

KS K12 Education Committee Testimony - Feb 19, 2024

Madam Chair and members of the K12 Education Budget Committee-

Thank you for allowing our organization the opportunity to appear before you today to speak in support of HB 2717 which seeks to clarify reporting of adult virtual students to ensure consistent application of future auditing procedures.

My name is Kristian Starner and I serve as the Vice-President of Government Affairs for Graduation Alliance. Graduation Alliance partners with the Central Plains School District to support the Central Plains Diploma Completion Program. I am joined today by my colleague Greg Harp who serves as the Chief Development Officer at Graduation Alliance and principal liaison with Central Plains. Mr. Harp is authorized to speak on behalf of the district should there be any questions.

Graduation Alliance has over a decade and a half experience reengaging and reconnecting teenagers and adults that have either dropped out or are on the brink of dropping out of school. We partner with state agencies and school districts across the nation, and for the last three years, our organization has had a successful partnership with the district, serving one of the state's most vulnerable adult populations through their Diploma Completion Program.

This program offers adults age 20 and older the opportunity to earn an accredited high school diploma. The program funding is outcomes-based whereby state funds are expended only when adult learners complete milestones such as earning credits and completing their diploma. To date, over 1,000 Kansans have earned their high school diploma through this program.

Surveys of these graduates show increases in labor market participation, better jobs and wages, as well as increases in those who now have access to jobs with employer-sponsored health insurance coverage. As of this month, these graduates showed a 12 percentage point increase in labor market participation, increasing from 66% to 78%, a 10 percentage point increase in access to employer-sponsored health insurance coverage and 62% report receiving a better job, raise, or promotion post graduation. The program has a proven track record of not just educating one of the state's most at-risk populations but also in improving graduates' socioeconomic status and boosting the state's economy.

Despite this successful track record, the 2021/2022 program audit was inconsistent from prior and subsequent audits in a way that was financially harmful to the district and also jeopardized the future of this program in the state.

The 2021/2022 audit utilized an all-or-nothing audit and payment approach where funding was deducted for all credits earned by a student if even a single credit discrepancy was identified. HB 2717 will ensure that if a discrepancy is identified in an audit, all the credits earned by a student will not be dismissed, and any credit deductions to state funding will only be made with respect to individual courses completed. The 2021/2022 audit was based on student transcripts instead of the state's KCAN reporting system, and, as a direct result, there was a punitive

impact where the district lost a substantial amount of funding, including negative deductions for courses that were not reported for a funding request.

HB 2717 will ensure that the auditing of an adult virtual program will be primarily based on courses reported on the annual KCAN report, utilizing student transcripts as the secondary validation source, in addition to the Local Effort for State Foundation Aid report. The 2022-2023 audit utilized a KCAN driven approach, which is a fair and consistent methodology. This legislation seeks to ensure future audits will be based on this methodology.

A KCAN driven audit will allow the department the ability to compare courses reported to the state for funding to the credits earned on a student's transcript. This will result in a more accurate audit since only the courses reported for funding by the district to KSDE will be a part of the fiscal audit, and only those courses would subsequently have funding deducted for noncompliance.

The district and our organization agree with KSDE that there were transcript discrepancies during the 2021/2022 audit. When the 2021/2022 audit was made available, our organization quickly worked with our district partner to assess those discrepancies prior to submitting an appeal. To illustrate, a number of adult students took career exploration courses as part of their individualized learning plan. The district did not request nor receive funding for these courses, however, district funding was deducted when these courses were identified on a student transcript, despite not being reported on the KCAN report for funding.

Until recently, minimal guidance has been publicly available for programs serving adult virtual students. As of February 2, 2024, two documents have been referenced as the source for adult audit methodology: the 2023-2024 Enrollment Handbook and the FACTSHEET. While the department recently modified auditing guidelines by adding the FACTSHEET as a clarifying source for virtual students aged 20 and older, it lacks critical information which could result in future auditing inconsistencies. While the FACTSHEET added the KCAN report as a source document, it lacks clear guidance that it should be the *primary* source for the audit for awarding and deducting funding, with transcripts being utilized as a *secondary* source for validation.

The Enrollment Handbook also lacks direction that the KCAN report is utilized as the basis for course funding. Additionally, both resources need clarity that the courses that are needed to meet state or district minimum graduation requirements should receive funding after validation.

To date, there are nearly 195,000 Kansans over the age of 18 that lack a high school diploma, however, this program allows them the opportunity to further their education and increase their economic mobility. The addition of this clarifying language will help ensure this population will continue to be served, while building upon the success of the program for the last three years.

Madam Chair and members of the committee, thank you for your time and consideration. This concludes my prepared remarks and Mr. Harp and I are open for questions.