

TO: House Committee on Commerce and Economic Development  
FROM: Vermont Adult Education & Literacy Network  
RE: FY24 Budget  
DATE: March 1, 2023



Dear Chair Marcotte,

Thank you for the opportunity to testify in your Committee on Wednesday, March 1. The Adult Education & Literacy Network respectfully submits this memo to provide further information and address questions that came up during our testimony. As your Committee works on its budget memo to the House Appropriations Committee, we hope you will keep our funding request in mind and support including the full request of a **\$1,500,000 base increase to Adult Education & Literacy services** within the Agency of Education's budget. Please see our [FY24 Funding Request Handout](#) for more information regarding our request for state appropriations.

Vermont's four Adult Education & Literacy service providers have a **statutory role under Title 16** in providing adult education and a path to a high school diploma or GED (see Appendix C for Title 16 AEL language). There is no other program in Vermont that offers a free path to a high school credential for people 16 and up. The state offers many tech ed programs and pathways to a better career but our students lack the basic skills to participate successfully in these tech ed programs, free college programs or workforce training. **We are the first stop for Vermont's most vulnerable populations. Investing in AEL services upstream supports and increases the success of money invested further downstream in workforce development initiatives.**

Vermont's four Adult Education & Literacy service providers receive funding from the state and federal government through the Vermont Agency of Education, and funding comes from a variety of different sources. Funding sources for AEL service providers include:

#### **State Funding (Agency of Education):**

- Adult Basic Education (ABE) grant funding - base funding
- Adult Diploma Program (ADP) grant funding - base funding
- State General Funds - FY22 & FY23 only
- High School Completion Program - fee for service

#### **Federal Funding:**

- Workforce Innovation and Opportunity Act (WIOA) Title II grant funding
- Integrated English Literacy and Civics Education (IELCE) funding

**Base Funding - \$3,500,000.** The Adult Education & Literacy Network (AELN) considers the ABE and ADP grant funding from the Agency of Education as the Network's base funding. The Adult Basic Education grant program is funded with state general funds, and the Adult Diploma Program is funded out of the Ed Fund. Funding from these two programs totals around \$3,500,000 for Vermont's 4 AEL service providers. While we consider this our primary base funding, it is important to note that this funding is still restricted in that it relies on reaching specific deliverables. **The funding amount for these two programs has been level funded at \$3,500,000 since 1992, despite significant increases in costs of providing Adult Basic Education services.**

**Federal Funding.** Both WIOA Title II and IELCE grant funding from the federal government passes through the Agency of Education to AEL service providers. The majority of federal funding for AEL services comes from WIOA Title II, and the amount Vermont providers receive varies from year to year. IELCE funding is specifically for English Language Learners (ELL), and the amount also varies from year to year. Currently, only two of the four AEL providers in Vermont receive federal IELCE funding due to an outdated state analysis. Despite two AEL providers not receiving federal funds for this service, all 4 Centers in the AELN serve ELL students.

- English Language Learners.** From FY22 to FY23, all 4 AEL providers in Vermont have seen a significant increase in their ELL student population. This is largely due to the increased population of Afghan and Ukrainian refugees as well as other New Americans. As you'll see in the table below, the AELN has served a total of 427 ELL students in year to date FY 2023 alone, including 18 Ukrainian and 39 Afghan refugees, representing a 22% increase over fiscal year 2022.

**High School Completion Program (HSCP).** Through a competitive RFP process with the Agency of Education, **AEL providers administer the HSCP for the State.** This RFP process occurs every two years, and the AEL providers have secured the contract to administer this program since it was opened to adults over the age of 16 in 2013. The last bid was in calendar year 2021, and the Network is currently working on its bid for the next two year cycle, which is due in April 2023. While the fee schedule for HSCP has remained flat over the years, costs of providing this service have increased significantly.

**Table 1. AELN Student Numbers Per Program**

	High School Completion Program	English Language Learning	Adult Basic Education
Fiscal Year 2022	384	390	925
<b>Year to Date</b> Fiscal Year 2023	313	427	662

**One-Time Funding from the State.** Last year, the Vermont Legislature appropriated an additional \$350,000 in one-time funding to the Adult Education and Literacy Network in the FY22 Budget Adjustment Act, as well as another \$700,000 in one-time funding in the FY23 state budget. Both of these appropriations came from state general funds. Those additional funds have helped address chronic underfunding of Vermont's AEL service providers, but there is still a significant need. Because this additional funding was one-time, action is needed to preserve this increased level of funding. Without action, AEL providers risk running a budget deficit.

**AELN's Role in Workforce Development for Critical Occupations.** The grants that AEL providers receive from the state fall under the category of Integrated Education and Training (IET) programming. AEL providers are direct partners with the VT Department of Labor, HireAbility and local School Districts and get student referrals from these entities. Some AEL providers also get direct referrals from the Department of Corrections and Community Justice Centers. An IET program includes the following three components:

1. Adult education and literacy activities
2. Workforce preparation activities
3. Workforce training in an in-demand industry

**As the State's only providers of IET programs, all AEL providers work directly with their local workforce development teams to address critical occupation needs in their region.** For example, The Tutorial Center is a member of the Bennington County Regional Commission which has been working on an Integrated Education and Training program for early childhood education workers and LNAs in the Bennington area. NEK-LS also has an IET focus on early childhood. Vermont Adult Learning's Energy Works program is an IET for weatherization, heat pump installation, and solar panel installation workforce needs. The program has trained 49 Vermonters in the skills needed to enter well-paying jobs in the emerging energy sector.

The AELN has recently received a Sanders earmark for workforce development programs across the Network, which will help all 4 AEL providers enhance their workforce development work specifically. It is worth noting that a tension exists between encouraging students to fill needed jobs in Vermont, and having those jobs be occupations that do not always provide a living wage in Vermont (i.e. early childhood), which can go against our mission of helping students achieve their full potential. This is a broader problem that needs to be addressed at the state level. Please see Appendix B below for language that currently exists in statute regarding the connection between AEL services and workforce development.

**Community High School.** The AEL network is currently working with Community High School to develop processes for more seamless transitions from incarceration into the community. Many in need of educational services utilize

opportunities while incarcerated, and we hope to increase the numbers of those who do so post-incarceration. Expected outcomes are increased rates of high school credentialing and overall work readiness.

**Students Served.** The AELN served approximately **1,699** students in fiscal year 2022. From July 1, 2022 to February 24, 2023, the Network has served **1,396** students. Spring is often our busiest season, so we expect that number to grow to surpass the number of students served in FY22. Below is a breakdown of student demographics per Center:

**Table 2. Student Demographics Per Center (FY22)**

AEL Student Demographics		CVABE	NEK-LS	TTC	VAL
<b>Age Group</b>	16-18	120	71	53	343
	19-24	69	38	30	222
	25-44	100	21	25	364
	45-54	40	7	2	84
	55+	39	10	7	60
<b>Gender</b>	Male	170	58	54	430
	Female	198	89	63	641
<b>Ethnicity</b>	American Indian or Alaskan	7	3	1	12
	Asian	30	6	3	99
	Black or African America	19	2	4	158
	Hispanic or Latino	35	4	5	97
	Two or more races	16	3	6	32
	<b>Total BIPOC</b>	<b>107</b>	<b>18</b>	<b>19</b>	<b>398</b>
	White	261	129	98	672
<b>Labor Status</b>	Employed	147	61	30	457
	Unemployed	219	77	78	574
<b>Barriers to Employment</b>	Ex-offenders	17	1	2	16
	<b>English language learners / low literacy levels / cultural barriers</b>	<b>368</b>	<b>147</b>	<b>117</b>	<b>1073</b>
	Homeless/ runaway youth / foster care involved youth	11	3	3	36
	<b>Low income</b>	<b>153</b>	<b>11</b>	<b>22</b>	<b>180</b>
	<b>Individuals with disabilities</b>	<b>191</b>	<b>16</b>	<b>11</b>	<b>180</b>
	Single parents	34	8	9	63
<b>Students that received &lt;12 of schooling</b>		<b>258</b>	<b>125</b>	<b>97</b>	<b>801</b>

NOTE: Each AEL provider has further demographic breakdown sheets available upon request. This table is extrapolated data that provides numbers for specific categories of people we were asked about in your Committee. If there is interest in receiving further information, for example regarding the specific type of disabilities we see in our students, that information can be provided.

**Who Are Our Students? (Network Wide Key Data - % of Total Network Student Population):**

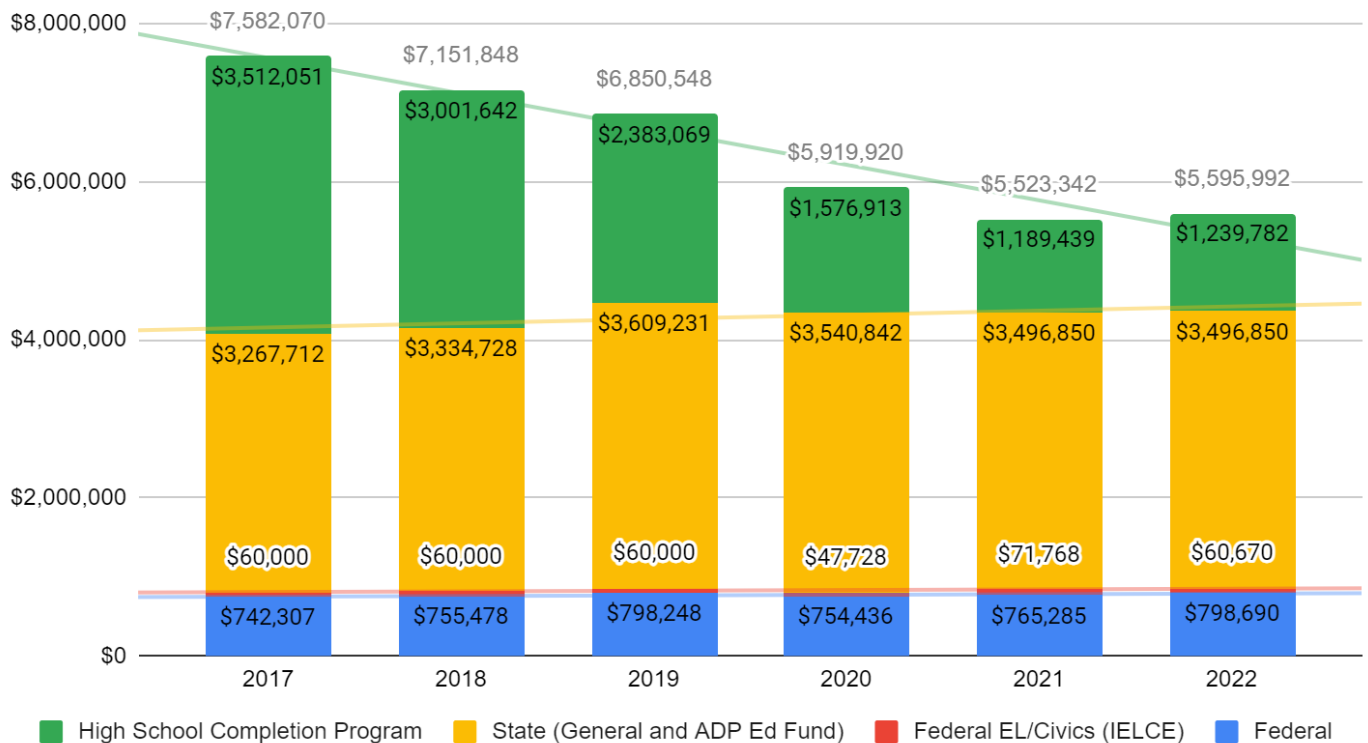
58% Female	53% Unemployed
22% BIPOC (variable by county)	100% with barriers to employment
46% with at least 1 disability	76% No high school credential

## APPENDIX A - TOTAL FUNDING FOR AEL SERVICES IN VERMONT

### Funding for AEL Services, Fiscal Year 2017-2023

Adult Education & Literacy Network Funding	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Federal WIOA Title II Grants	\$742,307	\$755,478	\$798,248	\$754,436	\$765,285	\$798,690	\$795,915
Federal IELCE Grants	\$60,000	\$60,000	\$60,000	\$47,728	\$71,768	\$60,670	\$61,470
State (ABE & ADP grants)	\$3,267,712	\$3,334,728	\$3,609,231	\$3,540,842	\$3,496,850	\$3,496,850	\$3,496,850
One-Time Budget Adjustment/FY24 funding (GF)	\$0	\$0	\$0	\$0	\$0	\$350,000	\$700,000
High School Completion Program (HSCP) - Fee for Service	\$3,512,051	\$3,001,642	\$2,383,069	\$1,576,913	\$1,189,439	\$1,239,782	Data Not Yet Available
Other (non-state, non-federal) AEL funding	\$400,508	\$412,903	\$402,544	\$473,427	\$362,955	\$422,256	\$215,794
<b>Total AEL Funding</b>	<b>\$7,982,578</b>	<b>\$7,564,751</b>	<b>\$7,253,092</b>	<b>\$6,393,347</b>	<b>\$5,886,297</b>	<b>\$6,018,248</b>	<b>\$4,570,029</b>

### AELN State and Federal Funding Sources (2017-2021)



## APPENDIX B - AEL FINDINGS LANGUAGE IN ACT 183 of 2022

Last year, the Legislature passed a big economic and workforce development bill (S.11) that was enacted as [Act 183](#) after the Governor signed the bill on June 8, 2022. [Here is a summary of Act 183.](#) Sec. 41 of the bill is findings language regarding Adult Education & Literacy. Here is the language of Act 183 Sec. 41:

### Sec. 41. ADULT EDUCATION AND LITERACY; FINDINGS

*The General Assembly finds:*

*(1) Adult education and literacy services are a key piece of the workforce development system and serve as the entryway into career readiness and workforce development for tens of thousands of our most vulnerable Vermonters, those with low literacy, undereducation, or those simply in need of increased skills so that they can succeed.*

*(2) 36,000 adults in Vermont do not have a high school credential, and tens of thousands more lack the skills to matriculate into and be successful in college, in career training programs, or both. Adult education and literacy providers are the first stop on the path to the transformative opportunities that Vermont is offering for these individuals.*

*(3) Adult education and literacy services help people build the assets they need to move out of poverty successfully, as well as the confidence to continue to move toward success throughout their lives. Students are supported to identify concrete goals and then break those goals down into steps. Students set goals in the domains of:*

- (A) family and life;*
- (B) academics; and*
- (C) career and college readiness.*

## APPENDIX C - STATUTORY LANGUAGE REGARDING AEL SERVICES

<https://legislature.vermont.gov/statutes/section/16/023/00945>

[Title 16 : Education](#)

[Chapter 023 : Courses Of Study](#)

### **Subchapter 002 : Flexible Pathways To Secondary School Completion**

#### **Cite as: 16 V.S.A. § 945. Adult Diploma Program; General Educational Development Program**

(a) The Secretary shall maintain an Adult Diploma Program (ADP), which shall be an assessment process administered by the Agency through which an individual who is at least 20 years of age can receive a local high school diploma granted by one of the Program's participating high schools.

(b) The Secretary shall maintain a General Educational Development (GED) Program, which it shall administer jointly with the GED testing service and approved local testing centers and through which an adult individual who is at least 16 years of age and who is not enrolled in secondary school can receive a secondary school equivalency certificate based on successful completion of the GED tests.

(c) The Secretary may provide additional programs designed to address the individual needs and circumstances of adult students, particularly students with the lowest levels of literacy skills. (Added 2013, No. 77, § 1; amended 2013, No. 77, §§ 6, 7; 2019, No. 131 (Adj. Sess.), § 69.)

<https://legislature.vermont.gov/statutes/section/16/023/00941>

[Title 16 : Education](#)

[Chapter 023 : Courses Of Study](#)

### **Subchapter 002 : Flexible Pathways To Secondary School Completion**

#### **Cite as: 16 V.S.A. § 941. Flexible Pathways Initiative**

(v) the High School Completion Program as set forth in section 943 of this title; and

(vi) the Adult Diploma Program and General Educational Development Program as set forth in section 945 of this title; and...

<https://legislature.vermont.gov/statutes/section/16/023/00943>

[Title 16 : Education](#)

[Chapter 023 : Courses Of Study](#)

### **Subchapter 002 : Flexible Pathways To Secondary School Completion**

#### **Cite as: 16 V.S.A. § 943. High School Completion Program**

(a) There is created a High School Completion Program to be a potential component of a flexible pathway for any Vermont student who is at least 16 years of age, who has not received a high school diploma, and who may or may not be enrolled in a public or approved independent school.

(b) If a person who wishes to work on a personalized learning plan leading to graduation through the High School Completion Program is not enrolled in a public or approved independent school, then the Secretary shall assign the prospective student to a high school district, which shall be the district of residence whenever possible. The school district in which a student is enrolled or to which a nonenrolled student is assigned shall work with the local adult education and literacy provider that serves the high school district and the student to develop a personalized learning plan. The school district shall award a high school diploma upon successful completion of the plan.

(c) The Secretary shall reimburse, and net cash payments where possible, a school district that has agreed to a personalized learning plan developed under this section in an amount:

(1) established by the Secretary for the development and ongoing evaluation and revision of the personalized learning plan and for other educational services typically provided by the assigned district or an approved independent school pursuant to the plan, such as counseling, health services, participation in co-curricular activities, and participation in academic or other courses; provided, however, that this amount shall not be available to a school district that provides services under this section to an enrolled student; and

(2) negotiated by the Secretary and the local adult education and literacy provider, with the approved provider, for services and outcomes purchased from the approved provider on behalf of the student pursuant to the personalized learning plan. (Added 2013, No. 77, § 1; amended 2013, No. 77, §§ 4, 5; 2017, No. 49, § 39, eff. May 23, 2017.)