB86 appropriated $25 million to distribute to regional consortia, composed of at least one K-12 adult school district and one community college district, to develop joint plans for serving adult education students in their region. Across the state, 70 consortia were formed then, representing all 72 community college districts and 320 K-12 school districts.

Each consortium identified current adult education services and service gaps and developed a joint plan to address them. The programs included in this planning process (and reflected in the data in this report) were non-credit, enhanced non-credit, and credit basic skills programs, non-credit career technical education programs, noncredit programs for adults with disabilities, and formal, state-recognized apprenticeship programs. The large credit career technical education programs of the community colleges and the many pre-apprenticeship programs were not included. Also not included were other programs offered by K-12 Adult schools and some community college noncredit divisions, such as arts courses, parenting courses, and courses for older adults.

At the state level, the California Department of Education and Chancellor’s Office established the AB86 Cabinet, composed of eight members, four from each agency, to oversee this process. In turn, the Cabinet convened the AB86 Work Group comprised of twelve members, four representing K-12 Adult programs, four representing adult education programs in community college districts, and four staff members (two each from the California Department of Education and Chancellor’s Office). The Work Group was expanded to include more stakeholders. The Cabinet also created an expert group to propose recommendations in response to SB173.

**Today’s Landscape of Adult Education**

California has the seventh largest economy in the world, yet faces sobering challenges to its long-term competitiveness. Too many working-age adults are ill-prepared for the demands of the 21st century workplace. Educational attainment levels are not keeping pace with the knowledge and skills necessary for complex, high-wage jobs that fuel the California economy; many adults lack the basic skills needed to ensure self-sufficiency. Further, underemployment and unemployment have devastating effects on communities as well as on individuals and the economy. For some, adult education can serve as a “second chance” after dropping out of high school. For others (such as recent immigrants), adult education can be a first opportunity to learn English and train for a career.

There is a significant and growing demand for adult education in California. Roughly 15.3 million adults are in the population groups targeted by the five AB86 adult education program areas: 5.2 million adults are without a high school diploma or GED, 6.2 million adults have limited English proficiency, 1.1 million adults are eligible for citizenship courses, 1.8 million adults have disabilities, just under 500,000 unemployed adults lack a high school diploma and over 500,000 young adults (age 20-24) are also unemployed.
A number of other factors also are driving demand for adult education. For example, the 2008-09 Great Recession led to widespread layoffs in California, pushing dislocated workers into education and training to improve their economic situation. Most recently, President Obama’s decision to defer deportation and offer work authorization to millions of undocumented immigrants is projected nationally to add 5.2 million to those seeking adult education, 1.5 million of those are in California. With the fear of deportation no longer hanging over them, it is likely these immigrants will begin to take steps to improve their career options and their integration into American society.

The Great Recession led to decreased funding. Despite this demand, the Great Recession put intense pressure on California’s financial resources and in 2008-09, the state implemented a 15 percent across-the-board cut to its adult education program’s dedicated funding stream. The following year an additional 5 percent reduction was imposed. The state also cut K-12 funding by $20 billion. Beginning in 2009, the state allowed categorical funds, including adult education funds, to be used by K-12 school districts for any educational purpose. The “flexing” of the funding enabled many districts to reallocate the adult education monies to K-12 programs. It is estimated that since “flexing” was authorized, funding for adult education has been reduced by more than 50 percent. In 2013/2014 and 2014/2015, K-12 districts were required to maintain the same level of funding for adult education that was expended in 2012/2013. This ‘maintenance of effort’ restriction will be lifted in 2015 and the new K-12 Local Control Funding Formula allows districts to access previously allocated adult education funds for K-12 programs.

Decreased funding led to significant enrollment drops. The decline in state revenues affected the community colleges as well. State funding for the community colleges was reduced by more than $800 million, or 12 percent. General apportionment funding was reduced by more than $500 million, and funding for categorical programs, which supported the most at-risk student populations, was cut by $313 million, or 41 percent. Community college adult education enrollment declined by 19 percent.

Since K-12 school districts were given flexibility, districts have had to make difficult choices in the face of funding cuts and, as a result, directed funding to other critical programs and services. Due to adult education programs scaling back course offerings, significantly fewer students are being served across the four main program areas: Basic Skills, English as a Second Language and other classes for immigrants, short-term Career Technical Education, and adults with disabilities. English as a Second Language and Career Technical Education have seen the most significant drops in enrollment, almost 50 percent in each case. K-12 adult enrollment suffered the greatest decline, 53 percent overall.

**Bridging the Gap – AB86 planning**

In the process of conducting their needs assessment and developing regional plans, many of the regional consortia identified challenges and strategies to address the significant barriers to the AB86 initiative’s success.
Challenge: Insufficient Availability of Adult Education Programs

The availability of adult education services across the state has always been uneven. Now, however, there are many areas of California where there are few or no adult education offerings. In some cases, adult education programs have been eliminated entirely; in other cases, layoffs, early retirements, and hiring freezes have reduced the availability of classes.

**AB86 Response:** Proposals for new classes and class formats of varying kinds are very common among consortia. In terms of class content, the intention to focus on contextual learning appears regularly. Also known as combined classes, these courses pair a traditional academic subject with career-focused technical training. Contextual learning classes of this nature are likely most useful for students interested in vocational training and apprenticeships.

Many of the consortia initiatives deal with changes to faculty and staff, whether hiring additional teachers and teaching aides, increasing professional development opportunities, or hiring more counselors, navigators, and other student specialists. College and career vocational counselors also help students to identify and take advantage of more opportunities regardless of whether they intend to continue with further education or enter the workforce. Several consortia recommend counselors work more closely with students to develop individualized study and career plans.

Challenge: Need for Innovation in Program Offerings

In addition to the decline in adult education programs, there is evidence that current curricula and pedagogical practices do not meet the needs of all students and in some instances may impede student progress. In the face of new demands to change current practices, professional development for faculty is inadequate.

**AB86 Response:** In the process of conducting their needs assessment and developing regional plans, many of the regional consortia identified promising program innovations. These are some examples of the range of ideas being proposed and implemented.

- **Mapping career pathways and career lattices:** To make career pathways more transparent, there is growing interest in curriculum and/or credential mapping to help guide both students and counselors.

- **Curriculum alignment:** Create new curricula that will align across systems and levels.

- **Contextualized instruction:** Develop contextualized curriculum within a career cluster structure that has a bridge into postsecondary education and integrate contextualized instruction across the basic skills curriculum, imbedding tutoring, and in partnership with employers.

- **Bridge or transition courses:** Create bridge courses to provide additional academic support to students to gain academic knowledge and skills that are needed for college
readiness or to prepare for vocational training. Bridge courses are offered concurrently to the academic courses in which adult learners are already enrolled.

- **Accelerated basic skills curriculum**: Establish a robust acceleration program in both math and English.

- **Review classes for adult learners**: Develop “prep” or review classes so adult students, away from school for many years, can refresh their basic English and math skills and avoid the need for remediation.

- **Job readiness**: Expand internships, pre-apprenticeships, subsidized work experience and job shadowing programs to introduce students to the requirements of various kinds of jobs.

**Challenge: Inadequate Academic, Social, and Financial Supports for Students**

A significant area of need identified by the consortia was academic, social, and financial supports for students. The limitations both the K-12 Adult and community college systems face in providing adult students the support they need have measurable negative impacts on persistence and success. Most adult education students need academic supports to be successful, such as individualized learning plans and tutoring services. Because adult students are also workers and parents, they require other services as well, such as transportation and childcare.

**AB86 Response**: Almost all proposals include mention of some type of enhancement to student support services among consortium members. Typically, consortia plan to focus on providing career or college counseling (to help students define their goals) or providing individual instructional support (to assist students struggling with academic skills). Numerous consortia also intend to focus on support services that help students with life situations that impede their learning, such as by providing childcare or transportation. Similarly, consortia have identified the need for adult education system navigators (also called cultural liaisons in the English as a Second Language programs) that would serve students across both secondary and community college systems.

**Challenge: Inadequate Regional Coordination and Collaboration**

The final major barrier identified by the consortia was continuing weakness and inconsistency in regional coordination and collaboration, both between the K-12 Adult and community college providers and with other community partners, including employers. Specifically, consortia underlined the need to strengthen the structures and processes launched by AB86.

**AB86 Response**: Many of the regional consortia identified promising approaches to better integrating the K-12 Adult, community colleges, and other partners in the delivery of adult education programs. Some consortia have already begun the process of implementing these new practices; others intend to do so. The goal is to provide multiple entry and exit points for students and ensure that they can move seamlessly from one program to another.
Some AB86 regional consortia propose to streamline students’ transitions by using strategies such as articulation agreements, contextualized instruction, bridge courses, and credential and curricula mapping. Other regional consortia are investigating the possibility of creating new curricula that will align across systems.

Links to employers are particularly critical for Career Technical Education and contextualized basic skills programs. The community colleges have strengthened their focus on regional sector strategies under the Doing What Matters for Jobs and the Economy framework, as a way of improving the linkage between Career Technical Education programs and employers’ needs. The California Career Pathway Trust, administered by the California Department of Education, also has better links to employers as a key goal.

**New Legislation – Senate Bill 173**

In September 2014, the Legislature passed Senate Bill 173, which tasked the California Department of Education and Chancellor’s Office to develop joint recommendations around assessment and placement practices, accountability, and fees. As the joint recommendations continue to evolve, the California Department of Education and Chancellor’s Office agreed on the following foundational points found in the March 1, 2014 Report to the Legislature.

- **Align assessments for placement between the K-12 Adult and community college providers to reduce barriers to student progress toward their educational and career goals.** Currently, the community colleges and K-12 Adult systems employ different assessment instruments and policies. The lack of alignment prevents students from easily moving between institutions and programs. The California Department of Education contracts to offer the Comprehensive Adult System Assessment Systems assessment. A Common Assessment Initiative is underway in the community colleges. The process of alignment is complex and will require further planning and resources. The California Department of Education and Chancellor’s Office may establish a working group to identify a common suite of assessments that can be used by both providers.

- **Develop a common approach to documenting and evaluating student progress between the K-12 Adult and community college systems.** A common approach to monitoring students is essential to understanding their progress from provider to provider, from one system to the other, and into the labor market. The community college and K-12 Adult systems therefore should create shared data protocols capable of monitoring both inputs (e.g. costs, activities) and outputs (e.g. educational gains, employment, and wages).

- **Reduce financial barriers to accessing adult education services.** The fee structures of the California Department of Education and the Chancellor’s office are currently mandated by separate education code and policy regulations. The fees for adult education classes are locally determined by K-12 providers. Community college providers are prohibited from charging fees for courses, but require students to pay for related items such as parking, health fees, and tools. Given the complexity of the issues, the California Department of Education and Chancellor’s Office recommend that the Legislature consider the trade-offs...
and make the determination whether to eliminate fees or establish guidelines for charging fees, which ensure that there are no financial barriers to students being able to access adult education services; there is consistency across programs, courses, and providers; and there is adequate reimbursement for program costs.

To further the goals of SB173, the Governor has approved $25M in one time funds for the purpose of collecting adult education consortia data and outcomes.

**Next Steps:**
As directed in Assembly Bill 104, the Chancellor’s Office will transfer up to $375,000,000 to the California Department of Education through an Interagency agreement for their distribution to K-12 providers as their maintenance of effort. Additional funds may be transferred to the California Department of Education to distribute to K-12 fiscal agents of consortia. The Chancellor’s Office will disburse funds, in accordance to the legislation, to community college districts that are fiscal agents of consortia.

**For more Information:**
Weekly webinars and a rich array of resources can be found at [www.ab86.cccco.edu](http://www.ab86.cccco.edu). In addition, questions can be directed to the following staff within the CCCCO Division of Workforce and Economic Development: Debra Jones (djones@cccco.edu) or Neil Kelly (nkelley@cccco.edu).