

***Iowa's Adult Literacy Program
State Plan Extension***

Program Year 2007

July 1, 2006 – June 30, 2007

Iowa Department of Education

2006

**IOWA'S
ADULT LITERACY PROGRAM**

**STATE
PLAN
EXTENSION**

**IOWA DEPARTMENT OF EDUCATION
DIVISION OF COMMUNITY COLLEGES AND WORKFORCE
PREPARATION**

**PROGRAM YEAR 2007
JULY 1, 2006 – JUNE 30, 2007**

State of Iowa
DEPARTMENT OF EDUCATION
Grimes State Office Building
Des Moines, Iowa
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PREFACE

The passage of the Workforce Investment Act of 1998 (WIA) [Public Law 105-220] by the 105th Congress has ushered in a new era of collaboration, coordination, cooperation and accountability. The overall goal of the Act is “to increase the employment, retention, earnings of participants, and increase occupational skill attainment by participants, and, as a result improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.” The key principles inculcated in the Act are:

- streamlining services;
- empowering individuals;
- universal access;
- increased accountability;
- new roles for local boards;
- state and local flexibility;
- improved youth programs.

The purpose of Title II, The Adult Education and Family Literacy Act (AEFLA) of the Workforce Investment Act of 1998, is to create a partnership among the federal government, states, and localities to provide, on a voluntary basis, adult education and literacy services in order to:

- assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency;
- assist adults who are parents obtain the educational skills necessary to become full partners in the educational development of their children;
- assist adults in the completion of a secondary school education.

The major purposes of *Iowa’s Adult Literacy Program State Plan Extension for Program Year 2007* are:

- provide a comprehensive blue print for implementation of Title II of the Act;
- serve as a basis for both immediate and long-range planning and continuous, systematic evaluation of program effectiveness;
- provide basis for common understanding among Iowa’s literacy partners, other interested entities and the U.S. Department of Education.

The plan extension is designed to update *Iowa’s Adult Literacy State Plan for Program Year 2007* in line with the guidelines provided by the United States Department of Education: Division of Adult Education and Literacy (USDE:DAEL).

1.0 CERTIFICATIONS, ASSURANCES, DRUG FREE REQUIREMENTS

UNITED STATES DEPARTMENT OF EDUCATION Office of Vocational and Adult Education

The Adult Education and Family Literacy Act Enacted August 7, 1998 as Title II of the Workforce Investment Act of 1998 (Public Law 105-220)

The Iowa Department of Education of the State of Iowa hereby submits its revised State plan extension to be effective until June 30, 2007. The eligible agency also assures that this plan, which serves as an agreement between State and Federal Governments under the Adult Education and Family Literacy Act, will be administered in accordance with applicable Federal laws and regulations, including the following certifications and assurances.

1.1 Certifications

EDUCATION DEPARTMENT GENERAL ADMINISTRATIVE REGULATIONS (34 CFR Part 76.104)

- (1) The plan is submitted by the State agency that is eligible to submit the plan.
- (2) The State agency has authority under State law to perform the functions of the State under the program.
- (3) The State legally may carry out each provision of the plan.
- (4) All provisions of the plan are consistent with State law.
- (5) A State officer, specified by title in the certification, has authority under State law to receive, hold, and disburse Federal funds made available under the plan.
- (6) The State officer who submits the plan, specified by the title in the certification, has authority to submit the plan.
- (7) The agency that submits the plan, specified by the title in the certification, has authority to submit the plan.
- (8) The plan is the basis for State operation and administration of the program.

1.2 Assurances

WORKFORCE INVESTMENT ACT OF 1998 (Public Law 105-220)

Section 224 (b) (5), (6), and (8)

1. The eligible agency will award not less than one grant to an eligible provider who offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult education and literacy activities, which eligible provider shall attempt to coordinate with support services that are not provided under this subtitle prior to using funds for adult education and literacy activities provided under this subtitle for support services.
2. Funds received under this subtitle will not be expended for any purpose other than for activities under this subtitle.
3. The eligible agency will expend the funds under this subtitle in a manner consistent with fiscal requirements in Section 241.

Section 241 Administrative Provisions

- (a) Supplement Not Supplant.—Funds made available for adult education and literacy activities under this subtitle shall supplement and not supplant other State or local public funds expended for adult education and literacy activities.
- (b) Maintenance of Effort.—
 - (1) In General.—
 - (A) Determination.—An eligible agency may receive funds under this subtitle for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education and literacy activities, in the second preceding fiscal year, was 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.
 - (B) Proportionate reduction.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—
 - (i) shall determine the percentage decreases in such effort or in such expenditures; and
 - (ii) shall decrease the payment made under this subtitle for such program year to the agency for adult education and literacy activities by the lesser of such percentages.
 - (2) Computation.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

- (3) Decrease in federal support.—If the amount made available for adult education and literacy activities under this subtitle for a fiscal year is less than the amount made available for adult education and literacy activities under this subtitle for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.
- (4) Waiver.—The Secretary may waive the requirements of this subsection for 1 fiscal year only, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

Iowa Department of Education
(State Agency)

Grimes State Office Building

Des Moines, Iowa 50319-0146
(Address)

By Judy A. Jeffrey
(Signature of Agency Head)

Judy Jeffrey, Director
(Title)

1/3/06
(Date)

1.3 Certifications Regarding Lobbying; Debarment, Suspension And Other Responsibility Matters; And Drug-Free Workplace Requirements

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 34 CFR Part 82, "New Restrictions on Lobbying," and 34 CFR Part 85, "Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Education determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 34 CFR Part 82, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 34 CFR Part 82, Sections 82.105 and 82.110, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 CFR Part 85, for prospective participants in primary covered transactions, as defined at 34 CFR Part 85, Sections 85.105 and 85.110--

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2)(b) of this certification; and

(d) Have not within a three-year period preceding this application had one or more public transaction (Federal, State, or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

3. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 CFR Part 85, Subpart F, for grantees, as defined at 34 CFR Part 85, Sections 85.605 and 85.610 -

A. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about:

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Director, Grants Policy and Oversight Staff, U.S. Department of Education, 400 Maryland Avenue, S.W. (Room 3652, GSA Regional Office Building No. 3), Washington, DC 20202-4248. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Iowa Department of Education

Grimes State Office Building

Des Moines, IA 50319-0146

Check if there are workplaces on file that are not identified here.

**DRUG-FREE WORKPLACE
(GRANTEES WHO ARE INDIVIDUALS)**

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 CFR Part 85, Subpart F, for grantees, as defined at 34 CFR Part 85, Sections 85.605 and 85.610-

A. As a condition of the grant, I certify that I will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant; and

B. If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, I will report the conviction, in writing, within 10 calendar days of the conviction, to: Director, Grants Policy and Oversight Staff, Department of Education, 400 Maryland Avenue, S.W. (Room 3652, GSA Regional Office Building No. 3), Washington, DC 20202-4248. Notice shall include the identification number(s) of each affected grant.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

NAME OF APPLICANT	PR/AWARD NUMBER AND / OR PROJECT NAME
Iowa Department of Education	State Administered Adult Education Basic Grants Program
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Judy Jeffrey, Director, Iowa Department of Education	
SIGNATURE	DATE
	1/3/06

2.0 NEEDS ASSESSMENT

The purpose of this section is to update the literacy needs of Iowa’s eligible target populations as required in Section 224(b)(1) of the Act which states that “an objective need assessment of the needs of the individuals in the State or outlying area for adult education and literacy services (shall be conducted), including individuals most in need and hardest to serve.”

2.1 Individuals Most In Need

Table 1 and Graph 1 provide updated 2000 Census information on Iowa’s adult population age 18+ who lack a high school diploma or its equivalent. Table 1 delineates the education level cohorts of adults age 18+ by community college district. The two educational level cohorts are: (1) grade levels 0-8, and (2) grade levels 9-12 for persons who did not receive a traditional high school diploma or its equivalent. The data would indicate that a total of 318,708 (15%) undereducated adults out of a total adult population age 18+ (2,193,990) lack a high school diploma or its equivalency (5% fall in the 0-8th grade cohort and 10% fall in the 9-12 grade: no diploma or equivalency grade cohort).

Table 1

Iowa’s Community College District 2000 Census Data For Iowa’s Adult Population Who Have Not Attained A High School Diploma Or Equivalent

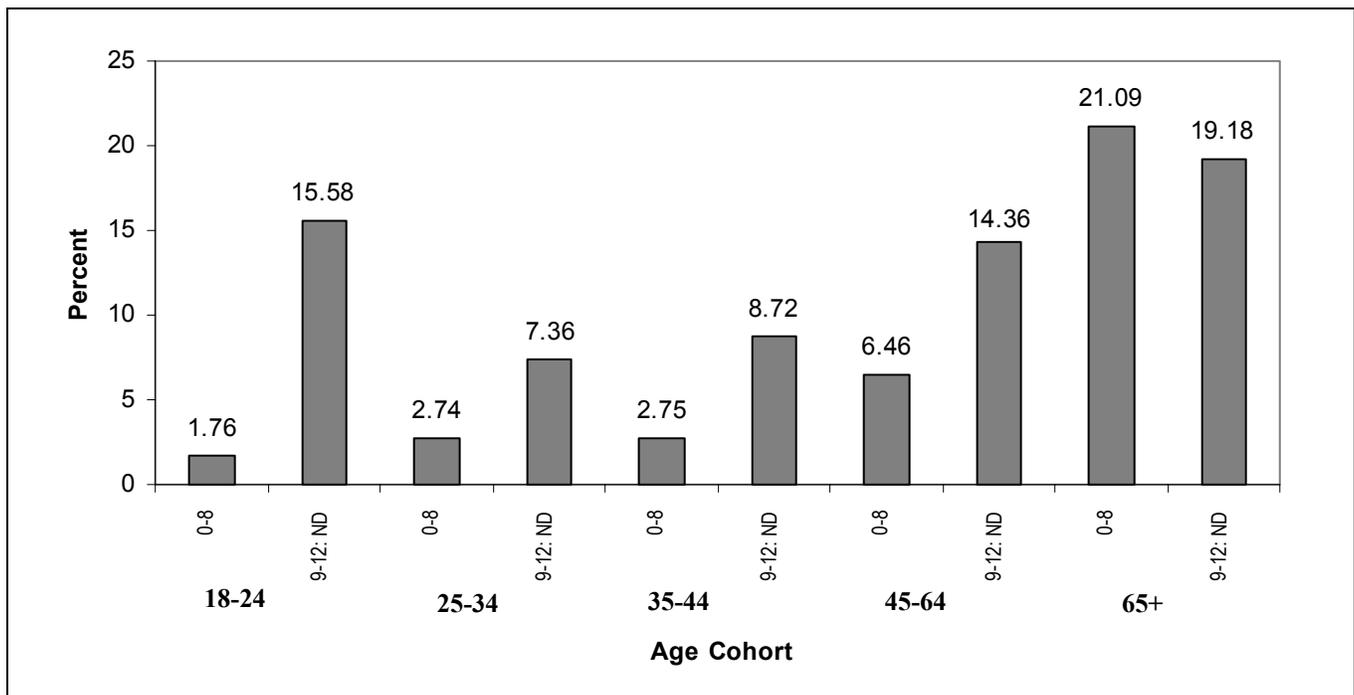
Community College District Number and Name	0 to 8th Grade	9th to 12th Grade: No Diploma or Equivalent	TOTAL
I - Northeast Iowa Comm. College	11,214	14,140	25,354
II - North Iowa Area Comm. College	4,938	8,707	13,645
III - Iowa Lakes Comm. College	2,977	5,221	8,198
IV - Northwest Iowa Comm. College	5,158	4,467	9,625
V - Iowa Central Comm. College	6,142	10,886	17,028
VI - Iowa Valley Comm. College District.	4,672	7,318	11,990
VII - Hawkeye Comm. College	7,572	13,182	20,754
IX - Eastern Iowa Comm. College District	10,754	22,816	33,570
X - Kirkwood Comm. College	9,472	21,113	30,585
XI - Des Moines Area Comm. College	19,006	43,744	62,750
XII - Western Iowa Tech Comm. College	8,642	14,789	23,431
XIII - Iowa Western Comm. College	6,675	15,002	21,677
XIV - Southwestern Comm. College	2,813	5,280	8,093
XV - Indian Hills Comm. College	7,178	11,972	19,150
XVI - Southeastern Comm. College	3,815	9,043	12,858
TOTAL	111,028	207,680	318,708

Source: Iowa 2000 Census data for Iowa’s population age 18 and older. The data is located at the Iowa Community College Demographic Website at <http://proximityone.com/iacc.html>

Graph 1 provides a percentage comparison of completed grade levels below the high school/equivalency grade level by age cohorts for the Iowa adult population age 18+. The 65+ age cohort constitutes the largest percent (40.27%) of adults who did not complete grade levels 0-8 (21.09%) or did not obtain a secondary school credential (19.18%). The 45-64 age cohort constitutes the second largest percent (20.82%) or adults who did not complete grade levels 0-8 (6.46%) or did not obtain a secondary school credential (14.36%). The observation is that years of schooling tend to increase from the youngest age cohort (18-24) to the middle age cohort (18-44) and then decline across the older age cohorts (45-65+).

Graph 1

A Percentage Comparison of Completed Grade Levels Below the High School/Equivalent Grade Level by Age Cohorts for Persons 18+ Years of Age in Iowa



Completed Grade Level	Age Cohort	N	Percent	Cumulative %
0-8	18-24	5,620	1.76	1.76
9-12: No Diploma		49,684	15.58	17.34
0-8	25-34	8,765	2.74	20.08
9-12: No Diploma		23,473	7.36	27.44
0-8	35-44	8,785	2.75	30.19
9-12: No Diploma		27,823	8.72	38.91
0-8	45-64	20,421	6.46	45.37
9-12: No Diploma		45,552	14.36	59.73
0-8	65+	67,253	21.09	80.82
9-12: No Diploma		61,164	19.18	100.00
TOTAL		318,740	100.00	

Interpretation: The 65+ age cohort constitutes the largest percent (40.27%) of adults who did not complete grade levels 0-8 (21.09%) or did not obtain a secondary school credential (19.18%). The 45-64 age cohort constitutes the second largest percent (20.82%) of adults who did not complete grade levels 0-8 (6.46%) or did not obtain a secondary school credential (14.36%). The observation is that years of schooling tend to increase from the youngest age cohort (18-24) to the middle age cohort (18-44) and then decline across the older age cohorts (45-65+).

Source: 2000 Census: Summary Tape File 3

5.0 PERFORMANCE MEASURES

One of the major intents of the Adult Education and Family Literacy Act (AEFLA) was to establish performance measures to demonstrate increased accountability in line with the major goals and objectives of the Workforce Investment Act of 1998. Sections 212(b)(2)(A) and 212(b)(2)(B) of AEFLA specify that each eligible agency (e.g. The Iowa Department of Education) is subject to certain core indicators of performance and has the authority to specify additional indicators. The core federally mandated indicators are:

- Demonstrated improvement in literacy skill levels in reading, writing, and speaking the English language, numeracy, problem solving, English language acquisition, and other literacy skills;
- Placement in, retention in, or completion of postsecondary education, training, unsubsidized employment or career advancement;
- Receipt of an [adult] secondary school diploma or its recognized equivalent [Iowa High School Equivalency Diploma].

5.1 Eligible Agency Performance Measures And State Mandated Additional Performance Indicators

This section outlines Iowa's adult literacy program benchmark projections for State Program Year 2007. Table 2 displays two types of benchmark projections: (1) state mandated benchmarks, and (2) federally mandated benchmarks included in the National Reporting System (NRS) for adult education. There are five (5) state mandated benchmarks and fourteen (14) federally mandated benchmarks for a total of nineteen (19) benchmarks for Iowa's adult literacy program. The state mandated benchmarks focus on: (1) pre-post assessment percentages for the three major adult literacy instructional programs, (2) Iowa's General Educational Development (GED) pass rate, and (3) Iowa's basic skills certification program credential increase. The federally mandated benchmarks are in compliance with the National Reporting System (NRS) infrastructure.

The benchmark projections were formulated based on the following factors: (1) analysis of State Program Year 2005 benchmark attainment levels, (2) analysis of State Program Year 2006 negotiated levels, (3) Iowa's Adult Literacy Continuous Improvement Benchmark Model (IALCIBM), (4) regional and national benchmark attainment levels for State Program Year 2005, and (5) State Program Year 2007 federally mandated negotiated levels with the U.S. Department of Education: Division of Adult Education and Literacy (USDE:DAEL).

Table 2

Iowa's Adult Literacy Program Benchmark Projections for Program Year 2007 (July 1, 2006 – June 30, 2007)

STATE BENCHMARKS Pre/post Assessment by Instructional Program	*PY 05 Percent Attainment for Total Enrollment	**PY 06 Percent Projection	PY 07 Percent Projection
Adult Basic Education (ABE)	82%	84%	86%
English-as-a-Second Language (ESL)	65%	50%	53%
Adult Secondary Education (ASE)	92%	86%	88%
OTHER STATE BENCHMARKS			
GED Pass Rate	98%	95%	96%
Basic Skill Credential Increase from PY 06 to PY 07	Base Year	NA	2%
FEDERAL BENCHMARKS Educational Gains Core Measures delineated - NRS (Educational Functioning Level)			
Beginning Literacy ABE	40%	45%	45%
Beginning ABE	48%	47%	50%
Low Intermediate ABE	53%	50%	53%
High Intermediate ABE	60%	59%	62%
Low ASE	77%	75%	78%
Beginning Literacy ESL	41%	47%	48%
Low Beginning ESL	NA	NA	42%
High Beginning ESL	NA	NA	42%
Low Intermediate ESL	46%	42%	48%
High Intermediate ESL	42%	42%	44%
Advanced ESL	25%	40%	40%
Follow-up Core Measures - NRS			
Entered Employment	72%	77%	78%
Job Retention	87%	89%	90%
Earned GED or HS Comp.	85%	76%	80%
Entered Post-Secondary Education or Training	54%	48%	56%

* **Source:** Iowa's Adult Literacy Program Annual Benchmark Report; Program Year 2005: Table 4, Column H and Table 5, Column G, pp. 76-78.

** **Source:** Iowa's Adult Literacy Program Benchmark Projection Report: Program Year 2006; Table 1, p. 6, and Table 2, Column A, p. 7.

The federal benchmark negotiated levels for State Program Year 2007 exceed the State Program Year 2006 negotiated levels by a range of 1-6 percent.

The federal benchmark negotiated levels for State Program Year 2007 meet or exceed the federal benchmark attainment levels for State Program Year 2005, which satisfies the federal criteria established in *OVAE/DAEL Program Memorandum FY 2007-02* (p. 1). The Memorandum states “Our expectation, and the requirement of the law, is that each state will continuously improve its performance levels in a substantive way. Therefore, performance levels proposed for a future year [State Program Year 2007] must exceed the actual performance of a current year [State Program Year 2005].”

6.0 PROCEDURES FOR FUNDING ELIGIBLE PROVIDERS

Section 203(5) of the Act states “the following public or private non-profit entities are eligible to apply to the eligible agency for an award: local educational agencies, community-based organizations (CBOs) of demonstrated effectiveness, volunteer literacy organizations of demonstrated effectiveness, an institution of higher education, a public or private non-profit agency, libraries, public housing authorities (PHAs), non-profit institutions, not described above, with the ability to provide literacy services to adults and families, and a consortium of the agencies, organizations, and institutions, libraries, or authorities described above.”

The Iowa statewide basic skills delivery system emphasis a consortium approach for the delivery of basic literacy skills services to Iowa’s eligible target populations. The consortium approach provides a comprehensive, integrated, seamless delivery system emphasizing cooperation and coordination of the different eligible providers reference in Section 203(5) of the Act.

Each consortium utilizes a participatory planning committee (PPC) approach for the development of policy, governance and equality in the distribution of basic literacy skills services throughout the community college district served by the respective consortium. Each PPC consists of 15-20 members representing all of the eligible providers and other literacy partners within the consortium district as specified in Section 203(5) of the Act. Given the proven and effective delivery of basic literacy skills services through the consortium effort, priority will be given to those local providers who can effectively demonstrate an integrated approach to the delivery of basic literacy skills services.

6.1 Applications

Section 224(b)(7) of the Act indicates that the Plan should include a ‘description of how the eligible agency will fund local activities in accordance with the considerations described in 231(e).’ This process was described in section 6.0 (pp. 81-91) of the document titled *Iowa’s State Plan for Adult Education: Fiscal Years 2000-2004*. **Given this process, the Iowa Department of Education will extend the current multi-year grants for State Program Year 2007.**

6.2 A Description Of Iowa’s Federal Adult Literacy Program Performance Based Funding Formula

6.2.1 Introduction

The purpose of this section is to outline the major components for Iowa's Adult Literacy Program funding formula for distribution of federal adult literacy program funds to Iowa's local providers under the aegis of the reauthorization of the Workforce Investment Act (WIA) of 1998. The formula would serve as the basis for allocation of federal adult literacy funds to local providers effective with State Program Year 2007 (July 1, 2006-June 30, 2007).

6.2.2 Background

Section 224(b)(B)(ii) of the proposed reauthorization of Title II of WIA (Adult Education and Family Literacy Act: AEFLA) indicates that "(States) will use technical assistance, sanctions and rewards including **allocation of grant funds based on performance** [i.e. benchmark attainment] and termination of grant funds based on nonperformance." The clear implication is

that States will be required to allocate federal adult literacy funds based in whole or part on a performance based funding formula. The current funding formula was designed to provide fair and equitable allocations to local providers. The current formula is based on a combination of: (1) needs assessment data, (2) enrollment data, and (3) contact hour data. The formula provides specific "safety net" features to protect local providers.

6.2.3 Performance Based Funding Formula Description

The formulation of the performance based funding formula is designed to retain the best components of the current formula but also to comply with the federal mandate. The formula will consist of two (2) major components: (1) adult literacy target population needs assessment information, and (2) local provider performance based on benchmark attainment. Each component would represent 50% of the total formula (i.e. 50% of the allocation based on needs assessment data and 50% of the allocation based on benchmark attainment).

The needs assessment component would be subdivided into two types of data: (1) Iowa State Adult Literacy Survey (IASALS) data for Levels 1 and 2 (i.e. adult target populations lacking basic literacy skills as determined by National Adult Literacy Survey (NALS) criteria broken out by each community college district and (2) updated 2000 Census data depicting the number of adults in each community college district lacking a high school diploma or its equivalent. Each part of the needs assessment component would be weighted at 25% thus totaling the 50% of the total formula based on the needs assessment component. The allocation amount based on the needs assessment component is independent of the performance based component.

The performance based component is quantified by a combination of nineteen (19) federal and state mandated benchmarks. The nineteen benchmarks are composed of fourteen (14) federal and five (5) state mandated benchmarks. The performance based allocation amount is determined by the percent of 17 benchmarks attained by each local provider. For example, if a local provider successfully attained a range of 17-19 benchmarks, 100% of the allocation amount would be granted based on the performance criteria. If a local provider successfully attained 16 benchmarks, 94.12% of the allocation amount would be granted based on performance criteria. If a local provider successfully attained 15 benchmarks, 88.24% of the allocation amount would be granted based on performance criteria. The scale would extend down to the point if a local provider only attained one benchmark, 5.88% of the allocation amount would be granted based on performance criteria. The local provider benchmark attainment data for Program year 2004 (July 1, 2003-June 30, 2004) will be used to determine the 50% component of the Program Year 2006 federal adult literacy program allocations.

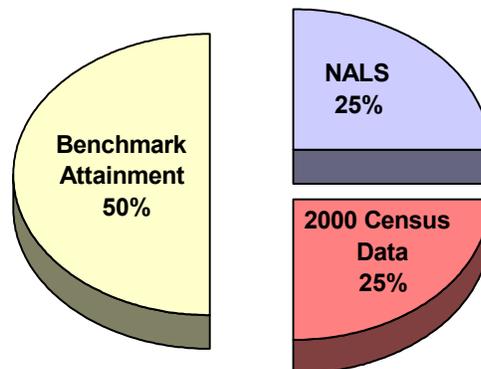
In addition to the two major components, the formula would also contain two (2) "safety net" features to insure allocation equity among the local providers. The two safety net features are: (1) a base allocation figure and (2) a percent decrease/increase figure. The current base allocation figure is set at \$90,000 which insures that the smaller programs will receive an adequate allocation to offer an adult literacy program. The decrease/increase figure is currently set at 25%. This feature insures that no local provider will receive less than or more than a 25% decrease/ increase allocation amount from the previous program year.

In effect, the funding formula would be weighted in line with the following components: (1) IASALS data @ 25%, (2) 2000 Census data @ 25%, (3) benchmark attainment performance data @ 50%, (4) base allocation figure @ \$90,000, and (5) a 25% decrease/increase based on prior program year allocation. The performance based funding formula is designed to extrapolate the best components and features of the current funding formula and incorporate them into the performance based funding formula but also to meet the intent and spirit of the federal mandate.

Graph 2 displays the major components of Iowa’s Adult Literacy Program funding formula.

Graph 2

**A Depiction of Iowa's Adult Literacy Program
Needs Assessment/Performance Based
Federal Funding Formula for Program Year 2007
(July 1, 2006 - June 30, 2007)**



DESCRIPTION	% or \$
National Adult Literacy Survey (NALS) Levels 1 & 2	25%
2000 Census Data	25%
Needs Assessment Total	50%
Benchmark Attainment Based on Program Year 2004 Results (State Mandated and NRS Mandated Benchmarks)	50%
Safety Net Features:	
Base Allocation	\$90,000
Maximum Increase/Decrease Compared to Previous Year Allocation	25%

6.3 A Description of Iowa’s Federal Adult Literacy Program Performance Based Funding Formula for English Literacy/Civics Education

6.3.1 Introduction

The purpose of this section is to provide a description of Iowa’s Adult Literacy Program funding formula for distribution of federal adult literacy English Literacy/Civics Education (EL/Civics) program funds to Iowa’s local program providers under the aegis of the Workforce Investment Act of 1998. The formula will serve as the basis for allocation of federal adult literacy EL/Civics funds to local providers effective with Program Year 2007 (July 1, 2006-June 30, 2007).

6.3.2 EL/Civics Funding Formula Description

The formulation of the enrollment/performance based EL/Civics funding formula is designed to retain the best components of the old formula but also to comply with the federal mandate of developing a performance based allocation formula. The formula will consist of two (2) major components: (1) English-as-a Second Language (ESL) program enrollment information, and (2) local provider performance based on benchmark attainment for the five (5) ESL National Reporting System (NRS) Educational Functioning Levels (EFLs). Each component represents 50% of the total formula (i.e. 50% of the allocation based on enrollment and 50% of the allocation based on benchmark attainment). The formula also provides a “safety net” feature to protect local providers.

The enrollment component is based on the NRS based ESL enrollments for those enrollees who received pre/post assessments for the five (5) ESL Educational Functioning Levels. These enrollment figures are reported in NRS Table 4B. The local provider ESL enrollment data for Program Year 2005 (July 1, 2004-June 30, 2005) will be used to determine the 50% enrollment factor component.

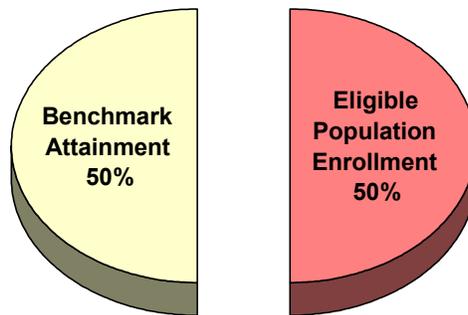
The performance based component is predicated on local program provider benchmark attainment on the five (5) NRS based ESL Educational Functioning Levels. The five EFLs are: (1) ESL Beginning Literacy, (2) ESL Beginning, (3) ESL Intermediate Low, (4) ESL Intermediate High, and (5) ESL Advanced Low. The performance based allocation amount is determined by the percent of the five (5) ESL benchmarks attained by each local provider. For example, if a local provider successfully attained 5 benchmarks, 100% of the allocation amount would be granted based on the performance criteria. If a local provider successfully attained 4 benchmarks, 80% of the allocation amount would be granted based on performance criteria. If a local provider successfully attained 3 benchmarks, 60% of the allocation amount would be granted based on performance criteria. The local provider benchmark attainment data for Program Year 2006 will be used to determine the 50% performance factor.

In addition to the two (2) major components, the formula also contains a “safety net” feature to insure allocation equity among the local providers. The “safety net” feature includes a base allocation figure which is currently set at \$4,000 which insures that smaller programs will receive an adequate allocation to offer an EL/Civics program.

Graph 3 displays the major components of Iowa's Adult Literacy EL/Civics Program funding formula.

Graph 3

**A Depiction of Iowa's EL/Civics
Needs Assessment/Performance Based
Federal Funding Formula for Program Year 2007
(July 1, 2006 - June 30, 2007)**



DESCRIPTION	% or \$
Eligible Population Enrollment (NRS ESL Enrollment)	50%
Benchmark Attainment Based on Program Year 2004 Results (NRS ESL Benchmarks)	50%
Safety Net Feature:	
Base Allocation	\$4,000

6.4 Iowa's Adult Literacy Program Incentive Grant Guidelines

6.4.1 Introduction

The purpose of this section is to provide guidelines for Iowa's adult literacy program incentive grants to local literacy providers under the aegis of the reauthorization of the Workforce Investment Act (WIA) of 1998. The purpose of the incentive grant initiative is to provide a financial awards structure for local literacy programs that attain program excellence demonstrated by successful benchmark attainment.

6.4.2 Background And Authorization

Section 224(b)(B)(ii) of the proposed reauthorization of Title II of WIA (Adult Education and Family Literacy Act: AEFLA) indicates that "(States) will use technical assistance, sanctions and rewards including allocation of funds based on performance [i.e. benchmark attainment] and termination of grant funds based on nonperformance." The clear implication is that states should establish an incentive grant program "to carry out innovative programs consistent with the purposes of Title II of WIA". The state level incentive grant initiative is consistent with the federal incentive grants to states initiative established under the aegis of the Workforce Investment Act of 1998, Public Law 105-220, Section 503, 20 U.S.C. 9273; Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998 (Perkins Act, Public Law 105-332, 20 U.S.C. et seq.

6.4.3 Incentive Grant Funding Formula Description

The formula for the distribution of incentive grants to local literacy programs is based on successful attainment of state and federal mandated benchmarks. The criteria for eligibility to receive an incentive grant is based on a local literacy program's demonstrated performance in meeting or exceeding the nineteen (19) state and federal mandated negotiated benchmark performance levels. The performance levels are established as a result of negotiations between the Iowa Department of Education and the U.S. Department of Education: Division of Adult Education and Literacy (USDE:DAEL). The formula for distribution of incentive grant awards to local literacy programs is based on two factors: (1) the percentage relationship to the local adult basic education (ABE) regular program grant generated by the local literacy incentive grant recipient, and (2) a minimum/maximum based allocation range.

The percentage relationship part of the formula is based on the percentage generated by the local program grant recipient's regular ABE program allocation as compared to the total allocation for the state. (i.e. If an eligible program's regular ABE program allocation constituted 10% of the total amount allocated to all local programs for any given program year, then the incentive grant would be based on 10% of the local grant recipient's regular ABE program allocation. If the regular ABE program grant was \$90,000, then the incentive grant would be calculated at 10% or \$9,000.)

The minimum/maximum based allocation range is based on a minimum incentive grant of \$5,000 to a maximum incentive grant of \$10,000. This "safety net" feature is designed to insure allocation equity among the small and large local program providers. This "safety net" feature insures that a local program would receive a minimum of a \$5,000 incentive grant if the calculated amount fell below \$5,000. Conversely, the "safety net" features insures that a local

program can not receive an incentive grant which totals more than \$10,000 if the calculated amount exceeds the \$10,000 limitation. (i.e. if the calculated grant award were \$3,000, the amount would automatically raise to the \$5,000 minimum. If the calculated grant award were \$12,000, the amount would be reduced to the \$10,000 maximum).

6.4.4 Incentive Grant Uses And Restrictions

Iowa's local literacy programs have flexibility in using incentive grant funds as long as the use of these funds are consistent with local program priorities and continuous program improvement efforts. However, the use of incentive grant funds must comply with state and federal (AEFLA) guidelines. The incentive grant award recipient must use the funds for services and activities beyond those provided by regular ABE program funds. The funds may be used for the following services or activities or a combination of services and activities including: (1) innovative practices, (2) continuous program improvement efforts, (3) staff development and training, (4) supplemental adult literacy services and activities, (4) technology updates (hardware and software), (5) program coordination efforts with other literacy partners, (6) linkages with business and industry, (7) serving the literacy needs of special target populations and (8) other activities or services that support the purpose and mandates of AEFLA.

A local eligible adult literacy program must submit a plan outlining the use of the incentive grant award as part of the yearly staff development/continuous improvement local program plan. The incentive grant plan guidelines are contained in the Iowa Department of Education's adult literacy program annual staff development/continuous improvement memorandum.

PUBLIC PARTICIPATION AND COMMENT

7.2 Governor's Comments

The extension of the Plan was submitted to the Governor for review and comment to comply with the mandate in section 224(d)(1)(2) of the Act which states “the eligible agency shall submit the State plan, and any revisions to the State plan, to the Governor of the state or outlying area for review and comment and ensure that any comments by the Governor regarding the State plan, and any revisions to the State plan, are submitted to the Secretary.” The Governor’s Office did not comment on the Plan. *(See Appendix A for the Iowa Department of Education’s transmittal letter.)*

APPENDIX A

Governor's Letter of Review



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF EDUCATION
JUDY A. JEFFREY, DIRECTOR

January 5, 2006

Governor Thomas J. Vilsack
Lieutenant Governor Sally Pederson
Office of the Governor
State Capitol
LOCAL

Dear Governor Vilsack and Lieutenant Governor Pederson:

I am providing a copy of *Iowa's Adult Literacy State Plan Extension; Program Year 2007* for your review.

I am recommending this plan for review by both the Governor and Lieutenant Governor for the following reasons:

- This plan supports one of the strongest adult literacy programs in the United States.
- Iowa's adult literacy program is integrated with Iowa's community college system.
- Iowa's adult literacy program is research-based in terms of documenting learner needs and using proven instructional strategies.
- The positive results of Iowa's adult literacy program are well documented through consistent assessment and teaching of students through employment and wage studies.

I am proud to recommend this state plan extension for your approval and I am enthusiastic about its potential as part of a comprehensive plan to meet the learning needs of Iowans. I am requesting that your comments be forwarded to me by February 14, 2006.

Sincerely,

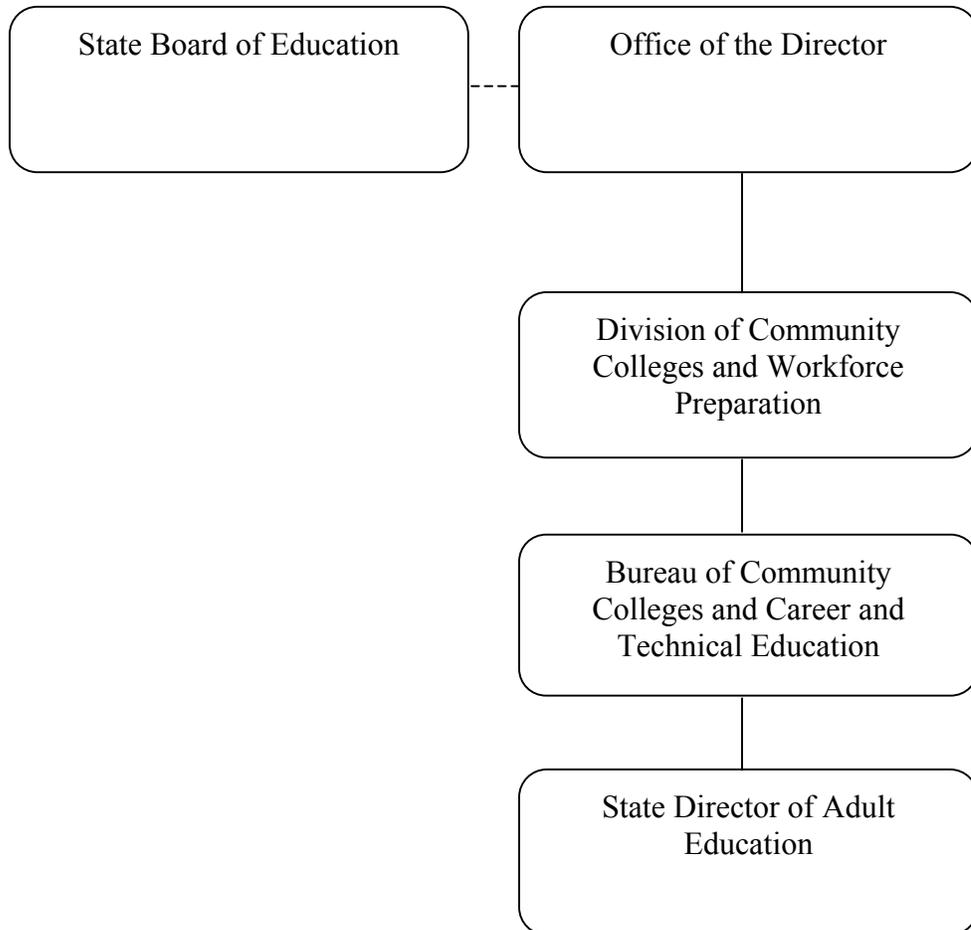
A handwritten signature in cursive script that reads "Judy Jeffrey".

Judy Jeffrey
Director

APPENDIX B

Iowa Department of Education Table of Organization Chart

Iowa Department of Education Table of Organization



This chart is designed to reflect the line of authority from the authorized State official signing the State Plan Extension to the State Director of Adult Education. The line of authority goes from the State Director of Adult Education to the Bureau Chief of the Bureau of Community Colleges and Career and Technical Education to the Division Administrator of the Division of Community Colleges and Workforce Preparation to the Director and Executive Officer of the State Board of Education. The Director is the authorized State official who has the authority to sign Iowa's Adult Literacy State Plan Extension.

APPENDIX C

**Correspondence from the
United States Department of Education:
Division of Adult Education and Literacy**



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF EDUCATION
JUDY A. JEFFREY, DIRECTOR

February 27, 2006

Joyce Campbell
Division of Adult Education and Literacy
U.S. Department of Education
550 12th Street, SW
Potomac Center Plaza, 11th Floor
Washington, D.C. 20202-7240

Dear Joyce,

Enclosed is a copy of *Iowa's Adult Literacy Program State Plan Extension: Program Year 2007 (July 1, 2006-June 30, 2007)*. The Extension was developed in line with OVAE/DAEL Program Memorandum FY 2006-02. The Extension contains original signatures for the required assurances and certifications. In addition, there are two additional copies of the required assurances and certifications. The projected benchmarks for Program Year 2007 were negotiated with Jim Parker, Iowa's area coordinator. (See Table 2, Column title "PY 07 Percent Projection", p. 10).

I previously submitted an electronic version of the Extension to you on February 27, 2006. If there are questions or comments, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "John Hartwig".

John Hartwig
Iowa State Director of Adult Education

/skj

Enclosures

Grimes State Office Building - Des Moines, Iowa 50319-0146
PHONE (515) 281-5294 FAX (515) 242-5988
www.state.ia.us/educate

Helping Communities Meet the Learning Needs of All Their Children and Adults



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF VOCATIONAL AND ADULT EDUCATION

MAR 2 2006

Mr. John Hartwig
State Director
Iowa Department of Education
Grimes State Office Building
Des Moines, Iowa 50319-0146

Dear Mr. Hartwig:

Thank you for your 2006 revisions to the State Plan for Adult Education. The following checklist indicates receipt of the following items that are marked with an "x".

- 1) **State Plan Revision document**
 - Electronic Copy – Received 2/28/2006
 - Original Signed Copy – Received 2/28/2006

- 2) **3-Tier Certifications, Assurances, Drug Free Requirements**
 - Electronic Copy – Received 2/28/2006
 - Original Signed Copy – Received 2/28/2006

- 3) **Performance Measures Included in Revision**

- 4) **Revision includes a copy of the letter to the Governor**
 - Comments made by the Governor

Our staff is currently reviewing your State Plan Revision. Should we need additional information to assist us complete the State Plan Revision process, we will contact you.

Sincerely,

Cheryl L. Keenan
Director
Division of Adult Education
and Literacy



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF VOCATIONAL AND ADULT EDUCATION

JUN 30 2006

Honorable Judy Jeffrey
Director of Education
State Department of Education
Grimes State Office Building
East 14th & Grand Streets
Des Moines, Iowa 50319-0146

Dear Ms. Jeffrey:

We are pleased to inform you of the approval of your state's request for an extension of, and revisions to, your state plan under the Workforce Investment Act (WIA), Title II, Adult Education and Family Literacy Act (AEFLA). The enclosed grant award makes available your state's adult education grant award, which includes \$287,519 reserved by Congress for "integrated English literacy and civics education services to immigrants and other limited English proficient populations." This letter and the terms described below, including the agreed-upon adjusted levels of performance for program year eight, beginning July 1, 2006, are hereby incorporated into the enclosed grant award notification.

Pursuant to the Department of Education's FY 2006 Appropriations Act, funds for these awards become available for obligation by the Secretary on July 1, 2006. Under the Education Department General Administrative Regulations (EDGAR) 34 CFR 76.703(d), July 1 is the earliest date that the state may obligate these funds. These funds must be obligated during the 27-month period ending September 30, 2008.

Adjusted Performance Levels for Program Year Eight

Pursuant to Program Memorandum OVAE/DAEL FY 2006-02, dated December 19, 2005, each eligible agency was to submit proposed performance levels for the core indicators of performance for program year eight and then reach agreement with this office on adjusted levels of performance. States were required to propose performance levels that "show the progress of the eligible agency toward continuously improving in performance," as required by section 212(b)(3)(A)(i)(II) of AEFLA.

After negotiations with your state, we have approved your performance levels for year eight. Your final agreed-upon adjusted levels of performance are hereby incorporated into your state plan as a condition of the enclosed grant award.

400 MARYLAND AVE., S.W., WASHINGTON, D.C. 20202
www.ed.gov

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.

Regulations on Program Income and Fees

Among the federal regulations that apply to this award is 34 CFR 80.25, which allows state grantees of AEFLA awards to earn program income. Subsection 80.25(b) defines "program income" generally to mean "gross income" received by the [state] grantee or [local] subgrantee directly generated by a grant supported activity or earned only as a result of the grant agreement under the grant period." Ordinarily, program income is deducted from total allowable program costs, and all program income, except for tuition and fees charged to students and employers earned by a subgrantee under this award, must be so deducted. However, if a local subgrantee charges reasonable and necessary tuition or fees to students and employers, it may use those fees to provide additional adult education and literacy services that it would otherwise be unable to provide. Program income from tuition and fees must be: (1) governed by the terms of the agreement between the state grantee and the local subgrantee to which the state provides federal funds; (2) accounted for in program records; and (3) used only for costs allowable under AEFLA.

Also applicable to this award is 34 CFR 76.534, which provides that states and subgrantees may not count tuition and fees collected from students toward meeting federal matching, cost-sharing, or maintenance of effort requirements related to this award. Moreover, states must ensure that fees charged to students participating in an adult education program that receives federal support are equitably administered and do not reach levels that have an adverse effect on the participation of economically disadvantaged students.

As you begin the important work under this grant, let me reiterate the Department of Education's commitment to leave no student behind, as well as our goal to infuse a "culture of accountability" throughout education.

We look forward to continuing to work with you to improve the literacy levels of students in your state. Please contact your AEFLA Area Coordinator in this office if you have questions.

Sincerely,



Richard T. La Pointe
Delegated the Authority
of the Assistant Secretary for the
Office of Vocational and Adult
Education

Enclosure

cc: State Director



**U.S. Department of Education
Washington, D.C. 20202**

GRANT AWARD NOTIFICATION

1 RECIPIENT NAME: DIRECTOR OF EDUCATION STATE DEPT OF EDUCATION EAST 14TH & GRAND STREETS DES MOINES, IA 50319 - 0146	5 AWARD INFORMATION PR/AWARD NUMBER V002A060015 ACTION NUMBER 01 ACTION TYPE New AWARD TYPE Formula																				
2 PROJECT DESCRIPTION 84.002A ADULT EDUCATION - STATE ADMINISTERED	6 AWARD PERIODS BUDGET PERIOD 07/01/2006 - 09/30/2007 FEDERAL FUNDING PERIOD 07/01/2006 - 09/30/2007																				
3 EDUCATION STAFF RECIPIENT STATE DIRECTOR JOHN HARTWIG (515) 281 - 3636 EDUCATION PROGRAM CONTACT Mike Dean (202) 245 - 7828 EDUCATION PAYMENT CONTACT GAPS PAYEE HOTLINE (888) 336 - 8930	7 AUTHORIZED FUNDING CURRENT AWARD AMOUNT \$4,248,232.00 PREVIOUS CUMULATIVE AMOUNT \$0.00 CUMULATIVE AMOUNT \$4,248,232.00																				
4 KEY PERSONNEL N/A	8 ADMINISTRATIVE INFORMATION DUNS/SSN 808346555 REGULATIONS CFR PART 34 EDGAR AS APPLICABLE ATTACHMENTS S																				
9 LEGISLATIVE AND FISCAL DATA AUTHORITY: PL 105-220 WORKFORCE INVESTMENT ACT OF 1998 PROGRAM TITLE: ADULT EDUCATION - STATE GRANT PROGRAM CFDA/SUBPROGRAM NO: 84.002A <table border="1"> <thead> <tr> <th>FUND CODE</th> <th>FUNDING YEAR</th> <th>AWARD YEAR</th> <th>ORG. CODE</th> <th>CATEGORY</th> <th>LIMITATION</th> <th>ACTIVITY</th> <th>CFDA</th> <th>OBJECT CLASS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>0400M</td> <td>2006</td> <td>2006</td> <td>EV000000</td> <td>B</td> <td>MA1</td> <td>000</td> <td>002</td> <td>4101A</td> <td>\$4,248,232.00</td> </tr> </tbody> </table>		FUND CODE	FUNDING YEAR	AWARD YEAR	ORG. CODE	CATEGORY	LIMITATION	ACTIVITY	CFDA	OBJECT CLASS	AMOUNT	0400M	2006	2006	EV000000	B	MA1	000	002	4101A	\$4,248,232.00
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Ver. 1
ED-GAPS001 (01/98)



U.S. Department of Education
Washington, D.C. 20202

GRANT AWARD NOTIFICATION

10

PR/AWARD NUMBER: V002A060015

RECIPIENT NAME: DIRECTOR OF EDUCATION
STATE DEPT OF EDUCATION

TERMS AND CONDITIONS

- (1) UNDER THE "TYDINGS AMENDMENT," SECTION 421(b) OF THE GENERAL EDUCATION PROVISIONS ACT, 20 U.S.C. 1225(b), ANY FUNDS THAT ARE NOT OBLIGATED AT THE END OF THE FEDERAL FUNDING PERIOD SPECIFIED IN BLOCK 6 SHALL REMAIN AVAILABLE FOR OBLIGATION FOR AN ADDITIONAL PERIOD OF 12 MONTHS.
- (2) PAYMENTS UNDER THIS AWARD WILL BE MADE AVAILABLE THROUGH THE GRANT ADMINISTRATION AND PAYMENT SYSTEM (GAPS) OF THE DEPARTMENT OF EDUCATION. THIS GRANT AWARD IS MADE SUBJECT TO THE PROVISIONS OF THE APPROVED STATE PLAN AND THE APPLICABLE ACTS AND REGULATIONS.

DISCLOSURE OF FEDERAL FUNDING IN PUBLIC ANNOUNCEMENTS.

WHEN ISSUING STATEMENTS, PRESS RELEASES, REQUESTS FOR PROPOSALS, BID SOLICITATIONS, AND OTHER DOCUMENTS DESCRIBING THIS PROJECT, THE RECIPIENT SHALL STATE CLEARLY:

- 1) THE DOLLAR AMOUNT OF FEDERAL FUNDS FOR THE PROJECT,
- 2) THE PERCENTAGE OF THE TOTAL COST OF THE PROJECT THAT WILL BE FINANCED WITH FEDERAL FUNDS, AND
- 3) THE PERCENTAGE AND DOLLAR AMOUNT OF THE TOTAL COST OF THE PROJECT THAT WILL BE FINANCED BY NON-GOVERNMENTAL SOURCES.
- (3) THIS AWARD INCLUDES FUNDS WHICH, PURSUANT TO PUBLIC LAW 109-149, MAY BE USED ONLY FOR INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION SERVICES TO IMMIGRANTS AND OTHER LIMITED ENGLISH PROFICIENT POPULATIONS. THE AMOUNT OF THESE FUNDS PROVIDED TO YOUR STATE IS SPECIFIED IN THE ATTACHED LETTER.
- (4) THIS GRANT AWARD IS MADE SUBJECT TO THE TERMS AND CONDITIONS DESCRIBED IN THE TRANSMITTAL LETTER FROM THE ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION (OR THE INDIVIDUAL DELEGATED TO SIGN THE LETTER), DATED JUN 30 2006 WHICH IS HEREBY INCORPORATED INTO THIS GRANT AWARD.
- (5) FUNDS FOR THIS GRANT ARE NOT AVAILABLE FOR OBLIGATION BY THE SECRETARY UNTIL JULY 1, 2006. UNDER THE APPROPRIATIONS STATUTE AND 34 CFR 76.703(D), JULY 1 IS THE EARLIEST DATE THAT THE STATE MAY OBLIGATE FUNDS. BECAUSE JULY 1, 2006 IS A SATURDAY, FUNDS WILL NOT BE AVAILABLE FOR DRAW DOWN UNTIL JULY 3, 2006.

Stephanie J. Brescoe

AUTHORIZING OFFICIAL

7/3/06

DATE

EXPLANATION OF BLOCKS ON THE GRANT AWARD NOTIFICATION

For Discretionary, Formula, and Block Grants

(See Block 5 of the Notification)

1. **RECIPIENT NAME** - The legal name of the recipient, name of the primary organizational unit that will undertake the funded activity, and the complete address of the recipient. The recipient is commonly known as the "grantee."
2. **PROJECT TITLE AND CFDA NUMBER** - Identifies the Catalog of Federal Domestic Assistance (CFDA) subprogram title and the associated subprogram number.
3. **PROJECT STAFF** - This block contains the names and telephone numbers of the U.S. Department of Education and recipient staff who are responsible for project direction and oversight.
 - ***RECIPIENT PROJECT DIRECTOR** - The recipient staff person responsible for administering the project. This person represents the recipient to the U.S. Department of Education.
 - EDUCATION PROGRAM CONTACT** - The U.S. Department of Education staff person responsible for the programmatic, administrative and business-management concerns of the Department.
 - EDUCATION PAYMENT CONTACT** - The U.S. Department of Education staff person responsible for payments or questions concerning electronic drawdown and financial expenditure reporting.
4. *** KEY PERSONNEL** - Name, title and percentage (%) of effort the key personnel identified devotes to the project.
5. **AWARD INFORMATION** - Unique items of information that identify this notification.
 - PR/AWARD NUMBER** - A unique, identifying number assigned by the Department to each application. On funded applications, this is commonly known as the "grant number" or "document number."
 - ACTION NUMBER** - A numeral that represents the cumulative number of steps taken by the Department to date to establish or modify the award through fiscal or administrative means. Action number "01" will always be "NEW AWARD"
 - ACTION TYPE** - The nature of this notification (e.g., NEW AWARD, CONTINUATION, REVISION, ADMINISTRATIVE)
 - AWARD TYPE** - The particular assistance category in which funding for this award is provided, i.e., DISCRETIONARY, FORMULA, or BLOCK.
6. **AWARD PERIODS** - Project activities and funding are approved with respect to three different time periods, described below:
 - BUDGET PERIOD** - A specific interval of time for which Federal funds are being provided from a particular fiscal year to fund a recipient's approved activities and budget. The start and end dates of the budget period are shown.
 - PERFORMANCE PERIOD** - The complete length of time the recipient is proposed to be funded to complete approved activities. A performance period may contain one or more budget periods.
 - ***FUTURE BUDGET PERIODS** - The estimated remaining budget periods for multi-year projects and estimated funds the Department proposes it will award the recipient provided substantial progress is made by the recipient in completing approved activities, the Department determines that continuing the project would be in the best interest of the Government, Congress appropriates sufficient funds under the program, and the recipient has submitted a performance report that provides the most current performance information and the status of budget expenditures.
7. **AUTHORIZED FUNDING** - The dollar figures in this block refer to the *Federal* funds provided to a recipient during the award periods.
 - ***THIS ACTION** - The amount of funds obligated (added) or de-obligated (subtracted) by this notification.
 - ***BUDGET PERIOD** - The total amount of funds available for use by the grantee during the stated budget period to this date.
 - ***PERFORMANCE PERIOD** - The amount of funds obligated from the start date of the first budget period to this date.
 - RECIPIENT COST-SHARE** - The funds, expressed as a percentage, that the recipient is required to contribute to the project, as defined by the program legislation or regulations and/or terms and conditions of the award.
 - RECIPIENT NON-FEDERAL AMOUNT** - The amount of non-federal funds the recipient must contribute to the project as identified in the recipient's application. When non-federal funds are identified by the recipient where a cost share is not a legislation requirement, the recipient will be **required** to provide the non-federal funds.
8. **ADMINISTRATIVE INFORMATION** - This information is provided to assist the recipient in completing the approved activities and managing the project in accordance with U.S. Department of Education procedures and regulations.
 - DUNS/SSN** - A unique, identifying number assigned to each recipient for payment purposes. The number is based on either the recipient's assigned number from Dun and Bradstreet or the individual's social security number.
 - ***REGULATIONS** - The parts of the Education Department General Administrative Regulations (EDGAR) and specific program regulations that govern the award and administration of this grant.
 - ***ATTACHMENTS** - Additional sections of the Grant Award Notification that discuss payment and reporting requirements, explain Department procedures, and add special terms and conditions in addition to those established, and shown as clauses, in Block 10 of the award. Any attachments provided with a notification continue in effect through the project period until modified or rescinded by the Authorizing Official.
9. **LEGISLATIVE AND FISCAL DATA** - The name of the authorizing legislation for this grant, the CFDA title of the program through which funding is provided, and U.S. Department of Education fiscal information.
 - FUND CODE, FUNDING YEAR, AWARD YEAR, ORG. CODE, PROJECT CODE, OBJECT CLASS**
 - The fiscal information recorded by the U.S. Department of Education's Grant Administration and Payment System to track obligations by award.
 - AMOUNT** - The amount of funds provided from a particular appropriation and project code. Some notifications authorize more than one amount from separate appropriations and/or project codes. The total of all amounts in this block equals the amount shown on the line, "THIS ACTION" (See "AUTHORIZED FUNDING" above (Block 7)).
10. **TERMS AND CONDITIONS OF AWARD** - Requirements of the award that are binding on the recipient.
 - ***AUTHORIZING OFFICIAL** - The U.S. Department of Education official authorized to award Federal funds to the recipient, establish or change the terms and conditions of the award, and authorize modifications to the award.

FOR FORMULA AND BLOCK GRANTS ONLY:

(See also Blocks 1, 2, 5, 6, 8, 9 and 10 above)

3. **EDUCATION STAFF** - The U.S. Department of Education staff persons to be contacted for programmatic and payment questions.
7. **AUTHORIZED FUNDING**
 - CURRENT AWARD AMOUNT** - The amount of funds that are obligated (added) or de-obligated (subtracted) by this action.
 - PREVIOUS CUMULATIVE AMOUNT** - The total amount of funds awarded under the grant before this action.
 - CUMULATIVE AMOUNT** - The total amount of funds awarded under the grant, this action included.

* This item differs or does not appear on formula and block grants.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE CHIEF FINANCIAL OFFICER
& CHIEF INFORMATION OFFICER

June 14, 2006

DIRECTOR OF EDUCATION
STATE DEPT OF EDUCATION
EAST 14TH & GRAND STREETS
DES MOINES, IA 50319

SUBJECT: Payee Verification for Grant Award V002A060015

This is to inform you of the payee for the above listed grant award issued by the United States Department of Education.

Grantee DUNS/SSN: 808346555

Grantee Name: DIRECTOR OF EDUCATION
STATE DEPT OF EDUCATION

Payee DUNS/SSN: 146589783

Payee Name: Iowa State Treasurer

If any of the above information is not correct, please contact a Payee Customer Support Representative at 1-888-336-8930. Please send all correspondence relating to payee or bank information changes to the following address:

U.S. Department of Education
400 Maryland Ave., SW
Room 4C138
Washington, DC 20202

Attn: Claudia Staplefoote
Phone: (202) 401-1117
Fax: (202) 260-5505

ATTACHMENT S

SPECIAL CONDITIONS FOR DISCLOSING FEDERAL FUNDING IN PUBLIC ANNOUNCEMENTS

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state

- (1) the percentage of the total costs of the program or project which will be financed with Federal money;
- (2) the dollar amount of Federal funds for the project or program; and
- (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Recipients must comply with these conditions under Public Law 108-447, the "Consolidated Appropriations Act, 2005", DIVISION DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2005, Title V General Provisions, Sec. 506, December 8, 2004.

04/13/05