

Office of Adult Education

2020-21 SECTION 107, STATE SCHOOL AID ACT REQUIREMENTS FOR SPECIAL PROGRAMS**PROGRAM YEAR: July 1, 2020-June 30, 2021****GRANT PURPOSE AND FUNDING**

Section 107(15-18) of the 2020-21 State School Aid Act (Public Act 165 of 2020) allocates an amount not to exceed \$4 million for grants to currently funded Section 107 adult education programs or state-approved career technical centers (CTE) that connect adult education participants with employers.

GRANT RECIPIENTS ARE REQUIRED TO ADHERE TO THE INTENT OF THIS GRANT, WHICH IS TO PRIMARILY SERVE ADULT EDUCATION PARTICIPANTS WHO ARE ACTIVELY WORKING TOWARD EARNING A HIGH SCHOOL DIPLOMA OR A HIGH SCHOOL EQUIVALENCY CERTIFICATE. Section 107(18) indicates it is the intent of the legislature to implement a phased-in cap on the percentage of adult education participants that may already have a high school diploma or a high school equivalency certificate at the time of enrollment.

This is the third and final year of the three-year grant cycle. The grant to each eligible program shall be up to \$350,000 for each of the three years of funding. After three years of operations and funding, a program must reapply for funding. The grant application deadline for 2020-21 is **May 20, 2020**, in the [Michigan Electronic Grants System \(MEGS+\)](#).

These services must be provided within the geographic boundaries of the prosperity region; however, participants can obtain services from any region.

NOTE: There is a separate Section 107 Supplemental Funding grant application for the adult education providers to support administrative and instructional expenses associated with partnerships linking Section 107 programs and CTE programs under section 61a.

ELIGIBLE GRANT RECIPIENTS

Eligible grant recipients are those that were approved for the three-year grant in 2018-19, as this is the third and final year of a three-year grant cycle. Eligible grant recipients included a local school district, an Intermediate School District (ISD), a consortium of local school districts, a consortium of ISDs, or a consortium of local school districts and ISDs that are identified as part of the local process and approved by LEO-WD, Office of Adult Education.

A state-approved CTE center may subcontract with other state approved CTE centers or state-approved local district CTE programs to provide CTE instruction under this grant. All CTE courses and locations under this grant must align with courses and locations approved by the Michigan Department of Education for K-12 CTE programming.

PROGRAM REQUIREMENTS

To be eligible for funding under this subsection, a program must provide a collaboration linking Section 107 funded adult education programs within the county, the area career technical center, and local employers.

To receive funding under this subsection, an eligible program must meet all of the following:

- (a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.
- (b) Require adult education staff to work with Michigan Works! Agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Except as otherwise provided under this subdivision, participants identified under this subsection must be dually enrolled in adult education programming and in at least one (1) state-approved technical course at the area career and technical center. A program that links participants identified under this subsection with adult education programming and commercial driver license courses does not need to enroll the participants in at least one (1) state-approved technical course at the area career and technical center to be considered an eligible program under this subsection.
- (c) Employ an individual staffed as an adult education navigator who will serve as a caseworker for each participant identified under subdivision (b). The navigator shall work with adult education staff and potential employers to design an educational program best suited to the personal and employment needs of the participant and shall work with human service agencies or other entities to address any barrier in the way of participant access.

Grant recipients must also adhere to all Section 107 and federally funded adult education program requirements which include, but are not limited to:

- Participant Eligibility and Continued Eligibility
- Assessment (Pre- and Post-Testing)
- Performance (State and Federal)
- Participant/Performance Reporting - Michigan Adult Education Reporting System (MAERS)
- Financial Reporting

PARTICIPANT ELIGIBILITY CRITERIA

To be eligible to be a participant funded under Section 107, an individual shall be enrolled in a Section 107 funded adult basic education program, an adult secondary education program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of Section 107, and for which instruction is provided, and shall be at least 18 years of age and the individual's graduating class has graduated. **(STATE DEFINED: AN INDIVIDUAL IS ELIGIBLE JULY 1 AFTER THE INDIVIDUAL'S 18TH BIRTHDAY.)**

GRANT RECIPIENTS ARE REQUIRED TO ADHERE TO THE INTENT OF THIS GRANT, WHICH IS TO PRIMARILY SERVE ADULT EDUCATION PARTICIPANTS WHO ARE ACTIVELY WORKING TOWARD EARNING A HIGH SCHOOL DIPLOMA OR A HIGH SCHOOL EQUIVALENCY CERTIFICATE. Section 107(18) indicates it is the intent of the legislature to implement a phased-in cap on the percentage of adult education participants that may already have a high school diploma or a high school equivalency certificate at the time of enrollment.

AWARDS AND PAYMENTS

The grant to each program shall be up to \$350,000 for each year of the three-year grant period.

Once the application has been approved, the grant recipient will receive 1/11th payments disbursed from the Michigan Department of Education, State School Aid Office on the 20th of each month from October 2020 through August 2021 for fiscal year 2020-21.

Payments may be withheld by LEO-WD, Office of Adult Education, for failure to meet administrative or reporting requirements.

Any funds unexpended by June 30, 2021 must be returned to the State of Michigan. There are no carryover provisions.

ALLOWABLE COSTS AND ACTIVITIES

Funds allocated under Section 107 are restricted for adult education programs as authorized under Section 107 only, except as otherwise provided under subsections (15-18). A recipient of funds under Section 107 is prohibited from using these funds for any other purpose.

Funds allocated for this program must be expended on the following allowable costs and activities, and must align with the Section 107 Allowable Costs Policy Issuance 16-10, Change 1, or subsequent changes:

- Administrative/collaboration activities.
- Career Tech instructional/programs costs associated with the adult education participants, prorated accordingly.
- Navigator.
- Other (as determined by LEO-WD, Office of Adult Education).

Funds allocated for this program are NOT intended to pay for costs associated with providing adult education instructional programs and services. However, there is a separate Section 107 Supplemental Funding grant application for adult education providers participating in this grant to support administrative and instructional expenses associated with partnerships linking Section 107 programs and CTE programs under section 61a.

A recipient of funds may not commingle money received under Section 107 or from another source for adult education purposes with any other funds of the recipient. The recipient must establish a separate ledger account for these special program funds, which must be used solely for activities allowed in the special programs grant.

Section 107 does not prohibit a district from using general funds of the district to support an adult education or community education program.

REPORTING REQUIREMENTS

Participant Reporting in MAERS

The Section 107 funded adult education programs involved in this grant are required to enter participant data into the Michigan Adult Education Reporting System (MAERS). Detailed information will be provided by the Office of Adult Education.

Quarterly and Final Reporting

The fiscal agent must submit the following reports, per LEO-WD, Office of Adult Education guidance and instructions:

- Quarterly Reporting (Interim Report) in MEGS+ - Participant/Performance, Financial and narrative status of pilot program
 - July 1, 2020 - September 30, 2020 **Due Date: October 10, 2020**
 - July 1, 2020 - December 31, 2020 **Due Date: January 10, 2021**
 - July 1, 2020 - March 31, 2021 **Due Date: April 10, 2021**
 - July 1, 2020- June 30, 2021 **Due Date: July 10, 2021**

- Final Reporting
 - Email preliminary final expenditure amount to LEO-WD, Office of Adult Education – **Due Date: July 23, 2021**
 - Final Report in MEGS+ - Participant/Performance, Final Expenditures, and Narrative Report (including, but not limited to, the number of participants served in the pilot, graduation rates, and a measure of transitioning to employment and postsecondary) - **Due Date: August 20, 2021**
- Revenue and Expenditures - Financial Information Database (FID) through Center for Educational Performance and Information – **Due Date: November 1, 2021**
 - Section 107 Revenue: Suffix Code 0030
 ISD Fiscal Agent: Major Class Code 312
 Regional Provider: Major Class Code 317
 Tuition and Fees: Major Class Code 131
 - Section 107 Expenditures: State Code 331

Report to Legislature and State Budget Office

Per Section 107(18), not later than December 1, 2021, a program funded under subsection (15) shall provide a report to the senate and house appropriations subcommittees on school aid, to the senate and house fiscal agencies, and to the state budget director identifying the number of participants, graduation rates, and a measure of transition to employment.

Funded applicants are also required to provide this report to LEO-WD, Office of Adult Education.

Additional Reports

The State may request other reports/information, as it deems appropriate.

AUDITS/REVIEWS/DISALLOWED COSTS

In order to receive funds under this section, a funding recipient shall furnish to LEO-WD, Office of Adult Education, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

RECAPTURING OF FUNDS

Funding will be recaptured, as appropriate, for any of the following reasons as determined by LEO-WD, Office of Adult Education:

- Lack of services provided
- Lack of number of participants served
- Failure to comply with all requirements
- Lack of performance

ADULT SERVICES CONTACT:

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[LEO-WD Website](#) - Refer to the [LEO-WD Website](#) for additional information, as applicable.