

# Moving Adult Education *Forward*



## A Pro Forma Business Plan

Outlining the Basic Organizational, Operational, and Financial Designs of a New Approach to Adult Education in Louisiana

February 2011



**Louisiana Community &  
Technical College System**

*Changing Lives, Creating Futures*

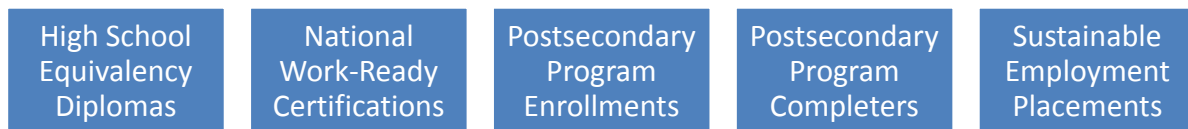
## Moving Adult Education *Forward*

During the regular session of 2010, the Louisiana Legislature finalized a transfer of responsibility for adult education programs from the Board of Elementary and Secondary Education (BESE) to the Board of Supervisors of the Louisiana Community and Technical College System (LCTCS).

This action is the consensus result of a multi-year conversation within the education community about the goals of adult education and how to better meet Louisiana's current and future adult education needs. In essence, Louisiana is adding work-readiness and employment to the more traditional adult education goals of literacy and high school equivalency diplomas. Three basic ideas underpin this decision.

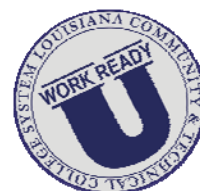
- 1. Places adult education with LCTCS whose core mission is workforce education and training.** Expands the purpose of adult education beyond literacy and GED attainment to focus on work-readiness and sustainable employment. A GED remains a worthwhile credential, but a GED alone is no longer sufficient to guarantee a sustainable wage.
- 2. Provides Louisiana's least educated citizens a path to work.** A high school diploma or equivalent is a predictor of workforce participation. Too many of our citizens have not achieved basic work-ready status – they are lacking a minimum set of skills and technical training required for sustainable wage jobs.
- 3. Focuses the State's limited adult education funds on the more than 600,000 adults throughout the State who do not have a high school equivalency diploma –** many of whom are either unemployed or underemployed.

Priority goals will include performance benchmarks for:



These new adult education goals, work-readiness and employment, are straightforward extensions of the traditional goals of adult education. However, these new goals also represent a major expansion of focus that will require the design and implementation of a new system for the delivery of adult education services in Louisiana.

This pro forma business plan outlines the basic organizational, operational, and financial designs of a new adult education services model. This new design combines the strengths of proven community resources and the Louisiana Community and Technical College System to deliver work-readiness and employment results to the adults in Louisiana that most want and need a practical path to a sustainable livelihood. We call it...



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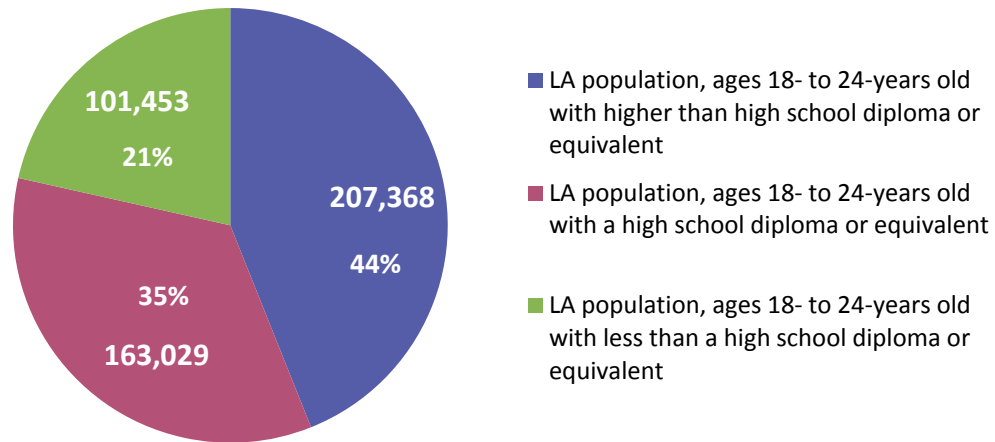
## Louisiana's Adult Education Challenge

Individual educational achievement is important to the future potential of our citizens, families, communities, state economy, and the nation. Statistics from across the United States that match educational attainment with income tell us that there is a significant correlation between level of education and income earning potential.

For example, median income for high school graduates in the U.S. is \$8,580 per year higher than the median income for individuals without a high school diploma or equivalent. The median income for individuals with some college (but no degree) is \$4,212 per year higher than individuals with a high school degree only. (Source: Federal Bureau of Labor Statistics, 2008)

Given these statistics, it is imperative that Louisiana continuously seeks to improve education services available to our adult population which currently does not enjoy the opportunity and benefits that accrue to those with at least a high school diploma. It is a large group of Louisiana citizens. The chart below indicates that there are approximately 100,000 Louisiana citizens ages 18- to 24-years old that do not have at least a high school diploma.

### LA Population, Ages 18- to 24-years old

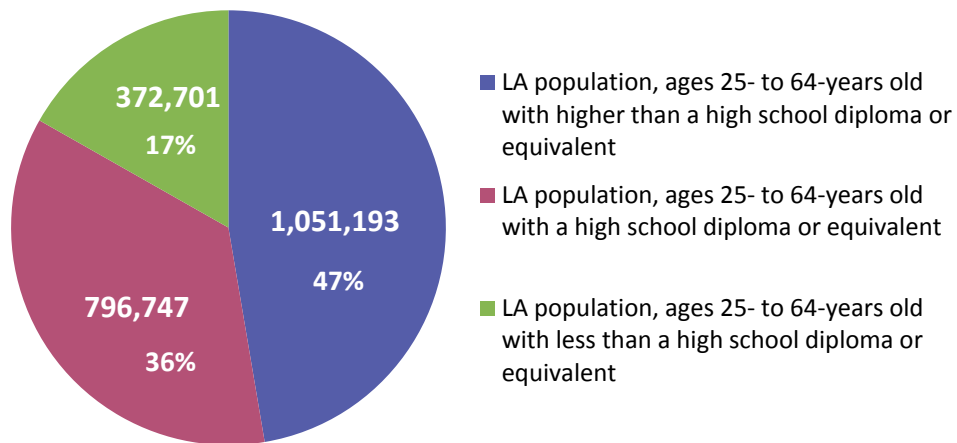


Source: US Census, American Community Survey, 2007

For this 18- to 24-years old age group, Louisiana is ranked 45<sup>th</sup> in the United States with high school diploma or equivalent. In other words, 44 states have a larger percentage of high school graduates in the 18- to 24-years old age group.

Our national ranking actually is worse when we compare the 25- to 64-years old age group. The chart below indicates that there are approximately 400,000 Louisiana citizens age 25- to 64-years old that do not have at least a high school degree.

## LA Population, Ages 25- to 64-years old



Source: US Census, American Community Survey, 2007

For this 25-to 64-years old age group, Louisiana is ranked 47<sup>th</sup> in the United States with high school diploma or equivalent.

The picture of economic quality of life in Louisiana gets dimmer still when the connection between education attainment and workforce participation is examined.

Workforce Participation Percent of Civilians Age 25- to 64-years old, 2005		
Education Attainment	US	LA
High School	75.3%	71.5%
Less than High School	63.0%	55.9%

7.1% behind US average

15.6% difference in workforce participation

Source: US Census, American Community Survey, 2005

Obviously, participation in the workforce is significantly higher for citizens with at least a high school degree – in the U.S. and in Louisiana. Even so, Louisiana’s workforce participation rates for high school graduates and those without a high school degree are below the national averages.

## **Louisiana’s Challenge**

There are approximately 600,000 adults in Louisiana today who do not have a high school diploma or GED. Statistics tell us that 44% (approximately 265,000) of these adults are not participating in the workforce. Therefore, Louisiana’s challenge is twofold:

1. Subtract significantly from this 600,000 number by expanding the number GEDs delivered by Louisiana adult education programs; and
2. Add new adult education programming components (and performance measures) that focus on attainment of national work-ready certifications and sustainable employment.

The compelling need to engage adults to transition through educational levels to sustainable employment is clearly tied to economic development as cited below.

1. GED credential holders have higher wages and personal income than uncredentialed dropouts. (Boesel, Alsalam, & Thomas, 1998; Tyler 2002; Song & Hsu, 2008; Tyler & Berk, 2008)
2. GED credential recipients substantially earn more in both weekly wage and personal income than adults with less than a high school education. (2003 National Assessment of Adult Literacy)
3. GED credential holders tend to have lower wages, earning, and probability of employment than high school graduates. (Cameron and Heckman, 1993)
4. GED credential recipients have \$3,500 more in annual personal income than adults with less than a high school education and have \$1,600 less than adults with the traditional high school diploma. (2003 National Assessment of Adult Literacy)
5. State income tax revenue would increase and state health care costs for Medicaid and uninsured health care costs would decrease as individuals obtain higher levels of education.

The design of **WorkReady U** will improve the outlook for our most-in-need adults and our state economy by expanding the performance goals of Louisiana’s adult education program to include work-ready certifications and sustainable employment. The return on investment to support adult learners would pay for itself in local communities throughout the State.

## A New Design for Adult Education

The State's adult education program, until July 2010, was managed by the Louisiana Department of Education's (DOE) Division of Dropout Prevention, Adult and Family Services. Total program enrollment in FY 08-09 was 27,268 – representing an 11.4% increase from the previous year's enrollment of 24,475. The following table subdivides total enrollment by age group.

**FY 08-09: Adult Education Enrollment by Age Group**

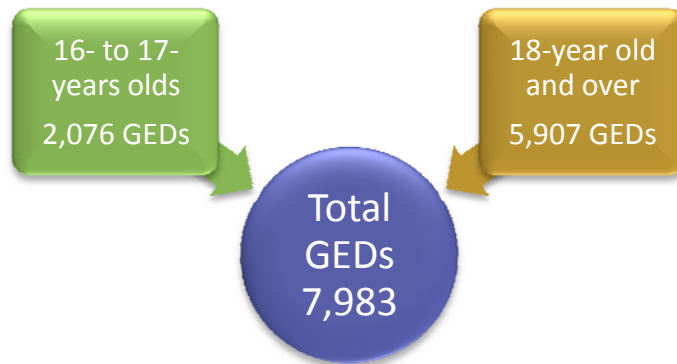
Age Group	Number Enrolled	% of Total
16-18	7,966	30%
19-24	7,178	27%
25-44	9,138	34%
45-59	2,084	8%
60 and older	267	1%
<b>Total</b>	<b>26,633</b>	<b>100%</b>

Group	Number Enrolled
Adult Education Enrollment Total	26,633
Project Learner Enrollment Total	635
<b>Total Participants</b>	<b>27,268</b>

*Source: Louisiana Department of Education, End-of-Year Report 2008-2009*

**NOTE:** The difference between the total number served (27,268) and the number enrolled by age group (26,633) is the 635 Project Learner participants. This number is not broken out by aged nor reported. A Project Learner is a person being served short-term who takes between 12 and 30 hours of instruction.

Today, the 16- to 17-years old age group represents a significant portion of total persons served through the adult education program. The 16- to 17-years old age group also represents a significant portion of the GEDs awarded in Louisiana through the current adult education program.



Source: GED Testing Program Statistical Report, 2009

### New Standards for Operational Efficiency

Improving the operational efficiency of Louisiana’s adult education program is important given the aggressive **WorkReady U** goals and performance benchmarks. A quick review of the relevant facts and statistics is helpful to understand the real challenges to improving the operational efficiency of the program. First, it must be recognized that most of Louisiana’s current adult education students enter at the Adult Basic Education (ABE) level which translates to a functional status somewhere below ninth grade level.

**Adult Education Participants by Program Type and Age – Louisiana 08-09**

Program Type	Ages 16-18	Ages 19-24	Ages 25-44	Ages 45-59	Ages 60 and Older	Total
Adult Basic Education (ABE)	6,497	5,911	6,990	1,667	190	<b>21,255</b>
Adult Secondary Education (ASE)	1,417	927	990	124	28	<b>3,486</b>
English-as-a-Second Language (ESL)	52	340	1,158	293	49	<b>1,892</b>
<b>Total</b>	<b>7,966</b>	<b>7,178</b>	<b>9,138</b>	<b>2,084</b>	<b>267</b>	<b>26,633</b>

Source: Louisiana Department of Education, End-of-Year Report, 2008-2009

The above table demonstrates that approximately 80% of our adult education students enter below the ninth grade educational functioning level. In FY 08-09, only 3,486 of the 26,633 adult education participants entered at the Adult Secondary Education level (ninth grade or above).

Key questions arise from the basic fact that most adult education participants in Louisiana today enter the program functioning somewhere below the ninth grade level.

- How many of the participants from each of the program type advances at least one grade level? How different are the advancement percentages from one program type to another?
- How many of participants from each of the program types obtain a GED? How different are the GED attainment percentages from one program type to another?
- On average, how long (in months) does it take to obtain a GED?
- On average, how many instruction/attendance hours are needed to obtain a GED?

The following two tables provide data that demonstrates current levels of student progress efficiency.

#### Educational Gains and Attendance by Educational Functioning Level – Louisiana 08-09

Entering Educational Functioning Level	Total Number Enrolled	Total Attendance Hours	Number Who Completed a Level and Advanced One or More Levels	Percentage Completing Level
ABE Beginning Literacy	1,263	146,830	661	55.1%
ABE Beginning Education	5,461	530,077	2,605	49.6%
ABE Intermediate Low	7,273	664,949	3,618	51.5%
ABE Intermediate High	7,258	560,587	3,302	46.7%
ASE Low	2,096	128,293	993	49.0%
ASE High*	1,390	54,459	0	71.4%
ESL Beginning Literacy	475	27,259	210	45.9%
ESL Low Beginning	453	23,540	148	33.6%
ESL High Beginning	353	23,820	154	46.2%
ESL Intermediate Low	259	14,429	94	37.5%
ESL Intermediate High	220	12,811	84	39.1%
ESL Advanced	132	8,879	49	37.9%
<b>Total</b>	<b>26,633</b>	<b>2,195,933</b>	<b>11,918</b>	<b>50.0%</b>

Source: Louisiana End-of-Year Report, 2008-2009

\*Completion of ASE High Level is attainment of a secondary credential or passing GED tests.

ABE – Adult Basic Education ASE – Adult Secondary Education ESL – English as Second Language

The above table shows that total adult education attendance hours exceed two million per year. The table also reveals that only 50% of adult education participants currently advance at least one grade level. This percentage is fairly consistent across all the ABE program and ASE program

subgroups – the exception being the ASE High subgroup with a 71% completion rate. Most of the ESL subgroups exhibit rates of advancement (at least one grade level) of less than 40%.

The next table reveals details of GED obtainment by educational functioning level (EFL).

**GED Obtained by Educational Functioning Level (EFL)**

<b>Educational Functioning Level (EFL)</b>	<b>Number of Students Who Started at This EFL and Obtained Their GED</b>	<b>Average Number of Months to Obtain Their GED from This Level</b>	<b>Average Number of Hours to Obtain Their GED from This Level</b>
Beg Lit ABE (0-1.9 grade level equivalent [gle])	21	7.9	101
Beginning ABE (2.0-3.9 gle)	141	12.4	290
Low Intermediate ABE (4.0-5.9 gle)	668	10.2	173
High Intermediate ABE (6.0-8.9 gle)	1907	7.3	102
Low Adult Secondary (9.0-10.9 gle)	965	5.2	43
High Adult Secondary (11.0-12.9 gle)	811	3.3	23
<b>Date Range (Period during which GED was earned)</b>			
		<b>Start Date:</b> 07/01/2009	<b>End Date:</b> 06/07/2010
<b>Overall Summary Data:</b>			
<b>Total Number of Students Who Obtained Their GED:</b>		<b>4,513</b>	
<b>Average Number of Months to Obtain Their GED from All Six EFL Levels</b>		<b>6.7</b>	
<b>Average Number of Hours to Obtain Their GED from All Six EFL Levels</b>		<b>91</b>	

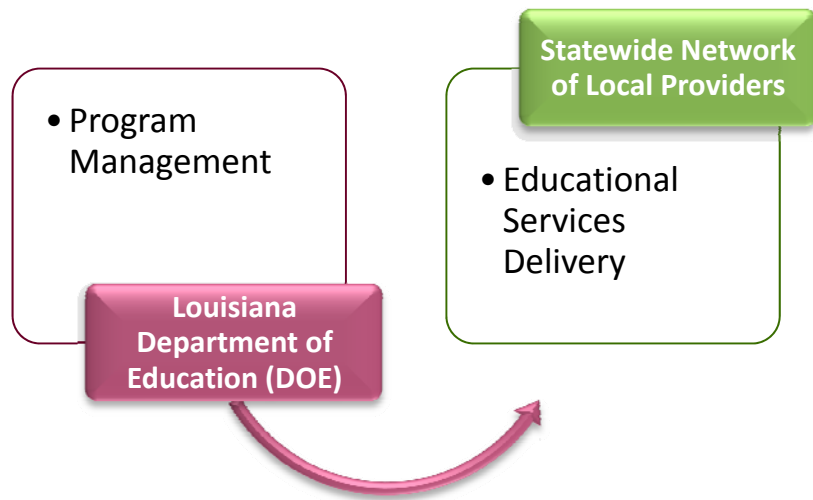
*Source: Louisiana Department of Education*

Despite the fact that a relatively small percentage of adult education students actually obtain a GED, the above table indicates that only very moderate amounts of program attendance time are required by highest four EFL groups to obtain a GED: Low Intermediate ABE (173 hours),

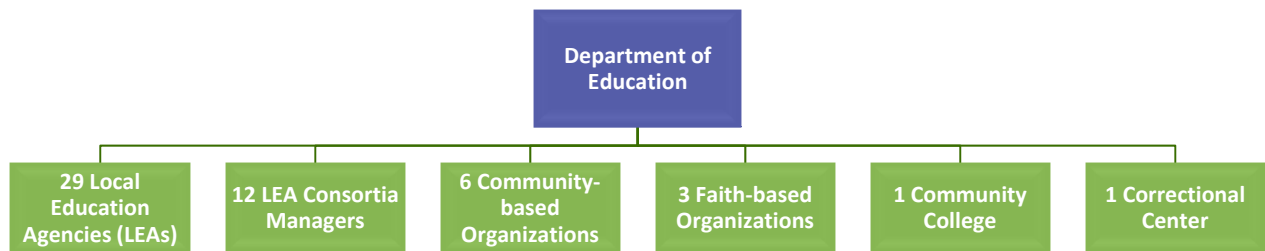
High Intermediate ABE (102 hours), Low Adult Secondary (43 hours), and High Adult Secondary (23 hours).

### The Existing Adult Education Model

The existing adult education model utilizes a fairly traditional two component design that includes centralized program management and a decentralized educational services delivery network.



Delivery of educational services for FY 10-11 is accomplished through 45 grantees awarded through a competitive grant application process. The grantees include 30 local education agencies (including 15 multi-parish consortia managers), six community-based organizations, three faith-based organizations, two community colleges, three technical colleges, and one correctional center.



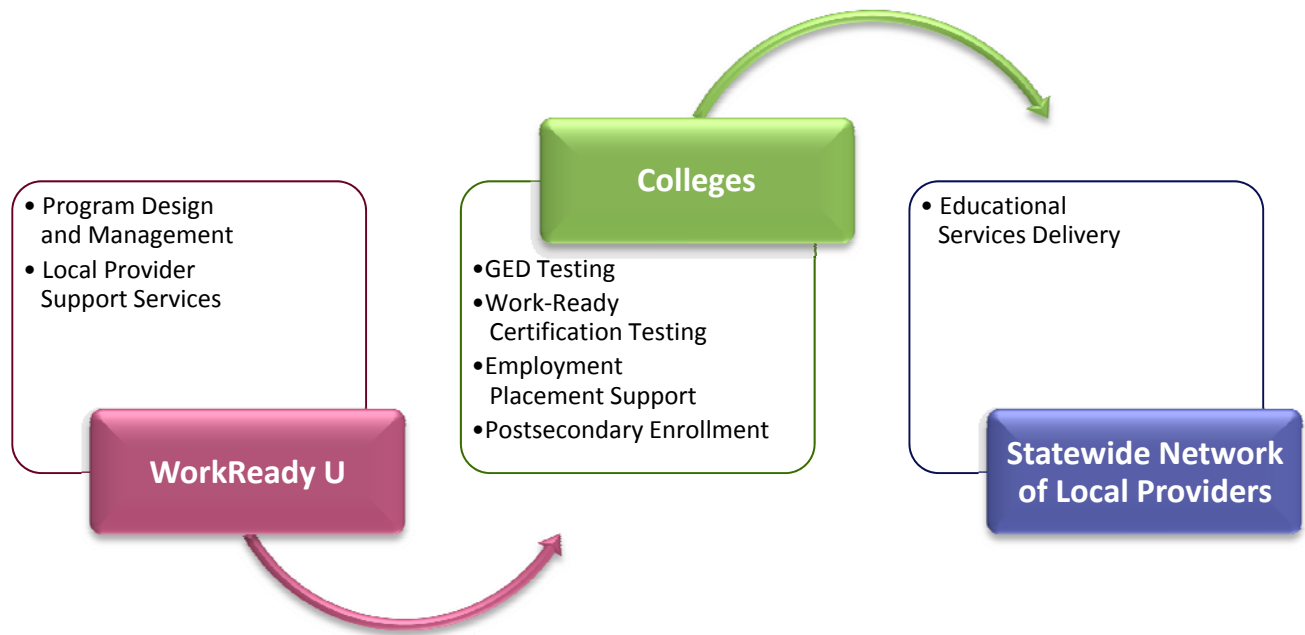
This statewide network of 45 grantees provides a total of 269 adult education instruction sites that are distributed widely across the state, as indicated by the following map.



To maintain accountability for educational services delivery, the new model will retain performance measures focused on quality/certified teachers, student participation, and student performance.

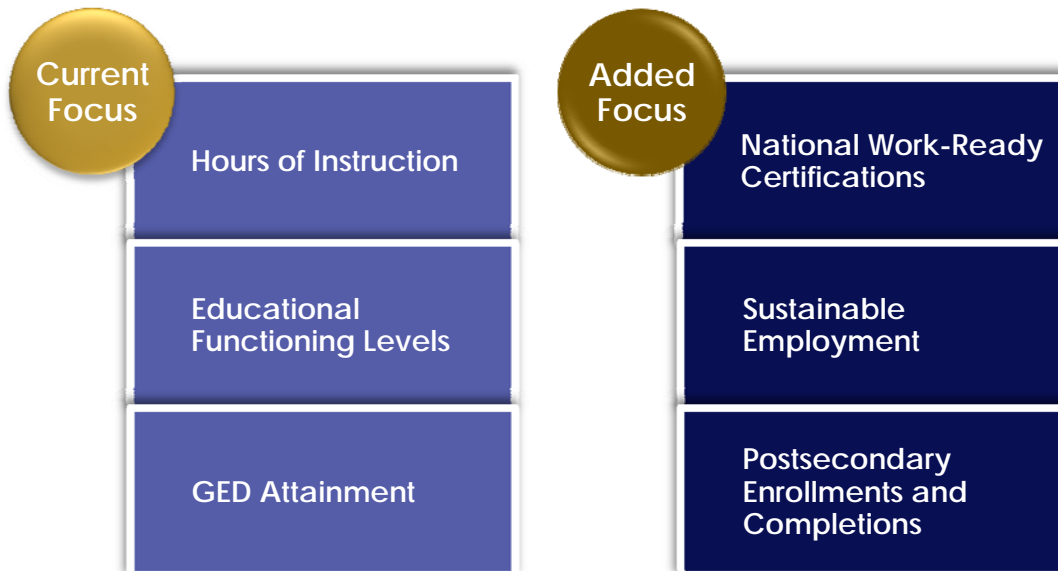
### A New Adult Education Model

The central distinguishing features of the new model include the transfer of program responsibility to the Board of Supervisors LCTCS, expanded provider support services, and the additions of new student service components – work-ready certification testing, employment placement support, and postsecondary enrollment.



New performance measures will be added to maintain accountability for the new service components – work-ready certification testing, employment placement support, and postsecondary enrollments.

### Adult Education Performance Measures



### A Shift in Customer Focus

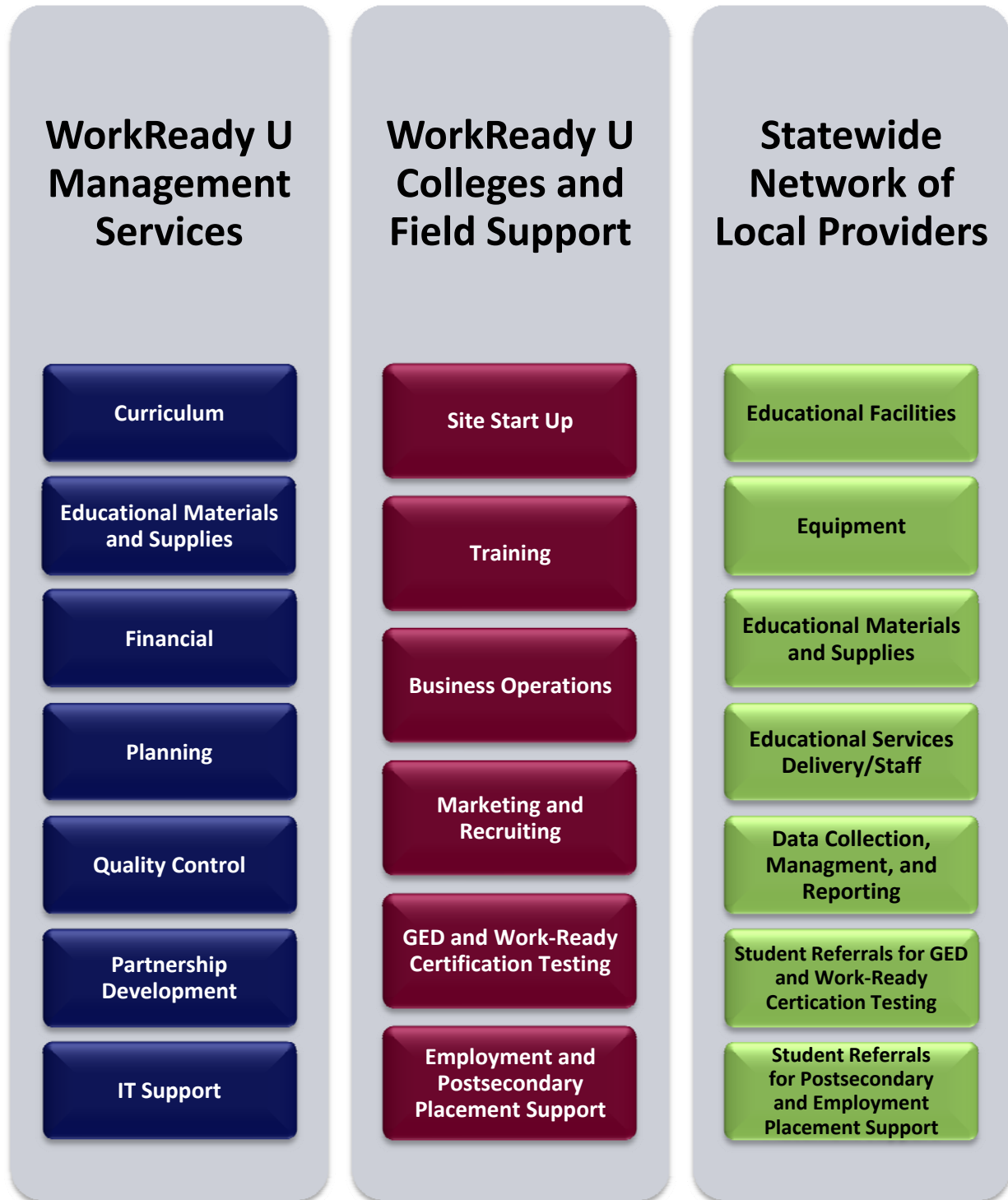
**WorkReady U** will target the State’s limited adult education funds on adults (18-years old and over) that do not possess a high school diploma or equivalency. This is a change that requires a transition away from Louisiana’s common practice of serving large numbers in the 16- to 17-years old age group with adult education program funds. During FY 08-09 approximately 7,378 students in the 16- to 17-years old age group were served through Louisiana’s adult education program.

Primary responsibility for the 16- to 17-years old age group (high school dropouts) will be maintained by the K-12 local education agencies (LEAs). Recent policies recommended to the State Board of Elementary and Secondary Education are designed to strengthen this position. Specifically, targeted intervention strategies will focus LEA efforts on academic and technical skill instruction to attain a career diploma.

This shift in adult education program customer focus will free resources for our most-in-need adults – those 18-years old and over that have no high school diploma or GED.

## Operational and Organizational Models

The *WorkReady U* operational model for delivery of adult education student services includes three main operational components.



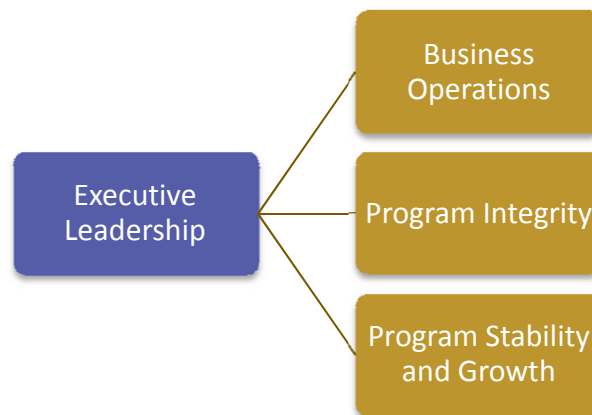
The first of these components is a Baton Rouge-based team that provides **WorkReady U Management Services**. This team will provide program leadership and oversee all educational and financial elements of the adult education program.

The second critical component includes the *Community and Technical Colleges and WRU Field Support*. The Community and Technical Colleges will provide GED and work-ready testing, and employment placement and postsecondary enrollment services. The WRU field support services will provide start up, training, marketing, and business operations support to the network of local providers in, modeled after training provided by the Baton Rouge-based staff.

The third critical operational component is the *Statewide Network of Local Providers*. This network provides the educational facilities and delivers all educational services.

### **The WorkReady U Organizational Model**

The **WorkReady U** organizational model includes three high-level components under the direction of executive leadership: Business Operations, Program Integrity, and Program Stability and Growth.



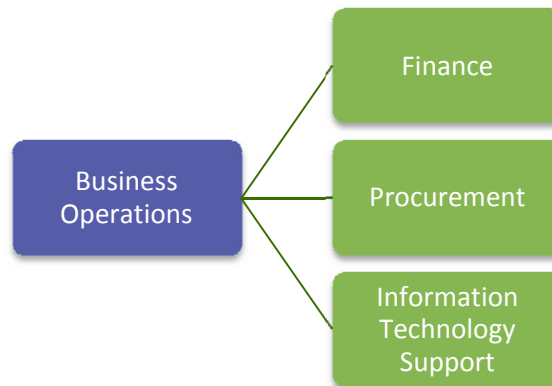
*Business Operations* includes finance, procurement, and information technology support.

*Program Integrity* includes regulatory compliance, performance management, provider standards, and provider development.

*Program Stability and Growth* includes marketing, business and community partnerships, and student recruitment and retention.

A summary description of these three high-level organizational components (Business Operations, Program Integrity, and Program Stability and Growth) follows.

**Business Operations** includes three subcomponents: Finance, Procurement, and Information Technology Support.

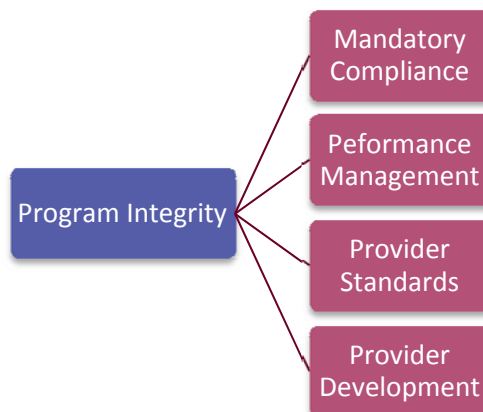


**Finance** – manage approximately 140 budgets of the local **WorkReady U** service providers to review and approve budgets and claims for reimbursement. Responsible for the preparation and submission of annual audits and reports to the U.S. Department of Education (USDE) and state entities as required.

**Procurement** – execute contracts submitted for personal and professional services and purchasing of materials, equipment, supplies, and related services required for effective program operations.

**Information Technology Support** – manage the **WorkReady U** data collection/management system via a quarterly review/analysis of the data for dissemination to program directors for continuous program improvement. Prepare all USDE and other required reports for adult education. Coordinate with LCTCS IT staff for data matching/sharing across state agencies to gather additional required information.

**Program Integrity** includes four subcomponents: Mandatory Compliance, Performance Management, Provider Standards, and Provider Development.



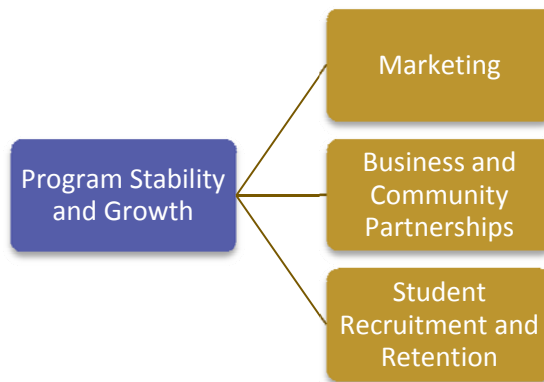
**Mandatory Compliance** – conduct desk and onsite monitoring of regional and local service providers, prepare mandated annual reports for the USDE and state entities, and respond to audit requests from internal, legislative, and federal auditors.

**Performance Management** – implement activities to ensure continuous program improvement. Proactive measures will be implemented in appropriate programs based upon research. Corrective actions will be taken as needed based upon findings, suggestions, and observations resulting from desk or onsite reviews. There will be ongoing, quarterly review and analysis of data submitted by each local provider for the purpose of program improvement.

**Provider Standards** – ensure consistency in the implementation and operation of local adult education services throughout the statewide network of providers by setting standards for curriculum, educational materials and supplies, student enrollment, student assessment, data collection/management, physical site requirements, hours of operation, and staffing.

**Provider Development** – focus on training and professional development of all staff involved in local service delivery for **WorkReady U** regarding fiscal, programmatic, and reporting requirements.

**Program Stability and Growth** includes three subcomponents: Marketing, Business and Community Partnerships, and Student Recruitment and Retention.



**Marketing** – develop a marketing plan for adult education that clearly defines the potential customers targeted to receive services, the product or services being delivered, and the special features of the service offered.

**Business and Community Partnerships** – promote development of the business, community, and industry partnerships needed to sustain the delivery of services to meet the needs of both the students and local communities. Provide oversight to the establishment of regional/local networks of business and community partners to determine the specific benefits that regional/local providers of adult education can embed into the curriculum to support the postsecondary and economic needs of the area.

***Student Recruitment and Retention*** – establish a single point of entry (such as a Help Desk) for students seeking information about adult education providers, and oversee the establishment of a referral system to move the information from the state to regional to local network to recruit and retain students in local programs. Establish an online portal with capability to take students at their entry point and connect them to postsecondary and workplace opportunities.

When fully built out, the leadership staffing for *WorkReady U* is anticipated to include:

- ***Director, WorkReady U***
  - Responsible for the administration, oversight, and implementation of the components of the program
  - Support the establishment and coordination of partnerships to benefit business, industry, community and other government agencies at the state, regional, and local levels through the delivery of appropriate educational services
- ***Coordinator of Educational Services***
  - Coordination of the curriculum
  - Coordination of student services
- ***Coordinator of Field Operations***
  - Coordination of site selection and set-up
  - Delivery/Coordination of professional development for onsite and online instruction
- ***Coordinator of Data Collection/Management***
  - Manage the ***WorkReady U*** database for:
    - Local provider performance for student enrollment, academic progress, and goal attainment
    - Attainment of GED and Work-Ready certifications and, postsecondary and employment placements
    - Preparation and submission of all required reports to the U.S. Department of Education
- ***Coordinator of GED Testing Services***
  - Provide for the oversight and management of GED testing centers
    - Serve as the liaison for contractual agreements between GEDTS, Inc. and testing centers for approvals of sites, chief and alternate examiners, and testing accommodations
  - Manage the conversion of customer service requests for duplicate diplomas and transcripts from LCTCS to a contract provider

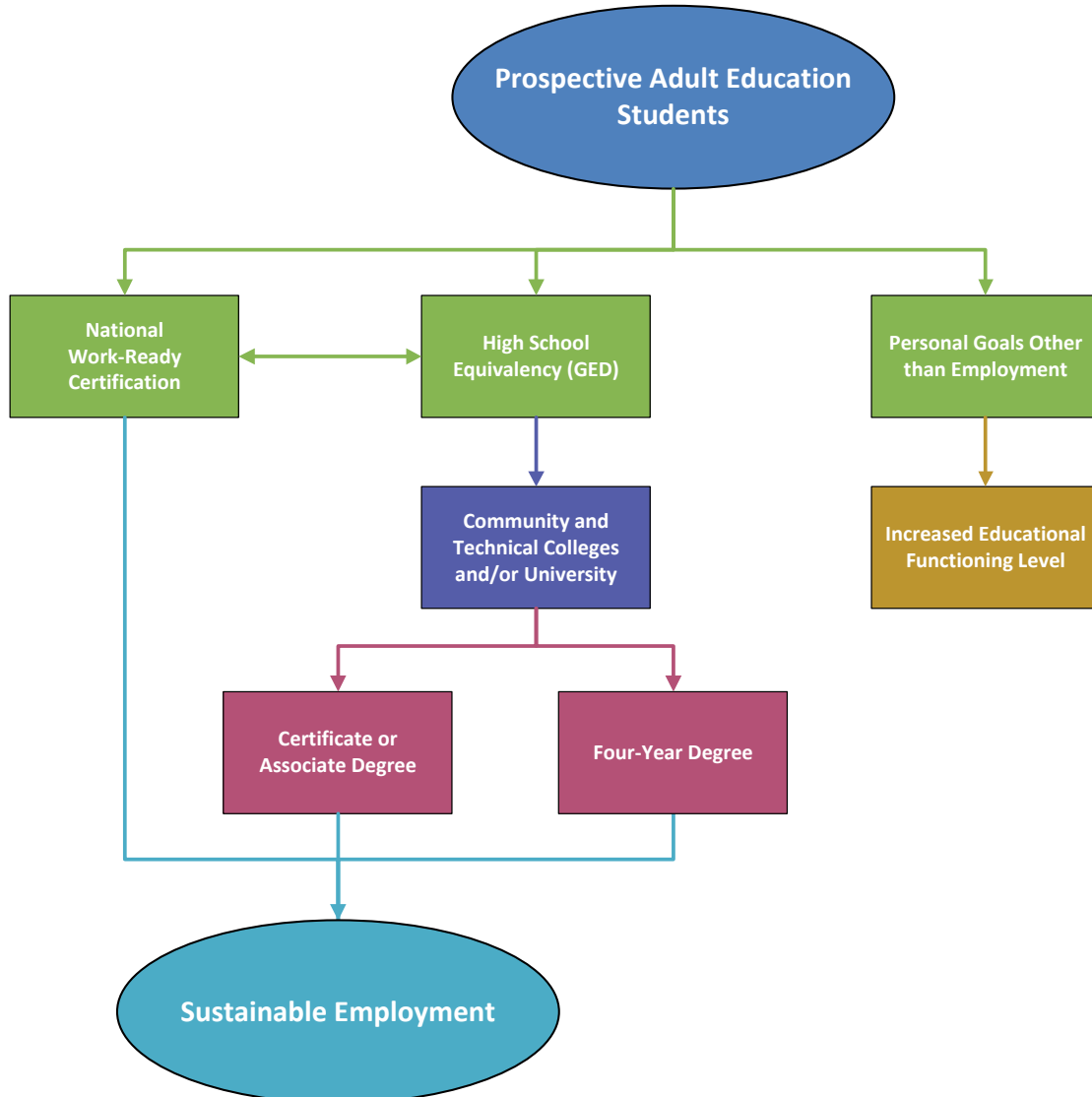
- Implement the conversion of current GED testing centers to LCTCS testing centers as the primary anchors for testing service statewide
- Serve as liaison between LCTCS and the selected GED scoring service
- ***Coordinator of Marketing and Recruitment***
  - Implement a marketing plan for adult education focused on adults ages 18 to 64 years old
  - Establish a networking campaign to locate, recruit, and retain students
- ***Coordinator of Partnership Development***
  - Promote awareness among business, industry, and community partners of the benefits of the educational services provided to the target population
  - Guide and direct regional and local service providers to establish and maintain partnerships to align resources to promote educational services that are beneficial to all partners

# Accountability Design

The *WorkReady U* accountability design expands the definition of adult education success by integrating the existing adult education program performance measures (increased educational functioning level and GED attainment) with new work-focused measures (national work-ready certification, sustainable employment, and postsecondary enrollments/certificates).

The addition of these new work-focused performance measures will also broaden the marketing appeal of adult education – creating a larger and more diverse pool of adult education students that will be able to enter *WorkReady U*:

## *WorkReady U* Expands the Definition of Success and Broadens the Marketing Appeal of Adult Education



## Performance Benchmarks

Priorities for the initial five-year period of **WorkReady U** implementation include targets for GEDs attained, work-ready certificates awarded, sustainable employment placements, and postsecondary enrollments and completers. Although these performance indicators have been measured by different agencies previously, there is currently no statewide system of measurement to capture these indicators across the whole adult education population.



### *Protecting Niche Providers*

A small number of current adult education providers are focused almost exclusively on service to students that enter at the lowest education levels and may not have employment-related goals. Design of the exact performance-based formula will create flexibility that provides funding fairness to these niche providers.

## Comprehensive System for Student Satisfaction

The **WorkReady U** accountability design will also include a comprehensive system for measuring and improving student satisfaction. Measures of student satisfaction will include:

- Student requests/inquiries;
- The student service experience;
- Student-complaint handling and resolution; and
- Post-enrollment student feedback on faculty, curriculum, programs, and services.

Student satisfaction data will be compiled and analyzed to identify opportunities to improve the **WorkReady U** product and student/customer experience. Improvement opportunities will be researched and (as appropriate) developed into specific improvement plans and presented to **WorkReady U** executive leadership for implementation consideration.

Establishing new statewide levels of operating efficiency to increase GEDs and reach the other **WorkReady U** performance goals will require implementation of new strategies. The following strategies were recommended by a surveyed group of current adult education providers.

### Student Access

- Location of delivery sites must reflect the needs of each region.
- Smaller, less efficient delivery sites should be consolidated with larger nearby sites.
- Morning and evening classes should be provided.

### Student Recruitment

- Target the population of individuals 18 years and older.
- Target the population of individuals that could enter at or above the sixth grade educational functioning level.

### Student Services

- Student enrollment and orientation processes must establish realistic expectations for all "entering" Adult Education students.
- Expert student coaching services must be available to support student retention.

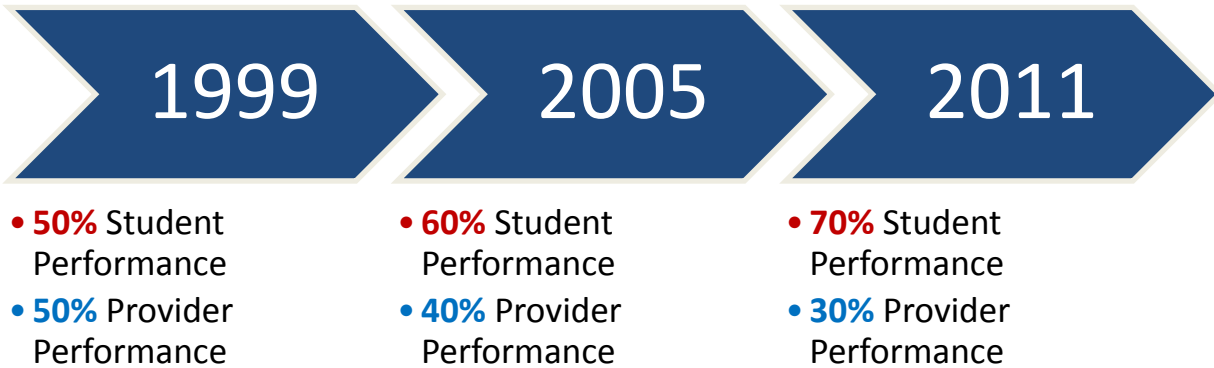
## A New Performance-based Funding Formula

The Louisiana Department of Education has progressively refined the adult education provider funding formula over the past eleven years to place ever increasing emphasis on student achievement and progress. The initial performance-based funding formula in 1999 equally weighted program performance components – 50% student achievement and progress and 50% program service and execution.

The performance formula was modified in 2005 to place a higher value on student achievement and progress (60%) and less value on service and execution (40%). The following chart shows the growing emphasis on student outcomes. This modification aligned adult education with the K-12 mandate for more rigorous content and accountability in education.

In 2011, the performance-based funding formula will be revised again in keeping with the trend to drive student performance through accountability and student performance incentive. Student achievement and progress will account for 70% of the performance score. Program service and execution will account for 30% of the performance score.

**Performance-based Funding Trend**  
**Expanding Accountability for Student Achievement**



The vision and goals of **WorkReady U** will require ongoing refinements to the existing performance-based funding formula to support aggressive student achievement goals, including large growth goals for GEDs and three new performance measures/goals – national work-ready certifications, sustainable employment placements, and postsecondary enrollments.

**Note:** The actual provider funding model for the **WorkReady U** pilot year (FYE 12) will be finalized and available by March 2011.

### **Annual *WorkReady U* Report Card**

The public's ongoing confidence and willingness to progressively support **WorkReady U** is best maintained through strong accountability systems and practices. One new accountability practice will be the development and wide distribution of an annual **WorkReady U** report card.

The report card will provide quantitative results produced by **WorkReady U** and will show levels of progress toward the established five-year performance benchmarks. The report will also include narrative summaries of **WorkReady U** organizational and operational progress.

This report card will be modeled after the best elements of adult education report cards produced by other states. *Appendix A* provides a sampling of report cards from Arkansas, Kentucky, and Utah, and a Louisiana report card prototype that was developed a few years ago.

## Financial Model

The adult education program in Louisiana currently relies upon two sources of funding, including federal funds provided through the Workforce Investment Act (WIA) and state funds provided through the State General Fund. The federal funding amount is determined by an initial allocation of \$250,000 to each of the states. The remaining balance of federal dollars is allocated based upon the percentage of Louisiana’s undereducated population compared to the total undereducated population in the United States. The state funding amount is determined by legislative action and has also been stable in recent years.

Available funds are allocated to administrative (program management and administration) or flow-through (contracted adult education service providers/grantees). Federal rules require that 82.5% of federal adult education funds flow-through to the education service providers. The following table is a projection of funding that will be available for the adult education program across the next three state fiscal years. This table allocates administrative and flow-through amounts utilizing the FY 08-09 allocation percentages.

**Current Fiscal Model: Three-Year Projection**

Year	2010-2011	2011-2012	2012-2013
Administrative: State	\$152,981	\$152,981	\$152,981
Administrative: Federal	\$426,926 \$1,067,315	\$473,826 \$1,184,565	\$426,926 \$1,067,315
<b>Administrative: Total</b>	<b>\$1,647,222</b>	<b>\$1,811,371</b>	<b>\$1,647,222</b>
Flow-through: State	\$4,801,300	\$4,801,300	\$4,801,300
Flow-through: Federal	\$7,251,697	\$8,025,547	\$7,251,697
<b>Flow-through: Total</b>	<b>\$12,052,997</b>	<b>\$12,826,847</b>	<b>\$12,052,997</b>
<b>Total Funding: State and Federal</b>	<b>\$13,700,219</b>	<b>\$14,638,218*</b>	<b>\$13,700,219</b>

*\*One year increase due to a one-time correction of federal calculation error*

## Meeting the Growth Challenge

As stated previously in this pro forma plan, **WorkReady U** has established a goal of doubling the number of GEDs awarded annually through the adult education program by FY 14-15. Reaching this goal would require the awarding of approximately 12,000 GEDs to adults (age 18 and over) in the 2014-2015 state fiscal year.

Additionally, **WorkReady U** has established new goals – national work ready certifications, postsecondary enrollments and sustainable employment. Such aggressive goals raise questions of funding adequacy given the likelihood of steady state (or declining) funding for the foreseeable future from the program’s existing federal and state funding sources.

The following table projects the growth of adult education service delivery required to achieve the five-year goal of approximately 12,000 GEDs annually. This table assumes that the existing current student performance ratio for the adult education program will remain constant across the initial five-year period of **WorkReady U** implementation.

### Student Volume Projection to Double GEDs in Five Years

*Based upon recent years (2007, 2008, and 2009) average student performance ratios*

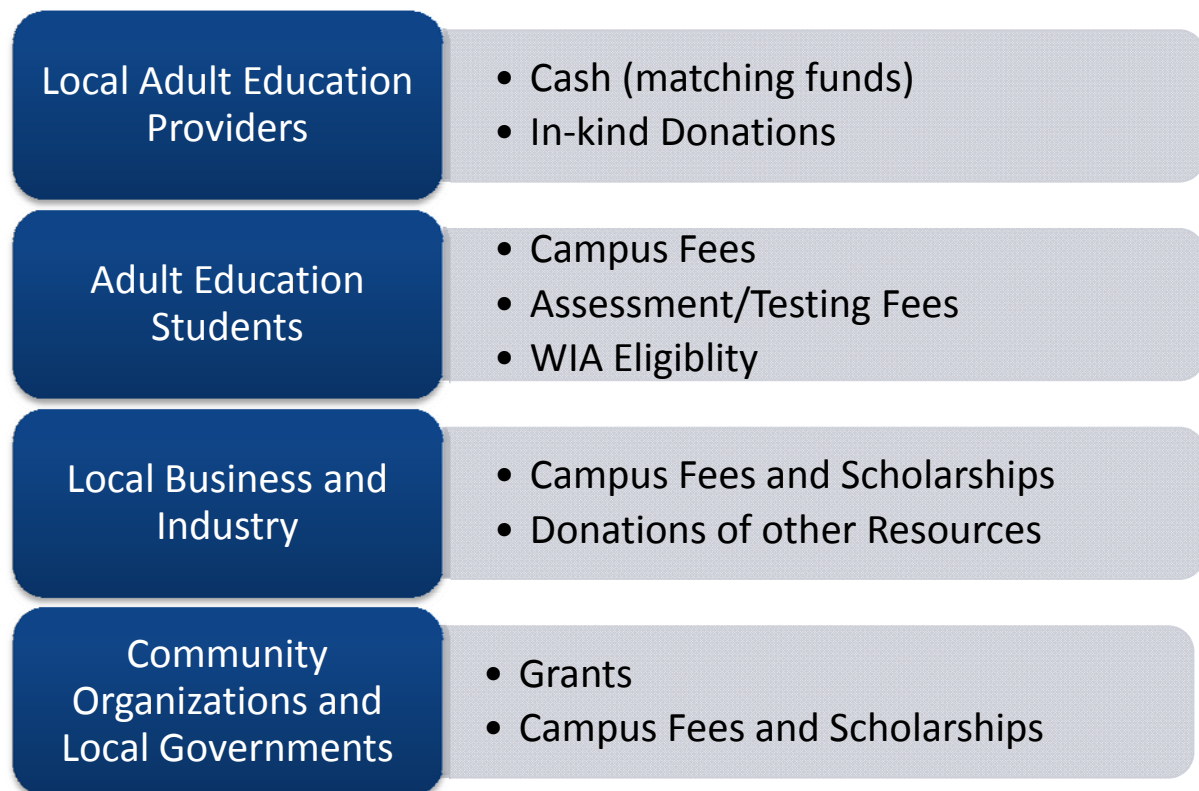
Year	Column A: Total # served (1 hour or more (18-years old and older)	Column B: Total # federally reportable (minimum of 12 hours)	Column C: # Passed (18-years old and older)
	12.5%	64% of Column A	26% of Column B
2006-2007	30,015	19,686	4,895
2007-2008	29,855	18,603	5,005
2008-2009	34,308	21,943	5,907
2009-2010 YTD	38,597	23,717	6,166
2010-2011	43,421	27,789	7,225
2011-2012	48,849	31,263	8,128
2012-2013	54,955	35,171	9,144
2013-2014	61,824	39,567	10,288
2014-2015	69,552	44,513	11,573

The projected service and performance growth across the initial five years of **WorkReady U** implementation will require a combination of new performance efficiencies and new sources of program funding. Therefore, adequate funding of the **WorkReady U** design requires two key considerations:

- A revision of the current method of educational provider operations to achieve a more cost effective and efficient delivery of services (see *New Standards for Operational Efficiency* in previous section of this plan); and
- A framework to generate ongoing, sustainable revenue to supplement the existing federal and state adult education funding streams.

### New Sources of Recurring Funds

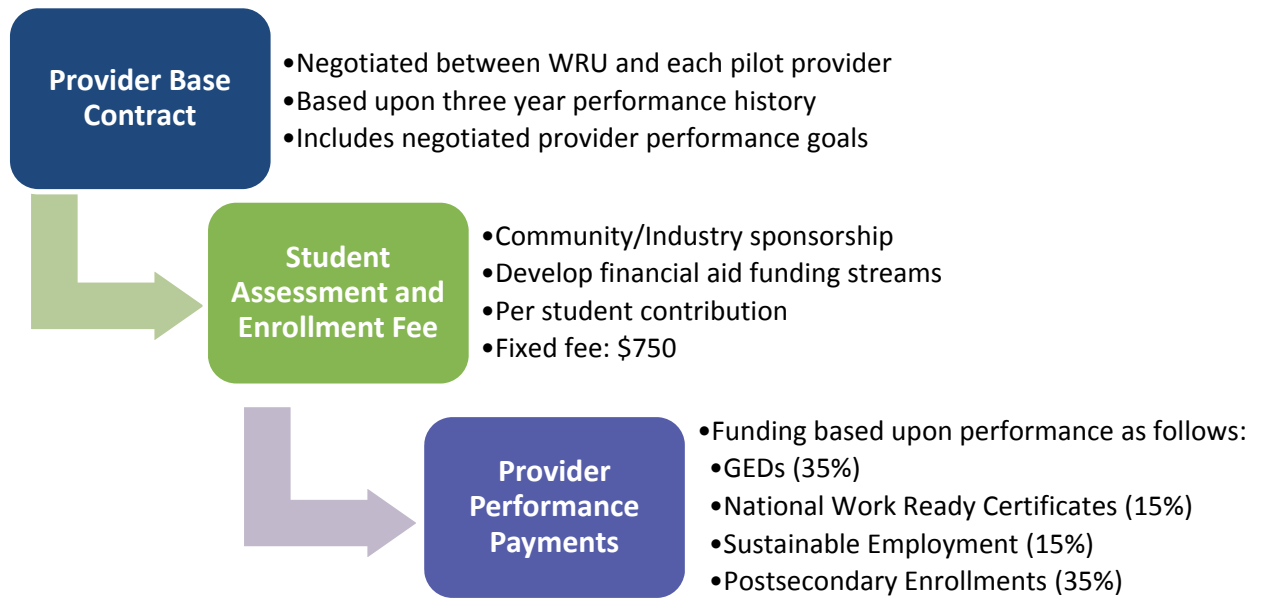
The levels of growth and expansion projected for **WorkReady U** will require the pairing of federal and state dollars with new local funding streams. All local funds raised would stay at the local level. Potential “new local funding” could take several forms, including:



The annual **WorkReady U** provider application process will include requirements/guidelines for local adult education providers to present evidence of “new funding” matches in the form of cash or in-kind donations.

## **WorkReady U: First Year Pilot Financial Model**

**WorkReady U** will identify a limited but diverse set of parish-wide and multi-parish providers that will be invited to participate in the first year pilot. Diversity factors will include urban/rural geography and high/moderate performance history. It is anticipated that the total number of first year pilot participants will not exceed 10 parish-wide/multi-parish providers.



## Building the Statewide Network of Community Partners

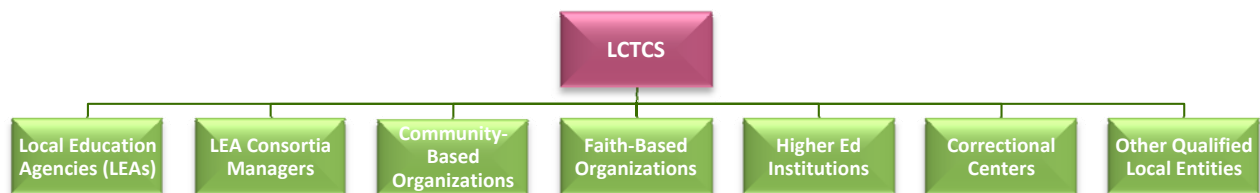
The *WorkReady U* design requires the building of a statewide network of community partners to support the adult education enterprise. This statewide network includes the contracted adult education providers and a dedicated base of local business/industry, community, and government organizations that serve as adult education promoters and supplemental underwriters.

### Network of Contracted Adult Education Providers

As stated earlier in this pro forma plan, three primary principles will be utilized to build the *WorkReady U* network of contracted adult education providers:

1. **A competitive grant application process** that facilitates accountability and continuous improvement of a statewide educational services provider network.
2. **An open, mixed model provider network** that allows for a wide variety of provider types (LEAs, community-based and faith-based organizations, community colleges, correctional centers, etc.) to maximize student access to adult education services. The opportunity to join the network will be open to all eligible providers as defined by Section 203, of WIA, Title II.

#### Mixed Model Provider Network



3. **A performance-based funding mechanism** that properly aligns the provider network with the state's adult education program goals.

The current performance-based funding formula will be refined to provide greater emphasis on areas of student achievement, including GEDs, national work-ready certifications, sustainable employment placements, and postsecondary enrollments.

Additional **WorkReady U** refinements relative to building and strengthening the network of contracted adult education providers will include greater emphasis on the following:

- Hybrid model for educational services delivery that includes site-based classroom teaching and online services;
- Daytime and nighttime instruction hours; and
- Full scale providers – fully-equipped classrooms and locations appropriate to adult learners;

A general estimate of the one year cost to establish a fully-equipped classroom for adult education to operate for 44 weeks and serve roughly 300 students is approximately \$220,000 itemized as follows.

Salaries and Benefits	\$175,000	2 teachers, 1 Paraprofessional/data clerk
Classroom Set-up	\$20,000	computers, furniture, equipment, property
Materials and Supplies	\$13,000	consumable/non-consumable books, etc.
Operating Expenses	\$12,000	rent, utilities, telephone, electricity
Software and online services provided by <b>WorkReady U</b>		

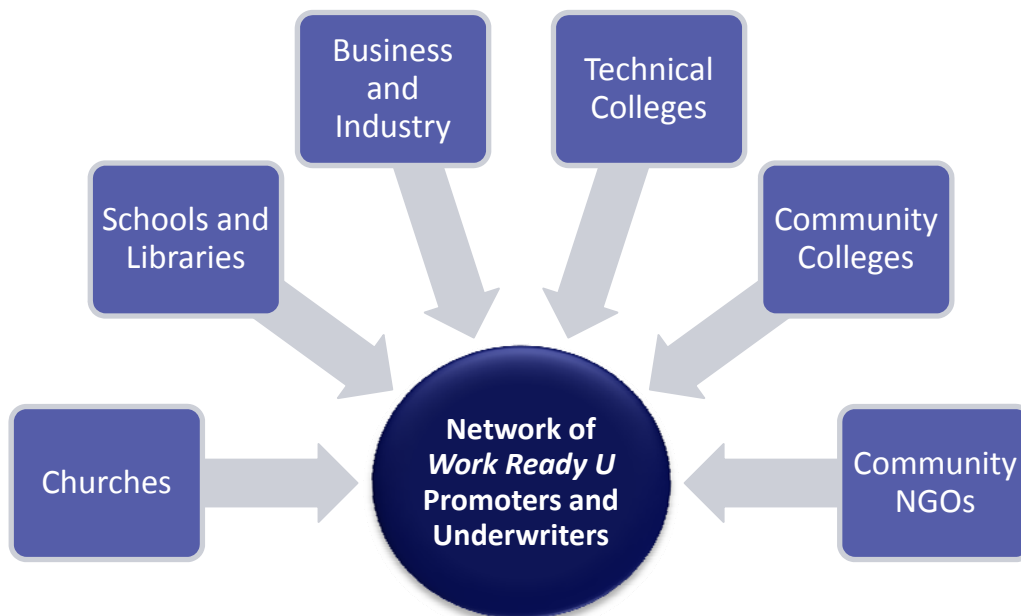
- Professional coaching services for students; and
- Development of community partnerships with base of local business/industry, community, and government organizations that serve as adult education promoters and supplemental underwriters.

**Note:** As mentioned earlier in this document, the actual provider funding model for the **WorkReady U** pilot year (FYE 12) will be finalized and available by March 2011.

## Network of *WorkReady U* Promoters and Supplemental Underwriters

In Louisiana today, there are over 500,000 adults ages 18-to 64-years old that do not possess a high school diploma or GED. Yet, our adult education program serves only approximately 40,000 participants annually. Obviously, there is significant opportunity and need to effectively reach out to more potential adult education students.

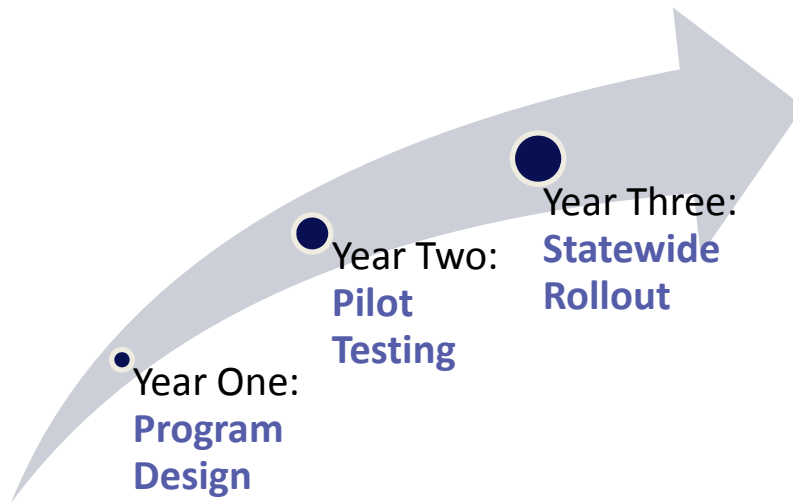
*WorkReady U* envisions the development of a statewide network of local organizations (public and private) that will be recruited through the coordinated effort of the staff and the contracted adult education providers.



These local organizations will serve as active promoters of and referrers of students to. Some of these organizations will also serve as supplemental underwriters through local grants and scholarships.

## Transition Implementation

A three-year transition period will be required to complete the design work, pilot testing, and statewide rollout of this new adult education program under the auspices of LCTCS. The first year will be focused on completion all organizational and operational design work. The second year will be a year of pilot testing the new program design in collaboration with a selected group of educational service providers. A statewide rollout of the new adult education design will occur in year three.



### Year One: Program Design

Key Activities	July – Sept 2010	Oct – Dec 2010	Jan – Mar 2011	Apr – June 2011
1. Continue current adult education program operations				
2. Develop infrastructure to support <b>WorkReady U</b>				
3. Design <b>WorkReady U</b> program and fiscal operating processes				
4. Finalize <b>WorkReady U</b> performance management system and new funding model				
5. Develop initial partnerships to support the <b>WorkReady U</b> design				
6. Develop and release RFP to select providers for the current adult education program and the Year Two <b>WorkReady U</b> Pilot Program				

**Year One: FYE 11** will be dedicated to finalizing the program design. Under LCTCS management, the existing adult education program will be continued during this contract year.

Key transition issues during this program design year include:

- Building networks to establish partnerships;
- Review and recommend curriculum;
- Develop Adult Education policies and seek approval from the LCTCS Board of Supervisors;
- Expanding online opportunities for adult learners;
- Establish approval of required professional development for adult education teachers and paraprofessionals; and
- Determine requirements for adult education teacher credentials.

**WorkReady U** will prepare the colleges and the **WorkReady U** field support to:

- Function as the gatekeepers for accurate information about the “bigger picture” for serving adult learners; and
- Become the ambassadors of **WorkReady U** in this transition year by:
  - Establishing local partnerships to encourage new local service providers to expand access for adult learners,
  - Establishing local partnerships to recruit and place adult learners in classes, and
  - Participating in teams to address transitional issues in your area of expertise.

## Year Two: Pilot Testing

Key Activities	July – Sept 2010	Oct – Dec 2010	Jan – Mar 2011	Apr – June 2011
1. Continue current adult education program operations with appropriate refinements				
2. Implement the <b>WorkReady U</b> program design in 10 to 15 selected pilot sites				
3. Evaluate the <b>WorkReady U</b> program and fiscal operating processes				
4. Monitor <b>WorkReady U</b> pilot activities and initial performance, collect and analyze data, refine <b>WorkReady U</b> design				
5. Develop business, community, and industry partnerships to support <b>WorkReady U</b> learners				
6. Develop and release RFP to select providers for full implementation of <b>WorkReady U</b> in Year Three				

**Year Two: FYE 12** will be dedicated to a significant pilot test of the design. Approximately 10 to 15 educational services providers will be selected to participate in a comprehensive, year-long pilot of the new program. Selection of pilot participants will be designed to include rural and urban environments, geographic diversity, and provider type diversity. The existing adult education program will be continued during this contract year for educational providers not participating in the pilot.

### Year Three: Statewide Rollout

Key Activities	July – Sept 2010	Oct – Dec 2010	Jan – Mar 2011	Apr – June 2011
1. Implement new <b>WorkReady U</b> design statewide				
2. Evaluate the Year Two <b>WorkReady U</b> pilot sites				
3. Refine the <b>WorkReady U</b> program design based upon pilot site evaluations				
4. Develop and release RFP to select providers for full implementation of <b>WorkReady U</b> in Year Four				
5. Initiate marketing program to support <b>WorkReady U</b> growth goals				
6. Expand business, community, and industry partnerships to support <b>WorkReady U</b> learners				

**Year Three: FYE 13** will be the first year of full implementation of the program design. All educational service providers will be contracted with LCTCS under the new program design and new performance measurement system.

## **Appendix A: Sample Report Cards**

- Kentucky Adult Education Report Card 2005
- North Carolina Basic Skills/Literacy Report 2004