

FY25 AEFLA FUNDING FORMULAS



TODAY'S PURPOSE

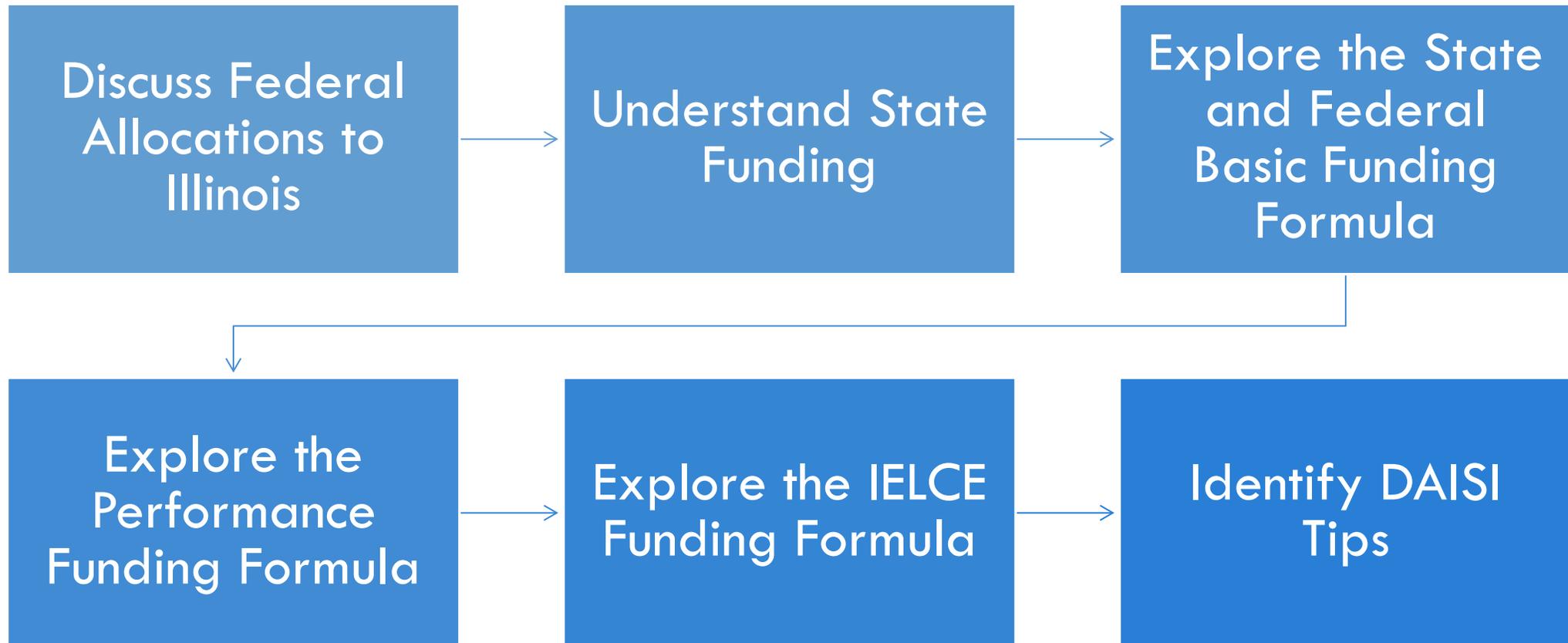


EXPLORE THE FUNDING FORMULAS
FOR ADULT EDUCATION AND
LITERACY.



ADDRESS QUESTIONS.

AGENDA



Upon submission of the Illinois approved Unified State Plan, OCTAE provides grants to states to fund local programs of adult education and literacy services.

Federal dollars are awarded for Leadership, funds to programs, and Integrated English Literacy and Civics Education.

FEDERAL FUNDING

FEDERAL BASIC FUNDING FORMULA



WIOA Section 211(c)... the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sum as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the **number of such adults in all States and outlying areas.**

(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term “qualifying adult” means an **adult who— (1) is at least 16 years of age; (2) is beyond the age of compulsory school attendance under the law of the State or outlying area; (3) does not have a secondary school diploma or its recognized equivalent; and (4) is not enrolled in secondary school.**



For purposes of calculating allotments under section 211(c)(2) of WIOA, the Department of Education (ED) used data from the 2024 American Community Survey (ACS) 1-year estimates. The ACS 1-year estimate provides the most current data and is a standard dataset used by other State formula grant programs at the Department of Education.

IELCE FEDERAL FUNDING FORMULA

Section 243(b)(1)(A) of WIOA allocates 65 percent of IELCE funds to States based on a State's need for integrated English literacy and civics education determined by calculating each State's share of a 10-year average of the **data of the Office of Immigration Statistics of the Department of Homeland Security for immigrants admitted for legal permanent residence for the 10 most recent years.**

Under section 243(b)(1)(B) of WIOA, the remaining 35 percent of IELCE funds are allocated to States that have experienced recent growth among the **target population as measured by the average of the three most recent years for which the Office of Immigration Statistics of the Department of Homeland Security data for immigrants admitted for legal permanent residence are available.**

STATE FUNDING



Match: the State is required to have a 25% match of Federal Funds, **AND**



Maintenance of Effort: As written in the Workforce Innovation and Opportunity Act (WIOA) and Section 241(b) of AEFLA, the Department will determine that the “fiscal effort per student or the aggregate expenditures of such eligible agency for activities under this title, in the second preceding fiscal year, were not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education and literacy activities in the third preceding fiscal year.”

FUNDING FORMULAS (IN THE AEL PROVIDER MANUAL)

Federal and State Basic

- Index of Need
- Base Funding
- Enrollment
- Units of Instruction

IELCE

- Base Funding
- Enrollment
- Attendance Hours

Performance Funding

- Educational Funding Levels
- High School Equivalency Attainment

Federal and State Basic Funding Formula



COMPONENTS

- Index of Need: first used to allocate funds to each Area Planning Council region.
- Units of Instruction
 - Beginning Literacy to Beginning ESL – 1.50
 - Beginning Literacy to Beginning ABE – 1.50
 - Vocational Units - 1.50
 - Low Intermediate ESL to High Intermediate ESL – 1.25
 - Low Intermediate ABE to High Intermediate ABE – 1.25
 - Low Advanced ESL to High Advanced ESL – 1.00
 - Low Advanced ASE to High Advanced ASE – 1.00
- Foundation: recognizes that there are higher fixed costs simply to “open the door” for programs that are smaller in terms of units of instruction provided.
- Enrollment: provide resources to each provider within each APC relative to the number of adult students served.



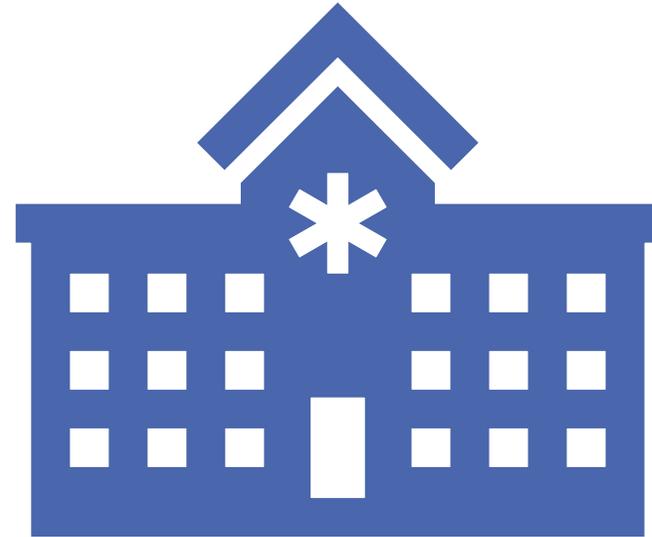
State Basic: The provider's total allocation is multiplied by the proportion of total State Basic to total Federal Basic.

Federal Basic The provider's Federal Basic allocation equals their total allocation less their State Basic allocation.

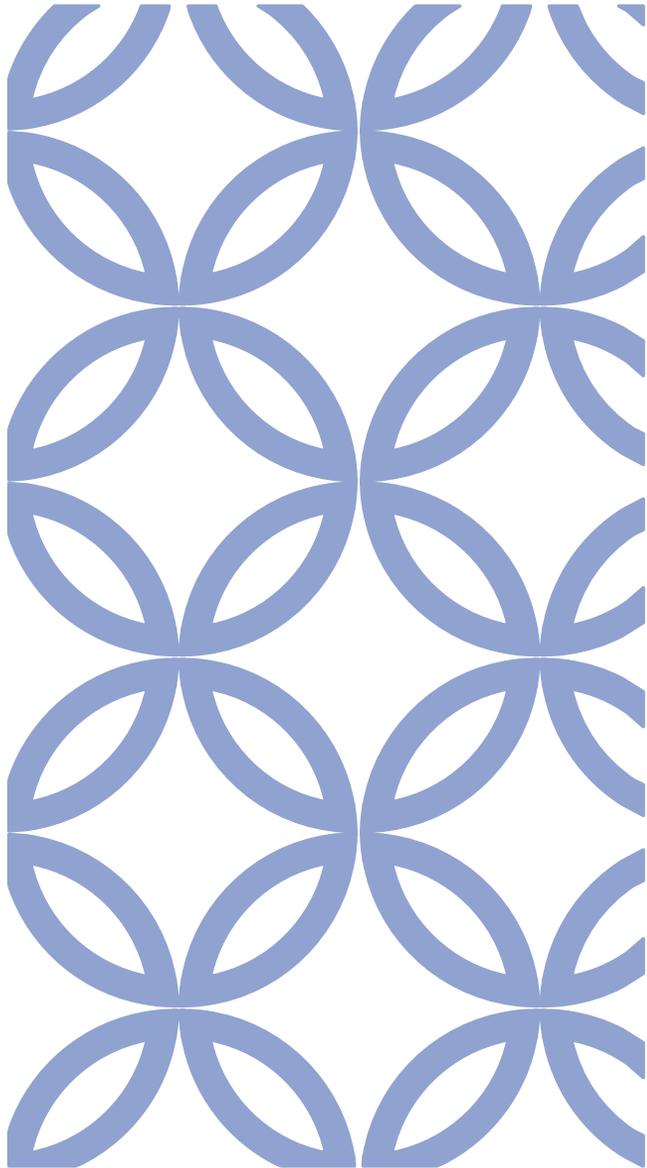
Example of SFY25 funding:

Total State Basic Allocation \$23,383,600 State Basic Portion 57%

Total Federal Basic Allocation \$17,681,780 Federal Basic Portion 43%



FEDERAL AND STATE ALLOCATIONS



The State Basic and Federal Basic Units of Instruction are based on data from DAISI and courses must be covered by 51% of the funding category.

3405 – State Basic

4800 – Federal Basic

4805 – IELCE

4815 – State Performance

4900 – Unrestricted

4910 – Other Restricted

FUNDING CATEGORIES

WHAT STUDENTS COUNT TOWARD BASIC FUNDING?

Students must be
pretested, error free,
and NRS reportable in
DAISI.



Students must be in
courses assigned 3405
OR 4800.



Students are NOT in a
Foreign GED or
Vocational Only Course

IELCE FUNDING FORMULA



IELCE FUNDING FORMULA

15% of the total allocation divided
equally among all funded
applicants



45% is a 3-year average of
attendance



40% is a 3-year average of
enrollment



Students are NRS Reportable,
marked as IELCE students, and
courses are marked in DAISI as
funded in 4805 – IELCE

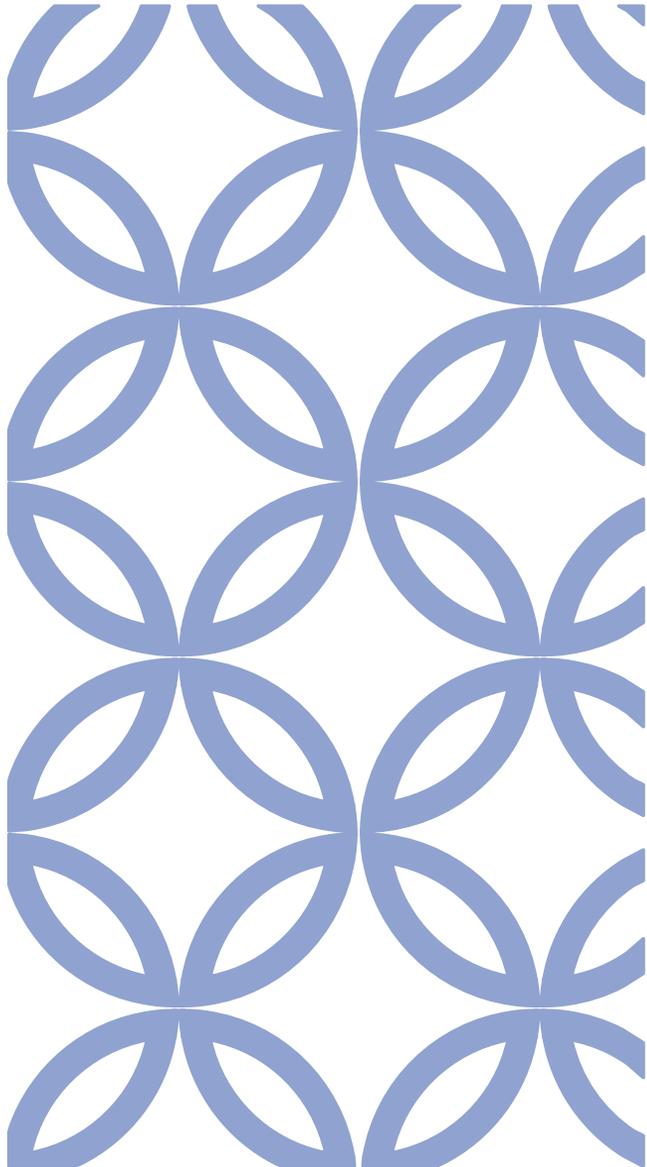
PERFORMANCE FUNDING FORMULA



PURPOSE OF PERFORMANCE FUNDING

The basis for performance funding should be **student outcomes** and that performance funds should be used to encourage and reward programs to continue to improve the outcomes of the services they delivered. The focus of performance funding is continuous improvement for all programs.

Funding policies for performance should emphasize learner education outcomes that are within the purview of the adult education provider.



Designed to reward meaningful achievements and milestones

Currently incentivizes Secondary Completion, Vocation Education Completion, Educational Functioning Gains, and Citizenship.

Vocational Completions not longer fits WIOA policy

Citizenship (Like Vocational Completion) is self reported

Uses a three-year average to mitigate large sways in program funding.

For a student's achievements to be counted, the following must be true:

The Student must be served with Restricted Funds (i.e. Federal Basic, State Basic, or IELCE Funding.)

The Student must be reportable in the **Program Status Report**

UNDERSTANDING THE AEL PERFORMANCE FUNDING

WHO IS IN THE PROGRAM STATUS REPORT

In Open-Entry Classes, have accrued at least 7.5 attendance hours in a class, prior to dropping.

In Fixed-Entry classes, have been successfully retained through the mid-term date and have accrued at least 7.5 attendance hours in that class, prior to dropping.

The hours described above must have taken place within a class funded by Restricted AEFL dollars in order for the student to be included in the required ICCB report. An aggregate report will be produced including students funded by:

- 3405 – State Basic
- 4800 – Federal Basic
- 4805 – Federal IELCE

Those enrolled in Foreign Language GED and Vocational classes are included.

Students must be free from all Errors identified via the DAISI Error Check.

Calculation of Mean

The Mean is calculated by taking the Average NRS Level Gain and dividing by the Average NRS takers.

FY24 Allocation Examples

- Average NRS Level 4,024
- Average NRS Takers ÷ 12,380
- Mean .3250

Performance Categories and Weighting

Funds are based on two performance categories, Secondary Completions and Level Gains.

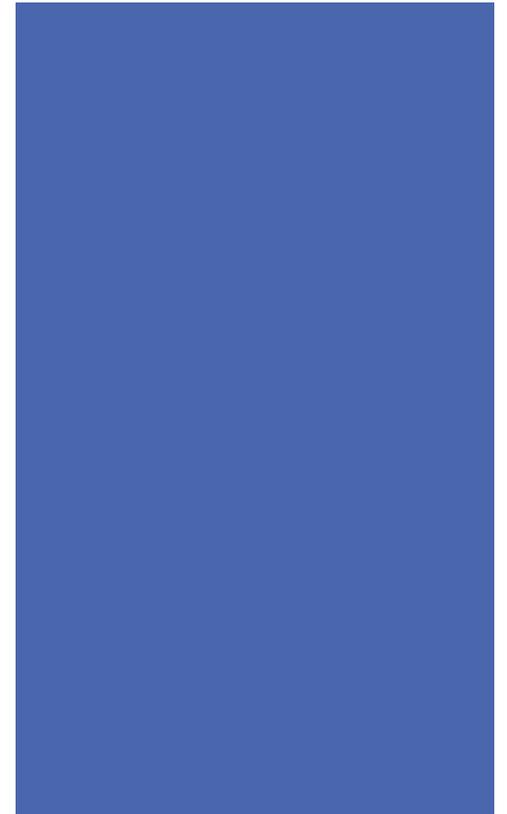
Performance Category	Weighting
Secondary Completions	5.7
Level Gains	3.1

WEIGHTED AVERAGES AND THE MEAN

WHY USE THE MEAN?

The Mean is used because it provides an average measure of performance outcomes relative to the total eligible students.

This aligns with the goal of distributing funds proportionately across all performance categories and reflects overall program performance.



The unit value determines the dollar amount assigned per unit of performance and is calculated by taking the Total Performance funding and dividing by the total weighted scores.

Calculation of Unit Value

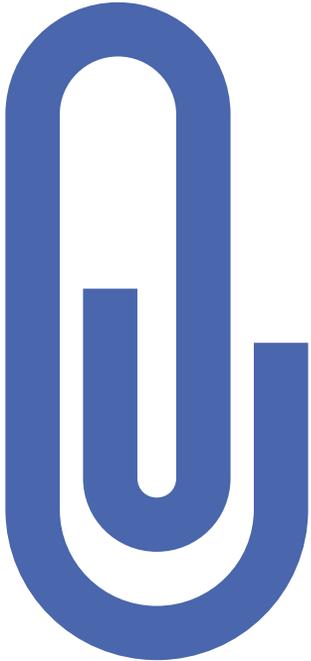
The unit Value is calculated by taking the Total Performance funding and dividing by the total weighted scores.

Performance Category	Raw Data	X	Weighting	X	Mean	=	Weighted Score
Secondary Completions	1,761	X	5.7	X	.3250	=	3,262
Level Gains	23,706	X	3.1	X	.3250	=	23,885
Total							27,147

$$\begin{array}{l} \text{Performance Funding} \quad \$11,444,545 \\ \text{Total Weighted Score} \div \underline{27,147} \text{ Unit} \\ \text{Value} \quad \quad \quad \quad \quad \quad \$421.58 \end{array}$$

CALCULATION OF UNIT VALUE (SFY24 EXAMPLE)

Review FY25's Technical Appendix with this presentation.



THE TECHNICAL APPENDIX



THANK YOU FOR ATTENDING