

**South Bay Adult Education Consortium/ Southwestern
Written Expenditure Plan
Updated Questions #4 and #6**

Note: all highlighted sections have been updated

4. Describe the circumstances that led the consortium to exceed the consortium-level 20% carryover threshold.

Include specific details about individual member-level carryover and provide a rationale for their carryover amounts. *

Since the 2017–18 fiscal year, the South Bay Adult Education Consortium/ Southwestern (SBAEC/S) has consistently exceeded the 20% carryover threshold due to a combination of circumstances, primarily affecting the Sweetwater Union High School District (SUHSD), which receives over 90% of the consortium’s total allocation. The total consortium carryover is \$11,738,254, and SUHSD carries \$11,694,248.00, over 99.63%.

The accumulation of funds began in 2017–18 when SUHSD underwent a mandatory staff reorganization due to insufficient funds to maintain financial sustainability. This resulted in a significant reduction in staff and program capacity. The following year, the COVID-19 pandemic further increased unspent funds as the district faced purchasing constraints, declining enrollment in virtual classes, and reduced staffing needs. Unspent funds rose from \$5.84 million in 2019–20 to \$11,738,254.00 in 2024-25 (see table below.) Teacher staffing followed the same pattern, falling to 57 teachers in 2020–21 before rebounding to 79 teachers by 2023–24 across all sites. During 2019–20 and 2020–21, SUHSD also experienced other reductions in expenditures. Professional development was limited during this period because conference attendance, typically costing approximately \$250,000 over those two years, was suspended. Extra-duty assignments were also unavailable, further limiting spending. In addition, the district did not purchase physical textbooks during these years, eliminating another recurring cost. Everyday operational expenses declined substantially as well, driven by reduced campus activity and lower utility consumption. Costs typically associated with water (\$110,000), electricity (\$600,000), gas (\$110,000), waste disposal (\$75,000), and maintenance and operations (\$240,000) were significantly lower during the pandemic, contributing further to the accumulation of unspent funds.

	SUHSD Carryover Balance
2019-20	\$5,839,704.00
2020-21	\$6,000,419.00
2021-22	\$8,763,225.00
2022-23	\$10,889,845.00
2023-24	\$12,399,526.00
2024-25	\$11,738,254.00

After schools reopened in the 2021–22 school year, SUHSD continued to experience difficulties in hiring qualified staff, which further delayed program implementation and spending. Several factors contributed to these ongoing vacancies, including salaries that were not commensurate with those offered by competing school districts and workforce industries, as well as persistent recruitment and retention challenges, particularly in bringing staff back for in-person instruction. The district also faced a reduced pool of adult education teachers following the pandemic, limited credentialed applicants in specialized content areas, and the time required to rebuild programs after an extended period of virtual instruction. As a result, there were 20 vacancies in 2020–21 and 20 vacancies again in 2023–24. Despite ongoing efforts to address these operational challenges, these historical issues have contributed to the consortium’s continued exceedance of the carryover threshold.

Individual Member-Level Carryover and Rationale:

Sweetwater Union High School District

2023–24 Carryover: \$12,399,525

2024–25 Carryover: \$11,694,248

Rationale: SUHSD’s carryover decreased by \$705,277 from the previous year. Funds earmarked for capital outlay and facilities projects, which require multi-year planning and implementation, have not been fully spent. These long-term investments are essential for expanding and modernizing adult education infrastructure, but they inherently delay full expenditure within a single fiscal year.

Southwestern Community College District

2023–24 Carryover: \$86,026

2024–25 Carryover: \$44,006

Rationale: The district reduced its carryover by nearly 50%, reflecting improved alignment of expenditures with program goals and timelines.

Coronado Unified School District

2023–24 Carryover: \$1,500

2024–25 Carryover: \$0

Rationale: Coronado USD fully expended its allocation.

While the consortium continues to exceed the 20% carryover threshold, the overall carryover has decreased by \$748,798 from the previous year. SUHSD’s remaining balance is primarily tied to strategic capital investments that span multiple years. The consortium remains committed to responsible fiscal stewardship and has implemented enhanced planning and monitoring processes to ensure timely and effective use of funds.

6. Provide an in-depth narrative on the proposed consortium-level corrective action plan, including detailed steps and specific timelines to reduce excess carryover among individual members and for the consortium overall. * The plan should be realistic, verifiable, and present a meaningful strategy to achieve the reduction of carryover amounts among the consortium and individual members.

CUSD, SWC, and SUHSD have developed a spending plan that aligns with their vision for enhancing the medical and construction trades pathways and improving teaching and learning. The Carryover Spenddown Committee's recommendations were presented to the CDC for review and consideration. The total amount is itemized by school district below. This amount will bring the carryover amount to less than 20%.

The 20% carryover is averaged from the current year (2025-2026) total consortium CAEP allocation. This current year percentage is then subtracted from the existing carryover. $\$18,346,227 (20\%) = \$3,669,245$. $SUHSD \text{ Carryover} = \$11,694,248 - \$3,669,245 = \$8,069,009$

The total consortium allocation is \$18,346,227. Of this amount, 95.25% is allocated to SUHSD and distributed across three categories: Member, Fiscal Agent, and Consortium. Carryover funds from the consortium budget are separate from SUHSD member funds and are not applied to the Member allocation. These funds are shared consortium resources and may not be commingled with SUHSD member allocations. If the consortium budget results in a carryover, the consortium must collectively determine how those funds will be utilized. The Fiscal Agent allocation is fully expended each year. The Consortium budget primarily supports the salaries of the CAEP Program Manager and the Administrative Assistant, with any remaining funds available for consortium-wide initiatives. The plan outlined below does not include consortium-wide projects. SUHSD is currently reviewing the records to determine the consortium's carryover balance. This review may reduce the members' carryover amounts.

Proposal to Allocate and Expend Carryover:

SUHSD- \$8,069,009

1. Classroom Student Computers = \$634,877- Completed, Dec. 2025
 - a. Phase 2: CVA, MOA, NCA & SYA
2. Take Home / Loaner Student Computers = \$702,625- In Progress, May 2026
 - a. 500 for replacement 2019: CVA, MOA, NCA & SYA for student usage between school and remote
3. Marquees = \$820,625.40: CVA, MOA & SYA- Completed, March 2026
4. Paint = \$724,736: Exterior and interior: CVA, MOA, NCA & SYA-Completed April 2026
5. CTE Medical & Building Construction Hub = \$2,552,674.35 CVA, Fall 2025 through Spring 2028
 - a. Curriculum and Instruction: \$450,000- In Progress, July 2026
 - i. Textbooks (3-5 years) – Aztec, Cengage / National Geographic
 - ii. Online/digital licenses and curriculum resources
 - b. Materials, Supplies and Equipment: \$750,000- In Progress, July 2026
 - i. Medical Furniture: Ergonomic chairs, desks, tables

- ii. Medical Technology / Computers: Purchase computers to meet state board testing criteria
- iii. Construction and Building Furniture: chairs, desks, tables
- c. Professional Development: \$210,000- July 2026
 - i. OTAN, CALPro and Conferences (Adult Ed. Resources)
 - ii. Extra Duty: Staff hours for curriculum development, collaboration, lesson planning, and implementation
- d. Facility, Infrastructure, and Redesign / Remodel: \$3,421,428- Fall 2025 through Spring 2028.
 - i. Lighting: Interior, Exterior: Estimated Completion June 2027
 - ii. Fencing: Exterior- Estimate: March 2026, Proposal to bid: June 2026
 - iii. Overhead, large work spaces and storage units/containers: exterior-Estimate: Jan 2026, Proposal to bid: June 2026
 - iv. Electrical: Interior, Exterior: Estimated Completion June 2027
 - v. Plumbing: Interior, Exterior: Estimated Completion June 2027
 - vi. Demolition / Construction / Removal: Estimated Completion June 2027
 - vii. Path of Travel / Concrete Pads: Estimated Completion June 2027
 - viii. Window Removal, Replacement: Estimated Completion June 2028
 - ix. Painting, Drywall: Interior: Estimated Completion June 2028
- 6. Personnel: Salary increase: \$506,651.80- Completed April 2026
- 7. CCAE Student Registration: \$30,000.00- Completed April 2026
- 8. Hyflex Tech - OWL: \$184,500.00- July 2026
- 9. Budget Transfers to Sites: \$89,000.00- Completed April 2026

The facility, Infrastructure project on item “d,” was significantly updated in this year’s WEP from last year’s to shift from constructing new modular facilities to retrofitting an existing building. The initial scope involved developing new classrooms and modular buildings, coordinating with the Division of the State Architect (DSA) and architectural teams, and completing extensive infrastructure work. This year’s updated plan provides a more efficient, attainable, and cost-effective approach, allowing the program to move forward more quickly while still meeting the instructional and operational needs of the Medical Lab / Facility Hub. Additionally, the district is considering the possibility of adding new modular buildings in the future, supported by bond funding, which would expand instructional capacity beyond the current retrofit. The progress of the listed items is tracked via the [SUHSD AE Spending Plan](#) live spreadsheet.

SUHSD carryover will fund a \$130,000-per-year Noncredit Faculty Coordinator position for SWC until the carryover is fully expended.

SWC- \$130,000

- 1. Noncredit Faculty Coordinator: \$130,000 annually- June 30, 2026
 - a. Position was previously funded 50% CAEP and 50% District. The district is no longer able to support 50%.

b. The position has been vacant since the Noncredit Faculty Coordinator retired in June 2023. It was filled in Sept 2025. Since then, the noncredit program has had a centralized faculty lead to coordinate work related to noncredit curriculum.

c. Roles/Duties include

- i. Faculty lead for noncredit program
- ii. Oversee noncredit curriculum development
- iii. Support noncredit program review process
- iv. Serve on various district committees
- v. CAEP program coordination
- vi. Represent SWC in the development of the three-year and annual plans
- vii. Serve as the SWC representative of the consortium's Implementation

As collaborative partners, SWC and CUSD fully recognize that these funds were originally allocated to SUHSD and support the spending priorities mentioned above. In this spirit of collaboration, SWC and CUSD would like to offer alternative recommendations proactively, should any of SUHSD's plans face delays or adjustments preventing them from expending the funds as planned. The Carryover Spenddown Committee will provide the CDC members with a recommendation of when the consortium should consider the alternate SWC recommendations as listed below. This recommendation will ensure that resources are utilized effectively to support consortium goals and prevent delays in service delivery. The committee will provide the rationale for the recommendation to guide the voting members in their decision-making process.

SWC and CUSD's recommendations:

1. SWC- Noncredit Welding Program \$2.32 million, one-time and \$105,000 annually
 - a. Feasibility Study completed March 2025
 - b. Phase 1: January 2026-June 2027
 - c. Phase 2: Annual instructional supplies starting July 2027
2. SWC- Noncredit Cosmetology Program \$3 million, one-time infrastructure, \$100,000 (set up), and \$10,000 annually
 - a. New signature program at Higher Ed Center San Ysidro
 - b. Phase 1: January 2026-June 2027
 - c. Phase 2: July 2027-December 2027
 - d. Phase 3: Annual instructional supplies starting January 2028
3. CUSD- Manufacturing & Design Sector \$405,800
 - a. Personnel: Instructor salaries & curriculum development stipends- Year 1
 - b. Materials, Supplies and Equipment