



**Shared Fiscal and Budget Agreement Policy**  
(Adopted July 13, 2016, Amended January 10, 2018)

**Shared Fiscal Agreement**

- a) Fund A (2015-16 allocation): Members will spend funds by December 2016.
- b) Fund B: Members will spend funds by December 2017.
- c) Fund C and subsequent annual apportionment: Members will spend funds within 18 months of the start of the fiscal cycle of the year it was first allocated.

**Shared Budget Agreement**

- d) CAERC Budget Workgroup meetings are mandatory for members. *(Minimum one representative; Fiscal representatives are recommended to attend with program leads.)*
- e) For each AEBG fund, members will submit a budget and spending plan approved and signed by an officially-designated member, a fiscal representative, and a district representative. Member will submit budget and spending plan prior to the start of fiscal year (June) and biannual (December).
- f) Consortium will review and monitor member expenditure progress based on submitted AEBG expenditure and progress reports and updates provided at the CAERC Budget Workgroup meetings.

**Progressive Permanent Reallocation**

- g) **First time:** If a member is at-risk or unable to spend the allocation within the designated timeline, the Consortium will provide assistance and will notify the member and its Superintendent that it is at-risk:
  - Unspent funds will return back to the consortium to be reallocated and member will be held harmless.
- h) **Second time (consecutive):** If a member is at-risk or unable to spend the allocation within the designated timeline, the Consortium will provide assistance and will notify the member and its Superintendent that it is at-risk:
  - a. Unspent funds will return back to the consortium to be **reallocated.**
  - b. The member's future consortium allocation will be **reduced by 10% permanently.**
    - i. Members must be in "good standing" to be eligible for additional new AEBG funds (e.g., additional Data and Accountability funds and unspent funds from other AEBG consortia reallocated to consortia that have spent down).
    - ii. All Members will be eligible for Cost of Living Adjustment- COLA.

**Shared Fiscal and Budget Agreement Policy (continued)**

- i) **Third time (consecutive):** If a member is at-risk or unable to spend the allocation within the designated timeline, the Consortium will provide assistance and will notify the member and its Superintendent that it is at-risk:
  - a. Unspent funds will return back to the consortium to be **reallocated.**
  - b. The member's future consortium allocation will be **progressively reduced by an additional 10% permanently.**
  
- j) **Subsequent times:**
  - a. Unspent funds will be **reallocated.**
  - b. The member's consortium allocation will be **progressively reduced by an additional 10% permanently.**
  
- k) If additional new funds are available, member can petition to be reinstated after being in "good standing – spent consortium allocation within designated year" minimum of 2 consecutive years.



**Reallocation of Unspent Funds Policy**  
(Adopted November 4, 2016, Amended May 10, 2017)

***The Capital Adult Education Regional Consortium (CAERC) will take a dual-tiered approach to reallocate unspent funds:***

**Tier 1: Consortium-Level Unspent Funds**

1. Identify funded strategies that can benefit from an increased allocation and reallocate unspent funds.
2. Identify unfunded strategies that can be funded and reallocate unspent funds.
3. Reallocated funds must be spent as stated in Memorandum of Understanding (MOU).

**Tier 2: Remaining Consortium-Level Unspent Funds and Member-Level Unspent Funds**

1. Members who have spent down 100% of their consortium allocation (*e.g., Fund A 2015-16, Fund B 2016-17, Fund C 2017-18*) will be eligible for the reallocation funds.
2. Eligible members may opt in or opt out of accepting reallocation funds.
3. Distribution will be based on CAERC's 2015-16 allocation funding formula in proportionate to percentage received with the number of members who opt in.
4. Opt in members can elect to accept funds in full amount or partial amount based on CAERC's 2015-16 allocation funding formula.
5. Reallocated funds must be spent as stated in Memorandum of Understanding (MOU).
6. The consortium will not distribute reallocation funds until all unspent funds are returned.
7. Members must return unspent funds within 30 days of notice.
8. Members who have not returned unspent funds will have all future allocations withheld by the consortium.



**CAERC Budget Voting Requirements Policy**  
(Adopted September, 7, 2016, Amended May 10, 2017)

A recommendation from the Budget Workgroup followed by a vote from the officially-designated members is required under the following conditions:

- *CAERC consortium-level expenditures exceeding 10% of the approved budget for objectives over \$100,000.*
- CAERC consortium-level expenditures over \$10,000 with a minimum of \$5,000 for objectives less than \$100,000.
- *A Request for Bids (RFB) is required for consortium-level expenditures exceeding \$100,000.*



## **Consortium Regional Staff Policy** (Adopted May 4, 2016)

### **Staff Positions**

The Consortium Regional Staff is inclusive of the following positions to support the consortium regional work:

- Director (1)
- Coordinator (1)
- Administrative Assistant (1)
- Fiscal Agent

### **Hiring**

Representation of the consortium membership is essential during the hiring of the consortium staff. To ensure this, the interview panel for the hiring of the consortium Director position will consist of:

- Minimum of one Leadership Oversight Panel member;
- CAERC Co-chairs (one representing Los Rios Community College District and one representing K-12 districts/county office of education); and
- Minimum of one officially-designated member. The member will be chosen through a nomination process and confirmed by majority of officially-designated members.

The interview panel for the hiring of other consortium staff positions will consist of:

- Minimum of one CAERC Co-chair (1 representing Los Rios Community College District or 1 representing K-12 districts/county office of education);
- Consortium Director; and
- Minimum of one officially-designated member. The member will be chosen through a nomination process and confirmed by majority of officially-designated members.