



July 30, 2018

To: Adult Education Block Grant Fiscal Agent or Fiscal Coordinator

From: California Adult Education Office

Subject: Approval of FY 18-19 Consortium Fiscal Administration Declaration

Please accept this formal notification of the contingent approval of your Consortium Fiscal Administration Declaration (CFAD) for the 18-19 fiscal year. The CFAD is intended to provide information regarding each consortium's disbursement method, allocation schedule of funding to members, and to inform the CA Adult Education Office of reasons associated with any changes in allocations, fiscal responsibilities, and/or fiscal structure. The CA Adult Education Office anticipates apportionment schedules to be released by August 2018.

During the CFAD process, member agencies had the option of designating a consortium member to serve as the fiscal agent to receive and distribute funds to members. If a member agency is selected to be the fiscal agent, 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. Consortia will no longer track the pass through of funds as revenue. In addition, the pass through of funds should not be reported in the NOVA system.

The Governor's Budget for FY 18-19 included trailer bill language that changed the reporting of the member agency indirect expenditures. For K12 and County Offices, the allowed 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% (see link for [CA Adult Education Indirect Costs](#)).

All consortia members will be required to submit their FY 18-19 budget and workplan by **September 30, 2018** into the NOVA system. Consortium primary contacts will certify budgets and work plans by **October 30, 2018**. The member work plans will be based on the consortium level annual plans that will be submitted in the NOVA system by August 15, 2018. Quarterly expenditure reporting for FY 18-19 will begin December 1, 2018 for Quarter 1, and every quarter thereafter.

For additional details, please reference the CA Adult Education Program Guidance, Allowable Uses, and the NOVA system via the CA Adult Education website at <https://caladulthood.org/Home>.

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

Sincerely,

Carolyn Zachry, Ed.D
California Department of Education
Adult Education Block Grant Office



Javier Romero
California Community Colleges Chancellor's Office
Adult Education Block Grant Office

