

May 10, 2018

Dear Adult Education Block Grant Fiscal Agent or Fiscal Coordinator:

Please accept this formal notification that your 2018-2019 CFAD has been approved for the 18-19 fiscal year. The CFAD is intended for each consortium to provide the State their fiscal structure for 2018-19, an allocation schedule of funding to members for 2018-19, and to inform the State AEBG Office of reasons why there were changes in allocations, fiscal responsibilities, and/or fiscal structure. The State anticipates apportionment schedules to be released by August 2018.

The members of the consortium may decide to designate a member to serve as the fund administrator or fiscal agent to receive and distribute funds to members. Members of the consortium may also choose to be direct funded. If a member is chosen to be the fund administrator, the member shall commit to developing a process to apportion funds to each member of the consortium pursuant to the consortium's adult education plan within 45 days of receiving funds appropriated for the program. Consortium will no longer track the pass through of AEBG funds as revenue and the pass through of funds is not required to be reported in the NOVA for AEBG system.

All consortia members will be required to submit into NOVA for AEBG their 2018-19 budgets and work plans by September 30, 2018. Consortium director/leads will certify budget and work plans by October 30, 2018. The member work plans will be based on the consortium level annual plans that were submitted in NOVA for AEBG by August 15, 2018.

Quarterly expenditure reporting for 18-19 will begin December 1, 2018 for Q1, and every quarter thereafter.

Note: Currently, the Governor's Budget for 18-19 includes trailer bill language that will change the reporting of AEBG member district's indirect expenditures. For K12 and County Offices, the allowed AEBG indirect rate will be the lessor of the CDE approved rate for 18-19 or 5%. For community colleges, the allowed indirect rate will be the lessor of the negotiated rate for 18-19 or 5%. This will become effective upon the enactment of the California State Budget.

For more details, please reference our AEBG Program Guidance, AEBG Allowable Uses, and the NOVA system via the AEBG website <http://aebg.cccco.edu/Home>

If you have any questions regarding this letter, please contact the Adult Education Block Grant Office at AEBG TAP tap@aebg.org