



Section 107, State School Aid Act

OVERVIEW



Section 107 Overview

- Background – Significant Changes
 - PY 2014-15: Allocations to Districts (Regional)
 - PY 2015-16: Adult Education Career Tech Pilot
 - PY 2016-17: Count Dates/Participant Eligibility
- PY 2017-2018 Section 107
- Enrollment
- Performance
- Success Stories



Background - PY 2014-15

Since FY04, the Section 107 appropriation has remained between \$20M and \$27M, to date.

- Prior to PY 2014-15
 - School districts received adult education funding directly.
 - 1995-96 FTE data was used as a basis to determine district funding levels.

- PY 2014-15
 - Section 107 implemented a regional structure, with one ISD serving as the fiscal agent in each of the ten prosperity regions in Michigan
 - School districts receive funding through the fiscal agent
 - Regional allocations were based on previous funding levels and current census data
 - Outlined a three year phase-in plan to use 100% census data
 - Convened a Section 107 Transition Workgroup



Background - PY 2015-16

- PY 2015-16: New allocation of up to \$500,000 for one adult education career tech pilot
 - Connects adult education participants directly with employers by linking adult education, career and technical skills, and workforce development
 - Eligible Section 107 participants are required to be dually enrolled in a Section 107 funded adult education program and at least one technical course at the area career/technical center.
 - Located in a prosperity region with two or more subregions
 - Three years of pilot funding
 - Eligible Agencies: ISDs and LEAs
 - Muskegon Area ISD applied and was awarded the pilot funding – Linked Muskegon



Background - PY 2016-17

- Prior to PY 2016-17
 - Eligibility: 20+ years old and meets district count date requirements
 - Count Date/FTE: Funding based upon FTE count date requirements for enrollment, and specific performance criteria.

- PY 2016-17
 - Eligibility: Expanded to include individuals 18+ years of age and whose graduating class had already graduated
 - Count date/FTE Structure: Eliminated and replaced with grant-like funding structure based upon headcount and performance.



PY 2017-18 Section 107, State School Aid Act

- Public Act 108 of 2017
- Appropriation of \$27 million for adult education programs
 - \$24.5 million for regional adult education programs
 - Up to \$2.5 million for 6 career tech pilot programs.



PY 2017-18 Career Tech Pilots

Allocation of up to \$2.5 million

- Up to \$500,000 for initial adult education career tech pilot (Year 3 of 3) awarded to Muskegon Area ISD – Linked Muskegon
- Additional allocation of \$2,000,000 for not more than five additional adult education career tech pilot programs as outlined in PY 2015-16
 - Located in specific areas of prosperity regions 1c, 2, 4a, 5 and 9.
 - Up to \$400,000 for each eligible pilot program
 - One year of pilot funding
 - Recipients awarded the pilot funding:
 - Region 1c: Eastern UP ISD
 - Region 2: Wexford-Missaukee ISD
 - Region 4a: Mecosta-Osceola ISD
 - Region 5: Bay-Arenac ISD
 - Region 9: Lenawee ISD (includes Hudson Area Schools)



PY 2017-18 Section 107 Participant Eligibility

- Has attained 20 years of age
- Has attained 18 years of age and the individual's graduation class has graduated (State Policy: July 1 after the individual turns 18)



PY 2017-18 Section 107 Eligible Programs of Enrollment

- Adult Basic Education (ABE): Instruction in reading and/or mathematics for adults who function below 9th grade level (0–8.9) in reading or mathematics, or both
- Adult Secondary Education (ASE): Instruction in reading and/or mathematics for adults who function between 9th and 12th grade level in reading or mathematics, or both
- English as a Second Language (ESL)
- High School Completion (HSC)
- High School Equivalency (HSE) Preparation
 - GED (General Educational Diploma)
 - HiSET (High School Equivalency Test)
 - TASC (Test Assessing Secondary Completion)

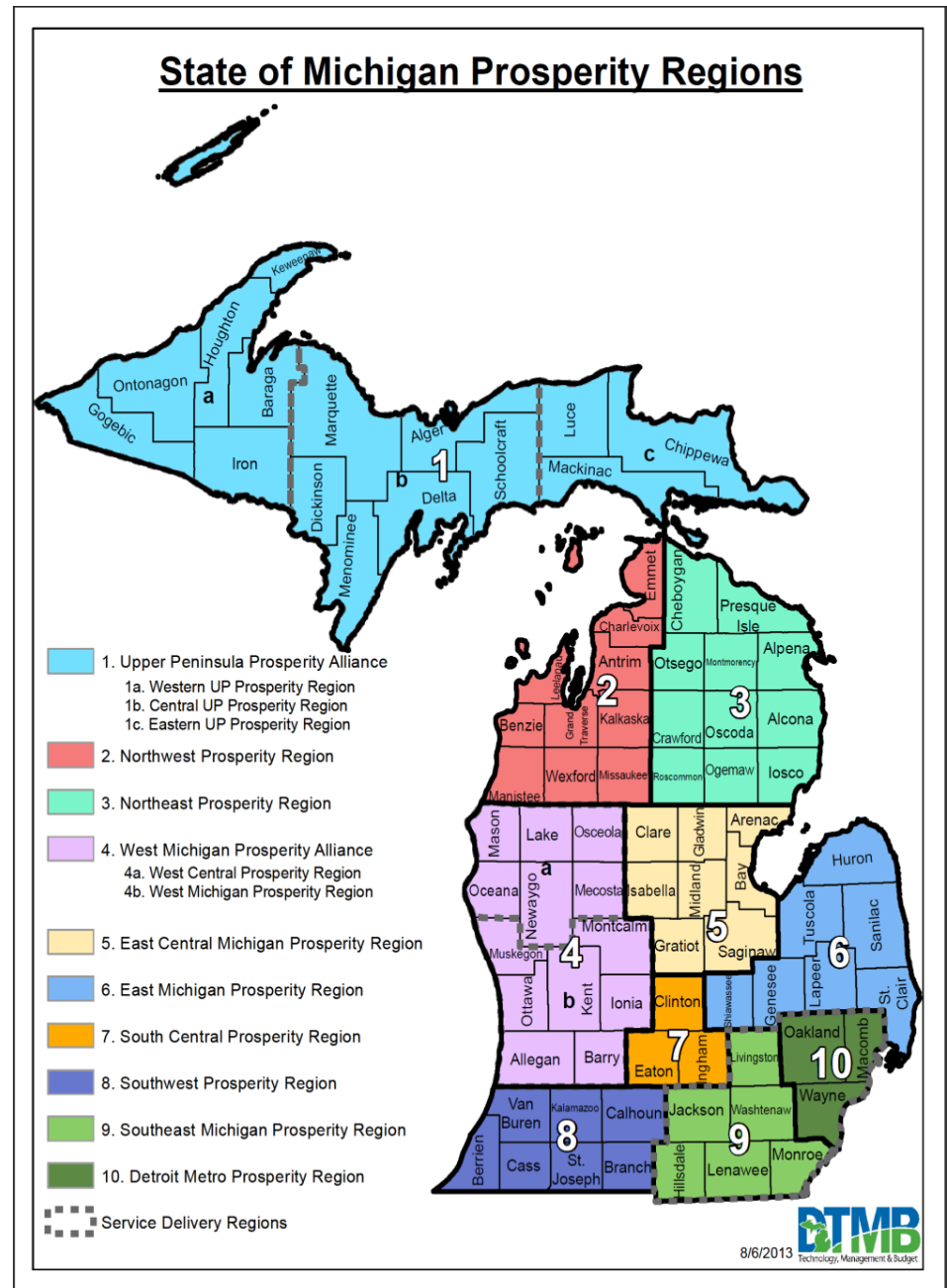


PY 2017-18 Section 107 Regional Fiscal Agents

Section 107 funds are allocated to one intermediate school district (ISD) serving as the fiscal agent for adult education programs in each of the ten prosperity regions in Michigan

PY 2017-18 Section 107 Eligible Providers

- Local Education Agencies (LEAs)
- Intermediate School Districts (ISDs)





PY 2017-18 Section 107 Prosperity Region Allocations

- Allocations to each of the prosperity regions are based upon previous funding levels and the most recent 5-year census data factors:
 - (60%) 18-24 year old non-high school grads
 - (35%) 25+ year old non-high school grads
 - (5%) 18+ lacking basic English proficiency

- Using 100% census data as the basis for the allocations is to be phased in over a three year period, which began in 2014-15.



Prosperity Region Allocations: 3-year Phase-In of Using 100% Census Data

- Beginning 2014-15
 - 67% based on the proportion of total funding received by the adult education providers in a prosperity region in 2013-14
 - 33% based on most recent 5-year census data for the region
- 2018-19
 - 33% based on the proportion of total funding received by the adult education providers in a prosperity region in 2013-14
 - 67% based on most recent 5-year census data for the region
- 2019-20
 - 100% based on most recent 5-year census data for the region



PY 2017-18 Section 107 ISD Fiscal Agent Responsibilities

- Distribute funds to adult education programs in a prosperity region
- Collaborate with the Talent District Career Council (TDCC)
 - Develop a regional strategy to deliver effective adult education programs and services, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.
 - Create a local process and criteria for identifying eligible adult education providers.
- The TDCC was changed to the Career and Educational Advisory Council (CEAC).
 - Increased the number of councils from 10 TDCCs to 16 CEACs, one in each of the 16 Workforce Development Board Service Delivery Areas
 - Increased the number of employer representatives from one to three
 - Increased collaboration between the CEACs and ISDs on the ISD's regional strategic plan
 - Engage representatives from business development, economic development and providers of labor market data
- Provide oversight to its adult education providers to ensure compliance with Section 107 requirements



PY 2017-18 Section 107 Performance Criteria

- Educational Gain
- Achievement of basic English proficiency
- Attainment of a high school equivalency certificate
- Passage of one or more individual high school equivalency test
- Attainment of a high school diploma
- Passage of a course required to attain a high school diploma
- Enrollment in a postsecondary institution
- Entry into or retention of employment



PY 2017-18 Section 107 Estimated Number to be Served

Section 107 Regional Providers	19,873
Section 107 CTE Pilots	380



Enrollment and Performance Data PY 2016-17 Section 107 Regional Providers

Section 107 Regional Provider Data	2016-17
Enrollment	19,598
# Met Performance	9,815
Educational Gain	7,743
Achieved English Proficiency	224
Passed One or More HSE Test*	1,908
Obtained HSE Certificate*	913
Earned High School Credit Towards Diploma	1,652
Obtained High School Diploma	715
Entered/Retained Employment	*
Entered Postsecondary	460

*HSE: High School Equivalency Certificate

**Employment data not available until September 2018

PY 2015-16 Data: 4,032 Entered/Retained Employment



Enrollment and Performance Data PY 2016-17 Section 107 Career Tech Pilot (Linked Muskegon)

PY 2016-17 SECTION 107 ADULT EDUCATION CAREER TECH PILOT - LINKED MUSKEGON

Enrollment in Linked Muskegon	Completed Linked Muskegon Program	Machining (Completed)	Welding (Completed)	Healthcare (Completed)	Workplace Excellence	Obtained HSE/HSD	Educational Gain	Obtained Employment
47	29	6	12	11	11	8	28	22*

*Obtained Employment:

Welding	7
Machining	4
Healthcare	6
Other	5



Success Stories

PY 2016-17 Section 107 Regional Providers

Marie

Marie, a divorced mother of three boys, attended the adult education program for four years before earning her GED credential.

When Marie began attending adult education, she was working full-time in the local Walmart bakery; a job with an exhausting schedule, low wages and little personal satisfaction. Marie's goal was to earn her GED credential so that she could secure more rewarding employment. With determination and support from our GED staff, she accomplished her goal in spite of significant personal challenges. Shortly after finishing her GED requirements, Marie earned her state CENA credential and was employed full-time by the local hospital. The quality of life for Marie and her children improved dramatically thanks to the availability of adult education!

Ramses

Ramses was determined to beat the odds. After having been incarcerated for choosing the wrong path in life, he decided to pursue a GED to become successful in life. But this was not done without overcoming a few obstacles that could have easily deterred him. By Spanish being his first language, he was determined to learn English and recruited a tutor to help him during this time. That was not all – Ramses walked two miles every day to and from the bus stop, not ever missing a day of class.

With diligence and determination, Ramses successfully completed the GED program and refers to his Certificate as a “Badge of Honor.” Not only has he set the bar for others in his family, but he serves as a great example to other young men who face similar challenges as he.

Ramses is gainfully employed and is looking forward to continuing his education at Wayne County Community College to obtain a degree and eventually become a Spanish Professor.



Success Stories

PY 2016-17 Section 107 Career Tech Pilot

Michael

Michael was a high school dropout, unemployed and had no plan for his future. After completing Linked Muskegon program, he attained his goal of receiving a high school diploma and is employed doing a job he really enjoys.

Michael continued his partnership with West Michigan Works!, who worked with his new employer to provide additional advanced machining training through its OJT program.

WMW! awarded Michael the 2018 Michigan Works Impact Award, as the region's very best economic development and workforce achievement of 2017.

Jesse

In the words of Jesse- "This welding class means a lot to me because it has given me a second chance at getting a great career. I have wanted to become a welder for a while but couldn't afford to go to school for it until I heard of Linked Muskegon. As soon as I found out about it, I was quick to jump on it so I can finally be a welder."

"I can't express how much this program has helped change my life. I thought I was going to be stuck at a fast food restaurant as a manager for the rest of my life but because of this program, I can finally start my life with a good paying job. I can't thank everyone who made this program happen enough for giving me and every other student who applies to this program another chance at having good career and great lives."

Jesse was expelled from high school as a young man and struggled to complete his GED. Without the Linked program, he would still be struggling for full time employment that offered a good wage and potential career path.



Michigan
Talent Investment Agency
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