

ILLINOIS COMMUNITY COLLEGE BOARD
FY16 ADULT EDUCATION AND LITERACY
BUDGET OVERVIEW (FOR COMPLETING BUDGET
WORKBOOK)

Line Items

1. *Instruction*: The teaching of students or the direct interaction between a paid instructor and students (with 51% or more of the cost paid with ICCB AEL funds). Instructional costs associated with state budgets are further delineated within the instructional line to indicate instructional costs associated with Foreign Language HSE and Vocational instruction. Federal funds cannot be used for these two instructional types.

Consider the following when developing the Instructional line of the budget:

- a. Instruction may be provided for students in a classroom and in other learning environments.
 - b. Include the activities of paid aides or paid assistants of any type that assist in the instructional process.
 - c. Substitute instructors' salaries and benefits should be paid from the Instruction line.
 - d. Salaries and benefits for those instructors attending professional development activities must be transferred from the Instructional line to the Improvement of Instructional Services line.
 - e. Salaries and benefits for those instructors who have other responsibilities should be charged proportionately to the appropriate line. For example, if the individual teaches 80% of the time and works in administration 20% of the time, then 80% of salary and benefits must come from Instruction and 20% from General Administration.
 - f. Instructional items, such as blackboards, chalk, maps, texts and teaching materials, are included under Supplies and Materials.
 - g. Equipment, such as computers, printers, software, desks, tables, chairs, file cabinets and book cases which are used for the purpose of Instruction, is budgeted under Supplies and Materials unless the value of one single item is \$5,000 or more which is budgeted under Capital Outlay. If these items are also used for purposes other than instruction, costs must be charged proportionally to the Supplies and Materials column on the appropriate line. For example, if computer hardware or software is used for multiple functions within the organization, then the cost of that item, such as a site license for *Microsoft Office* that is used both in the classroom and administratively, must be divided proportionally among Instruction and General Administration.
2. *Social Work Services*: This area provides activities for:
 - a. Improvement of students' attendance
 - b. Identification of patterns of non-attendance

- c. Interventions to assist students dealing with problems involving the home, school and community
 - d. Provision of referral assistance and/or retention strategies
3. *Guidance Services:* This area provides activities that pertain to counseling students:
- a. Regarding learning styles/problems
 - b. To evaluate their own abilities
 - c. To assist them in making their own educational and career plans and choices
 - d. To assist them in personal and social development
 - e. To assist other staff members in planning and conducting guidance programs
 - f. ADA coordination
 - g. To assist them in transitioning to job training, job placement, or future education
4. *Assistive and Adaptive Equipment:* Equipment and assistive devices or special printed materials for AEL students with special needs.
5. *Assessment and Testing:* Activities carried out for the purpose of measuring individual student achievement. The information obtained is generally used to monitor individual and group progress in reaching learning goals and to compare individual and group performance with national norms established by test publishers. Includes materials and supplies necessary for assessment, such as large print tests.
6. *Student Transportation Services:* Activities concerned with conveying students and their children to and from schools as provided by Article 29 of the *Illinois School Code*. Includes trips between home and school and trips to school activities.
7. *Literacy Services:* Literacy activities in conjunction with AEL instructional programming.
- a. Volunteer Literacy may include activities that support classroom instruction and increased student learning gains such as coordination, tutor training, and tutor scheduling.
 - b. Family Literacy may include coordination and activities in parenting education and parent-child activities (PACT). Child education must be funded by an appropriate child education partner. Costs associated with Family Literacy for services such as instruction, assessment and testing, etc. should be budgeted on the appropriate line for these services.
 - c. Workplace Literacy may include coordination of workplace education projects that are designed to meet the unique needs of participating workers and employers. Costs associated with Workplace literacy for services such as instruction, curriculum development, assessment and testing, etc. should be budgeted on the appropriate line for these services.
8. *Childcare Services:* The care of children during a time for which a student is engaged in eligible AEL instructional activities. The student must be the primary care giver of the child.

9. *Subtotal Instructional and Student Services*: Total of line items 1 through 8.
10. *Improvement of Instructional Services (Professional Development)*: Activities which are designed to enable all local Adult Education staff (e.g., instructors, administrators and support staff) to effectively meet the crucial needs of students and continuously improve student learning achievement.
11. *General Administration*: Activities concerned with the overall administrative responsibility for the ICCB AEL grant. Staff and activities funded under this category **would not** provide direct services to students, and the cost must be charged proportionately to reflect the job description and time distribution. This could include but not be limited to the following:
 - a. Program administration activities
 - b. Program coordination activities
 - c. Finance and accounting activities
 - d. Secretarial activities
 - e. APC activities
12. *Operation and Maintenance of Plant Services*: Activities concerned with keeping the physical plant (i.e., grounds, buildings and equipment) in an effective and safe working condition. Rent and utilities are included in Operation and Maintenance of Plant Services under Purchased Services.
13. *Workforce Coordination*: Activities designed to streamline services through One-Stop delivery systems that partner workforce and educational entities for easy access and to establish and sustain community partnerships with local and state Workforce Development entities. Includes Shared Costs at Comprehensive One-Stops (rent).
14. *Data and Information Services*: Includes activities concerned with the following:
 - a. ICCB AEL approved data system DAISI
 - b. Recruitment of students
 - c. Public relations functions
15. *Approved Indirect Costs*: Indirect Cost rates must be negotiated with the ICCB. The formula for calculating Indirect Costs is found on the bottom of each budget form. The Indirect Cost rate must be uniform across all budgets. For example, if a rate of 5% is used for the State Basic budget, that same rate must be used for the State Performance budget. Indirect Costs for Federal Budgets must be consistent across all Federal Sources of Funds (Federal Basic and Federal EL Civics) and are a part of the negotiated Program Support Percentage. The Federal Program Support Percentage may not exceed the federal maximum of 5%.
16. *Subtotal Program Support*: Total of lines 10 through 15. In Federal Basic and Federal EL/Civics budgets, this amount may not exceed the negotiated Program Support Percentage.
17. *Total Costs*: Total of lines 9 and 16.

Object Items

In addition to Line Items, providers must document spending by Object Items (column). Each Object Item on the Post Allocation Budget represents a category of expenditure.

- *Salaries:* Amounts paid to permanent, temporary or substitute employees on the payroll of the AEL grant. This includes gross salary for personal services rendered while on the payroll of the grant.
- *Employee Benefits:* Amounts paid by the grant on behalf of the employees. These amounts are not included in the gross salary, and may include such items as retirement benefits, health and life insurance costs, and employer's contribution to social security. The costs of benefits should be proportional to the salary in the corresponding line item and funding source.
- *Purchased Services:* Amounts paid for the following services:
 - Those rendered by personnel who are not on the payroll of the grant such as consultants. Consultant fees are allowable at the maximum rate of \$600 per day, plus expenses (up to a maximum of \$200).
 - Unemployment insurance
 - Workers compensation
 - Postal costs
 - Telephone costs
 - Mileage costs
 - Registration costs
 - Lodging and per diem costs
 - Field trip costs
 - Catering costs
 - Internet costs
- *Supplies and Materials:* Amounts paid for material items of an expendable nature that are consumed, worn out or deteriorated in use. Included are general supplies, textbooks, library books, periodicals, etc. Computer software is considered a supply. It should be claimed according to its functional use. Equipment and non-expendable personal property with a per unit cost totaling **less than** \$5,000 should be charged to this object.
- *Capital Outlay:* Expenditures for the acquisition of moveable equipment and the replacement of equipment with a minimum per unit cost of \$5,000. Software and software licenses with a per unit value of \$5,000 are defined as equipment. Equipment is the tangible non-expendable, personal property having a useful life of more than one year. A program may use a more

restrictive definition of equipment if a more restrictive local policy exists. Expenditures for single items costing \$5,000 or more (inclusive of labor and installation charges), whether budgeted on one or multiple lines, require written pre-approval by the ICCB.

- *Sub Contractual:* Amounts paid for services provided by sub-contractors' underwritten agreements.
- *Tuition:* Expenditures to reimburse other educational agencies for services rendered to students residing within the legal boundaries described for the paying agency. Payments to other educational facilities should be charged to the appropriate instructional function. Include also the tuition charge for "mainstreaming" students within the same agency or an outside agency.

Other Budgeting Considerations

- *Retirement:* The State Basic, and State Performance sources of funds are general revenue fund appropriations. Programs, with the exception of the Illinois Department of Corrections, are **not allowed** to charge the employer's contribution of State Universities Retirement System (SURS), State Employees Retirement System (SERS), or Teachers Retirement System (TRS) on these budgets. Separate appropriations are made by the state to pay these retirement contributions. The appropriate reporting should be made to these retirement systems. If individuals are covered under another retirement system, the employer's contribution may be charged to the grant. Consult your local financial officer if you have questions about the payment of retirement benefits.

Under the federal sources of funds, Federal Basic and EL/Civics, the employer's contribution may be charged proportionately to the sources of funds used to pay the employee's salary, regardless of the retirement system used.

Employee's contributions to retirement systems if paid by the grantee as part of the employee's benefits should be charged proportionately to all sources of funds used to pay the employee's salary, regardless of the retirement system used.

- *Interest:* In accordance with 30 ILCS 705/10, any interest earned on funds shall become part of the grant principal and be treated according to grant rules.
- *WIA Costs:* WIA costs are claimed in relationship to their use. Renting classroom space at a One-Stop Center is categorized on the Operation and Maintenance of Plant Services line item under Purchased Services. If costs are incurred in terms of administrative staff time, then it is a General Administration line item under the appropriate budget column. If the costs are for coordination efforts, then it is a Workforce Coordination line item under the appropriate budget column.

- *Loans:* Programs are not permitted to use state and federal grant funds to pay interest expense on borrowing, financing, and refinancing operations.
- *Travel:* For travel, meals and hotel reimbursement, a provider should consult the travel policies of his or her organization. These policies should contain a provision for prior approval for business travel. In the absence of a formal travel policy, the provider should follow the Higher Education Travel Board's policies, which can be viewed at <http://www.stateuniv.state.il.us/travel/>. Programs must consistently follow one policy.
- *Leasing Equipment:* The following conditions must be met:
 - Lease purchases that span more than one grant year are permissible.
 - Costs can be recovered from more than one year of grant funds.

The following provisions should be understood related to such situations:

- Interest and finance charges cannot be charged to federal grants.
- The grant recipient should continue to list the equipment for approval for multiple years until the agreement is complete. The lease purchase concept should be so noted on the approval request.
- The grant recipient must keep financial and programmatic records that document the disbursement of funds associated with the agreement.
- Lease purchases are budgeted under Purchased Services. It is permissible to pay the interest cost associated with lease purchase arrangements only for equipment purchased with state grant sources. It is not permissible to pay interest charges from federal grants.
- Grant continuation from the ICCB cannot be guaranteed.