



California Adult Education Program

**Report on 2019-2020 Expenditures
and Hours of Instruction**

**California Community College
Chancellor's Office**

California Department of Education

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CAEP 2019-2020 Hours and Expenditures Report



Acknowledgements

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Summary Results

This report provides the results of our analysis of the third iteration of reports to the California Adult Education Program (CAEP) Office on the expenditures and hours of instruction for CAEP members. These reports are required by statute. The report includes data on PY 2019-2020 hours and expenditures by program area and includes comparisons with prior years' reports.

Several overall observations are highlighted:

1. For the 2019-2020 Program Year, over 78 million hours of instruction were provided by CAEP members. About 57 percent of the hours of instruction were provided by K-12 school districts, and about 43 percent of the hours of instruction were provided by community colleges and community college districts.
2. Total reported hours of instruction increased substantially (20.1 percent) from the prior year; an increase much greater than the increase in expenditures (1.2 percent). Almost all of this reported increase in hours was from the community colleges. In fact, the total share of all hours of instruction reported to the state by community colleges increased from 32 percent in the prior year to 43 percent for PY 2019-2020.
3. With respect to the seven program areas for which hours and expenditures were collected, English as a Second Language/ English Language Civics (ESL/EL Civics), Short-Term Career and Technical Education (CTE), and Adult Basic Education/Adult Secondary Education (ABE/ASE) account for 87.7 percent of all instructional hours during PY 2020, a pattern similar to that seen in prior years. The composition of the reported expenditures was also similar, with these three program categories accounting for 90.6 percent of all expenditures.
4. There has been a substantial increase in the reported number of instructional hours for most program categories from 2018 to 2020, especially for Adults with Disabilities (AWD) (59.4 percent), K-12 Success (55.6 percent), and Workforce Preparation (58.9 percent). There has been a substantial decrease only in Pre-Apprenticeship (-20.2 percent). For expenditures, there were substantial increases for K-12 Success (30.5 percent), ABE/ASE (11.5 percent) and AWD (13 percent). There were substantial decreases in expenditures for Workforce Preparation (-31 percent) and Pre-Apprenticeship (-29.4 percent) during this period.
5. There has been an overall improvement in compliance with the reporting requirement. All seventy-one consortia submitted reports, representing 408 member organizations, compared to 66 consortia and 392 members in the prior year. In addition, the number of members submitting reports with zero hours of instruction or zero expenditures (not permitted under CAEP policy) declined from ten percent in the prior year to seven percent. However, there was a slight increase in the number of members reporting extremely low values (less than 1,000 hours or less than \$50,000 expended).
6. The overall relationship between reported costs and reported hours remained strong (R-Square of .73), with somewhat stronger relationship for K-12 than for community colleges, a pattern that continues from prior reports. The relationship between the computed cost per hour of instruction and total reported expenditures remains very weak, however. This is at least in part due to the effect of members with very low or high unit costs as computed from their reported data. In PY 2019-2020, there were 53 members with a cost/hour of instruction of less than \$10, and 21 members with a cost/hour of instruction of greater than \$200.

The report includes recommendations to CAEP for continued improvement in data quality, particularly as further consideration is given to how these data may be used for resource allocation purposes.

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Introduction

Summary of prior data collection efforts for CAEP hours and expenditures. The 2018-2019 CAEP budget bill language included a new data collection requirement focused on improving the information about the return on investment for each of the seven program areas that had been established by AB 104 in 2015, which include ABE/ASE, ESL/EL Civics, AWD, K-12 Success, Pre-Apprenticeship, Short-Term CTE, and Workforce Preparation. This bill required “...information from adult schools on the total hours of instruction provided to students and total expenditures in 2017-18, disaggregated by programs.”

The CAEP Office implemented the new data collection requirement for the 2017-2018 program year. It issued a new reporting policy and procedures and made changes to the NOVA reporting system to support reporting of instructional hours and expenditures by CAEP members and consortia for each of the mandated program categories. Three reporting cycles have now been completed, and the reporting requirements and procedures have evolved during this time. [Table 1](#) provides a summary of the main components of the reporting policy for PY 2017-2018, along with changes made for each of the subsequent reporting cycles.

Table 1. Summary of CAEP Hours and Expenditure Reporting Requirements and Changes	
PY 2017-2018	<ul style="list-style-type: none"> ▪ CAEP Office implemented a new data collection process for hours and expenditures through the NOVA reporting system. ▪ Each CAEP consortium is required to review and approve program expenditure and hours of instruction reports prior to submission to the State CAEP Office. ▪ All adult education providers, regardless of type, were required to report. ▪ Both instructional hours and supportive services hours were reported. ▪ Expenditures for each of the seven program areas were to be allocated across the sixteen available funding sources, or ‘fund types.’
PY 2018-2019	<ul style="list-style-type: none"> ▪ Clarified instructions to avoid any duplication of hour reporting between CTE and Workforce Reentry (now called Workforce Prep). ▪ Adopted federal definitions of ‘Instructional hour’ and ‘contact hour.’ ▪ Eliminated requirement to report services hours. ▪ For K12 and COE, guidance was provided regarding tracking hours of instruction for integrated courses (ESL/CTE, ASE/CTE, ABE, CTE, etc.). ▪ The fund source expenditure allocation reporting requirement was separated into <u>required</u> fund sources and <u>optional</u> fund sources: <ul style="list-style-type: none"> ○ Required: CAEP, Workforce Innovation and Opportunity Act (WIOA) Title II, Noncredit Apportionment, CalWORKs, Perkins, Local Control Funding Formula (LCFF), & Jail Ed Funds, Fees, and In-Kind. ○ Optional: Contracted Services, Comm. College Supportive Services, Donations, WIOA Title I / Individual Training Accounts (ITAs), Other Federal Grants, Other State Grants, and Strong Workforce. ▪ The definitions of ‘in-kind’ expenditures and ‘fees’ or program income were aligned with the applicable WIOA Title II definitions and reporting requirements.
PY 2019-2020	<ul style="list-style-type: none"> ▪ Clarified that members with expenses but no hours of instruction (or hours of instruction but no expenses) are excluded from the reporting requirement. ▪ Prohibited zero entries for hours or expenditures by program category.

The latest guidance on the reporting requirement was issued to CAEP consortium directors and members on August 27, 2020, and a webinar for consortia and members was conducted on November

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19, 2020.¹ The reports for Program Year 2019-2020 were gathered in two phases. Estimated hour and expenditure data was requested by September 1, 2020, and final (certified) hour and expenditure data was requested by December 1, 2020. The data received for this report include transactions entered through January 7, 2021.² About 27 percent of the final report transactions were certified one week or more after the December 1 due date, and 16 percent were certified two weeks or more after the due date. Each of the state's 71 consortia submitted certified reports, representing 408 CAEP member organizations.³

For the initial reporting year, CAEP contracted with the Center for Law and Social Policy (CLASP) to analyze the quantitative results of the new reporting and provide a qualitative assessment of the data and reporting process.⁴ For subsequent years, CAEP has contracted with Workforce Enterprise Services, Inc. (WES) to compile the data and produce a report of the results.⁵

Analyzing the data. The analysis of the PY 2019-2020 data has five goals:

1. Characterize hours of instruction by program area;
2. Characterize expenditures by program area and fund type;
3. Compare (1) and (2) across provider types (K-12, Community College, and Other);
4. Compare (1), (2) and (3) across PY 2017-2018, PY 2018-2019, and PY 2019-2020; and
5. Examine data quality issues.

To conduct the analysis, WES prepared a dataset from the raw transaction data, which included the entire history of transactions from PY 2017-2018 forward. From this raw data, the PY 2019-2020 transactions were isolated, and a pivot table was created from these transactions to support the analysis. This was done to facilitate comparison of the 'final' data from each of the prior two reporting cycles, since these both represent the initial certified reports for the respective periods. WES examined this new dataset to complete the analysis outlined above. The results are presented below.

¹ [CAEP Program Areas – 19-20 Data Request](#), Guidance Memo dated August 27, 2020. This memo includes program area definitions, fund source definitions and detailed instructions for reporting.

² This is based on examination of the raw transaction dates.

³ Consortia and members were only considered to have submitted reports if the reports were in a 'certified' report state and a 'certified' certification state.

⁴ [CAEP Hours and Expenditures Report](#), CLASP, August 2019.

⁵ [Report on 2018-2019 Expenditures and Hours of Instruction](#), Workforce Enterprise Services, Inc., April 2020.

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Results of the Data Analysis

Hours of instruction. The analysis of hours of instruction addresses: 1) what programs have the greatest number of hours, 2) how is this different across different types of providers (K-12 Schools vs Community Colleges and Others), and 3) how do the PY 2020 results compare to the results for prior years?

Figure 1 shows the percentage distributions of hours of instruction by program area. Taken together, ESL/EL Civics, Short-Term CTE, and ABE/ASE account for 87.7 percent of all instructional hours during PY 2020.

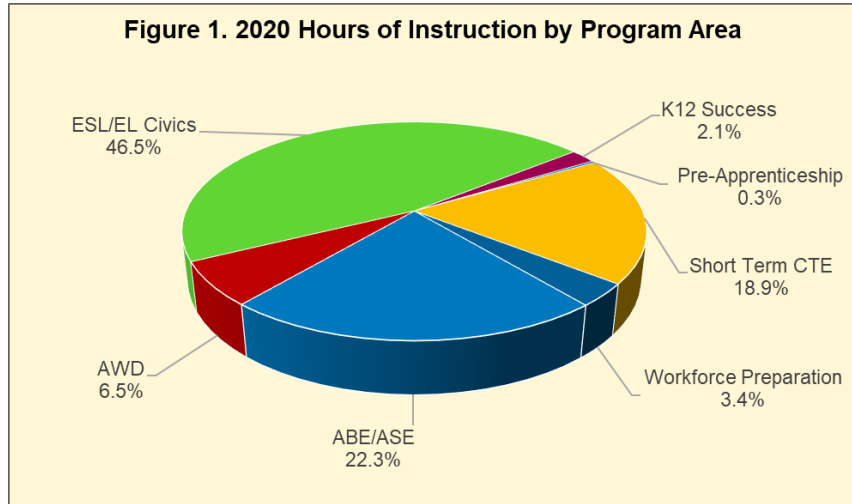


Table 2 shows the totals and percentages of hours of instruction by program area and provider type. For the 2019-2020 Program Year, over 78 million hours of instruction

were provided by CAEP members. About 57 percent of the hours of instruction were provided by K-12 school districts, which include elementary school districts, high school districts, unified school districts, County Offices of Education, charter schools, Joint Powers Associations, and Regional Occupational Programs. About 43 percent of the hours of instruction were provided by community colleges and community college districts. Other providers, which includes workforce development boards, libraries, community-based organizations and others, provided 0.04 percent of total hours.

Program	Provider Type			Grand Total	Row Percent
	Community College	K12 School District	Other		
ABE/ASE	4,462,931	12,985,625	357	17,448,913	22.35%
AWD	3,906,101	1,151,096	160	5,057,357	6.48%
ESL/EL Civics	19,298,633	17,012,534	100	36,311,267	46.51%
K12 Success	440,249	1,190,110	0	1,630,359	2.09%
Pre-Apprenticeship	21,701	211,839	0	233,540	0.30%
Short Term CTE	5,159,293	9,588,823	15,440	14,763,556	18.91%
Workforce Preparation	540,637	2,074,468	16,289	2,631,394	3.37%
Grand Total	33,829,545	44,214,495	32,346	78,076,386	100.00%
Column Percent	43.33%	56.63%	0.04%	100.00%	

Table 3 compares the hours of instruction by program area across the three program years, PY 2018 to PY 2020. There was a substantial increase in the reported number of instructional hours for most program categories from 2019 to 2020, and especially for Adults with Disabilities, K-12 Success, and

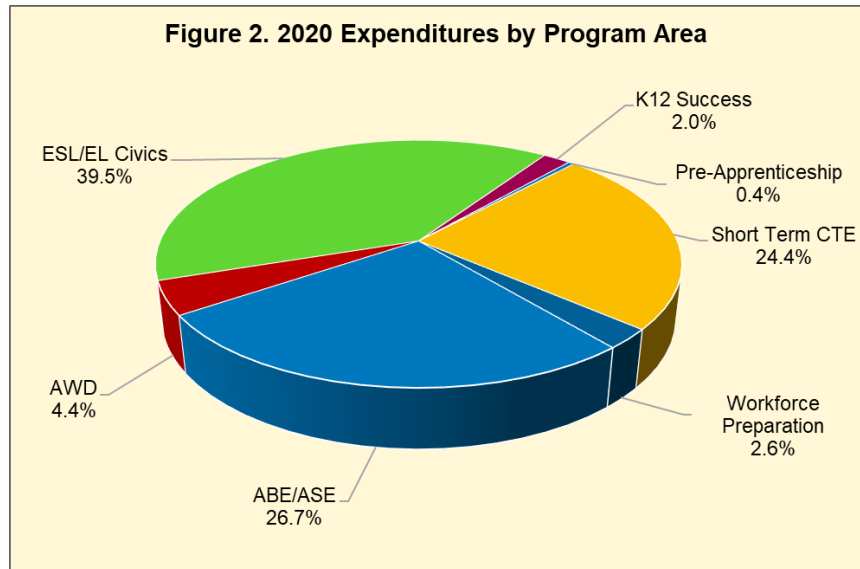
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Workforce Preparation. These was a substantial decrease only in Pre-Apprenticeship. Overall hours increased substantially from PY 2019 to PY 2020.

Table 3. Comparison of PY 2018, PY 2019 and PY 2020 Hours of Instruction by Program					
Programs:	2018	2019	2020	Percentage Change 2019-2020	Percentage Change 2018-2020
ABE/ASE	12,604,120	14,816,470	17,448,913	17.8%	38.4%
AWD	3,172,486	3,243,615	5,057,357	55.9%	59.4%
ESL/EL Civics	30,316,245	29,782,291	36,311,267	21.9%	19.8%
K12 Success	1,048,035	723,003	1,630,359	125.5%	55.6%
Pre-Apprenticeship	292,565	294,823	233,540	-20.8%	-20.2%
Short Term CTE	15,337,968	14,840,051	14,763,556	-0.5%	-3.7%
Workforce Preparation	1,655,941	1,294,220	2,631,394	103.3%	58.9%
Total Hours of Instruction	64,427,360	64,994,473	78,076,386	20.1%	21.2%

Expenditures. The analysis of expenditures addresses: 1) what programs have the highest expenditures, 2) what fund sources have the highest expenditures, 3) how do expenditures vary across the different types of providers (K-12 Schools vs Community Colleges and Others), and 4) how do the PY 2020 results compare to the results for prior years?

Figure 2 shows the percentage distribution of expenditures by program area. As was the case for hours of instruction, almost all the expenditures (90.6 percent) also fall into one of three categories: ESL/EL Civics, Short-Term CTE, and ABE/ASE. The distribution of expenditures across program categories is similar to the distribution for hours of instruction, but with somewhat higher expenditure percentages for ABE/ASE and Short Term CTE, and a somewhat lower percent for ESL/EL Civics.



In addition to reporting expenditures by program area, the State CAEP Office reporting policy requires consortia to allocate expenditures for each program area across the various funds that contributed to these program expenditures, so that CAEP can have a more complete picture of how locally available fund sources are being leveraged to support the operation of CAEP programs. Figure 3 shows the percentage distribution of expenditures by fund source type. Over 84 percent of all expenditures fall into one of three fund types: California Adult Education Program (formerly AEBG), Noncredit apportionment, and WIOA Title II Adult Education and Family Literacy (AEFL) funds. Reporting of

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expenditures associated with each of these fund types is required, as is reporting for Fees, In-Kind Contributions, CalWORKs, LCFF, K-12 Adult Ed Jail Funds, and Perkins funds. Reporting of expenses for the other fund type categories is optional under the revised reporting policy for PY 2020.

Table 4 shows the totals and percentages of expenditures by program area and provider type. For the 2019-2020 Program Year, nearly 822 million dollars were expended by CAEP providers. Nearly

three-fourths (73.8 percent) of total spending was done by K-12 school districts, and about one-fourth (26 percent) was spent by community colleges and community college districts.

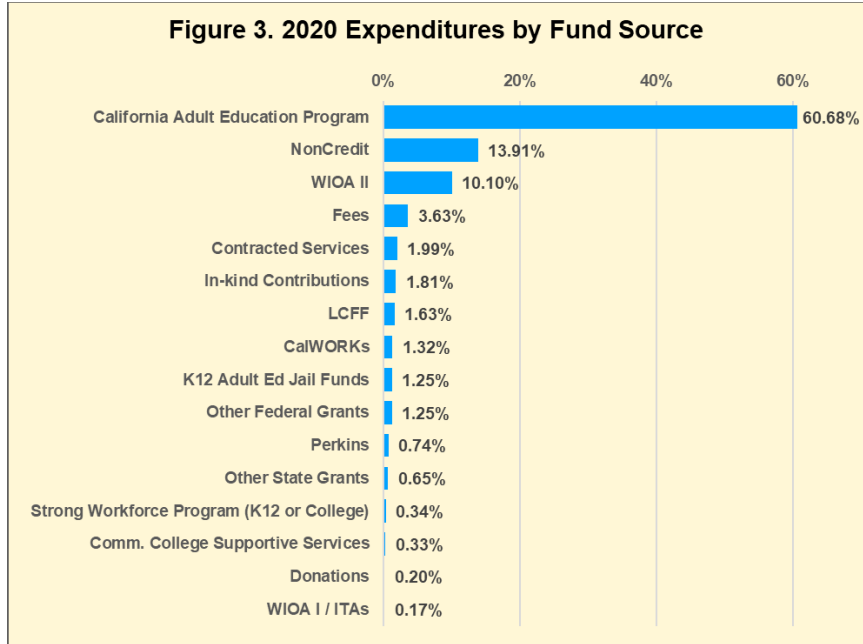


Table 4. 2020 Expenditures by Program and Provider Type					
Program	Provider Type			Grand Total	Row Percent
	Community College	K12 School District	Other		
ABE/ASE	\$ 38,514,067	\$ 180,650,847	\$ 788	\$ 219,165,702	26.66%
AWD	\$ 10,846,366	\$ 24,956,159	\$ 231,511	\$ 36,034,036	4.38%
ESL/EL Civics	\$ 108,275,604	\$ 216,437,466	\$ 342,629	\$ 325,055,699	39.55%
K12 Success	\$ 4,429,506	\$ 12,139,159	\$ -	\$ 16,568,665	2.02%
Pre-Apprenticeship	\$ 1,270,365	\$ 2,154,459	\$ -	\$ 3,424,824	0.42%
Short Term CTE	\$ 44,354,243	\$ 155,995,071	\$ 101,818	\$ 200,451,132	24.39%
Workforce Preparation	\$ 6,399,071	\$ 14,816,709	\$ 69,013	\$ 21,284,793	2.59%
Grand Total	\$ 214,089,222	\$ 607,149,870	\$ 745,759	\$ 821,984,851	100.00%
Column Percent	26.05%	73.86%	0.09%	100.00%	

Table 5 compares the expenditures by program across the three program years, PY 2018 to PY 2020. Over this period, there were substantial increases in expenditures for K-12 Success (30.5 percent), ABE/ASE (11.5 percent) and AWD (13 percent). There were substantial decreases in expenditures for Workforce Preparation (-31 percent) and Pre-Apprenticeship (-29.4 percent). Overall expenditures were up by just 0.7 percent.

The Appendix includes three additional tables that provide a more detailed view of the expenditure reporting results. Table 10 provides expenditures for all members. Table 11 provides expenditure data for K-12 members, and Table 12 provides expenditure data for community colleges.

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Table 5. Comparison of PY 2018, PY 2019 and PY 2020 Expenditures

Programs:	2018	2019	2020	Percentage Change 2019-2020	Percentage Change 2018-2020
ABE/ASE	\$ 196,622,267	\$ 217,165,791	\$ 219,165,702	0.9%	11.5%
AWD	\$ 31,881,317	\$ 33,890,591	\$ 36,034,036	6.3%	13.0%
ESL/EL Civics	\$ 335,311,449	\$ 333,757,579	\$ 325,055,699	-2.6%	-3.1%
K12 Success	\$ 12,694,610	\$ 15,100,591	\$ 16,568,665	9.7%	30.5%
Pre-Apprenticeship	\$ 4,849,266	\$ 4,178,977	\$ 3,424,824	-18.0%	-29.4%
Short Term CTE	\$ 204,203,746	\$ 188,887,092	\$ 200,451,132	6.1%	-1.8%
Workforce Preparation	\$ 30,829,781	\$ 19,357,211	\$ 21,284,793	10.0%	-31.0%
Total Expenditures	\$ 816,392,436	\$ 812,337,832	\$ 821,984,851	1.2%	0.7%

Data quality. This component of the analysis addresses the following: 1) How compliant were consortia and members with the reporting requirement? 2) How internally consistent was the response? 3) How many apparent extreme values were present in the reporting? 4) How consistent is the reporting from year to year for a given member? 5) Has the quality of the data improved over prior rounds of reports? Answers to these questions are needed to determine the extent to which the data can be used to do things like compute a cost per hour result for each of the program areas, or for other resource allocation discussions and member effectiveness discussions.

Compliance with reporting requirement: To what extent did members and consortia comply with the reporting requirement? Table 6 shows the number and percent of CAEP members who either did not submit a report or submitted a report with zero total expenditures or zero total hours of instruction. This is shown for each of the three years. The number of members failing to submit a report was lower in PY 2020 than for either of the previous years. This might be due to a change to the reporting instructions clarifying that members without expenses or hours should not submit a report. However, notwithstanding this guidance, about seven percent of members still submitted reports with zero hours of instruction, zero expenditures, or both. This was apparently possible because the NOVA reporting system doesn't prevent it. Closer examination of these individual member totals may help to determine if this is a product of some members misunderstanding the guidance, or if it reflects actual errors in the submission process.

Table 6. Members Reporting Zeros or Not Submitting a Report⁶

	PY 2018		PY 2019		PY 2020	
	Number	Percent	Number	Percent	Number	Percent
Total Expenditures	33	7.90%	38	9.10%	29	7.11%
Total Hours of Instruction	49	11.80%	46	11.10%	28	6.86%
Neither Category	31	7.50%	36	8.70%	27	6.62%

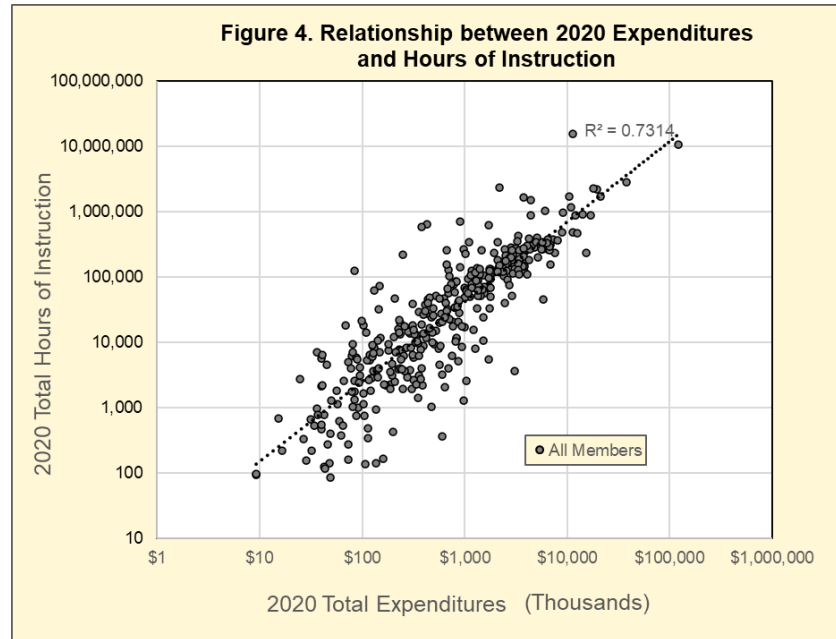
Beyond overall compliance with the reporting requirement, to what extent did members provide information for each of the major report data elements? Table 7 shows the percent of members providing a non-zero response to each of the major report elements, including each of the hour of

⁶ The percent calculations in this table are based on a total member counts of 416, which includes all unique member names found in PY 2018 or PY 2019, and 408 members required to report in PY 2020.

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instruction program categories, each of the program expenditure totals, and each of the fund type totals. Non-response to any of these report elements does not necessarily indicate non-compliance with the reporting requirement, since individual members may not be providing particular programs or leveraging particular types of fund sources. However, it is notable that aside from CAEP and WIOA Title II, most members are not showing any use of the other leveraged fund sources. These results for PY 2020 are quite consistent with prior years' results.

Consistency within reports for members: Are the underlying values that would be used to create a cost per value (hours of instruction and expenditures) related to each other in a predictable manner? In other words, do members with high reported hours of instruction also have high reported expenditures, and do those with low reported hours have low expenditures? Figure 4 plots total hours of instruction and total expenditures for each member on a log scale.⁷ This plot suggests that there was a strong overall correlation between hours of instruction and expenditures during PY 2020. A similar pattern in the expenditure and hours relationship was also observed in the PY 2019 data.



Figures 4A and 4B in the Appendix provide separate scatterplots of the relationship between total expenditures and hours of instruction for PY 2020 for community colleges and K-12 providers, respectively. These plots suggest that the relationship between expenditures and hours of instruction is closer for K-12, than it is for Community Colleges.

⁷ All scatterplots in this report exclude cases with zero values on either axis.

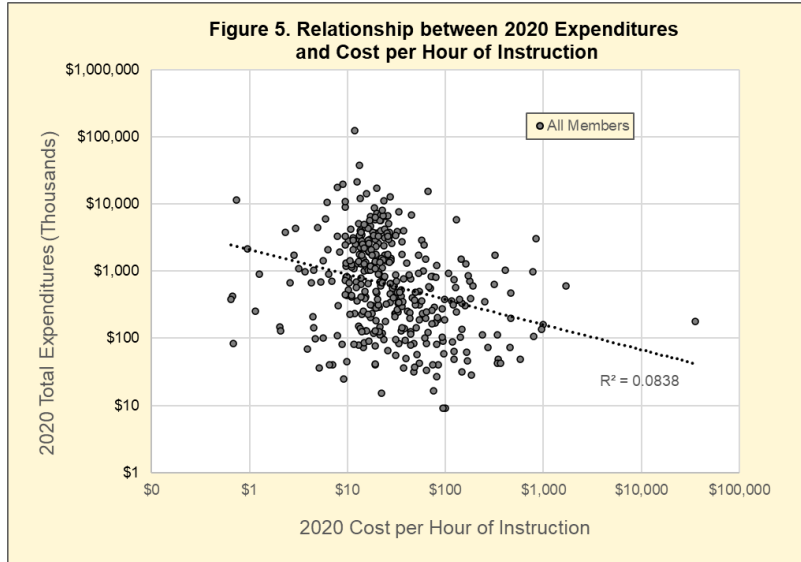
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Table 7. Members submitting non-zero report values by major data element, 2019-2020				
Data Element	2019 Members Reporting	Percent of Members	2020 Members Reporting	Percent of Members
<i>Hours of Instruction:</i>				
ABE/ASE	323	82.40%	328	80.39%
AWD	81	20.70%	83	20.34%
ESL/EL Civics	285	72.70%	302	74.02%
K12 Success	82	20.90%	78	19.12%
Pre-Apprenticeship	29	7.40%	36	8.82%
Short-Term CTE	256	65.30%	265	64.95%
Workforce Preparation	98	25.00%	132	32.35%
Total Hours of Instruction (non-zero in any of above)	371	94.60%	380	93.14%
<i>Expenditures by Program Category:</i>				
ABE/ASE	323	82.40%	326	79.90%
AWD	83	21.20%	86	21.08%
ESL/EL Civics	287	73.20%	301	73.77%
K12 Success	77	19.60%	81	19.85%
Pre-Apprenticeship	22	5.60%	36	8.82%
Short-Term CTE	258	65.80%	260	63.73%
Workforce Preparation	98	25.00%	117	28.68%
Total Expenditures (non-zero in any of above)	378	96.40%	379	92.89%
<i>Expenditures by Fund Category: (*=required if used)</i>				
Total Adult Ed Jail Funds*	20	5.10%	19	4.66%
Total CAEP (AEBG)*	363	92.60%	369	90.44%
Total CalWORKS*	114	29.10%	125	30.64%
Total Community College Support Services	10	2.60%	9	2.21%
Total Contractual Services	52	13.30%	50	12.25%
Total Donated	12	3.10%	16	3.92%
Total Fees*	99	25.30%	97	23.77%
Total In-Kind*	94	24.00%	71	17.40%
Total LCFF*	77	19.60%	66	16.18%
Total Non-Credit*	51	13.00%	57	13.97%
Total Other Federal Grants	17	4.30%	14	3.43%
Total Other State Grants	24	6.10%	19	4.66%
Total Perkins*	46	11.70%	56	13.73%
Total Strong Workforce	12	3.10%	15	3.68%
Total WIOA Title I ITAs	10	2.60%	9	2.21%
Total WIOA Title II*	165	42.10%	178	43.63%

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If cost per values as calculated from the reported data reflect actual differences in unit costs among members, we might expect to see evidence in the data of economies of scale, i.e., larger members with much higher participant volume would show lower unit costs than smaller members with low participant volume. If the cost per values are not well-related to actual costs, we might expect to see a more random pattern.

Figure 5 shows this relationship between total expenditures and the total cost per hour for PY 2020. Overall, there is low correlation between unit costs and total expenditures. There may be many reasons why such a correlation is not seen. To the extent that either expenditures or hours of instruction are not being accurately reported, the cost per value that has been computed from these data would of course not reflect the true unit costs. Evidence of this possibility can be found in the number of extreme values for the



cost per hour amount as calculated from the reported hours and expenditures. Twenty-one (or five percent) of the members had an overall cost per hour of instruction greater than \$200, and 54 members (or 13 percent) had an overall cost per hour of instruction less than \$10. As data quality issues continue to be addressed, and as members update their PY 2020 values and otherwise improve the accuracy of their reporting, we should expect to see these cost per values begin to behave more like we would expect them to. Figures 5A and 5B in the Appendix provide separate scatterplots of the relationship between total expenditures and cost per hour in PY 2020 for community colleges and K-12 providers, respectively.

Extreme values: It is possible that members responded to the report request (i.e., they reported a non-zero value for one or more reporting categories) but their reports reflect inordinately low values. This under-reporting would affect the data quality and could depress (in the case of expenditures) or inflate

Table 8. Members Reporting Low Values in PY 2019 and 2020 ⁸				
	PY 2019		PY 2020	
	Number	Percent of members	Number	Percent of members
Reported total expenditures less than \$50,000	22	5.6	28	6.9%
Reported totals hours of less than 1,000	31	7.9	38	9.3%
Both extreme values	13	3.3	20	4.9%

⁸ The percent calculations in this table are based on a total member count which includes all members submitting a certified report, including zero reports. This corresponds to 416 members for PY 2019 and 408 members for PY 2020.

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(in the case of hours) any unit cost data calculated from the reports. We reviewed the entries for extremely low values. The results are displayed in Table 8.

Twenty-eight members reported total expenditures of less than \$50,000. Another 38 members reported fewer than 1,000 hours of instruction, and twenty members reported these low values for both categories. This represents an increase in the number of extreme low values from PY 2019.

Year to year member consistency: If members are accurately reporting their hours and expenditures, then we would not expect to see many large differences in total expenditures or hours of instruction from 2019 to 2020, since there have not been large changes in available funding. We might still expect to see large differences in particular programs or fund source categories, given changes to reporting policy and definitions, however. In order to examine this, variation percentages were computed for each member who had reported expenditures or hours of instruction in both years. The results of this are shown in Table 9. Over half of the members had variation in hours of instruction from 2019 to 2020 that was greater than 25 percent, up from about a third in 2018 to 2019 for this category.

Table 9. Members with Substantial Variation, PY 2018-2019 and PY 2019 and 2020⁹							
	Greater than 25 Percent		Greater than 50 Percent		Greater than 100 Percent		Total members reporting in both years
	Number	Percent	Number	Percent	Number	Percent	
PY 2019 – 2020:							
Total Expenditures	136	36.8%	66	17.8%	31	8.4%	370
Total Hours of Instruction	196	54.4%	111	30.8%	40	11.1%	360
PY 2018 – 2019:							
Total Expenditures	81	22.5%	43	11.9%	26	7.2%	360
Total Hours of Instruction	120	34.5%	94	27.0%	55	15.8%	348

The Appendix includes two additional tables that provide a more detailed comparison of the results for PY 2018 - PY 2020. Table 13 provides a comparison of PY 2018, PY 2019 and PY 2020 expenditures and hours of instruction by program category, and Table 14 provides a comparison of PY 2018, PY 2019 and PY 2020 expenditures by fund type.

⁹ The percent calculations in this table are computed based on those members with reported hours or expenditures in both years.

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Recommendations

Many of the recommendations that were included in last year's report are still appropriate, with some amendment. As the state moves closer to making operational use of these data in managing CAEP, including and especially for resource allocation purposes, it is of critical importance that every reasonable step be taken to improve and maintain the quality of these data.

1. The State CAEP Office should continue to investigate and where feasible, implement technical improvements to the NOVA reporting system in order to improve data quality. Suggested changes include:
 - a) Prohibit report certification with zero entries. *This is now prohibited under the reporting instructions, but it is not prevented in the reporting system.* Twenty-eight members submitted certified reports with zero entries for hours of instruction, and 29 members submitted certified reports with zero expenditures.
 - b) Require consistency between hour and expenditure entries at the program level. It should not be possible to certify a report with hours of instruction in a program category but no expenditures, or expenditures but no hours of instruction. *Again, this is prohibited by policy, but not by the reporting system.* There has been improvement in this area, in that members were much more consistent for this reporting cycle. All but one of the 29 members that submitted zero expenditure reports also submitted zero hour reports.
 - c) Link report requirements to records of fund availability at the member level and require reports to provide hours and expenditure data for funded programs in order to be certified. The State CAEP Office provided technical assistance to consortia regarding funding allocations by fund source, but if this change was implemented at the reporting level, it would improve data quality.
2. The State CAEP Office should continue to support consortia and members with training and technical assistance on the reporting policy and procedure, including best practices for allocating costs to leveraged fund sources. In addition, the State CAEP Office should continue to work with consortia and members to gather input to make further improvements in policy and procedure in relation to the reporting process and use of the data.
3. The State CAEP Office should provide feedback to members on their reporting results, including unit cost estimates, prior to member submission of reports for PY 2020-2021. This could include monitoring report entries for problems and notifying consortia of any issues prior to finalization of the reports in December. The State CAEP Office should augment its current staff capacity as needed to provide this assistance to members.
4. The State CAEP Office should consider options in addition to technical assistance to improve compliance with the reporting requirement once the other recommendations have been implemented. This should include the addition of a review of the hour and expenditures report submission as part of periodic monitoring of members. Here as well, the State CAEP Office should augment its current staff capacity as needed to conduct this monitoring function.

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Appendix: Additional Detailed 2020 Tables and Figures

The following tables present the results of the expenditure reporting for 2020 summarized by fund type and program category. [Table 10](#) provides expenditures for all members. [Table 11](#) provides expenditure data for K-12 members, and [Table 12](#) provides expenditure data for community colleges. The sum of [Tables 11 and 12](#) do not equal the [Table 10](#) values, because there are member types (e.g., Regional Occupational Centers/Programs, and Others) included in the [Table 10](#) values but not included in either [Table 11](#) or [12](#). [Table 13](#) provides a comparison of PY 2018, 2019 and PY 2020 expenditures and hours of instruction by program category, and [Table 14](#) provides a comparison of PY 2018, 2019 and PY 2020 expenditures by fund type.

[Figures 4A and 4B](#) provide separate scatterplots of the relationship between total expenditures and hours of instruction for PY 2020 for community colleges and K-12 providers, respectively. [Figures 5A and 5B](#) provide separate scatterplots of the relationship between total expenditures and cost per hour in PY 2020 for community colleges and K-12 providers, respectively.

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Table 10. 2020 Expenditures by Fund Type and Program Category: All Members (dollars)

Fund Types (Required):	Program Areas:							Grand Total
	ABE/ASE	AWD	ESL/EL Civics	K12 Success	Pre-Apprenticeship	Short Term CTE	Workforce Preparation	
California Adult Education Program	143,249,155	20,042,214	193,408,319	9,255,989	1,858,082	118,288,114	12,692,355	498,794,228
CalWORKs	2,997,138	295,111	4,389,313	154,545	9,324	2,447,809	586,854	10,880,094
Comm. College Supportive Services	580,913	168,179	1,197,415	0	237,710	289,346	207,047	2,680,610
Contracted Services	3,261,327	6,207,811	1,578,663	182,226	0	3,406,651	1,744,988	16,381,666
Donations	33,014	53,098	17,763	309,904	30	1,163,837	54,133	1,631,779
Fees	1,316,801	272,372	1,827,142	1,224,546	100,859	23,970,129	1,102,363	29,814,212
In-kind Contributions	4,501,795	706,708	5,023,376	177,580	92,343	4,000,809	400,606	14,903,217
K12 Adult Ed Jail Funds	6,731,865	153,674	144,829	235,204	0	2,869,577	120,688	10,255,837
LCFF	6,374,272	0	2,779,611	1,075,151	310,726	2,733,674	148,477	13,421,911
Non-Credit	20,129,015	7,416,057	59,966,422	3,551,316	204,377	20,879,529	2,213,062	114,359,778
Other Federal Grants	1,017,502	0	596,358	80,000	0	7,863,043	679,574	10,236,477
Other State Grants	715,911	266,193	1,828,293	6,832	84,600	2,001,713	425,866	5,329,408
Perkins	139,655	149	36,829	89,000	0	5,686,497	130,466	6,082,596
Strong Workforce Program (K12 or College)	33,025	12,218	192,884	0	141,089	2,314,827	80,138	2,774,181
WIOA I / ITAs	131,758	39,483	26,365	0	334,866	255,600	637,043	1,425,115
WIOA II	27,952,556	400,769	52,042,117	226,372	50,818	2,279,977	61,133	83,013,742
Grand Total	219,165,702	36,034,036	325,055,699	16,568,665	3,424,824	200,451,132	21,284,793	821,984,851

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Table 11. 2020 Expenditures by Fund Type and Program Category: K-12 Members (dollars)

Fund Types (Required):	Program Areas:							Grand Total
	ABE/ASE	AWD	ESL/EL Civics	K12 Success	Pre-Apprentice-ship	Short Term CTE	Workforce Preparation	
California Adult Education Program	131,791,953	17,509,970	168,851,638	8,700,034	1,198,521	110,441,725	9,470,803	447,964,644
CalWORKs	2,599,787	221,585	2,009,722	154,545	9,324	2,262,639	570,404	7,828,006
Comm. College Supportive Services	5,000		51,125			500	0	56,625
Contracted Services	3,228,418	6,073,896	375,304	182,226	0	3,390,877	1,420,988	14,671,709
Donations	19,057	53,098	3,806	24,269	30	163,837	40,176	304,273
Fees	1,304,664	271,441	1,760,950	1,224,546	100,859	23,956,658	1,099,420	29,718,538
In-kind Contributions	3,341,253	370,850	3,638,310	176,980	60,344	3,425,125	329,560	11,342,422
K12 Adult Ed Jail Funds	6,731,865	153,674	144,829	235,204	0	2,869,577	120,688	10,255,837
LCFF	6,374,272	0	2,779,611	1,075,151	310,726	2,733,674	148,477	13,421,911
Non-Credit	0	0	35,978	20,000	0	2,685	36,800	95,463
Other Federal Grants	0	0	590,968	80,000	0	741,015	679,574	2,091,557
Other State Grants	36,632	23,296	256,305	6,832	21,870	679,100	156,516	1,180,551
Perkins	86,970	0	0	33,000	0	4,700,854	106,466	4,927,290
Strong Workforce Program (K12 or College)					77,019	75,000	25,000	177,019
WIOA I / ITAs	0	0	0	0	327,066	0	555,921	882,987
WIOA II	25,130,976	278,349	35,938,920	226,372	48,700	551,805	55,916	62,231,038
Grand Total	180,650,847	24,956,159	216,437,466	12,139,159	2,154,459	155,995,071	14,816,709	607,149,870

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Table 12. 2020 Expenditures by Fund Type and Program Category: Community Colleges (dollars)

Fund Types (Required):	Program Areas:							Grand Total
	ABE/ASE	AWD	ESL/EL Civics	K12 Success	Pre-Apprenticeship	Short Term CTE	Workforce Preparation	
California Adult Education Program	11,456,471	2,311,296	24,276,629	555,955	659,561	7,795,976	3,188,205	50,244,093
CalWORKs	397,351	73,526	2,379,591	0	0	185,170	16,450	3,052,088
Comm. College Supportive Services	575,913	168,179	1,146,290	0	237,710	288,846	207,047	2,623,985
Contracted Services	32,909	133,915	1,203,359	0	0	15,774	324,000	1,709,957
Donations	13,957	0	13,957	285,635	0	1,000,000	13,957	1,327,506
Fees	12,137	931	66,192	0	0	13,471	2,943	95,674
In-kind Contributions	1,160,485	325,295	1,347,199	600	31,999	564,518	68,502	3,498,598
K12 Adult Ed Jail Funds	0	0	0	0	0	0	0	0
LCFF	0	0	0	0	0	0	0	0
Non-Credit	20,129,015	7,416,057	59,930,444	3,531,316	204,377	20,876,844	2,176,262	114,264,315
Other Federal Grants	1,017,502	0	5,390	0	0	7,122,028	0	8,144,920
Other State Grants	679,279	242,897	1,571,988	0	62,730	1,322,613	269,350	4,148,857
Perkins	52,685	149	36,829	56,000	0	985,643	24,000	1,155,306
Strong Workforce Program (K12 or College)	33,025	12,218	192,884	0	64,070	2,239,827	55,138	2,597,162
WIOA I / ITAs	131,758	39,483	1,655	0	7,800	215,361	48,000	444,057
WIOA II	2,821,580	122,420	16,103,197	0	2,118	1,728,172	5,217	20,782,704
Grand Total	38,514,067	10,846,366	108,275,604	4,429,506	1,270,365	44,354,243	6,399,071	214,089,222

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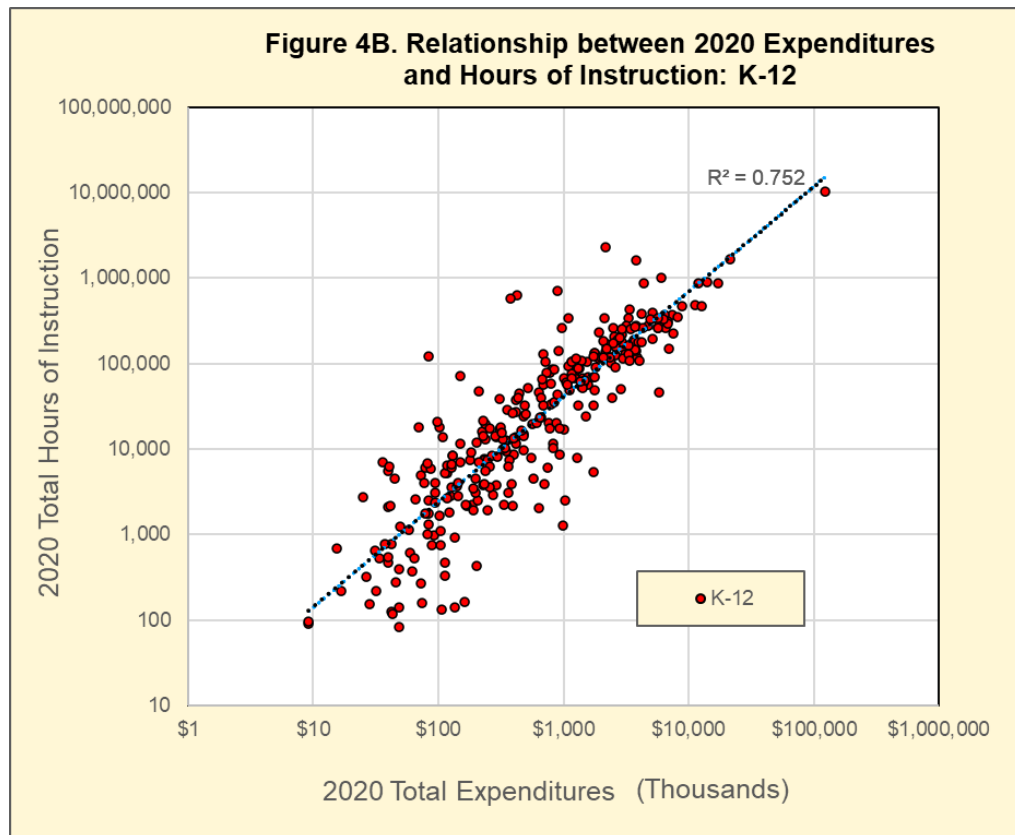
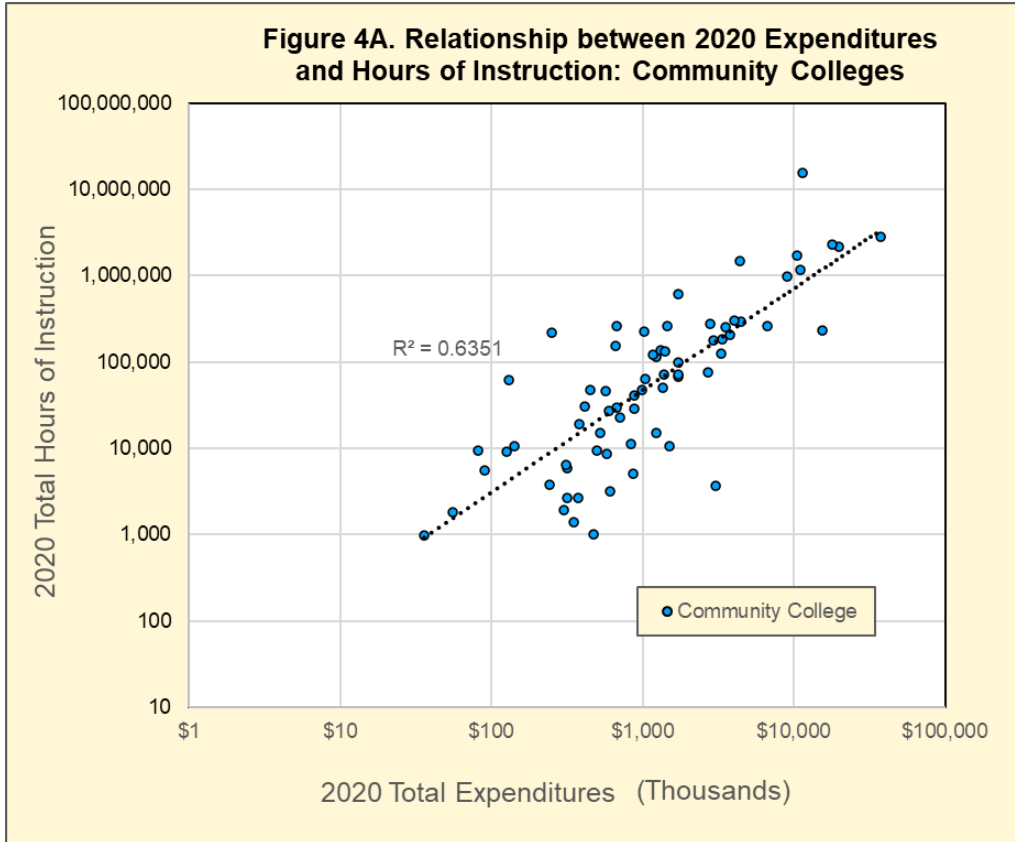
Table 13. Comparison of 2018, 2019 and 2020 Expenditures and Hours by Program					
Programs:	2018 Total	2019 Total	2020 Total	2019 - 2020 Difference	2018 - 2020 Difference
Expenditures:					
ABE/ASE	\$ 196,622,267	\$ 217,165,791	\$ 219,165,702	\$ 1,999,911	\$ 22,543,435
AWD	\$ 31,881,317	\$ 33,890,591	\$ 36,034,036	\$ 2,143,445	\$ 4,152,719
ESL/EL Civics	\$ 335,311,449	\$ 333,757,579	\$ 325,055,699	\$ (8,701,880)	\$ (10,255,750)
K12 Success	\$ 12,694,610	\$ 15,100,591	\$ 16,568,665	\$ 1,468,074	\$ 3,874,055
Pre-Apprenticeship	\$ 4,849,266	\$ 4,178,977	\$ 3,424,824	\$ (754,153)	\$ (1,424,442)
Short Term CTE	\$ 204,203,746	\$ 188,887,092	\$ 200,451,132	\$ 11,564,040	\$ (3,752,614)
Workforce Prep	\$ 30,829,781	\$ 19,357,211	\$ 21,284,793	\$ 1,927,582	\$ (9,544,988)
Total Expenditures	\$ 816,392,436	\$ 812,337,832	\$ 821,984,851	\$ 9,647,019	\$ 5,592,415
Hours of Instruction:					
ABE/ASE	12,604,120	14,816,470	17,448,913	2,632,443	4,844,793
AWD	3,172,486	3,243,615	5,057,357	1,813,742	1,884,871
ESL/EL Civics	30,316,245	29,782,291	36,311,267	6,528,976	5,995,022
K12 Success	1,048,035	723,003	1,630,359	907,356	582,324
Pre-Apprenticeship	292,565	294,823	233,540	(61,283)	(59,025)
Short Term CTE	15,337,968	14,840,051	14,763,556	(76,495)	(574,412)
Workforce Prep	1,655,941	1,294,220	2,631,394	1,337,174	975,453
Total Hours of Instruction	64,427,360	64,994,473	78,076,386	13,081,913	13,649,026

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Table 14. Comparison of 2018, 2019 and 2020 Expenditures by Fund Type (dollars)

Fund Types (Required):	2018 Total	2019 Total	2020 Total	2019 - 2020 Difference	2018 - 2020 Difference
California Adult Education Program	490,483,754	480,116,282	498,794,228	18,677,946	8,310,474
CalWORKs	10,645,475	14,368,528	10,880,094	(3,488,434)	234,619
Comm. College Supportive Services	4,770,841	1,974,502	2,680,610	706,108	(2,090,231)
Contracted Services	18,939,376	16,690,437	16,381,666	(308,771)	(2,557,710)
Donations	1,062,638	659,223	1,631,779	972,556	569,141
Fees	34,027,249	33,026,260	29,814,212	(3,212,048)	(4,213,037)
In-kind Contributions	35,936,109	19,790,257	14,903,217	(4,887,040)	(21,032,892)
K12 Adult Ed Jail Funds	6,957,647	8,839,030	10,255,837	1,416,807	3,298,190
LCFF	16,528,812	12,760,192	13,421,911	661,719	(3,106,901)
Non-Credit	97,994,693	125,506,504	114,359,778	(11,146,726)	16,365,085
Other Federal Grants	5,461,808	2,969,987	10,236,477	7,266,490	4,774,669
Other State Grants	14,728,600	11,047,413	5,329,408	(5,718,005)	(9,399,192)
Perkins	5,517,648	4,616,426	6,082,596	1,466,170	564,948
Strong Workforce Program (K12 or College)	1,099,916	1,859,257	2,774,181	914,924	1,674,265
WIOA I / ITAs	2,351,976	1,992,953	1,425,115	(567,838)	(926,861)
WIOA II	69,885,894	76,120,581	83,013,742	6,893,161	13,127,848
Grand Total	816,392,436	812,337,832	821,984,851	9,647,019	5,592,415

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