

4. Describe the circumstances that led the consortium to exceed the Consortium level 20% carryover threshold. Include information about specific members.

Each member of the consortium with any non-trivial amount of carryover has provided an explanation for their underrun.

CACE - Technology purchases and facilities upgrades that had been planned for the year were not completed

ESAE - Underrun in payroll due to ongoing staffing issues in the ESL program and a cadence mismatch with lagged operational expenditures.

SVAE - Vacancies in staffing support positions caused an underrun in non-instructional expenditures. Tech purchases did not occur in time to be booked in the 2023-24 fiscal year.

SJECCD - Savings on salaries due to vacancies in Transition Specialist and SBCAE Research Analyst positions.

WVMCCD - Savings on salaries due to vacancies in Transition Specialist position and lower than estimated stipends for team teaching

5. Describe the support the consortium has attempted to provide consortium members to reduce the excess carryover.

During the 22-23 Program Year, the consortium established an Innovation Fund that would use available funds for members who had programs/projects to implement, but not enough funding. The amount of available funds was determined by the agency who carried the excess. The consortium also established the Member Effectiveness committee to monitor the performance of each agency and develop procedures for quarterly reporting. Consortium members interface around opportunities for sharing resources such as the purchase of software licenses.

6. What is the proposed consortium level corrective action plan and timeline to reduce the excess carryover with members and thus the consortium?

SBCAE's plan to reduce excess carryover in the 2024-25 Program Year consist of a combination of consortium level policies and member level strategies.

The consortium level carryover corrective action plan leverages updated policy and procedures regarding carryover in general which align to the requirements in AB1491 and have been voted into our bylaws. Each member shall endeavor to carryover no more than 20%. Should a member have carryover exceeding 20% for a second year in a row, their carryover portion exceeding 20% shall be allocated to the Innovation fund for use by any member without carryover that

applies for that funding with a planned expenditure. These new policies regarding carryover have been voted into the SBCAE Bylaws. For the 2024-25 Program Year, the SBCAE corrective action plan is to execute on these updated policies and procedures and consider the 2023-24 program year to be the first year in effect. Additional tools have been rolled out to support members in tracking their expenditures in a shared tracker, (see question 7) and members will be supported in its use by consortium leadership.

At the member level, each member of the consortium with non-trivial carryover is required to submit their plan to reduce their unspent fund amount in the 2024-25 fiscal year by October 15th, 2024. Leadership team will review these plans for specificity regarding the amounts of funds expected to be expended for these member activities and best-guess estimated dates by when these efforts will be completed.

CACE - *Technology purchases and facilities upgrades are on track to be completed during FY 24/25.*

CACE plans to have expended approximately 400K of its 496K Capital Outlay by the end of Q2, with a goal of spending at least 50% of their operating expenses and services budget on technology purchases.

ESAE - ESL will shift to new instructional material to align with the new CASAS assessments, purchases of this material will be incurred in Q4 (\$100k) in addition to new Class sets to be purchased. Updated instructional devices will be purchased to support Windows 11 OS (\$350k). District will allocate additional maintenance fees based on a newly created formula (\$200k). Purchase of new classroom furniture due to the County Program no longer occupying one of the classrooms at IAC (\$100k). Exterior facility upgrades will extend into the next Program Year (\$250k).

SVAE - SVAE is planning to add 2 additional ESL classes for Beginner level students and an afternoon Medical Assisting class. Our goal is to have these classes running by Spring semester engaging approximately \$59,000 for 3 classes combined. SVAE provides textbooks and other supplies that include chrome book carts and ESL instructional softwares. We also plan to expand the CTE program to Automotive and General Electrician pathways for an additional \$18,000 for these part time courses. Stipends for curriculum development will be added expenses to the tune of approximately \$5,000.

In addition, technology updates are due for our testing facilities, so upwards of 60 new computers are needed to be ready for e-testing. SVAE will engage an additional expense of approximately \$270,000 on updated computers and microphones.

SJECCD - Carryover incurred by salary savings in 2023-24 will be reduced over the course of 2024-25 as faculty and staff vacancies (transition specialist) will be filled during Fall 2024, which should expend approx \$230,000 (Salary and benefits). Salary and benefit increases of 4% contracted to begin in 2024-25 will offset carryover from wage savings as well by an estimated \$70,000. Hardware and software acquisitions for noncredit Medical Assisting are expected to

book in Q3&4 and will expend approximately \$20,000 hardware and \$10,000 software. Conference and PD registration and travel will occur for Adult Ed support staff in Q2 and Q4, for which we expect to invest \$10,000.

Instructional and non-instructional staff dedicated to Adult Ed functions will be added, which will increase the expenditure for Salaries and Benefits throughout Q3 & Q4 by approximately \$100,000.

WVMCCD - Stipends for I_BEST team teaching and contracted professional development are planned for FY 24/25, on which we expect to expend \$15k, throughout the year. Dedicated staff compensation will account for approximately \$115k and is again an ongoing expenditure throughout the year. Marketing initiatives planned for Q4 are expected to incur an expenditure of approx. \$10k. We expect these efforts will reduce one-time and recurring underrun.

7. What types of processes and protocols will be implemented to ensure that current and future consortium and member level carryover is reduced?

SBCAE's processes and protocols are likewise a combination of member and consortium level initiatives. Members are required as part of their Budget and Workplan, to indicate their quarterly expenditure targets. Upon entering their expenditures each quarter, members are responsible for identifying if they have failed to hit their target, and provide specific information about their plan to spend down to their targets.

As a forum in which to ensure member accountability, each quarter, members will report on their expenditures in a shared expenditure tracking spreadsheet, corresponding with CAEP quarterly expenditure due dates. During the subsequent Steering Committee meeting, each member will discuss their current expenditures and their progress on their specific plans to spend down to the threshold by the end of the year. After Q2 has been submitted, members with high carryover must complete a narrative component of this expenditure tracking tool, and specifically identify how they are going to spend down to 20% or less by the end of the year. These discussions are intended to provide the opportunity for members to look for partnership opportunities with other members to support their programs and services, or to propose an initiative which benefits the whole consortium and explain how that proposal is aligned to SBCAE regional needs, aligned to that member's Budget and Workplan, and the regional planning strategies. Some examples of these initiatives which have already been executed are; the purchase of software licenses by members with carryover for members who are in need, the engagement in consortium-wide marketing initiatives, and financial support with member projects which are impacted by district level budget challenges. Lastly, Consortium leadership will be engaged in fiscal report oversight by leveraging the tools in NOVA to monitor expenditure levels in an effort to surface early indicators of high carryover such

that push-in support can be provided. This review will take place quarterly, following member expense report submission.

8. What kind of support and technical assistance from the State CAEP Office would be helpful to the consortium to assist with the reduction of excess carryover?

Any member level reports that could be run from NOVA to allow for historical member level carryover on a quarterly basis would be helpful to support this conversation.