



**AEBG**

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CALIFORNIA WORKFORCE

## **Program Guidance**

# **AB104 Adult Education Block Grant**

**Performance Year: 2015-2016**

Funding source: AB104, Section 39, Article 9

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# **AB104 Adult Education Block Grant**

## **A. Introduction**

California has the opportunity to re-envision and redesign the adult educational system. The California Department of Education and the California Community College Chancellor's Office are working together to establish linkages for students across their systems that provide adults with the academic and career skills needed to enhance student success. To this end, the legislature and Governor have put in place unprecedented indicators of California's commitment to improve adult education in the state.

The legislature has committed funds to regional consortia composed of K-12 districts, community college districts, County Offices of Education (COE), and joint power authorities (JPAs) to collaborate regionally for the purpose of expanding and improving adult education services by creating linkages between the educational systems. Regional collaboration provides capacity for consortia members to find common ground and cross geographical and cultural boundaries in order to provide seamless transitions for students. In some areas of the state, there is a rich history of collaboration and a range of partnerships in place that have a regional perspective on policies and programs. Regional collaboration will manifest itself differently in each consortium. In some cases, it may involve a few partners and in others, many partners.

## **B. Assembly Bill 104 (AB104) Overview**

On June 24, 2015 Governor Jerry Brown signed AB104 into law; the major education trailer bill that accompanied the state's 2015-16 state budget. This measure includes a section that defines the state's expectations for the new Adult Education Block Grant program.

This document provides a roadmap for understanding both, the provisions of AB104 and the initial expectations for the three-year implementation plan. AB104 includes a segment on the enactment of the Adult Education Block Grant that represents the actualization of the planning that began with the passage of Assembly Bill 86 in 2013. AB86 provided \$25 million to 70 consortia statewide to support the development of regional adult education consortium plans that focus on expanding and improving opportunities for education and workforce services for adults.

From July 1, 2013 - July 1, 2015, AB86 consortia, consisting of k-12 school districts, community college districts, and other partners developed regional education and workforce service plans for adults. AB86 also included the commitment from the state legislature to dedicate funding to adult education at the conclusion of the planning period, June 30, 2015.

The 2015-16 year represents the transition period from the planning that took place with AB86 to the actualization of the Adult Education Block Grant program, addressed in AB104. The state of California has dedicated \$500 million to support this program, more than any other state in the nation.

## C. AB104 Adult Education Block Grant Funding

This document contains general instructions, procedures, formats, timelines, and reporting requirements for the AB104 Adult Education Block Grant (AEBG). AB104’s AEBG-related language is rather prescriptive. Hence, these guidelines offer mostly context, interpretation and clarification of the legislation’s directives, rather than new information. The regional consortia are made up of K-12 school districts, county offices of education (COE), community college districts, and joint power authorities (JPAs) encompassing all 58 California Counties to implement plans to better serve the educational needs of adults.

<b>Title:</b>	AB104, Section 39, Article 9, Adult Education Block Grant
<b>Funding Source:</b>	AB104, Section 39, Article 9
<b>Funding Period:</b>	July 1, 2015 through June 30, 2016
<b>Total Funds Available:</b>	\$500,000,000 (for MOE direct funding and regional consortia allocations)
<b>Required Match:</b>	No match required
<b>Number of Awards:</b>	71 (regional consortia funding allocations based upon formula – with two regions combining). Referred to as Non-MOE.  238 (Maintenance of Effort (MOE) direct funded allocations to K-12 districts, COEs, and JPAs.

AB104, the Adult Education Block Grant Program is established under the administration of the Chancellor of the California Community Colleges and the Superintendent of Public Instruction. The Chancellor and the Superintendent are the state officials responsible for identifying and understanding the educational needs of adults in the state.

AB86 provided the opportunity for developing the statewide collaboration and regional approach needed to maximize the state’s return on its investment in adult education. It provided focused priorities and a new regional design for the California Department of Education and the California Community College Chancellor’s Office adult education programs based on the state’s critical educational and workforce needs.

## **Maintenance of Effort (MOE) & Regional Consortia Funding Allocations**

First and foremost, it is important to understand that MOE and Regional Consortia Funding Allocations (otherwise known as Non-MOE funds) are all part of the AB104 Adult Education Block Grant. Both tracks of funding, MOE and Regional Consortia Funds, are intended to support the state efforts for *Building a Strong California Workforce* through the implementation of the AB104 Three-Year Plan and the 2015-16 Annual Plan (and subsequent Annual Plans).

Building a Strong California Workforce Publication can be accessed at this website: [http://doingwhatmatters.cccco.edu/portals/6/docs/SW/BOG\\_Infographic\\_PrintBooklet.pdf](http://doingwhatmatters.cccco.edu/portals/6/docs/SW/BOG_Infographic_PrintBooklet.pdf)

The allocation information is available at the following link: <http://aebg.cccco.edu/For-AEBG-Grantees>

Recipients of the AEBG funding (MOE and Regional Consortia Funding) are required to fulfill the following criteria in order to receive an apportionment:

*Per EC Section 84908(a)(1), be a member of a consortium.*

*Per EC Section 84906(a), have approved an adult education plan that addresses that fiscal year, with detailed information as specified in EC Section 84906(b)*

*Per EC Section 84913, use these funds (MOE and Non-MOE) on only the seven following areas (see the seven program areas in the link below and referenced later in this document).*

*Notes: These are considered restricted funds. See the letter released on August 31, 2015 regarding why these are restricted funds (link).*

<http://www.cde.ca.gov/fq/fo/r14/adulted15apptltr1.asp>

The AB104 Amended Three Year Plan and 2015-16 Annual Plan is available at <http://aebg.cccco.edu/For-AEBG-Grantees>

AB104 clarifies that MOE is a Year-One funding allocation only. In Program Year 2016-17, it will become part of the AEBG Regional Consortia Allocation as a single funding stream.

## **Regional Allocation Formula Calculations**

According to the AB104 Adult Education Block Grant Program language, the California Community College Chancellor and the State Superintendent of Public Instruction are charged with determining the statewide need for adult education and the funding

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<sup>1</sup> Please note that the Amended Three Year Plan and the 2015-16 Annual Plan can be submitted prior to the due date.

allocation of each consortium. More specifically, sections 84911 and 84908 (2) (A)(ii), respectively, address these obligations.

*Section 84911 states, "To determine the need for adult education, the chancellor and the Superintendent shall consider, at a minimum, measures related to adult population, employment, immigration, educational attainment, and adult literacy." Additionally, Section 84908 (2) (A)(ii) states that, "The chancellor and the Superintendent shall determine the amount to be allocated to each consortium pursuant to this paragraph based on that adult education region's share of the statewide need for adult education."*

Given the above language, key state agencies (the California Department of Education, the State Board of Education, the California Community College Chancellor's Office, and the Department of Finance) met to develop a funding formula for adult education regional consortia. They used various combinations of variables, including minimum funding levels. After thorough analysis of the permutations, it was determined that the variables correlated very closely. Consequently, all variables were equally weighted. In addition, it was determined that the minimum grant award amount was appropriate and reasonable, in that it allows the smaller consortia (which in most instances are rural) to make a larger impact in their respective regions. The list below depicts the variables used to determine adult education consortia funding amounts.

- Educational Attainment (No High School Diploma)
- Employment (Unemployed Adults)
- Adult Population - 18 years and older
- Poverty (Household)
- Adult Literacy (7th Grade Education Level)
- ESL (the ability to speak English)

As mentioned above, each factor was equally weighted. The regional consortia received a percentage of the statewide total that was then translated into a dollar amount. Regional consortia that did not meet the minimum funding level, based on the variable amounts, were provided additional funds to raise them to that level. (See the allocation tables under additional resources section for grant amounts by regional consortia, as well as the list of variables by region.)

Additionally, a variety of census data variables related to adult education students in each region are posted on the AEBG Website and are pre-populated into the Regional Consortia Member Allocation forms.

## **D. Legislation**

### **Major Adult Education Program Changes**

As consortia members begin to work on this landmark legislation, a number of points are worth observing given that they represent major changes to the state's adult education program from what existed prior to the enactment of AB86 in 2013.

**AB104 calls for California's Adult Education Program to have a workforce focus:**

AB104 requires adult education programs to produce results that respond to the workforce education and training needs of the state's adults.

**Requires successful implementation:**

The AB104 grant program calls for a consortium to implement a three-year plan with annual updates that will be evaluated by state officials. Two major factors will be used to evaluate the successful implementation of a consortium plan and to determine future funding: number of students served, and specific student outcomes of a consortium plan to determine its effectiveness.

**Requires consortium participation:**

Prior to AB86 and AB104, K-12 adult education programs and community college non-credit programs operated separately and autonomously. Now, both entities are required to be in a consortium in order to secure state and federal funds. With AB104, county offices of education and joint powers involved in adult education and workforce development services are also now required to be members of a consortium to be eligible for funding.

**Provides for multi-state agencies' oversight of Adult Education:**

The oversight of AB104 grant programs is now a shared responsibility between the California Department of Education and the California Community College Chancellor's Office, with involvement of the Department of Finance and the Executive Director of the State Board of Education. Prior to AB104, oversight was divided between the CDE - responsible for K-12 adult education, and the CCCCCO - responsible for community college programs.

**Requires public notifications:**

Plans to implement programs and distribute adult education funds will require consortia to institute a timely public notice and decision-making process.

**Requires sharing of information on district programs and resources:**

Consortium members will need to share information on related programs being offered and the resources being used to support these programs. This requirement is an integral part of the state's effort to leverage resources and maximize outcomes in adult education and workforce services.

**Allows seven adult education program areas:**

AB104 identifies seven program areas that may be supported by Adult Education Block Grant funds:

1. Programs in elementary and secondary skills, including those leading to a high school diploma or high school equivalency certificate.
2. Programs for immigrants in citizenship, ESL, and workforce preparation.
3. Programs for adults, including, but not limited to, older adults, that are

- primarily related to entry or reentry into the workforce.
4. Programs for adults, including, but not limited to, older adults, that are primarily designed to develop knowledge and skills to assist elementary and secondary school children to succeed academically in school.
  5. Programs for adult with disabilities.
  6. Programs in career technical education that are short term in nature with high employment potential.
  7. Programs offering pre-apprenticeship training conducted in coordination with one or more apprenticeship programs approved by the Division of Apprenticeship Standards.

## **E. Eligibility**

### **Regional Boundaries**

The Chancellor and the Superintendent, with the advice of the executive director (State Board of Education), shall divide the state into adult education regions and shall determine the physical boundaries of each region. They shall approve one adult education consortium in each adult education region. When determining the boundaries of the adult education regions, the Chancellor and the Superintendent shall also consider factors that impact the provision of adult education, including all of the following:

(1) Economic and demographic factors, including the locations of regional labor markets. (2) The boundaries of regions used to distribute funds for other state programs.

(3) The presence of adult education providers that have demonstrated effectiveness in meeting the educational needs of adults.

Until otherwise determined by the chancellor and the Superintendent, the physical boundaries of the adult education regions shall be the same as the physical boundaries of the regions established for purposes of providing planning and implementation grants pursuant to Section 84830 (AB86 Planning Grant).

### **Consortia Membership**

The Chancellor and Superintendent, with the advice of the executive director, shall approve, for each consortium, rules and procedures that adhere to all of the following conditions:

Any community college district, K-12 school district, COE, or JPA or a combination of these, located within the boundaries of the adult education region shall be permitted to join the consortium as a member.

As a condition of joining a consortium, a member shall commit to reporting any funds available to that member for purposes of education and workforce services for adults and the uses of those funds.

A member of the consortium shall be represented only by an official designated by the governing board of the member.

Community college districts, K-12 school districts, COEs, or JPAs must be members of the consortium if they receive funds from:

- Adults in Correctional Facilities Programs;
- WIOA, Title II;
- Carl D. Perkins CTE Act;
- LCFF apportionments for students 19+;
- CCD apportionment
- State funds for remedial education and job training for CalWORKS participants.

The Governance Template in the AEBG Toolkit provides the format for listing consortium members and describing the process for setting up consortia membership and governance that ensures appropriate processes were followed. To access the Governance Template go to the AEBG Toolkit located under the additional resources section at the following link:

<http://aebg.cccco.edu/For-AEBG-Grantees>

### **Consortia Decision Making**

Decision making procedures are specified in AB104 that ensure that all of the following conditions are satisfied:

- All members shall participate in any decision made by the consortium.
- A proposed decision is considered at an open, properly noticed public meeting of the consortium at which members of the public may comment.
- The consortium has provided the public with adequate notice of a proposed decision and considered any comments submitted by members of the public, and any comments submitted by members of the public have been distributed publicly.
- A decision is final.

## **F. Reporting & Submission Process**

### **Required Funding Recipient Content**

#### **Adult education block grant reporting Toolkit objectives:**

AB104 outlines expectations as well as planning and implementation requirements for the regional consortia and its members for the provision of adult education in all areas of the state. AB104 provides funding to support these collaborative efforts. These funds shall assist adult education consortia to accomplish each of the following objectives:

- Governance Plan Template

- Three Year Consortia Plan Template
- Annual Plan Template
- Member Allocation Forms
- Consortia Expenditure and Progress Reporting
- Consortia Performance Tracking & Reporting
- Consortia Student Enrollment Tracking & Reporting

The Toolkit (see Appendix D) consists of:

- Governance Template (described in the Membership section above),
- Amended Three-Year Plan template
- Guidance for completing the Amended Three-Year Plan template
- Annual Plan template for 2015-16
- Guidance for completing the Annual Plan template
- Excel Workbooks – one for Member Allocations and one for Performance Measures sections of the Annual Plan

More information will be added to the AEBG website as it becomes available. Notices will go out to Consortia Primary Contacts and highlighted notes will be posted on the website when new information is added. However, it is recommended that Consortia members check the website regularly for updates: <http://aebg.cccco.edu/For-AEBG-Grantees>

### **Governance Plan template:**

The Governance Plan Template in the AEBG Toolkit provides the format for listing consortium members and describing the process for setting up consortia membership and governance that ensures appropriate processes were followed. This governance plan template will help consortia members develop their own agreed upon decision making process.

### **Three Year Consortia Plan template:**

AB104 Adult Education Block Grant legislation states that the AB86 Final Plans are the foundation of the efforts that AB104 will be supporting. Those AB86 Final Plans are accepted as the basis of the Three-Year Plan requirement, with the caveat that the plans must be adapted to AB104 guidelines. AB104 guidelines are largely similar to AB86 structures, but do include notable differences including: seven program areas instead of five, more emphasis on data collection and availability, specific areas of performance, etc. AB86 stressed the importance of consortia member coordination of services and leveraging of resources within and outside the consortia; AB104 further strengthens that emphasis.

The Toolkit provides the Amended Three-Year Consortia Plan template for the adaptation of the AB86 Final Plan to AB104 requirements, as well as specific guidance for filling out that template.

### **Annual Plan template:**

AB104 legislation also requires Annual Plans for implementation, the first year of which is 2015-16, and updated plans for each subsequent year. It is understood that some activities will be immediately implemented while others will be phased-in. The Legislature has directed CDE and CCCCO to compile information about what consortia plan to do with the AEBG funds at the outset of implementation, and what impacts those efforts have at the end of each year.

The Annual Plan Template is designed to help consortia plan for the AEBG Program in their region, keeping in mind the vision and goals of the Three-Year Plan and how the first year's plan will set the stage for further implementation in the subsequent two years of the grant period. It is also designed to enable CDE and CCCCO to provide AEBG information to the Legislature in accessible formats. Specific guidance is provided in the Toolkit to aid in filling out this form.

### **Planning Amendment Submission Process (New):**

If a consortium wishes to amend any of the submitted documentation, you must take the following steps:

- Discuss at a properly noticed public meeting
- Obtain member input and public comment
- Involve all members in the final decision on the amendment
- Publish the minutes of the decision for public viewing
- Use the State system for updating/uploading amended documents

The deadline for submitting amendments to the State is May 15<sup>th</sup> of each year.

### **Consortium Member Allocations and Resources:**

As a condition of joining a consortium, members commit to reporting any funds available to that member for the purposes of adult education and workforce services for adults, and the uses of those funds. The Member Allocations Workbook (referred to in Sections 3 and 5 of the Revised Annual Plan template) provide the format for submission. The Workbook will collect information by individual consortium member. Consortium Level allocations data will automatically be compiled by the workbook and show on the Summary Sheet at the beginning of the Workbook.

### **Consortia allocation, budget, expenditure and progress reporting (New):**

AB104 requires that each consortium report budget and expenditures by consortia member, by program area, by AEBG objective, by object code, and file progress reports.

**Table of consortia budget, expenditure, and progress reports**

<b>Name of Report</b>	<b>Report Level</b>	<b>Details</b>	<b>System Used</b>	<b>Report Due Dates</b>	<b>Notes</b>
Online AEBG Budget & Expenditure Reporting	By Consortia	Budget & Expenditures by Object Code including progress report	Governor’s CTE Initiative	Every Six Months (January & July)	Tracking each allocation (15-16, 16-17, etc.) as a single “grant”
Annual Plan – Section 3	By Member, rolled up to Consortia	Budget & Expenditures by Program Area	AEBG Annual Plan Template	Annually (July)	Will auto filled prior year data for each subsequent plan
Annual Plan – Section 3	By Member, rolled up to Consortia	Budget & Expenditures by Object Code	AEBG Annual Plan Template	Annually (July)	Will auto filled prior year data for each subsequent plan
Annual Plan – Section 5	By Member, rolled up to Consortia	Budget & Expenditures by Objectives	AEBG Annual Plan Template	Annually (July)	Will auto filled prior year data for each subsequent plan

Consortia will be required to report on their expenditures and progress every six months, with the last six month period being a close out period. The reporting calendar will run from July 1, 2015 to June 30, 2018. A tentative reporting schedule is as follows:

Period 1 – Activities - July 1, 2015 to December 31, 2015 – Report due in January 2016

Period 2 - Activities – January 1, 2016 to June 30, 2016– Report due in July 2016

Note: Break out of Annual Expenditures for each member by program area, by objective, and by object code – due July 2016

Period 3 - Activities - July 1, 2016 to December 31, 2016 – Report due in January 2017

Period 4 - Activities – January 1, 2017 to June 30, 2017– Report due in July 2017

Note: Break out of Annual Expenditures for each member by program area, by objective, and by object code – due July 2017

Period 5 - Activities - July 1, 2017 to December 31, 2017 – Report due in January 2018

Period 6 – Close Out Period – February/March 2018.

\* Consortia will also be required to break out annual expenditures for MOE and the Consortia expenditures by the seven program areas, by the five AEBG objectives, and by the seven accounting object codes (1000s to 7000s). A template will be provided which will need to be certified by each fund recipient. This will need to be submitted on an annual basis.

\* AEBG consortia are encouraged to spend their apportionment in the year that funding is received; however consortia are allowed to carry over funding into the next fiscal year. Consortia are required to adhere to the reporting schedule listed above until their funding is exhausted. Check with your fiscal agent/district accounting office on how funds can be carried over.

\* If an AEBG consortium receives apportionment in 2016-17, funding must be tracked and reported separately in the member district's accounting system. Do not co-mingle AEBG 15-16 funding with 16-17 (or 17-18 if appropriated).

Funding Year	Activity Start Date	Reporting	Activity Must End By	Final Report Period Filing Date	Close Out Report Deadline
15-16	7/1/15	Every Six Months	12/31/17	1/31/18	3/1/18
16-17	7/1/16	Every Six Months	12/31/18	1/31/19	3/1/19
17-18*	7/1/17	Every Six Months	12/31/19	1/31/20	3/1/20

\* 17/18 funding is pending next year's Governor's Budget Proposal.

**Administration and Indirect amounts (New):**

Consortium Administration Charges

The AB104 Legislation for AEBG states in Section 84913:

(b) A consortium may use no more than 5 percent of funds allocated in a given fiscal year for the sum of the following:

- (1) The costs of administration of these programs.
- (2) The costs of the consortium.

A consortium may use no more than 5 percent of funds allocated in a given fiscal year for administration activities.

Examples of consortium administration activities:

- Rolling up each member's budget & expenditures for State reporting.
- Breaking out member's budget & expenditures for State reporting.
- Working with fiscal agent(s) to submit budget & expenditures for State Reporting.

- Coordinating the completion of the fiscal administration documentation.
- Ensuring that member decisions are followed through by the fiscal agent(s).
- Submits fiscal deliverables to the State as agreed upon by consortium membership.
- Hiring of consortium level staffing.
- Preparing the payroll for consortium level staffing.

### Indirect Rate

K-12 districts and COEs may use their CDE approved indirect cost rate for any AEBG apportioned funding. The indirect cost rate varies by district and is not a set amount. Please check the CDE Indirect Rate website, at the link shown below.

<http://www.cde.ca.gov/fg/ac/ic/>

Community College Districts (CCDs) may use up to either their approved indirect cost rate as directed in Code of Federal Regulations (CFR) 200.414 up to the development *minimus* amount as allowed in the CFR.

<https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-sec200-414>

### **Performance Outcomes:**

Please see the AEBG Student Data and Outcome Reporting Instructions. To be released in late March/ early April.