

Policy Brief

July 2011

Workforce Investment Act, Title II (Adult Education and Family Literacy)

What is Workforce Investment Act, Title II?

Title II of the Workforce Investment Act (WIA) of 1998 provides funding to states for adult basic education and literacy. The adult education and family literacy funding streams were combined into the Adult Education and Family Literacy Act (AEFLA) under Title II of WIA. The AEFLA state-administered grant program is the main source of federal funding for adult basic skills programs. The three stated goals of this law are to:

- Assist adults in becoming literate and 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 secondary school education.

Who is Eligible for WIA?

Individuals are eligible for services under Title II if they:

- Are at least sixteen years old;
- Are not enrolled or required to be enrolled in secondary school under state law; and
- Lack sufficient mastery of basic educational skills to enable them to function effectively in society; or
- Do not have a secondary school diploma or its recognized equivalent and have not achieved an equivalent level of education; or cannot speak read or write English.

Eighty-eight *million* Americans have at least one significant barrier to gaining a postsecondary credential.¹ These barriers often include: low literacy; limited English Language skills; and/or the lack of a high school diploma.

In program year 2008-2009, AEFLA state grant-funded programs enrolled over 2.4 million people nationwide.^{2,1} Forty-two percent were enrolled in adult basic education, 14 percent were enrolled in adult secondary education, and 44 percent were enrolled in English literacy programs.

¹ State data is not available at this time, and therefore is not included in this brief. Robust state-level data will be available for the next program year and this brief will be updated at that time.

How is WIA Administered?

WIA is administered at the federal level by the Office of Vocational and Adult Education (OVAE) and at the state level by the Indiana Department of Workforce Development. It is required that the state agency with jurisdiction over AEFLA must:

- be represented on the state Workforce Investment Board (WIB);
- be represented on local WIBs;
- Enter into a Memorandum of Understanding (MOU) with local WIBs that describe the services to be provided, how AEFLA will contribute to the operating costs of the one-stop system (in a proportionate manner), and referral methods; and
- Provide AEFLA core services through the one-stop system.

WIA services are provided by a variety of entities from local educational agencies, community-based organizations, volunteer literacy organizations, institutions of higher education, libraries, public housing authorities, and correctional institutions. Nationally there are 4,100 providers, in Indiana there are approximately 43 providers.

How is WIA Funded?

WIA Title II is mostly funded by the federal government, but does require a 25 percent non-federal match. This match can be cash or in-kind. The allocation each state receives is calculated by a formula, based on the number of adults over the age of 16 that are not enrolled in school and have not completed high school. Once states receive these funds they must distribute 82.5 percent of the funds to local providers through a competitive grant or contract process. This process should be based on state established criteria. In Indiana, these decisions are made by regional consortia, the only stipulation that is made for all regions in the state, is that *for-profit* entities **may not** deliver adult education services. Only 10 percent of the funds distributed to providers can be used to serve institutionalized individuals, i.e. for correctional education.

From the remainder of the allocation, states may use 12.5 percent for state leadership activities and up to 5 percent (or \$65,000 whichever is greater) for the state's administrative costs. The fundable "state leadership" activities include the following types of activities:

- Developing and disseminating curricula;
- Creating new service models;
- Providing professional development;
- Benchmarking and rewarding performance;
- Providing technical assistance; and
- Coordinating adult education with support services, such as transportation and child care.

What are the Benefits of WIA to Individuals and Businesses?

In 2009, 13.4 percent of Indiana's adult population, 25 years old and older, did not have a high school diploma or its equivalent. This percentage equates to 561,890 Hoosiers, more than half a million adults who do not have the skills necessary to be successful in our changing economy, as it continues to demand more educated workers. The Center on Education and Workforce projects that by 2018, nearly two-thirds of the job openings will require some form of education beyond high school, almost double the level of just a generation ago.³ This is a dire situation not only for the working adults who are lacking a diploma, but also for the businesses struggling to hire

skilled workers and for Indiana's economy, as it struggles with lower tax revenues and high unemployment.

Providing quality adult basic education, with the help of the funding made available through WIA Title II is essential to the competitiveness of Indiana's economy.

How can the WIA System be Strengthened?

1. Reauthorize the Workforce Investment Act

WIA needs to be reauthorized however, reform is necessary. WIA Title II needs to be reformed to more closely reflect the current skill needs of our workforce. This means focusing not just on basic skills but on career success and postsecondary achievement.

2. Expand Type of Services Eligible to Include Occupational Training

Currently, Title II funds cannot be used for occupational training that means training providers that offer "integrated" services must track separate funding sources in order to support two components of the same program.⁴ Co-enrollment of adult education and occupational training (a model already taking effect in Indiana) should be encouraged.

3. Improved Public Reporting

WIA Title II needs improved public reporting, including reporting on credential and training performance measures. These measures could include: number of participants co-enrolled in Adult Education and Occupational Training; the numbers of credentials obtained, the employment placements made; or number of enrollees into a postsecondary education program.

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¹ National Skills Coalition, *Training Policy in Brief: Workforce Investment Act, Title II*. February 2011. Online: <http://www.ctb.com/ctb.com/control/grantDetailsViewAction?grantId=32788&p=grants>.

² Ibid.

³ National Governors Association Chair's Initiative, 2011. *Compete to Complete, From Information to Actions: Revamping higher education Accountability Systems*. Online:

<http://xa.yimg.com/kq/groups/10626775/385314213/name/NGA%20Higher%20Ed%20Accountability%20Report.pdf>.

⁴ National Skills Coalition, *Training Policy in Brief: Workforce Investment Act, Title II*. February 2011. Online: <http://www.ctb.com/ctb.com/control/grantDetailsViewAction?grantId=32788&p=grants>.
