



MEMORANDUM

July 15, 2025

WED 25-41 | Via Email

TO: Chief Executive Officers
Chief Instructional Officers
Chief Business Officers
Chief Student Services Officers
Career Technical Education Deans
Regional Consortia Chairs

FROM: Anthony Cordova, Vice Chancellor of Workforce and Economic Development

RE: California Adult Education Program (CAEP) FY 2025-26 Final Consortium Allocations

This memorandum is to advise local recipients and fiscal agents of adult education program funds on the release of the 2025-26 final CAEP allocations. Visit the [2025-26 final CAEP allocations schedule](#) to view.

Final allocation amounts from the Governor's Budget are now available in NOVA as an allocation amendment. Consortium members will have until Sept. 1, 2025, to submit and certify their amended allocation amounts in NOVA. The CAEP State Leadership and the Technical Assistance Provider (TAP) will offer a CAEP Allocation Amendment webinar on **Monday, July 28, 2025, from 12 - 1 p.m.** to review the final allocation amounts, provide members with an overview of the NOVA process, and answer questions. To register, visit the [CAEP Allocation Amendment webinar registration page](#).

State Budget Bill

The State Legislature passed the 2025-26 budget bill that provides a \$15.022 million Proposition 98 increase to support a 2.3% cost-of-living adjustment (COLA) for the California Adult Education Program. The CAEP baseline apportionment total for 2025-26 is now \$668,159,000. The signed budget reflects a COLA decrease of \$849,000 from the proposed Jan. preliminary budget of \$669,008,000.

NOVA Instructions

The 2025-26 COLA in the final budget is less than what was projected in the preliminary budget. Each consortium shall process this allocation decrease as an allocation amendment in NOVA. This requires a new allocation amount for each member as indicated in the allocation schedule, and certification in NOVA by all consortium members.

Please note that due to State Budget Bill requirements, the State CAEP Office has calculated the allocation amounts for direct-funded member districts and fiscal agents. Please see the 2025-26 allocation schedule linked earlier in this memo. These allocation amounts are the dollar amounts given to the State Controller's Office for disbursement within 45 days of the enactment of the 2025-26 State Budget. Therefore, any deviation from these amounts would not align with the

amounts being disbursed. CAEP allocation amendment certification by the consortium and its members must be completed by Sept. 1, 2025.

CAEP Funds Are Restricted Funds

CAEP funds were issued under AB104 legislation and in ARTICLE 9. Adult Education Program [84900 - 84920] of the Education Code. CAEP funds are apportionment, they are not a grant, and at this time are not subject to flexibility. CAEP funds are restricted to adults 18 years and older, can only be used in the seven CAEP approved program areas, and must have an approved regional consortium plan specific to K12 adult education and community college noncredit programs.

Technical Assistance Contact Information

For questions related to the CAEP, fiscal information, and/or technical assistance on professional development topics, please contact CAEP TAP by phone at (888) 827-2324 or by email at TAP@CalAdulthood.org

cc: Gary Adams, Dean of Workforce and Economic Development

Carolyn Zachary, Director of California Department of Education