



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

TO: Adult Education Consortia Partners

FROM: Scott B. Sanders
Commissioner

DATE: August 23, 2013

SUBJECT: DWD Policy 2013-05
Adult Education Funding

PURPOSE

This policy provides an overview of funding for the Adult Education system and requirements for budgeting and use of funding.

RESCISSION

DWD Policy 2011-06 Adult Education Funding

CONTENT

The Department of Workforce Development (DWD), Division of Adult, Career, and Technical Education leverages several financial resources to ensure the delivery of Adult Education (AE) and English Literacy programs, including foundational skills development, career pathways, and academic and career counseling services for employment, reemployment, or enhanced employment purposes to adults and out-of-school youth individuals defined in the Workforce Investment Act (WIA—P.L.105-220). English Literacy programs can be provided through AE.

Adult Education Funds—WIA Title II and State Funds

Federal WIA Title II and state funds support programs and services delivered through AE and English Literacy programs. DWD determines the allocation of state and federal funds to AE regional consortia based on enrollments in AE, regional Unemployment Insurance Benefit claimants without a high school diploma or equivalent, and regional performance. Regions must earn the allocations through the achievement of gains established in the Performance Incentive Schedule (Attachment A). After a region earns the guaranteed base allocation, regions are eligible to earn performance allocation based on the same Schedule.

Michael R. Pence, *Governor*
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An Economic Development Partner

Program Year Budget Requirements for Fiscal Agents and Sub-Grantees

Each AE fiscal agent in a consortium must submit a line item budget detailing planned expenditures for its share of the regional base allocation. All proposed program and administrative expenditures should be included. Administrative costs are to be limited to five (5) percent of the federal and state request per year. Regions may request a waiver for up to fifteen (15) percent for administrative costs if the program requires more than five (5) percent to operate effectively. Attachment B provides further guidance on program and administrative costs.

Each fiscal agent must submit a budget for each sub-grantee showing the distribution of funds by both type (program and administrative) and source (state and federal). A line item budget is not necessary or desired. Fiscal agents should submit sub-grantee budgets via their Adult Education Coordinator at the beginning of each program year, and upon any transfer of funds between type and/or source.

Budget Modification

A budget modification is required for a grantee to reallocate funds in the approved budget if the adjustment includes one or both of the following:

- Transferring funds between program and administration.
- Transferring funds between state and federal allocations.

Budget modification requests must be submitted to DWD **and** approved before budget modifications are made.

Procedures for Expenditure Reimbursement

Fiscal agents will be reimbursed for actual program and administrative expenditures by completing a reimbursement form and electronically submitting it to the Division of Adult, Career, and Technical Education. Fiscal Agents may submit for reimbursement on a monthly basis, but are required to submit for reimbursement at least quarterly. DWD strongly suggests the submission of reimbursements for state funds prior to the submission of reimbursements for federal funds.

Assets Inventory

Equipment or property with a per unit value of \$500 or more that was procured using DWD granted funds **must** be inventoried and marked with a DWD property tag. Equipment or property under this provision must provide information about the property to the DWD Property Officer. Equipment or property that are non-consumable with a per unit value of \$499.99 or less, **must** be tracked on a spreadsheet at the local level in the event of a change in the grant recipient(s). Fiscal Agents should follow the Property Management/Surplus Property Policy (DWD Policy 2013-01) attached to this policy.

Maintenance of Effort

The Maintenance of Effort (MOE) requirements in the Adult Education and Family Literacy Act (AEFLA), Title II of WIA (WIA—P.L.105-220) require states to maintain their state and local financial commitment to Adult Education. In general, Indiana's total MOE may not be reduced from year-to-year. In general, regionally required MOE shall remain the same year-to-year. In the event of significant change in funding, regional MOE may change accordingly.

Indiana's budgeted Adult Education state program funds meet the state's MOE requirement. The total local MOE requirement is allocated to the regions based on each region's percentage of federal funds and enrollment. A region should work with their federal and state funded adult education programs as well as EL/Civics programs to achieve the required MOE.

MOE is required to be documented, used in a manner for administration and/or instruction, and can include the following:

- Any non-federal or non-state AE funds used to provide AE services (excluding costs related to High School Equivalency Assessments);
- In-kind contributions to AE services including, but not limited to, facility/office space costs, copying and printing, technology, and services provided by tutors or literacy agencies; and,
- Non-federal or non-state AE funds used to cover AE program staff time in service to the AE program.

Revocation and Recovery of Funds

DWD has the discretion to revoke a grant award for an AE region or provider as outlined in the Program Improvement Policy (DWD Policy 2011-11).

Adult Education Program Tuition and Fees

Tuition

An Indiana student who is eligible to be counted as enrolled for purposes of reimbursement in a state-approved Adult Education program shall not be charged tuition.

Fees

Fees charged for participation in an Adult Education program are generally not permissible. Participants may be charged fees for learning activities, services, and/or materials.

Permissible fees include textbook rental fees, refundable deposits for books or materials used for review outside of the classroom, and childcare. DWD requires programs that charge fees to establish a fee policy that:

- Addresses fee requirements and exceptions;
- Contains a schedule for fee payments; and,
- Creates standards that address how fees will not impose barriers to the student.

Any fees must be necessary, reasonable, and **not** impose a barrier to the participation of disadvantaged persons that the program was designed to serve.

Program Income Requirements

Programs choosing to assess fees must reinvest these funds in the adult education program before requesting additional grant money for the same activity in accordance with 34 CFR 80.21(f). Additionally, all income from fees must be spent during the same program year. DWD requires programs to report fees and how these funds were reinvested in Adult Education. Any fees charged may not be applied towards Maintenance of Effort requirements.

DWD Policy 2013-05
August 23, 2013
Page 4 of 6

OWNERSHIP

Division of Adult, Career, and Technical Education
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, IN 46204
AdultEd@dwd.IN.gov

EFFECTIVE DATE

Immediately

ENDING DATE

Upon rescission

ACTION

Indiana's Adult Education system will follow the guidance contained in this policy.

Attachment A Performance Incentive Schedule

Adult Education Performance Incentive Schedule

Effective: July 1, 2013 to June 30, 2014

Revision Date: 7.1.13



College and Career Readiness Incentives

Transition to Postsecondary Incentive

Awarded upon the student's successful entry into a 2- or 4-year post-secondary institution as indicated by passing the appropriate Accuplacer cut scores for the student's institution of choice (Reading 76+, Writing 80+ & Alg. 40+); or enrollment into a 4 year post-secondary institution. Incentive must be earned within the current program year in which the student was most recently enrolled or the following program year.

| | |
|--------|-------|
| Amount | \$400 |
|--------|-------|

WorkINDiana Incentive

Awarded upon student's completion of WorkINDiana program. Incentive must be earned within the current program year in which the student was most recently enrolled or the following program year.

| | |
|--------|-------|
| Amount | \$400 |
|--------|-------|

GED Certificate or HS Diploma Attainment Incentive

Time Start: The first calendar day after official enrollment or last earned incentive.

Time Stop: The student's last calendar day of attendance before the student passes the GED Tests or earns a diploma. Incentive must be earned within 90 days of exiting the program.

| | | |
|--------|--------------------|--------------------|
| Time | <6 Weeks | >6 Weeks |
| Amount | \$400 | \$200 |

9-10.9+ (Low ASE) Incentive

Time Start: The first calendar day after official enrollment or last earned incentive.

Time Stop: The calendar day the student posttests above 10.9.

| | | |
|--------|--------------------|--------------------|
| Time | <6 Weeks | >6 Weeks |
| Amount | \$400 | \$200 |

6-8.9+ (High Int. ABE) Incentive

Time Start: The first calendar day after official enrollment or last earned incentive.

Time Stop: The calendar day the student posttests above 8.9.

| | | |
|--------|---------------------|---------------------|
| Time | <12 weeks | >12 weeks |
| Amount | \$585 | \$315 |

E-5.9+ (Bundled Low ABE) Incentive

Time Start: The first calendar day after official enrollment or last earned incentive.

Time Stop: The calendar day the student posttests above 5.9.

| | | |
|--------|---------------------|---------------------|
| Time | <22 weeks | >22 weeks |
| Amount | \$585 | \$315 |

ESL Transition to ABE Incentive

Time Start: The first calendar day after official enrollment or last earned Incentive.

Time Stop: The calendar day the student tests above ABE Beginning Literacy. Note that in InTERS a student must be exited from ESL and marked continuing and have a valid TABE score within 90 days of exiting ESL to earn the incentive.

| | | |
|----------------|---------------------|---------------------|
| Calendar Weeks | <16 weeks | >16 weeks |
| Amount | \$600 | \$300 |

ESL Beginning Incentive

Time Start: The first calendar day after official enrollment or last earned incentive.

Time Stop: The calendar day the student posttests above ESL Intermediate Low

| | | |
|----------------|---------------------|---------------------|
| Calendar Weeks | <16 weeks | >16 weeks |
| Amount | \$600 | \$300 |

ESL Literacy Incentive

Time Start: The first calendar day after official enrollment.

Time Stop: The calendar day the student posttests above ESL Low Beginning

| | | |
|----------------|---------------------|---------------------|
| Calendar Weeks | <12 weeks | >12 weeks |
| Amount | \$300 | \$150 |

ABE Enrollment Incentive

| | |
|--------|------|
| Amount | \$60 |
|--------|------|

*If a student skips a level, the program will receive reimbursement for the lower level based on actual instructional weeks and the maximum reimbursement for the level(s) skipped.

Note: DWD discourages the practice of a student sitting for the GED Tests before that student has tested ABOVE the 10.9 level, i.e. into ASE High.

Attachment B
Program and Administrative Costs

PROGRAM COSTS

Program costs include salaries or other expenses directly related to the following:

- Adult basic education and/or English literacy instruction
- Activities related to intake, assessment, counseling, and follow-up services for adult learners
- Curriculum development
- Operation and maintenance related to the upkeep of equipment and facilities used by the program for instruction and related services
- Child care services and transportation

ADMINISTRATIVE COSTS

Administrative costs must be limited to five (5) percent of the federal and state allocation.

Regions may request a waiver for up to fifteen (15) percent for administrative costs if the program requires more than five (5) percent to operate effectively. The following are administrative costs:

- Administrative and secretarial salaries and other administrative expenses not directly related to instruction
- Professional development activities
- Volunteer recruitment, training, and supervision
- Outreach
- Data-entry and record-keeping of program statistics and fiscal reports
- Audit fees
- Indirect costs
- Any other expenses that do not directly pay for instruction and student support services

NON-ALLOWABLE COSTS

The following are disallowed federal expenses:

- Food (except for child care snacks)
- Rent (except where applicant can document that all efforts to obtain rent-free facilities have been denied)
- In family literacy programs, salaries of teachers other than adult educators; and
- High School Equivalency Assessment (HSEA) Examiner, HSEA testing, and HSEA test fees