

Department of Education
CAREER, TECHNICAL, AND ADULT EDUCATION

Fiscal Year 2017 Budget Request

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* State tables reflecting final 2015 allocations and 2016 and 2017 estimates are posted on the Department's Web page at: <http://www2.ed.gov/about/overview/budget/statetables/index.html>.

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For carrying out, to the extent not otherwise provided, [the Carl D. Perkins Career and Technical Education Act of 2006 and]¹ the Adult Education and Family Literacy Act ("AEFLA"), [\$1,720,686,000, of which \$929,686,000] \$606,667,000, which shall become available on July 1, [2016] 2017, and shall remain available through September 30, [2017, and of which \$791,000,000 shall become available on October 1, 2016, and shall remain available through September 30, 2017] 2018:² *Provided*, That [of the amounts made available for AEFLA, \$13,712,000] \$24,712,000 shall be for national leadership activities under section 242.³

(Department of Education Appropriations Act, 2016.)

NOTES

No appropriations language is included for programs authorized under the expired Carl D. Perkins Career and Technical Education Act; when new authorizing legislation for the Perkins Act is enacted, a budget request for these programs will be proposed.

Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document, which follows the appropriation language.

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Analysis of Language Provisions and Changes

Language Provision	Explanation
<p>¹ For carrying out, to the extent not otherwise provided, [the Carl D. Perkins Career and Technical Education Act of 2006 and]</p>	<p>This language deletes the reference to the Carl D. Perkins Career and Technical Education Act. The programs under this Act are due to be reauthorized, so no appropriations language is included for them. Language will be proposed when new authorizing legislation is enacted.</p>
<p>² the Adult Education and Family Literacy Act ("AEFLA"), [\$1,720,686,000, of which \$929,686,000] <u>\$606,667,000</u>, which shall become available on July 1, [2016] <u>2017</u>, and shall remain available through September 30, [2017 and of which \$791,000,000 shall become available on October 1, 2016, and shall remain available through September 30, 2017] <u>2018</u>:</p>	<p>This language provides funds appropriated on a forward-funded basis for Adult Education programs. The language also strikes a reference to a portion of the appropriation being available for Career and Technical Education State Grants on an advance-funded basis.</p>
<p>³ <i>Provided</i>, That [of the amounts made available for AEFLA, \$13,712,000] <u>\$24,712,000</u> shall be for national leadership activities under section 242.</p>	<p>This language provides a specific amount for National Leadership Activities authorized under section 242 of the Adult Education and Family Literacy Act, overriding the statutory set-aside of 2 percent of the Adult Education appropriation (not to exceed \$15 million).</p>

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Appropriation, Adjustments, and Transfers
(dollars in thousands)

Appropriation/Adjustments/Transfers	2015	2016	2017
<hr/>			
Discretionary:			
Appropriation.....	\$1,707,686	\$1,720,686	\$1,808,686
Advance:			
Advance for succeeding fiscal year	-791,000	-791,000	-791,000
Advance from prior year	<u>791,000</u>	<u>791,000</u>	<u>791,000</u>
Total, budget authority	1,707,686	1,720,686	1,808,686

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Summary of Changes (dollars in thousands)

2016.....	\$1,720,686
2017.....	<u>1,808,686</u>
Net change	+88,000

Increases:	<u>2016 base</u>	<u>Change from base</u>
Program:		
Increase for Career and Technical Education (CTE) State Grants to make competitive grants for the American Technical Training Fund to support the development, operation and expansion of innovative, evidence-based job training programs in high-demand fields that provide a path to the middle class for low-income individuals.	\$1,117,598	+\$75,000
Increase for Career and Technical Education National Programs to provide technical assistance and evaluation support for projects under the American Technical Training Fund proposal.	7,421	+2,000
Increase for Adult Education National Leadership Activities to support States in their efforts to improve adult education standards and assessments and to carry out data collection activities during the first year of full implementation of the reauthorized Adult Education programs.	<u>13,712</u>	<u>+11,000</u>
Net change		+88,000

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Authorizing Legislation
(dollars in thousands)

Activity	2016 Authorized	2016 Estimate	2017 Authorized	2017 Request
Career and technical education (<i>Carl D. Perkins CTEA</i>):				
State grants (<i>CTEA Title I</i>)	0 ¹	\$1,117,598	To be determined ¹	\$1,192,598
National programs (<i>CTEA Section 114</i>)	0 ¹	7,421	To be determined ¹	9,421
Adult education (<i>Adult Education and Family Literacy Act (AEFLA)</i>):				
Adult basic and literacy education State grants (<i>AEFLA</i>)	\$622,286 ^{2,3}	581,955	\$635,198 ^{2,3}	581,955
National leadership activities (<i>AEFLA section 242</i>)	(^{2,3})	13,712	(^{2,3})	24,712
<u>Unfunded authorizations</u>				
Grants to States for workplace and community transition training for incarcerated individuals (<i>HE Amendments of 1998, Title VIII-D</i>)	Indefinite	0	Indefinite	0
Occupational and employment information (<i>CTEA section 118</i>)	Indefinite	0	Indefinite	0
Tech prep education State grants (<i>CTEA Title II</i>)	<u>Indefinite</u>	<u>0</u>	<u>Indefinite</u>	<u>0</u>
Total definite authorization	622,286	0	635,198	0
Total annual appropriation		1,720,686		1,808,686

¹ The GEPA extension expired September 30, 2013; reauthorizing legislation is sought for FY 2017.

² A total of \$622,286 thousand is authorized for both Adult Basic and Literacy Education State Grants and National Leadership Activities in FY 2016 and \$635,198 thousand for FY 2017.

³ Section 211(a) of the Adult Education and Family Literacy Act requires that, of the funds appropriated for Adult Education, the Department reserve 2 percent, not to exceed \$15,000 thousand, for National Leadership Activities; and 12 percent of the remaining funds for Integrated English Literacy and Civics Education.

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Appropriations History (dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2008 (2008 Advance for 2009)	\$1,189,808	\$2,038,220 (791,000)	\$1,894,788 (791,000)	\$1,941,642 (791,000)
2009 (2009 Advance for 2010)	574,590	1,951,611 ¹ (791,000)	1,863,162 ¹ (791,000)	1,944,348 (791,000)
2010 (2010 Advance for 2011)	2,018,447 (791,000)	2,016,447 (791,000)	2,018,447 ² (791,000)	1,928,447 (791,000)
2011 (2011 Advance for 2012) Rescission (P.L. 112-74)	1,942,707 (791,000)	1,991,447 ³ (791,000)	1,942,541 ² (791,000)	1,737,451 ⁴ (791,000) -(1,495)
2012 (2012 Advance for 2013)	1,683,392 (791,000)	1,738,946 ⁵ (791,000)	1,738,946 ⁵ (791,000)	1,737,154 (791,000)
2013 (2013 Advance for 2014)	1,737,154 (791,000)	1,737,154 ⁶ (791,000)	1,737,154 ⁶ (791,000)	1,646,533 (791,000)
2014 (2014 Advance for 2015)	1,750,154 (791,000)	N/A ⁷	1,737,949 (791,000)	1,702,686 (791,000)
2015 (2015 Advance for 2016)	1,722,686 (791,000)	N/A ⁷	1,720,939 ⁸ (791,000)	1,707,686 (791,000)
2016 (2016 Advance for 2017)	1,915,686 (791,000)	1,700,609 ⁹ (791,000) ⁹	1,669,731 ⁹ (791,000) ⁹	1,720,686 (791,000)
2017 (2017 Advance for 2018)	1,808,686 (791,000)			

¹ The levels for the House and Senate allowances reflect action on the regular annual 2009 appropriations bill, which proceeded in the 110th Congress only through the House Subcommittee and the Senate Committee.

² The level for the Senate allowance reflects Committee action only.

³ The level for the House allowance reflects the House-passed full-year continuing resolution.

⁴ The level for appropriation reflects the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).

⁵ The level for the House allowance reflects an introduced bill and the level for the Senate allowance reflects Senate Committee action only.

⁶ The levels for the House and Senate allowances reflect action on the regular annual 2013 appropriations bill, which proceeded in the 112th Congress only through the House Subcommittee and the Senate Committee.

⁷ The House allowance is shown as N/A because there was no Subcommittee action.

⁸ The level for the Senate allowance reflects Senate Subcommittee action only.

⁹ The levels for the House and Senate allowances reflect action on the regular annual 2016 appropriations bill, which proceeded in the 114th Congress only through the House Committee and Senate Committee.

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Significant Items in FY 2016 Appropriations Reports

Reports on Performance Partnership Pilots

Senate: The Committee requests the administration provide it with annual reports containing the following information: a detailed summary of all involved pilot programs, an overview of how pilots were selected, a summary of findings from the various pilots, and recommendations for Congress on how to apply best practices more broadly.

Response: The Department plans to consult with the Committee on the content and timing of the requested reports.

DEPARTMENT OF EDUCATION FISCAL YEAR 2017 PRESIDENT'S BUDGET
(in thousands of dollars)

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Account, Program and Activity	Category Code	2015 Appropriation	2016 Appropriation	2017 President's Budget	2017 President's Budget Compared to 2016 Appropriation	
					Amount	Percent
Career, Technical, and Adult Education						
1. Career and technical education (Carl D. Perkins CTEA):						
(a) State grants (Title I)						
Annual appropriation	D	326,598	326,598	401,598	75,000	22.96%
Advance for succeeding fiscal year	D	791,000	791,000	791,000	0	0.00%
Subtotal		1,117,598	1,117,598	1,192,598	75,000	6.71%
(b) National programs (section 114)						
Subtotal, Career and technical education	D	7,421	7,421	9,421	2,000	26.95%
		1,125,019	1,125,019	1,202,019	77,000	6.84%
2. Adult education:						
(a) Adult basic and literacy education State grants (AEFLA)						
National leadership activities (AEFLA section 242)	D	568,955	581,955	581,955	0	0.00%
Subtotal, Adult education	D	13,712	13,712	24,712	11,000	80.22%
		582,667	595,667	606,667	11,000	1.85%
Total, Appropriation						
	D	1,707,686	1,720,686	1,808,686	88,000	5.11%
Total, Budget authority						
Current	D	1,707,686	1,720,686	1,808,686	88,000	5.11%
Prior year's advance		916,686	929,686	1,017,686	88,000	9.47%
		791,000	791,000	791,000	0	0.00%

NOTES: D = discretionary program; M = mandatory program; FY = fiscal year

Detail may not add to totals due to rounding.

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Summary of Request

Programs in the Career, Technical, and Adult Education account further the efforts of States and communities to improve their career and technical education programs and their adult education and literacy systems. The objective of the career and technical education programs is to develop the academic, career, and technical skills of youth and adults in high schools, community colleges, and correctional institutions by: (1) helping States develop challenging standards, (2) promoting the integration of academic, career, and technical instruction, and (3) supporting State and local program improvements. Adult education programs support local efforts to provide educational services to adults who lack the basic or English literacy skills needed for them to benefit fully from job training, obtain better jobs, complete secondary education, succeed in postsecondary education, and become full participants in their children's education. The request for the Career and Technical Education programs would support program implementation under a reauthorized Perkins Act as outlined in the proposal the Department published in April 2012, "Investing in America's Future: A Blueprint for Transforming Career and Technical Education." Adult Education programs would be funded under the Adult Education and Family Literacy Act (AEFLA).

The Administration requests a total of \$1.8 billion for this account. This request includes \$1.2 billion for **Career and Technical Education State Grants**, \$9.4 million for **Career and Technical Education National Programs**, \$582.0 million for **Adult Education State Grants**, and \$24.7 million for **Adult Education National Leadership Activities**.

The request for the **Career and Technical Education (CTE) State Grants** program would support the first year of activity under a reauthorized Carl D. Perkins Career and Technical Education Act that would seek to ensure that all CTE programs become viable and rigorous pathways to postsecondary education and career success. The Administration's reauthorization proposal would increase the alignment between CTE and labor market needs, strengthen collaboration among secondary and postsecondary CTE programs and business and industry, create a better accountability system, and provide competitive funding modeled after the Investing in Innovation (i3) program to promote innovation and reform in CTE. The request for a \$75 million increase under State Grants would support competitive grants for the American Technical Training Fund to support the development, operation, and expansion of innovative, evidence-based job training programs in high-demand fields that provide a path to the middle class for low-income individuals.

The request for **Career and Technical Education National Programs** would support implementation of a reauthorized Perkins Act through research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education. The \$2 million increase would provide technical assistance and evaluation support for projects under the American Technical Training Fund proposal included in the request for CTE State Grants.

The request for **Adult Education State Grants** would support State and local efforts to assist adults in becoming literate and in obtaining the knowledge and skills necessary for employment and self-sufficiency, assist adults who are parents in obtaining the educational skills necessary to become full partners in the educational development of their children, and assist adults in the completion of a secondary education. The Adult Education State Grants request also includes continuation of English Literacy/Civics Education State Grants (codified under the reauthorized AEFLA) to support the unmet needs of immigrants learning English. This program helps States

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Summary of Request—continued

and communities provide adult English Learners with expanded access to high-quality English literacy programs linked to civics education.

The request for **Adult Education National Leadership Activities** would continue to support activities intended to increase the literacy and workforce skills of our Nation's native-born adult population, as well as the ongoing need to address the English language acquisition, literacy, and workforce skills gaps of the immigrant population. The requested increase of \$11.0 million would support States in their efforts to improve adult education standards and assessments and carry out data collection activities, and support the interoperability of data systems and improvement of reporting to meet the requirements of the Workforce Innovation and Opportunity Act.

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Career and technical education: State grants
(Carl D. Perkins Career and Technical Education Act of 2006, Title I)

(dollars in thousands)

FY 2017 Authorization: Indefinite¹

Budget Authority:

	<u>2016</u>	<u>2017</u>	<u>Change</u>
Annual appropriation	\$326,598	\$401,598	+\$75,000
Advance for succeeding fiscal year	<u>791,000</u>	<u>791,000</u>	<u>0</u>
Total	1,117,598	1,192,598	+\$75,000

¹ The GEPA extension expired September 30, 2013; reauthorizing legislation is sought for FY 2017.

PROGRAM DESCRIPTION

Under the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV), State Grants for Career and Technical Education (CTE) assist States and Outlying Areas in expanding and improving career and technical education in high schools, technical schools, and community colleges. Each State uses program funds to support a variety of career and technical education programs developed in accordance with its State plan.

The Department allocates funds to States, including the District of Columbia, Puerto Rico, and the Virgin Islands, through a formula based on State per-capita income and population in three age cohorts (15-19, 20-24, and 25-65). The formula provides for a minimum State allocation of at least 0.5 percent of the total appropriation, and a "hold-harmless" provision in the formula ensures that no State's share of the appropriation is less than its share of the fiscal year 1998 appropriation. A special provision limits the increase a State with an initial allocation of the 0.5 percent minimum may receive, resulting in a number of States that receive an allocation of less than 0.5 percent of the total. If appropriations result in the amount of funds for allocation to States exceeding the amount of funds allocated to States from the fiscal year 2006 appropriation, up to one-third of the additional funds is to be allotted to States with fiscal year 2006 grant awards that were less than the minimum 0.5 percent grant amount and the remainder is to flow to the other States.

In addition, the Pacific territories receive 0.13 percent of the total appropriated for State Grants to operate the same kinds of career and technical education programs as the States. Within that set-aside, Guam receives \$660,000, American Samoa and the Northern Mariana Islands each receive \$350,000, and Palau receives \$160,000. Any remaining funds are distributed among Guam, American Samoa, and the Northern Mariana Islands in equal shares. Also, 1.25 percent of the total appropriation for State Grants is set aside for grants to federally

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Career and technical education: State grants

recognized Indian tribes and tribal organizations, and 0.25 percent is set aside for competitive grants to organizations that primarily serve and represent Hawaiian Natives.

Under the statute:

- Programs must, among other things, integrate academic and career and technical education, promote student attainment of challenging academic and career and technical standards, provide strong linkages between secondary and postsecondary education, and provide professional development for teachers, counselors, and administrators.
- States and local recipients must offer at least one program of study. Programs of study are coherent sequences of non-duplicative CTE courses that progress from the secondary to the postsecondary level, include rigorous and challenging academic content along with career and technical content, and lead to an industry-recognized credential or certificate at the postsecondary level or to an associate or baccalaureate degree.
- The Secretary and each State must reach agreement on annual levels of performance for a number of “core indicators” specified in the law.
 - The core indicators for secondary education programs focus on student attainment of challenging academic standards, as measured by the State determined levels of achievement on the academic assessments described in Title I of the Elementary and Secondary Education Act (ESEA), as recently reauthorized; high school graduation; student attainment of career and technical skill proficiencies; student attainment of a secondary school diploma or its recognized equivalent, or a proficiency credential in conjunction with a secondary school diploma; student placement in postsecondary education, advanced training, military service, or employment; and student participation in and completion of career and technical education programs that lead to employment in fields that are traditionally dominated by one gender.
 - The core indicators for postsecondary education programs focus on student attainment of challenging career and technical skill proficiencies; student attainment of an industry-recognized credential, certificate, or degree; student retention in postsecondary education or transfer to a baccalaureate degree program; student placement in the military or in apprenticeship programs, or placement or retention in employment; and student participation in and completion of career and technical education programs that lead to employment in fields that are traditionally dominated by one gender.
- At least 85 percent of State Grant funds must be allocated by formula to local educational agencies (LEAs) and postsecondary institutions, and a State may reserve up to 10 percent of those funds to make grant awards to local agencies in rural areas and areas with high percentages or high numbers of career and technical education students.
- States may use up to 10 percent of their allocations to carry out State leadership activities, such as professional development, expanding the use of technology, assessing career and technical education services, furthering the integration of academic and career and technical education in order to improve student achievement, preparing students for employment in

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Career and technical education: State grants

fields that are traditionally dominated by one gender, delivering career and technical education in correctional institutions, and providing services for special populations designated in the statute.

This is a forward-funded program that includes advance appropriations. A portion of the funds becomes available for obligation on July 1 of the fiscal year in which the funds are appropriated and remains available for 15 months through September 30 of the following year. The remaining funds become available on October 1 of the fiscal year following the year of appropriation and remain available for 12 months, expiring at the same time as the forward-funded portion.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2012	\$1,123,030
2013	1,064,446
2014	1,117,598
2015	1,117,598
2016	1,117,598

FY 2017 BUDGET REQUEST

For fiscal year 2017, the Administration requests \$1.19 billion for the Career and Technical Education (CTE) State Grants program, an increase of \$75 million over the fiscal year 2016 level. The request would provide \$1.1 billion for the State formula program and an additional \$75 million for a grant competition for an American Technical Training Fund (ATTF) under a reauthorized Carl D. Perkins Career and Technical Education Act. ATTF would build on lessons learned from the Department of Labor's Trade Adjustment Assistance Community College and Career Training Program (TAACCT) to ensure projects are well-integrated with local workforce systems, and would be jointly administered with the Department of Labor. The Department's reauthorization proposal, *Investing in America's Future: A Blueprint for Transforming Career and Technical Education*, was released in April 2012 and includes changes that would help ensure that all students exit their CTE programs well prepared for further education or employment in high-skill and high-demand occupations, including for technical jobs that are currently going unfilled. The reauthorization proposal would also support reaching the President's goals that every student graduates from high school college- and career-ready, and that the United States will once again lead the world in college attainment.

American Technical Training Fund

The \$75 million request for the American Technical Training Fund (funded through the CTE Innovation Fund proposed as part of the Administration's reauthorization plan) would provide competitive grants to support the development, operation, and expansion of innovative, evidence-based, short-term, or accelerated education and job training programs that enable youth and adults, particularly from low-income families, to enter and complete career pathways that lead to jobs in in-demand industries and occupations. Building on the President's Job-

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Driven Training agenda, this funding would aim to create and expand education and training that is tightly linked with the skills most in-demand from employers and that results in students getting into well-paying jobs or career pathways upon the completion of training. Programs would be free to participants and grantees would be required to waive tuition and fees for students on a “first dollar” basis. This means that all tuition and fees would be waived and all other available financial aid could be used to pay other costs of attendance, such as transportation, dependent care, supplies, or room and board. These types of programs that offer opportunities for students to pursue education and training tuition-free are critical to providing a pathway to the middle class for hard-working individuals who need to gain technical skills and postsecondary credentials to obtain employment in in-demand industries and occupations.

Eligible entities would be community and technical colleges and other eligible institutions of higher education (IHEs) that participate in the Department’s student financial assistance programs and that work with partners including local educational agencies, local workforce development boards, economic development agencies, industry organizations, labor management organizations, and employers. The eligible entities could also form partnerships with nonprofit organizations or other non-IHE training providers, including registered apprenticeship programs, that have a track record of serving students well, as demonstrated by graduation, retention, and job placement rates. In addition, the Department would reserve a portion of the program funds for applicants from rural areas, tribal organizations, or outlying areas, or postsecondary institutions operated by the Bureau of Indian Education.

The Department would make tiered awards under the ATTF, with smaller grants for initial start-up of new programs or replication of existing programs, and larger grants for the expansion of existing models with evidence of effectiveness, which could include past performance on graduation rates, job placement and retention rates, wages earned, and wage progression by graduates. Grantees would be required to conduct independent evaluations of their programs to build evidence of what works in CTE and in short-term or accelerated training programs. The request for Career and Technical Education National Programs also includes \$2 million to provide technical assistance and evaluation support to grantees under the ATTF competition.

CTE Promotes Positive Educational and Employment Outcomes

Findings from the Final Report to Congress on the National Assessment of Career and Technical Education (NACTE), published in September 2014, show that CTE plays an important role in both secondary and postsecondary students’ educational experiences. The majority of high school students participate in CTE, but the intensity of their experience in CTE programs varies. While CTE programs are widely available to students and many students take at least one CTE course during high school, only about one-fifth of students earned at least three high school credits in the same CTE field.

In addition, the report indicated that postsecondary students who earned a CTE certificate or associate’s degree were more likely to be employed than those who did not earn a sub-baccalaureate credential, and students who earned an undergraduate certificate or associate’s degree had higher earnings than high school graduates with no postsecondary education.

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Career and technical education: State grants

However, the current distribution of Federal CTE funds does not reflect these findings on the important role of postsecondary CTE. On average, States distribute 60 percent of Perkins funds to secondary CTE programs and 40 percent to postsecondary programs.

The Administration's Reauthorization Proposal

The blueprint for reauthorization of the Perkins Act proposes statutory reforms to address both the current program's shortcomings and to transform it. As the NACTE points out, it has been difficult to determine the program's effectiveness and to hold States accountable for performance under the current Perkins Act, in part because States can establish their own definitions, performance measures, and goals. Furthermore, the current structure of the CTE State Grants program—with funds allocated from States to local secondary and postsecondary recipients separately and by formula—lacks the adequate linkages between secondary schools, postsecondary institutions, and employers that is necessary to promote effectiveness.

Manufacturing executives report that they expect nearly 3.5 million jobs will need to be filled over the next decade, but 2 million of those jobs to go unfilled due to the skills gap, according to Deloitte and The Manufacturing Institute's 2015 "The Skills Gap in U.S. Manufacturing: 2015 and Beyond." This skills gap is affecting American productivity. Eighty-two percent of responders to the surveys discussed in the report indicated that they believe the skills gap will impact their ability to meet customer demand, and 78 percent indicated that they expect the skills gap to negatively affect their ability to implement new technologies and increase productivity. Moreover, the demand for skilled workers is not likely to decrease. The report points out that, with manufacturing becoming increasingly technical, there is increasing demand for more skilled workers.

The blueprint proposes strategies that will strengthen the link between CTE programs and labor market needs while also supporting reforms based on evidence that high-quality CTE programs can have a significant, positive impact on student achievement, high school graduation, transition to college, and college completion rates. The Administration's proposal seeks to:

- Strengthen collaboration among secondary and postsecondary CTE programs and business and industry. Under the Administration's reauthorization proposal, in place of separate within-State formula allocations to secondary and postsecondary programs, States would make competitive grants to consortia of secondary and postsecondary institutions, thus strengthening the linkage between secondary and postsecondary education. This change would also direct funds to programs with the strongest and most proven strategies for delivering CTE, including strategies for serving all students. Because employer involvement is also crucial to ensuring that CTE programs are aligned with workforce needs and give students work-based learning opportunities, consortia would be required to include relevant employers within each career pathway. Finally, grantees would be required to obtain matching funds from the private sector.
- Create a better accountability system. The current accountability system does not provide valid, reliable, or comparable information about whether CTE programs are accomplishing their goals because States determine how their own performance will be measured. Nor

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Career and technical education: State grants

does it create a basis for recognizing and expanding the most successful programs or identifying ineffective programs and taking actions to improve them. The Administration's proposal would move States toward common definitions for performance measures, including measures that would hold States accountable for providing students participating in CTE programs with access to postsecondary education and increasing students' attainment of a postsecondary credential, certificate, or degree. In addition, the reauthorized Perkins Act would create financial incentives for good performance, as well as consequences for poor performance.

- Increase alignment between CTE and labor market needs. The reauthorization proposal would require States and local agencies to work with workforce and economic development agencies and other partners to identify in-demand occupations in high-growth industry sectors to ensure that CTE programs are aligned with and provide students with the skills they need to succeed in these occupations.
- Promote innovation and reform in CTE. A key to improving the effectiveness and impact of CTE programs is expanding the knowledge base of effective practices by promoting the development, evaluation, and scaling up of innovations in CTE. Building on the Department's successful experience with the Investing in Innovation (i3) program, the reauthorization would support a discretionary fund aimed at promoting innovation and reform in CTE and replicating the success of proven models. An innovation fund dedicated to CTE would be unique because it would allow for projects that focus on the alignment and articulation between secondary and postsecondary education, including alignment between CTE and computer science and other STEM subjects. A particular emphasis of the Fund would be to promote employer involvement and linkages to workforce needs as well as projects that focus on both labor market needs and educational outcomes. By providing incentives to partnerships between CTE programs and business and industry, this competitive fund could leverage local efforts. Examples of local efforts include: the "Maker Movement" (which promotes student use of technology to bring, or make, their ideas into reality), digital games and simulations, open educational resources, and other efforts that would generate critical innovations that can help students acquire technical skills and obtain credentials or degrees that prepare them for high-wage, high-skill employment. Future funding could also support activities to promote the development and adoption of State-level reforms in CTE and to carry out "pay-for-success" projects. The American Technical Training Fund proposed in fiscal year 2017 would be supported through this authority.

The Administration also proposes revisions to the State allocation formula as part of the reauthorization proposal in order to improve and simplify the process for calculating allocations and to ensure that the formula drives funds to States based on current data.

A reauthorized CTE State Grants program will help provide better opportunities for students to graduate from high school and exit postsecondary education with the skills to succeed in today's economy. By addressing a persistent skills gap in the employment market, the changes proposed by the Administration would help strengthen the U.S. economy and its global competitiveness while increasing the employment rate.

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Formula funds:</u>			
State grants	\$1,099,382	\$1,099,382	\$1,099,382
Range of awards to States	\$4,215–\$120,257	\$4,215–\$120,257	\$4,215–\$120,257
Territories allocation	\$1,452	\$1,452	\$1,452
Indian set-aside	\$13,970	\$13,970	\$13,970
Number of grants	31	31	31
Native Hawaiian grant	\$2,794	\$2,794	\$2,794
Number of grants	7	7	7
<u>American technical training fund:</u>			
Innovation and reform grants	0	0	\$74,250
Number of new awards	0	0	5-25
Average number of new awards	0	0	15
Number of sites	0	0	10-25
Average number of sites	0	0	30
Range of awards	0	0	\$3,000-\$15,000
Average award amount	0	0	\$5,000
Number of participants	0	0	7,425
Peer review of applications	0	0	\$750

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program information, including GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in FY 2017 and future years, as well as the resources and efforts invested by those served by this program.

Goal: Increase access to and improve educational programs that strengthen education achievement, workforce preparation, and lifelong learning.

Objective: *Ensure that secondary and postsecondary CTE concentrators, including special populations, meet rigorous academic standards, attain technical skills, and make successful transitions to further education and employment.*

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Measure: The percentage of CTE concentrators scoring at the proficient level or above on State reading/language arts assessments.

Year	Target Percentage	Actual Percentage
2012	71%	75.1%
2013	76	77.1
2014	77	77.8
2015	77	
2016	77	
2017	78	

Measure: The percentage of CTE concentrators scoring at the proficient level or above on State mathematics assessments.

Year	Target Percentage	Actual Percentage
2012	65%	71.3%
2013	72	71.9
2014	72	70.8
2015	72	
2016	72	
2017	72	

Measure: The percentage of CTE concentrators who graduated in the reporting year.

Year	Target Percentage	Actual Percentage
2012	91%	92.1%
2013	91	92.5
2014	91	92.7
2015	93	
2016	93	
2017	93	

Additional information: The Department has defined a secondary CTE concentrator in non-regulatory guidance as a secondary student who has earned three or more credits in a single CTE program area (e.g., health care or business services), or two credits in a single CTE program area, but only in those program areas where two-credit sequences at the secondary level are recognized by the State and/or its local eligible recipients. However, States have authority under the Perkins statute to set definitions for performance measures, and they generally do so. As required in the statute, States measure reading/language arts and mathematics achievement by determining the percentage of CTE concentrators (of those who took State assessments) who attained a level of proficient or advanced on the assessments administered by the State under the Title I of the Elementary and Secondary Education Act (ESEA). Performance targets are averages of the performance targets the Department negotiated with individual State agencies. The source of data is the Consolidated Annual

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Report that State agencies submit to the Department. Note that many CTE students take the State assessments before they begin their coursework in CTE (i.e., in 9th or 10th grade).

The percentage of CTE concentrators who graduate from high school is obtained by extracting data on the CTE students who were included in the State's computation of the graduation rate as required under ESEA Title I. In recent years, this rate has been higher than the average graduation rate for all students. Data for 2015 will be available in May 2016.

Measure: The percentage of secondary CTE concentrators attaining technical skills.

Year	Target Percentage	Actual Percentage
2012	82%	79.4%
2013	82	81.7
2014	78	82.3
2015	80	
2016	80	
2017	81	

Measure: The percentage of secondary CTE concentrators earning a diploma, a GED, or a proficiency credential in conjunction with a secondary school diploma.

Year	Target Percentage	Actual Percentage
2012	86%	94.1%
2013	94	94.0
2014	94	94.5
2015	95	
2016	95	
2017	95	

Measure: The percentage of secondary CTE concentrators placed in postsecondary education, advanced training, military service, or employment.

Year	Target Percentage	Actual Percentage
2012	88%	84.2%
2013	81	82.5
2014	82	83.4
2015	85	
2016	85	
2017	85	

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Measure: The percentage of secondary CTE concentrators participating in programs in nontraditional fields.

Year	Target Percentage	Actual Percentage
2012	32%	36.5%
2013	31	36.8
2014	32	36.3
2015	38	
2016	38	
2017	38	

Measure: The percentage of secondary CTE concentrators completing programs leading to nontraditional fields.

Year	Target Percentage	Actual Percentage
2012	21%	36.5%
2013	30	38.0
2014	32	34.5
2015	38	
2016	38	
2017	38	

Measure: The percentage of postsecondary CTE concentrators attaining technical skills.

Year	Target Percentage	Actual Percentage
2012	70%	82.6%
2013	82	80.7
2014	83	79.7
2015	84	
2016	84	
2017	81	

Measure: The percentage of postsecondary CTE concentrators earning an industry-recognized credential, certificate, or degree.

Year	Target Percentage	Actual Percentage
2012	60%	53.0%
2013	56	50.0
2014	58	53.0
2015	58	
2016	58	
2017	54	

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Measure: The percentage of postsecondary CTE concentrators remaining in postsecondary education or transferring to a baccalaureate degree program.

Year	Target Percentage	Actual Percentage
2012	62%	69.6%
2013	60	68.6
2014	73	67.8
2015	73	
2016	73	
2017	69	

Measure: The percentage of postsecondary CTE concentrators placed in military service, employment, or apprenticeships.

Year	Target Percentage	Actual Percentage
2012	76%	73.4%
2013	74	74.1
2014	75	72.1
2015	75	
2016	75	
2017	73	

Measure: The percentage of postsecondary CTE concentrators participating in nontraditional programs.

Year	Target Percentage	Actual Percentage
2012	22%	24.3%
2013	23	24.3
2014	24	23.9
2015	25	
2016	25	
2017	24	

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Measure: The percentage of postsecondary CTE concentrators completing nontraditional programs.

Year	Target Percentage	Actual Percentage
2012	18%	20.6%
2013	19	20.5
2014	21	20.3
2015	22	
2016	22	
2017	21	

Additional information: Performance targets are based on the performance targets the Department negotiates with each State. In order to encourage consistency in how States define outcomes and concentrators, the Department published non-regulatory guidance providing suggested measures, measurement approaches, and data definitions for each indicator. However, not every State has opted to adopt the Department's suggested approaches. The Department has defined a postsecondary CTE concentrator in non-regulatory guidance as a postsecondary or adult student who: (1) completes at least 12 academic or CTE credits within a single program area sequence that is comprised of 12 or more academic and technical credits and terminates in the award of an industry-recognized credential, a certificate, or a degree; or (2) completes a short-term CTE program sequence of less than 12 credit units that terminates in an industry-recognized credential, a certificate, or a degree. While the Department continues to work with States and provide technical assistance on improving the quality of performance data, the data that the States currently submit have limited validity.

The Perkins Act defines nontraditional fields as occupations or fields of work, including careers in computer science, technology, and other current and emerging high-skill occupations, for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work. Performance targets are averages of the performance targets the Department negotiated with individual State agencies. Data for 2015 will be available in May 2016.

Efficiency Measures

The Department has adopted Federal cost per participant as the efficiency measure for secondary participants in the program. This is also the efficiency measure included in the job training common measures adopted by the Department and other Agencies. The efficiency measure for postsecondary students is the Federal cost per postsecondary CTE concentrator placed or retained in employment, placed in military service, or entering apprenticeships after leaving postsecondary education.

Although the Department is able to calculate this measure at the national and State levels, State definitions of participants vary, limiting the validity and reliability of comparisons across States. The Department started calculating the postsecondary cost measure in 2009. Data for fiscal year 2015 will be available in late 2016.

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: State grants

Measure: Federal cost per student.

Year	Cost per secondary student
2009	\$75
2010	74
2011	80
2012	79
2013	76
2014	77

Measure: Federal cost per postsecondary CTE concentrator placed or retained in employment, placed in military service, or entering apprenticeships after leaving postsecondary education.

Year	Cost per postsecondary student
2009	\$107
2010	107
2011	119
2012	115
2013	114
2014	126

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: National programs
(Carl D. Perkins Career and Technical Education Act of 2006, Section 114)

(dollars in thousands)

FY 2017 Authorization: Indefinite¹

Budget Authority:

<u>2016</u>	<u>2017</u>	<u>Change</u>
\$7,421	\$9,421	\$2,000

¹ The GEPA extension expired September 30, 2013. Reauthorizing legislation is sought for FY 2017.

PROGRAM DESCRIPTION

The Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV) includes an authority for National Programs to support research, development, demonstration, dissemination, evaluation, and assessment activities aimed at improving the quality and effectiveness of career and technical education (CTE). Within this authority, Perkins IV specifically calls for the operation of a national center to carry out scientifically based research in career and technical education and for a national assessment of career and technical education programs operated under the Act. The Department used National Programs funds from fiscal years 2005 through 2008 to carry out this national assessment and submitted a final report on the National Assessment of Career and Technical Education to Congress in September 2014.

National Programs funds currently support the National Career and Technical Education Research Center and activities to assist States in implementing key provisions of the Perkins Act, such as the requirement that States implement at least one “program of study” that provides a coherent sequence of courses that links secondary and postsecondary education, provides rigorous and challenging content, and leads to a degree or an industry-recognized credential.

This is a forward-funded program. Funds become available for obligation from July 1 of the fiscal year in which they are appropriated and remain available through September 30 of the following year.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2012	\$7,829
2013	7,421
2014	7,421
2015	7,421
2016	7,421

CAREER, TECHNICAL, AND ADULT EDUCATION

Career and technical education: National programs

FY 2017 BUDGET REQUEST

For fiscal year 2017, the Administration requests \$9.4 million for Career and Technical Education National Programs, a \$2 million increase over the fiscal year 2016 level. Most funds would support implementation of the Administration's proposal for a reauthorized Perkins Act (as described in the *Blueprint for Transforming Career and Technical Education*, announced in April 2012) through research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education.

The reauthorization proposal calls for revising the current National Programs authority to make it a more effective vehicle for funding research and evaluation along with other activities that support implementation of proposed requirements. As one example, a broader research authority would help the Department pursue the research questions that are most relevant and important for the improvement of career and technical education. Further, the areas that the statute currently designates for evaluation have focused mainly on implementation issues. The broader authority proposed for reauthorization would allow the Department to examine the effectiveness of CTE programs.

The Department would reserve \$2 million from the request to provide technical assistance and evaluation support for projects under the \$75 million American Technical Training Fund proposal described under the request for CTE State Grants. This competition would fund innovative, evidence-based, short-term, or accelerated job training programs that provide a path to the middle class for low-income individuals by helping them attain tuition free credentials that lead to a living wage and are articulated to a postsecondary degree. In addition, the Department would use \$500,000 from the request to strengthen data collection efforts related to career and technical education conducted by the National Center for Education Statistics (NCES). This would ensure continued data collection and expanded reporting through the NCES CTE Statistics program.

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
National Career and Technical Education Research Center	0	\$1,500	\$2,000
National reporting system	\$1,266	1,266	1,750
Professional development	300	300	0
Data collection efforts	0	750	500
Technical Assistance and Evaluation Support for Innovation Fund Projects	0	0	2,000
Other program improvement activities	5,855	3,605	3,171

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: Adult basic and literacy education State grants
(Adult Education and Family Literacy Act)

(dollars in thousands)

FY 2017 Authorization: \$635,198¹

Budget Authority:

	<u>2016</u>	<u>2017</u>	<u>Change</u>
	\$581,955	\$581,955	0

¹ A total of \$635,198 thousand is authorized for both Adult Basic and Literacy Education State Grants and National Leadership Activities.

PROGRAM DESCRIPTION

Under the Adult Education and Family Literacy Act (AEFLA), adult education grants to the States and Outlying Areas support programs that assist adults in becoming literate and in obtaining the knowledge and skills necessary for employment and self-sufficiency, assist adults who are parents in obtaining the educational skills necessary to become full partners in the educational development of their children, and assist adults in the completion of a secondary education. The Department also uses a portion of State grant funds to make formula grants to States for English literacy and civics education.

In July 2014, the President signed into law the Workforce Innovation and Opportunity Act (WIOA), which reauthorized AEFLA. The reauthorization promotes the integration of adult education with occupational education and training and with the development of career pathways systems, explicitly authorizes the use of program funds for integrated education and training and workforce preparation activities, emphasizes that adult education providers should assist participants in transitioning to postsecondary education, and encourages States to align their content standards for adult education with State-established academic standards for elementary and secondary education. The law also codifies the Integrated English Literacy and Civics Education program, eliminates Incentive Grants, increases the cap on State spending on correctional education, and requires that State performance levels be adjusted using an "objective statistical model" to reflect differences in State economic conditions. WIOA also aligns Adult Education State Grants more closely with Department of Labor (DOL) workforce development, job-training, and employment programs, including through provisions requiring common performance measures and inclusion of adult education activities in unified State workforce development plans.

Adult Education State Grants

The statute requires the Department to make an initial allotment of \$250,000 to each State and \$100,000 to each Outlying Area, and to distribute remaining funds on the basis of each State's share of qualifying adults. Qualifying adults are defined in AEFLA as individuals aged 16 and

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

older who lack a high school diploma or the equivalent, who are beyond the age of compulsory education in their States, and who are not currently enrolled in school. AEFLA also includes a “hold-harmless” provision that ensures that each State receives at least 90 percent of its previous year’s allocation. If funding is insufficient to satisfy the hold-harmless provision, each State receives the same proportion of available funding as in the previous year.

A State may use up to 12.5 percent of its grant for State leadership activities and an additional 5 percent or \$85,000 (whichever is greater) for State administration. At least 82.5 percent of a State’s grant must be used for local awards; of this amount, up to 20 percent may be used to educate incarcerated and other institutionalized individuals. Of the funds provided by the State agency to eligible entities, at least 95 percent must be used for instructional activities.

States make subgrants to local entities that provide adult basic education, English literacy, adult secondary education, workplace literacy, and family literacy services. Local service providers include local educational agencies, community colleges, libraries, and community- and faith-based organizations. In distributing funds, States must give equitable access to all types of eligible entities that have the ability to operate adult education programs, taking into account the extent to which such programs: have measurable goals for client outcomes, can demonstrate past effectiveness in improving the literacy skills of adults and families, serve individuals who are most in need of literacy services, are built on a strong foundation of research about effective practices; and coordinate with other available resources in the community.

State leadership funds are used for activities to improve adult education and literacy services, including professional development to improve the quality of instruction, technology assistance for local providers, and monitoring and evaluation activities to assess the quality of local programs. States may also use a portion of their State leadership funds for financial incentives to reward local programs for high performance or exemplary program coordination.

AEFLA shares a common performance accountability system with the workforce programs under WIOA that are administered by DOL, including six primary indicators of performance: (1) the percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program; (2) the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program; (3) the median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program; (4) the percentage of program participants who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent, during participation in or within 1 year after exit from the program; (5) the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and (6) an indicator to measure the effectiveness of programs in serving employers (to be determined by the Secretaries of Labor and Education by summer 2016).

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

English Literacy and Civics Education State Grants

The Department also awards formula grants to States for English literacy and civics (EL/Civics) education from funds set aside from the Adult Education appropriation. Using data from the Department of Homeland Security's Office of Immigration Statistics on the number of legal immigrants, the Department allocates 65 percent of funds based on each State's share of a 10-year average of immigrants admitted for legal permanent residence. The remaining 35 percent is allocated to States that have experienced recent growth in immigration, as measured by the average number of immigrants in the 3 most recent years. No State receives an award of less than \$60,000.

This is a forward-funded program. Funds become available for obligation from July 1 of the fiscal year in which they are appropriated and remain available through September 30 of the following year.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2012	\$594,993
2013	563,955
2014	563,955
2015	568,955
2016	581,955

FY 2017 BUDGET REQUEST

The Administration requests \$582.0 million for Adult Education State Grants for fiscal year 2017, the same as the 2016 level. The fiscal year 2017 funds would help meet the President's goal of closing the opportunity and achievement gap so that every American has access to education, training, and pathways into the middle class.

There is a persistent need for adult education services in the U.S. Data from the Organisation for Economic Co-operation and Development's (OECD) Program for the International Assessment of Adult Competencies (PIAAC) indicate that, in 2012, mean proficiency scores in both literacy and numeracy among U.S. individuals ages 16-65 were below the average of the OECD countries participating in the survey. In the subgroup of individuals ages 16-25, the U.S. also failed to meet the OECD average. Eighteen percent of adults in the U.S. score at the lowest two of six levels in literacy and 30 percent score at the lowest two of six levels in numeracy, compared to an international average of 15 percent for literacy and 19 percent for numeracy.

Findings from a supplemental study of the National Assessment of Adult Literacy (NAAL), "Basic Reading Skills and the Literacy of America's Least Literate Adults," published in 2009, found that of the adults who scored "Below Basic" in prose literacy on the NAAL, 55 percent were those with the least amount of schooling (less than a high school degree) and 44 percent lived in families with incomes below the poverty line. State enrollment data for the Adult

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

Education State Grants program also indicate approximately 1.6 million adults were enrolled in adult education during the 2013-2014 program year, with approximately 88 percent in adult basic education programs or English literacy programs and only 12 percent in adult secondary education programs.

Another group with a strong need for adult education services is high school dropouts. Some of these students may be immigrants without the English language skills or formal education background to succeed in a traditional secondary school. The Census Bureau reports a “status dropout rate,” which represents the proportion of young people, ages 16 through 24, who are out of school and who have not earned a high school diploma or equivalent. In 2000, this dropout rate was 11 percent. While the dropout rate for the same age group had declined to 7 percent by 2013, higher rates persist for some minority groups. For example, the 2013 dropout rate was 12 percent for Hispanics. These data underscore the need both to continue to serve at-risk populations and to work to improve the effectiveness of the services provided to these populations.

Further, the requisite educational attainment level for jobs that pay wages sufficient to support a family is increasing. A 2013 report released by Georgetown University’s Center on Education and the Workforce, “Recovery: Projections of Job Growth and Education Requirements through 2020,” predicts that by 2020, 65 percent of jobs will require some postsecondary education or training. In 1973, only about 28 percent of jobs required applicants to have more than a high school education; by 2010, that percentage had risen to about 59 percent.

The Department has made significant improvements in program management and in the quality of participant data. Data collected through the program’s National Reporting System demonstrate that the program has achieved consistent improvements on measures of student performance and other program goals, such as job attainment and retention. Also, the Department has increased the availability of research-based instructional materials for adult education teachers, and all States use standardized assessments to measure student-learning gains.

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Adult basic and literacy State grants	\$497,516	\$512,120	\$512,120
Range of awards to States	\$751–\$74,773	\$766–\$77,032	\$766–\$77,038
English literacy and civics education State grants	\$71,439	\$69,835	\$69,835
Range of awards to States	\$60–\$14,602	\$60–\$14,273	\$60–\$14,273
Number of participants (estimated)	1,598,756	1,598,756	1,598,756

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in FY 2017 and future years, and the resources and efforts invested by those served by this program.

In collaboration with the Department of Labor, the Department is revising several of its performance measures due to the reauthorization of the program under WIOA. New measures will be in place by July 1, 2016, the beginning of the 2016-17 program year. The Department will continue to report on most existing measures for grants made prior to enactment of WIOA.

Current State-level performance indicators include: (1) demonstrated improvements in skill levels in reading, writing, and speaking English; numeracy and problem-solving; English language acquisition; and other literacy skills; (2) placement in, retention in, or completion of postsecondary education, training, unsubsidized employment, or career advancement; and (3) receipt of a secondary school diploma or a recognized equivalent. These indicators are reflected in the first four measures below. The Department recently revised several GPRA targets to reflect more realistic expectations and changes in data due to clarifications in the definitions of the measures. The previous statute also required that the Department report annually to Congress on State performance. The Department's most recent report, released in fall 2015, provided State data on the performance of all adult education students on each of the indicators for school year 2011-2012. It is available at: <http://www2.ed.gov/about/offices/list/ovae/resource/index.html#congress>. The next report will be available in fall 2016.

Goal: To support adult education systems that result in increased adult learner achievement in order to prepare adults for family, work, citizenship, and future learning.

Objective: *Provide adult learners with opportunities to acquire basic foundation skills (including English language acquisition), complete secondary education, and transition to further education and training and to work.*

Measure: The percentage of adults in Adult Basic Education programs who acquire the level of basic skills needed to complete the level of instruction in which they enrolled.

Year	Target	Actual
2012	52%	43%
2013	54	43
2014	44	42
2015	45	
2016	46	

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

Measure: The percentage of adults enrolled in English literacy programs who acquire the level of English language skills needed to complete the levels of instruction in which they enrolled.

Year	Target	Actual
2012	50%	45%
2013	52	46
2014	47	46
2015	48	
2016	49	

Additional information: The Department has developed a data-quality review process for States based on its “Standards for Evaluating Program Performance Data.” Educational gain is demonstrated by Department-approved standardized tests. The Department expects to receive 2015 data in spring 2016.

Measure: The percentage of adults who earn a high school diploma or recognized equivalent.

Year	Target	Actual
2012	57%	61%
2013	58	71
2014	64	73
2015	68	
2016	73	

Additional information: In 2011, the Department clarified the definition for this measure and the other outcome-based measures below, and began collecting information using this more specific definition in 2013. This more precise definition of this measure is: the percentage of adults who took all high school equivalency (HSE) tests, or who were enrolled in adult high school at the high Adult Secondary Education level, or who were enrolled in the assessment phase of the External Diploma Program who obtain certification of attaining passing scores on HSE tests, or who obtain a high school diploma or State-recognized equivalent documenting satisfactory completion of secondary studies (high school or adult high school diploma). The Department has developed a data-quality review process for States based on its “Standards for Evaluating Program Performance Data.” High school diplomas issued are certified by local educational agencies or the State educational agency, and HSE credentials are confirmed through a data match with the State’s administrative database. The Department expects to receive 2015 data in spring 2016.

The three measures above will continue under the WIOA accountability system. The Department will establish new baselines and targets for these measures in spring 2018 using 2017 data.

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

Measure: The percentage of adults who enroll in a postsecondary education or training program.

Year	Target	Actual
2012	47%	58%
2013	49	29
2014	32	30
2015	35	
2016	38	

Additional information: The precise definition for this measure is: the percentage of adults who passed the HSE tests or earned a secondary credential while enrolled in adult education; or who had a secondary credential at entry; or who were enrolled in a class specifically designed for transitioning to postsecondary education who enroll in a postsecondary educational program, occupational skills training program, or an apprenticeship training program. The decrease in 2013 in the percentage of adults meeting a goal of enrolling in a postsecondary education or training program is largely due to the change in the way the measure is applied, which now captures a broader segment of individuals receiving services under the program. The absolute number of adults meeting the standard increased in 2013. The change in the application of this measure will lead to greater comparability and consistency across States. Data for this measure should stabilize in the next couple years. States report annually on these common job training measures. The Department expects to receive 2015 data in spring 2016. This measure will not continue under the WIOA accountability system.

Measure: The percentage of adults who obtain a job by the end of the first quarter after their program exit quarter.

Year	Target	Actual
2012	43%	48%
2013	44	47
2014	47	41
2015	42	
2016	43	

Additional information: The precise definition for this measure is: the percentage of adults who were unemployed and in the labor force at entry who obtain a job by the end of the first quarter after the program exit quarter. The Department expects to receive 2015 data in summer 2016.

CAREER, TECHNICAL, AND ADULT EDUCATION

Adult education: National leadership activities

Measure: The percentage of adults who retain employment in the third quarter after exit.

Year	Target	Actual
2012	70%	66%
2013	70	56
2014	57	61
2015	62	
2016	63	

Additional information: The precise definition for this measure is: the percentage of adults who were employed in the first quarter after exit quarter who are employed in the third quarter after the program exit quarter. The Department expects to receive 2015 data in spring 2016.

The two employment measures above will be replaced by new employment measures under the WIOA accountability system. These measures, specified in WIOA, are: (1) the percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program; and (2) the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program. The Department will establish new baselines and targets for these measures in spring 2018 using the 2017 data.

Efficiency Measures

The Department developed two efficiency measures for the Adult Education State Grants program. The first measure, annual cost per participant, was established under the Federal Government's common performance measures initiative for job training programs, and the Department has collected sufficient data to report this measure through the National Reporting System. The second measure, cost per student learning gain, captures the average Federal cost for a student to advance to at least the next educational level in an Adult Education program or to earn a high school diploma or HSE credential.

Measure: The annual Federal cost per participant.

Year	Target	Actual
2012	\$268	\$298
2013	290	
2014	280	

Additional information: This measure reflects the average annual Federal cost per participant for Adult Education programs. Data do not include State and local resources, which account for a large proportion of Adult Education funds. Because funds are available for 27 months, data for fiscal year 2013 costs will be available in spring 2016. The Department is reporting on these measures under the previous authorization of the program only through 2014. This measure will continue under the WIOA accountability system and the Department will establish a new baseline and targets for this measure using data on the FY 2015 awards, the first to be awarded under WIOA.

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Measure: The annual Federal cost per student learning gain or high school diploma/HSE attainment.

Year	Target	Actual
2012	\$540	\$589
2013	580	
2014	570	

Additional information: This measure examines the annual Federal cost for Adult Education students who advance to at least the next higher educational level or who attain a high school diploma or HSE certificate. 2014 is the last fiscal year for which funds were appropriated under the previous authorization of the program. This measure will be replaced by a new measure under the WIOA accountability system: The annual Federal cost per student measurable skill gain. The Department will establish a new baseline and targets for this measure using data on the FY 2015 awards, the first funding to be awarded under WIOA.

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(dollars in thousands)

FY 2017 Authorization: \$635,198¹

Budget Authority:

<u>2016</u>	<u>2017</u>	<u>Change</u>
\$13,712	\$24,712	+\$11,000

¹ A total of \$635,198 thousand is authorized for both National Leadership Activities and Adult Basic and Literacy Education State Grants.

PROGRAM DESCRIPTION

Adult Education National Leadership Activities, as authorized under the Adult Education and Family Literacy Act (AEFLA), address major policy priorities in adult education, including program improvement, accountability, professional development, and increasing access to learning opportunities for adults. Under this authority, the Department supports applied research, development, dissemination, evaluation, and program improvement activities to assist States in their efforts to improve the quality of adult education programs. Examples of these activities include: evaluations of the effectiveness of adult education programs, training institutes, national and international adult literacy surveys, and technical assistance on using technology to improve instruction.

In July 2014, the President signed into law the Workforce Innovation and Opportunity Act (WIOA), which reauthorized AEFLA. WIOA requires the Department to carry out certain national leadership activities, including assistance to States in meeting the requirements of the performance accountability provisions of WIOA, assistance to local providers of adult education services upon request from one or more States, and carrying out research and evaluation on effective adult education and literacy services.

This is a forward-funded program. Funds become available for obligation from July 1 of the fiscal year in which they are appropriated and remain available for 15 months through September 30 of the following year.

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Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2012	\$11,302
2013	10,712
2014	13,712
2015	13,712
2016	13,712

FY 2017 BUDGET REQUEST

For fiscal year 2017, the Administration requests \$24.7 million for National Leadership Activities, an increase of \$11.0 million over the 2016 level. Funds would be used to continue supporting States in their efforts to improve adult education standards and assessments and to carry out data collection activities of the reauthorized Adult Education and Family Literacy Act. The request would also continue support for activities designed to enhance the quality and outcomes of adult education and literacy programs. Currently, these activities include:

- The *Literacy Information and Communications System*, which includes a resource collection of instructional and professional development materials, regional professional development centers, and the maintenance of the technology infrastructure needed to support the collection, maintenance, and dissemination of adult education resources.
- *Improving Reentry Education*, which supports the expansion of the Department's reentry education model demonstration initiative, which is aimed at developing evidence of effectiveness in a variety of institutional contexts and building on lessons learned from the Department's Promoting Reentry Success through Continuity of Educational Opportunities grants.
- The *National Reporting System*, which specifies the methodologies by which local providers and States are to collect and report data on the outcome, participation, and student descriptive measures for the Adult Education programs; serves as the repository for these data; and provides resources to increase the knowledge of State staff and the capacity of State data systems. Investments in this area will help to ensure that local providers and States collect and report high quality data and become skilled in using this information in program management and decisionmaking.
- *Support for English Language Learning and Immigrant Education*, which includes the compilation and updating of professional development resources; partnering with States to provide training and technical assistance; and supporting master teacher groups to create, rate, review, and disseminate resources for adult English Learners.
- *Advancing Reading and Mathematics Instruction*, which assists States in their ongoing efforts to scale evidence-based reading and mathematics instruction for adult education students at the intermediate level.

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- *Technical assistance for Performance Partnership Pilots*, which supports State, local, and tribal governments in implementing better coordinated and more cost-effective services to improve outcomes for disconnected youth, including meeting education or employment goals.

Support for WIOA Implementation

The request includes \$5.0 million to provide technical assistance to help States meet the WIOA requirement to align adult education content standards with the challenging State-determined academic standards for K-12 education required by Title I of the Elementary and Secondary Education Act.

The Administration also is seeking \$6.0 million to help meet WIOA data requirements. The Department would use \$5.0 million of this amount to advance the interoperability of data systems and to improve accurate and timely data reporting under WIOA, both of which would support greater accountability and transparency, better research and evaluation, and increased data-driven decision-making. The Department would use the remaining \$1.0 million to provide technical assistance to States in their collection of new WIOA data elements.

The Administration is also planning to leverage existing resources to meet the data requirements of WIOA. Included in the President's budget request for the Department of Health and Human Services (HHS) is a proposal to allow other agencies and their State partners access to the National Directory of New Hires, a Federal database of employment and unemployment insurance information administered by the Office of Child Support Enforcement within HHS. This resource, which would be utilized at the sole discretion and option of a State, would provide States with an additional data collection tool to determine employment and wage outcomes across State lines for the purpose of reporting program performance under WIOA. The proposal includes language that would limit unauthorized access, use, disclosure, or re-disclosure of personally identifiable information; requires that only the minimum data necessary can be accessed; and satisfies the Administration's criteria for when authority to access NDNH data should be considered. More information about this request, as well as the package of proposals allowing additional programs and agencies authority to access NDNH, can be found in the HHS budget request, posted at <http://www.hhs.gov/about/budget/>, in the *A Government of the Future Budget* chapter.

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Literacy Information and Communications System	\$3,410	\$3,350	\$3,350
Improving reentry education	3,000	1,300	1,300
National Reporting System	1,500	1,500	1,500
Support for English language learning and immigrant education	1,400	1,800	1,800

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<u>Output Measures</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Advancing reading and mathematics instruction	\$1,345	\$800	\$800
Technical assistance for performance partnership pilots	250	250	250
Support for State standards and assessments	0	0	5,000
Support for data infrastructure	0	0	5,000
Data collection technical assistance	0	0	1,000
Other technical assistance, logistical support, and evaluation	2,807	4,712	4,712

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in FY 2017 and future years, and the resources and efforts invested by those served by this program.

Goal: To support research, evaluation, information dissemination, and other activities to help States improve adult education and literacy programs.

Objective: To support adult education systems that result in increased adult learner achievement in order to prepare adults for family, work, citizenship, and future learning.

Measure: The percentage of States submitting high-quality learner assessment data through the National Reporting System (NRS).

Year	Target	Actual
2012	100%	91%
2013	100	91
2014	100	91
2015	100	
2016	100	
2017	100	

Additional information: Through National Leadership Activities, the Department offers technical assistance and guidance designed to help all States, including DC, Puerto Rico, and the Outlying Areas, meet high standards for the collection and reporting of these data. The program office has developed a data-quality review process for States based on the Department's "Standards for Evaluating Program Performance Data." This process leads to a

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determination of whether each State has submitted high quality adult learner assessment data. The 2012 and 2013 figures reported differ from those reported in the FY 2016 budget because the Department has reviewed the data sources and found that an additional State met the standard of submitting high quality adult learner assessment data in each of those years.

Other Performance Information

Beginning in 2008, the Department, in collaboration with the National Institute of Child Health and Human Development of the National Institutes of Health, supported a study of adult and adolescent literacy instruction through the National Academies of Sciences. The resulting 2012 report, "Improving Adult Literacy Instruction: Options for Practice and Research," explores in depth the factors that affect literacy development in adolescence and adulthood and examines the implications for strengthening literacy instruction for those populations. The report covers such topics as: technologies that can assist with multiple aspects of teaching, assessment, and accommodations for learning; use of evidence-based practices and professional development; improving learner persistence through the use of educational technologies; social service support and incentives; and improved coordination of program improvement, evaluation, and research.

The Department's Institute of Education Sciences funded a competition in fiscal year 2011 for its first national research and development center on cognition and adult literacy, which began work in September 2012. The primary goals of this center, the Center for the Study of Adult Literacy, are to: (1) build the understanding of the underlying cognitive and motivational processes that contribute to or impede struggling adult readers' development, (2) examine the adequacy of measurement instruments and assessments for the population, and (3) develop and evaluate a multi-component reading intervention for this population. Since 2012, CSAL has tested 500 adult literacy students on a full battery of assessments to help determine this population's underlying skill profiles. The Center has developed materials to help teach fundamental reading skills (e.g., fluency and comprehension) and has tested its feasibility in several programs. The materials contain 45 lessons on reading comprehension, 30 lessons on more basic skills (e.g., sounding out words), and 30 interactive computer-based lessons. The Center has also created an online reading repository that contains links to free texts, organized by reading level and content (<http://csal.gsu.edu/content/library-resources>). Since its launch, the student portal that connects to the reading repository has been accessed over 9,000 times, the research portal over 1,100 times, and the teacher portal over 2,000 times. In its 2014 annual performance report, CSAL reported that it had collaborated with 29 education organizations (e.g., school boards, education community-based organizations). The researchers of CSAL have met with staff from the Departments of Education and Labor to discuss research activities and findings and possibilities for further coordination.

Along with authorizing a variety of activities under this program, WIOA includes some required activities. Among them, the Department must (1) carry out rigorous research and evaluation on effective adult education and literacy activities, as well as estimate the number of adults functioning at the lowest levels of literacy proficiency; and (2) carry out an independent evaluation of WIOA's Adult Education programs and activities at least once every 4 years.

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Using FY 2016 funding, the Department expects to produce a strategic plan for research on, and evaluation of, adult education and literacy activities under WIOA.