



December 11, 2017

To: Capital Adult Education Program (CAEP) Consortium Directors and Members

From: Capital Adult Education Program Office

Subject: Fiscal Year 2018–19 CAEP Program Fees Policy

This memorandum is to advise local recipients of the Capital Adult Education Program (CAEP) program fees policy that take effect July 1, 2018.

CAEP Fees Policy

No tuition may be charged or collected in the following CAEP program areas by either community colleges or K12 adult schools:

- Adult Elementary and Secondary Basic Skills, including programs leading to a highschool diploma or its equivalent,
- Programs for immigrants eligible for educational services in citizenship, ESL and workforce preparation,
- Adults, including but not limited to older adults, designed to develop knowledge and skills to help elementary and secondary school children succeed academically in school
- Programs for adults with disabilities

CTE Programs: For the purposes of this portion of the policy, career and technical education (CTE) programs include the following: 1) Short term CTE with high employment potential; 2) Adults, including but NOT limited to older adults, entering or re-entering the workforce; and 3) Pre- apprenticeship conducted in coordination with one or more DAS approved apprenticeship programs.

- **Community college noncredit CTE programs:** No tuition may be charged or collected by for career and technical education programs as prohibited by statute in California Education Code. (This include Short Term CTE, Workforce Entry/Reentry, and Pre-Apprenticeship).
- **K12 adult schools:** Career and technical education programs offered by K12 adult schools are considered part of the CAEP program, but K12 adult school providers are allowed to charge fees for these programs. K12 adult CTE programs are subject to all state requirements under CAEP including course approval, credentialing, and student

data reporting. The K12 adult CTE student fee structure must be included in the consortia annual plan.

Policy Reminders:

Note 1: This recommendation in no way infringes on K-12 adult school or community college community services that is governed by existing state regulations and education code.

Note 2: The State will encourage the blending and leveraging of other fund sources with CAEP – such as on the K-12 side (LCFF apportionment), and on the college side (Community College apportionment) in addition to the many other adult education member & partner resources (like WIOA Title I Individual Training Accounts (ITAs)). With the exception of K-12 adult school CTE (workforce entry/reentry and pre-apprenticeship) course offerings, no other CAEP program areas may charge fees, or leverage/braid fees.

For questions related to CAEP Program Fees Policy and/or technical assistance on professional development topics, please contact the CAEP Technical Assistance Project (CAEP TAP) by phone at 1-888-827-2324 or by e-mail at tap@caldulted.org.

Sincerely,

Carolyn Zachry, Ed.D
California Department of Education
Adult Education Block Grant Office

Javier Romero
California Community Colleges Chancellor's Office
Adult Education Block Grant Office



Enclosure: Resources Related to the CAEP Program Fees Policy



RESOURCES RELATED TO THE CAEP PROGRAM FEES POLICY

1. SB-173 Education funding: adult education (Liu)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB173
2. CDE Management Bulletin: Workforce Innovation and Opportunity Act, Title II: Adult Education and Family Literacy Act Grant Funding
<http://www.cde.ca.gov/sp/ae/ir/mb1601.asp>
3. Community Colleges Student Fee Handbook
http://extranet.cccco.edu/Portals/1/Legal/Ops/12-09_StudentFeeHandbook2012.pdf

CAEP Program Fees Background

Aligning fees in CAEP is problematic because of the inconsistency in the policies guiding the two systems and the need to properly evaluate adult education related expenses. The fee structures of the CDE and the Chancellor's Office are mandated by separate education code and policy regulations. Currently, community colleges charge fees for credit courses, but community colleges do not charge for noncredit adult education courses (though in some cases, noncredit students are responsible for other costs, such as books and supplies). K12 adult schools cannot charge fees for English as a Second Language (ESL), Adult Basic Education (ABE), and Adult Secondary Education (ASE), but it is not clear in the other CAEP program areas whether education code is in effect or not. The new CAEP Program Fees Policy will align existing education code between the K12 adult education system, and the community college noncredit system.

AB86 Workgroup Review of Fees Policy

In 2015, the AB 86 Cabinet and Work Group examined the issues involved in developing a uniform policy for the AB 86 program areas. The two principal options identified were, first, fees could be eliminated for all AB 86 adult education courses, ensuring formal consistency across all programs, reducing confusion and financial barriers to access. The major concern raised to this option is that some programs would then have insufficient funding to continue. Alternatively, programs could continue to have the option to charge fees, but fee levels would be made consistent across the state and/or other criteria established for fee levels, ensuring that they are fair and reasonable. The fees would leverage state funding and might ensure that students are less likely to drop a course. This option raises the concern that adult education courses might become inaccessible to the lowest-income students.

Given the complexity of the issues, the CDE and Chancellor's Office recommended that the Legislature consider the trade-offs and make the determination whether to eliminate fees or

establish guidelines for charging fees, which ensures 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.

AB104 Maintenance of Effort Certification Process

For the initial implementation of AB104, and the California Adult Education Program (CAEP), the CDE and the Chancellor's Office established base funding for K-12 adult schools, known as Maintenance of Effort (MOE). The majority (67%) of the CAEP base allocation is made up of Maintenance of Effort (MOE) as certified by K-12 and County Offices of Education (COEs). The MOE certification process was based on the certification of 2012-2013 adult education related expenses in the ten adult education program areas as submitted by K-12 districts and COEs. This 12/13 certification was used to form the K-12/COE base for the MOE. The MOE funding amount does not change unless funding is reduced based on the criteria as specified in AB104 legislation (84914 (b)). However, this MOE Certification Process did not allow K-12 Districts to report program fees collected during 2012-2013 program year. The result was that millions of dollars of adult education related expenses were not certified, and many K-12 adult schools received significantly less than their actual adult education related expenses. Because the 12/13 certification established base funding for K-12 adult schools, the ones that survived on program fees were given a lower base funding amount.

CAEP Data and Accountability Ad-hoc team Recommendation on Fees Policy

In the summer of 2017, the CAEP leadership convened a series of field teams to address the complexities of establishing consistent, statewide data on populations that had previously not been fully included in agency accountability systems. A subgroup of these field teams became the CAEP Fees Ad-Hoc Team. The team recommended policy was approved by CAEP Leadership, and will be enacted at the beginning of the 2018-2019 program year. The CAEP Office will publish the CAEP fees policy during the current program year (17-18) so that CAEP members can prepare for implementation in 2018-2019. In addition, starting in 2018-19, the State's CAEP Financial System NOVA,, will begin tracking program fees collected as well as those fund sources leveraged for CAEP purposes. The data collected will be analyzed to examine the connection between student persistence and fees as well as other related topics.