



2021-22 SECTION 107, STATE SCHOOL AID ACT REQUIREMENTS FOR SPECIAL PROGRAMS

(THREE YEAR FUNDING PERIOD: 2021-22, 2022-23, 2023-24)

PROGRAM YEAR: July 1 - June 30

GRANT PURPOSE AND FUNDING

Section 107(15-18) of the 2021-22 State School Aid Act (Public Act 48 of 2021) allocates an amount not to exceed \$4 million for grants to currently funded Section 107 adult education programs or state-approved career technical center programs that connect adult education participants with employers. A program must provide a collaboration linking adult education programs within the county, the area career technical center, and local employers.

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

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 Program Year 2021-22 is **AUGUST 20, 2021**, in NexSys (previously the Michigan Electronic Grants System). Note: An updated application will be required each year.

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 career and technical education (CTE) programs under section 61a.

ELIGIBLE GRANT RECIPIENTS

Eligible grant recipients include 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 the Michigan Department of Labor and Economic Opportunity, Workforce Development (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.

STATE APPROVED CTE COURSES

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. CTE course instruction must be a minimum of 60 hours.

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 a 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/policies 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 must be at least 18 years of age by July 1 of the program year and the individual's graduating class must have graduated.

Participants must be concurrently enrolled in an approved Section 107 funded adult education program and actively working toward obtaining a high school diploma or a high school equivalency certificate and enrolled in at least one (1) technical course at the area career/technical center. (CTE course must be a minimum of 60 hours.) A program that links participants 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.

Concurrent enrollment is not required for a participant that was enrolled in an approved Section 107 funded adult education program during the same program year and obtained a high school diploma or a high school equivalency certificate prior to enrollment in an eligible career and technical skills program.

Up to 25% of adult education participants served may already have a high school diploma or a high school equivalency certificate at the time of enrollment in an eligible career and technical skills program and receive

remediation services. It is intended that this cap be continually lowered on an annual basis until it eventually is 0%.

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 2021 through August 2022 for fiscal year 2021-22.

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, 2022, 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 NexSys - Participant/Performance, Financial and narrative status of pilot program
 - July 1, 2021 - September 30, 2021 **Due Date: October 10, 2021**
 - July 1, 2021 - December 31, 2021 **Due Date: January 10, 2022**
 - July 1, 2021 - March 31, 2022 **Due Date: April 10, 2022**
 - July 1, 2021 - June 30, 2022 **Due Date: July 10, 2022**
- Final Reporting
 - Email preliminary final expenditure amount to LEO-WD, Office of Adult Education – **Due Date: July 23, 2022**
 - Final Report in NexSys - 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, 2022**
- Revenue and Expenditures - Financial Information Database (FID) through Center for Educational Performance and Information – **Due Date: November 1, 2022**
 - 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, 2022, 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 participants served
- Failure to comply with all requirements
- Lack of performance

OFFICE OF ADULT EDUCATION CONTACT:

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