



**To:** Adult Education Providers

**From:** Josh Richardson, Chief Operating Officer  
Regina Ashley, Chief Strategy Officer

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**Date:** June 17, 2016

**Subject:** DWD Policy 2015-12  
Adult Education Funding Policy

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## Purpose

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

## Rescission

DWD Policy 2013-05 Adult Education Funding

## References

Workforce Innovation and Opportunity Act, Sections 129 and 241  
Property Management/Surplus Property Policy (DWD Policy 2015-02)  
Adult Education Program Monitoring and Improvement Policy (DWD Policy 2014-04)  
34 CFR 80.21(f)

## Content

The Department of Workforce Development (DWD) leverages several financial resources to ensure the delivery of Adult Education (AE) and English Literacy programs. These programs include foundational skills development, English Language Acquisition & Civics instruction, career pathways, and academic and career counseling services for the purposes of employment, reemployment, or enhanced

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employment to adults and out-of-school youth, as defined in the Workforce Innovation and Opportunity Act §129(a)(1)(B).

## **Adult Education Funds—WIOA Title II and State Funds**

State and federal (WIOA Title II) funds support programs and services delivered through AE and English Literacy programs. DWD determines the allocation of state and federal funds to grantees based on an allocation formula.

### ***Budget Requirements for Fiscal Agents and Sub-grantees***

Each AE fiscal agent must submit a line item budget that details 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 allocation per year. Fiscal Agents 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.

Each fiscal agent must submit a budget for each sub-grantee showing the distribution of sub-awarded funds by both type (program and administrative) and source (state and federal). A line item budget is not necessary for sub-grantees. Fiscal agents should submit sub-grantee budgets as required through the grant application. Sub-grantee budgets should be revised and resubmitted to the Adult Education Grants Team, via [adulted@DWD.in.gov](mailto:adulted@DWD.in.gov) upon any transfer of sub-granted 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 administrative costs.
- Transferring funds between state and federal allocations.

Budget modification requests must be submitted to the Adult Education Grants Team, via [adulted@DWD.in.gov](mailto:adulted@DWD.in.gov) and approved by DWD AE *before* budget modifications are made.

### ***Procedures for Expenditure Reimbursement***

Fiscal agents will be reimbursed for actual program and administrative expenditures by completing the prescribed DWD AE reimbursement form and electronically submitting it to the Adult Education Grants Team via [adulted@DWD.in.gov](mailto:adulted@DWD.in.gov). Fiscal agents may submit for reimbursement on a monthly basis, but are required to submit for reimbursement no less than quarterly. DWD strongly suggests the submission of reimbursements for state funds prior to the submission of reimbursements for federal funds.

### ***Purchasing Requests & Assets Inventory***

Fiscal agents must request permission from the Adult Education Grants Team in order to purchase any items with a unit acquisition cost over \$5,000 using DWD granted funds. Fiscal agents must complete and return Attachment B of the Property Management/Surplus Property Policy (DWD Policy 2015-02) to [adulted@DWD.in.gov](mailto:adulted@DWD.in.gov) to request permission.

Any equipment or property with a unit cost of \$500 or more procured using DWD granted funds **must** be tracked and maintained on a spreadsheet at the local level in the event of a change in the grant

recipient(s). Twice annually, a physical inventory of these assets must be performed and reported to the Adult Education Grants Team via [adulthood@DWD.in.gov](mailto:adulthood@DWD.in.gov). Fiscal agents must follow all other DWD grantee requirements found in the Property Management/Surplus Property Policy (DWD Policy 2015-02).

### ***Maintenance of Effort***

The Maintenance of Effort (MOE) requirements in the Adult Education and Family Literacy Act (AEFLA), Title II of WIOA, 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 a significant change in funding, regional MOE may change accordingly. The total local MOE requirement is allocated regionally based upon the percentage of federal funds and enrollments.

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 funds used to provide AE services (excluding costs related to High School Equivalency Assessments); and
- In-kind contributions to AE providers including, but not limited to, volunteer hours, facility/office space costs, copying and printing, technology, and services provided by tutors or literacy agencies.

### ***Revocation and Recovery of Funds***

DWD has the discretion to revoke a grant award for any AE fiscal agent or provider as outlined in the Program Monitoring and Improvement Policy (DWD Policy 2014-04).

### ***Adult Education Program Tuition and Fees***

#### **Tuition**

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

#### **Fees**

Participants may only be charged permissible fees, which include textbook rental & purchase fees; refundable deposits for books or materials used for review outside of the classroom; or 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. Programs **must** disclose any associated fees to students prior to orientation.

### **Program Income Requirements**

Programs choosing to charge fees must reinvest the 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 upon request. Any fees charged may not be applied towards Maintenance of Effort requirements.

### **Effective Date**

Immediately.

### **Ending Date**

Upon rescission.

### **Contact for Questions**

[policy@dwd.in.gov](mailto:policy@dwd.in.gov)