COMMUNITY AND TECHNICAL COLLEGES
Washington State Board

BASIC EDUCATION FOR ADULTS (BEDA) AND INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION (IELCE)

2025-26 GUIDELINES

Basic Education for Adults

Washington State Board for Community and Technical Colleges

PO Box 42495

Olympia, WA 98504

SBCTC.edu

The Washington State Board for Community and Technical Colleges reserves the right to make changes to this document due to, but not limited to, federal, state, or local legislation or policy changes.

Deadlines and Milestones

Milestone	Dates (subject to change)
Projected start date of grant	July 1, 2025
Billing deadline for all expenses incurred through September 30, 2025	October 31, 2025
Billing deadline for all expenses incurred through December 31, 2025	January 31, 2026
Billing deadline for all expenses incurred through March 31, 2026	April 30, 2026
Final budget revision deadline	June 15, 2026
Projected end date of grant	June 30, 2026
Billing deadline for all expenses incurred through June 30, 2026	July 15, 2026

Grant Contacts

BEdA Basic Program & Policy Questions

Troy Goracke
Policy Associate, Basic Education for Adults
tgoracke@sbctc.edu
360-704-4361

IELCE Program & Policy Questions

Nicole Daughtry
Policy Associate, Basic Education for Adults
ndaughtry@sbctc.edu
360-704-4368

Fiscal Policy Questions

Denise Costello
Associate Director, Fiscal Management
dcostello@sbctc.edu
360-704-4344

Budget, Invoicing & OBIS Questions

Melanie Kielich
Fiscal Grant Administrator
mkielich@sbctc.edu
360-704-3971

OGMS, OBIS, & Invoicing Questions

Kari Kauffman
Program Coordinator
kkauffman@sbctc.edu
360-704-1021

Table of Contents

Deadlines and Milestones....2
Grant Contacts....2
Table of Contents....3
Overview....5
Applicant Guidelines....5
- Who May Apply....5
- How Does the Provider Apply....5
- Application Process....5
- Disclaimer....6

Background....6
- Vision....7
- Mission....7
- Goals....7

Core Services Required by All Grantees....7
Funding....8
- Funding Principles....8
- Methodology....9

Budget & Invoicing Guidance....9
- Budget Activities....9
- Budget Categories....10
- Student Support Budget Categories....12
- Budget Revisions....14
- Invoicing....14

Grant Terms & Information....15
- General....15
- Allowable Activities....15
- Allowable Costs....16
- Debarment and Suspension....18
- Expenditure Accounting....18
- Final Reporting....19
- Insurance....19
- Institutionalized Programs....20

Maintenance of Effort 20
Mandatory Disclosures 20
Matching Funds 20
Monitoring 21
Non-Discrimination 21
Participation in Faith-based Organizations 21
Program Income 22
Records Retention 22
Rights in Materials 23
Supplanting 23
Termination 23
Time & Effort Reporting 23
Transparency Act 23
Whistleblower Protections 24
Written Notice of Beneficiary Protections 24
Appendix A: How to Calculate FTE & FTEF 26
Why Are Accurate FTE and FTEF Calculations Necessary? 26
What are FTE and FTEF? 26
How Do I Calculate Percentages of FTE and FTEF? 26
Example of Calculating FTE and/or FTEF: 26
More Examples & Explanations 27

Overview

Basic Education for Adults (BEdA) programs teach workforce and academic foundational skills — reading, writing, math, digital literacy, critical thinking, employability, and English language — so adults can move through college and into living-wage jobs. The programs are designed for adults with academic skills below the high school completion level or who need to improve their English language skills.

The goal is to advance students quickly and purposefully toward diplomas, certificates, and degrees. Strategies move the goal line from high school completion to graduating from college and starting careers.

Applicant Guidelines

Who May Apply

Washington state providers with approved 2022-27 Adult Basic Education and Integrated English Literacy and Civics Education (IELCE) plans are eligible to apply for this one-year continuation of grant funding.

How Does the Provider Apply

Access the 2025-26 BEdA Basic and IELCE applications through the Online Grant Management System (OGMS).

If you do not have an account, contact your organization's Security Contact for access; you will also need your Security Contact to give you permission for FY26.

Submit completed grant applications, and upload 2025-26 Student Outcomes Spreadsheet for continuation of funding to the SBCTC through OGMS no later than March 6, at 11:55 p.m. SBCTC staff are available for assistance until 4:00 p.m. on March 6, 2025.

Application Process

To apply for a continuation of SBCTC Adult Basic Education and IELCE funding a provider must:

- Review its approved 2022-27 BEdA Basic and IELCE grant with its local Workforce Development Council (WDC) to assure alignment with the local area plan. Continued funding is contingent on the alignment with the local WDC.
- All providers receiving IELCE funding will need to ensure Integrated English Literacy and Civics Education (IELCE) funds are used only for the activities described in WIOA Section 203(11).

IELCE funds can only be used in combination with Integrated Education and Training as defined in WIOA Section 203(11) "'Integrated Education and Training'. The term integrated education and training means a service approach that provides adult education and training concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement." This went into effect July 1, 2016.

Programming that qualifies for IELCE funding includes:

- All Integrated Basic Education and Skills Training (I-BEST) programs
- IELCE specific navigators
- College programs leading to certificates and degrees in a specific occupation or occupational cluster.
- I-BEST at Work On-ramps
- On-ramps where all instruction is contextualized and delivered concurrently with training in a specific occupation or occupational cluster.

IELCE applicants must address proposed changes to IELCE in question 1.b.

Disclaimer

SBCTC reserves the right to refrain from granting to any or all applicants. Additionally, SBCTC reserves the right to add additional grant requirements to applicants meeting minimum criteria to receive funds but that are deemed to be higher risk grantees. Additional requirements may include, but are not limited to, additional reporting requirements or additional monitoring to assess the applicant's ability to adhere to grant requirements. Any additional requirements will be outlined for individual applicants prior to applicants accepting any resulting grant funding.

Background

The State Board for Community and Technical Colleges (SBCTC) is the agency authorized by state law to administer adult basic education in Washington State. This grant continuation application is based on the 2022-27 BEdA Basic Grant. On February 27, 2025, SBCTC will release the continuation application(s) for federal funds to continue to provide Adult Basic Education services in Washington State July 1, 2025, through June 30, 2026. The basis for the 2022-27 BEdA Basic Grant and this continuation are:

- Specific requirements of the Federal Workforce Innovation and Opportunity Act (WIOA) Title II (WIOA Sec. 231.e.1-13) and the WIOA Final Rules.
- The strategic vision and goals of Talent and Prosperity for All: The Strategic Plan for Unlocking Washington's Workforce (TAP) and specifically the vision, mission, goals, and strategic elements identified for Title II.
- Washington Workforce Association local regional Workforce Development Councils (WDC) plan.
- The Washington State Adult Education 5-year Plan: Pathways to College and Careers for Washington's Emerging Workforce

Vision

To advance racial and economic justice, Basic Education for Adults provides equitable programming for all Washingtonians to realize their potential as they launch on a supported college and career pathway to living-wage employment and strengthen the vitality of their communities.

Mission

Basic Education for Adults works collaboratively to offer culturally responsive and equity focused college and career pathways that address barriers and enable students to obtain meaningful employment, meet workforce needs, and reduce economic disparities.

Goals

- Intentionally review, develop, and implement culturally responsive policies and practices that promote racial and economic justice.
- Implement and scale equity-focused, comprehensive, and innovative college and career pathways to accelerate student completion and advance racial and economic justice.
- Provide students with the equity-focused navigational and support services needed to create and follow a college and career pathway plan that identifies the funding and resources needed to reach their goals.
- Create and strengthen inclusive instructional practices that honor and support the diverse needs of all students while maintaining academic integrity that ensures college and career readiness.
- Guide and support culturally responsive and equity-focused instructional practices that accelerate student completion to certificates, one year of college plus a credential, degrees, and living wage employment.
- Develop and offer culturally responsive coursework that is contextualized to college and career pathways leading to high school completion, postsecondary education, and living wage employment.
- Create and maintain strategic partnerships and alliances to leverage local resources and support integrated service delivery.
- Create an environment that values and respects the diverse identities and strengths of students and empowers individuals to claim their personal agency.

Core Services Required by All Grantees

"The term "adult education and literacy activities" means programs, activities, and services that include: (a) Adult education, (b) Literacy, (c) Workplace adult education and literacy activities, (d) Family literacy activities, (e) English language acquisition activities, (f) Integrated English literacy and civics education, (g) Workforce preparation activities, or (h) Integrated education and training. Additionally, in accordance with the Workforce Innovation and Opportunity Act of 2014 (WIOA)

(Public Law. 113-128), Washington State Plan for Talent and Prosperity for All: Washington's Operational and Program-Specific Workforce Plan Components, and Washington State Adult Education 5-year Plan 2015-2019 with Revised WIOA Requirements for Transition Year 2015-2016 programs must have a framework that demonstrates a pathway to college and career readiness that supports contextualized instruction, digital literacy, employability skills, critical thinking and a comprehensive college and career readiness pathway.

Funding

The 2025-26 Federal ABE/IELCE funding formula aligns with the Title II: Adult Education and Literacy (Basic Education for Adults) Programs section of the Washington State Talent and Prosperity for All—the Washington State WIOA plan, guidance from the Governor's Adult Education Advisory Council (AEAC), the Governor's Results Washington initiative, the Higher Education Coordinating Board's Strategic Master Plan for Higher Education, and the State Board for Community and Technical Colleges' System Direction and Mission Study. The intent is to serve more students, more efficiently in order to transition them as quickly as possible to postsecondary education and living-wage jobs.

Continuation funds awarded through this process are made available to Washington State under Title II of the Workforce Innovation and Opportunity Act of 2014, Section 102 (b)(E)(vi) and (vii); and through the Washington State legislature.

The IELCE funds (WIOA Section 243) are designated for and can only be used in combination with Integrated Education and Training as defined in WIOA Section 203(11):

"'Integrated Education and Training'—The term integrated education and training means a service approach that provides adult education and training concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement."

Funding Principles

The following funding principles were developed as a result of comprehensive input from stakeholders through statewide forums and online surveys:

- Funding should be transparent and credible.
- Funding formula should be based on objective criteria (not local negotiations or regional need).
- Funding formula should incent transitions to postsecondary education.
- Funding formula should be data-driven, focused on increased access (FTES) and increased success for students (Student Achievement Points -SAI). Both total points and points per student should be considered.
- Institutions must have the capacity to spend allotted performance money effectively.

Methodology

Funds are distributed based on a pro rata share among providers for the following (3-year average):

- 50% Performance based.
- 10% Transitions
- 20% Total Student Achievement Points
- 20% Student Achievement Initiative (SAI) points per student
- 50% FTE Enrollment

Approved applicants will receive continuation funding for one year from July 1, 2025, to June 30, 2026.

Budget & Invoicing Guidance

Budget Activities

The following list identifies all eligible Basic Education for Adults (BEdA) program components by activity (also known as a budget line or line item).

Instructional

Activities and costs associated with direct instruction, arranging instruction, providing resources for instructional activities, recruiting tutors and students, assessing students, matching tutors with students, curriculum development, developing activities through which local students can demonstrate mastery of competencies, connecting students to resources, supporting and facilitating student intake processes, supporting transition to college and/or employment, and incorporating College and Career Readiness Standards and other skill standards approaches into basic skills teaching, learning and assessment.

Student Support

Necessary and reasonable costs for support that students may need to participate in the program. All participant support expenditures must be fully documented and verified by receipts.

Administration

Activities and costs associated with (a) Planning; (b) Administration, including carrying out performance accountability requirements; (c) Professional development; (d) Providing adult education and literacy services in alignment with local workforce plans, including promoting co-enrollment in programs and activities under title I, as appropriate; and (e) Carrying out the one-stop partner responsibilities described in eCFR :: 20 CFR 678.420, including contributing to the infrastructure costs of the one-stop delivery system. If expenses are for administrative activities, as defined below, they must be budgeted as administrative even if the activities are for personnel coded to the instructional budget.

Example: If an instructor attends training on English Language Acquisition (ELA) instruction the costs of attending that training would be budgeted as administration because personnel development/staff development activities are considered administration.

Administration cannot exceed 5% of the total budget.

In cases where the 5% administrative limit is too restrictive to allow for administrative activities, grant recipients may negotiate with the SBCTC to determine an adequate level of funds to be used for non-instructional purposes.

Requests for an increase in the administrative cap must:

- Be submitted with your budget.
- Describe the need for the proposed increase.
- Include an assurance that the additional administrative monies will be tracked separately.

SBCTC BEdA staff will negotiate approval of additional administrative activities and costs.

Budget Categories

Based on the budget activities above, you must determine how much of each activity will be budgeted in each budget category (also known as a "budget column"). The following is an overview of each budget category.

Salaries, Wages, and Benefits

Salaries, wages, and benefits associated with staff directly involved in grant activities and paid in full or in part from this grant.

Include the following in your budget narrative:

- All position titles to be funded by the grant.
- Percentages of effort, full-time equivalent faculty (FTEF), full-time equivalent staff (FTE), salary, hourly wage, and/or stipend information, and benefits for each employee position to be funded from the grant. See Appendix A for more information on how to calculate FTE/FTEF.
- A brief description of duties by position as they relate to the grant.

Please put each employee position on a new line of text.

Examples (Instructional):

- BEdA Faculty, 1.0 FTEF = Salary $60,000, Benefits $24,000. Teaches BEdA classes.
- Intake Specialist, 50% FTE = Salary $27,500, Benefits $11,000. Conducts student intake and assessment.
- PT Program Assistant, Wages of $8,000 for 10 hrs./week for 40 weeks @ $20/hr., Benefits $2,000, CASAS testing, and assists instructors.

Examples (Administration):

- BEdA Director, 10% FTE = Salary $9,000 at, Benefits $3,600. Oversees BEdA program, budget, and personnel.
- Office Assistant, .20 FTE = Salary $10,000 at, Benefits $4,000. Performs LACES data entry.
- BEdA part-time faculty, approx. 20 hrs. @ $35/hr., attending training.

Goods and Services

Goods and Services to be used by personnel budgeted to the instructional category and other necessary goods and services needed for instruction. Typical items would include supplies and materials, assessment materials, printing, telephone, postage copying and fax, equipment (less than $10,000 per unit cost), utilities, rentals and leases of copy machines, and interagency agreements (contracts between two or more state agencies).

Examples (Instructional): classroom supplies, paper, printing

Examples (Administration): office supplies, postage

The cost of any items purchased that will not be used exclusively for BEdA must be split among other funding sources.

Non-consumable items purchased shall remain in the property of the grant recipient and are subject to the "Purchased Items" terms in this document.

Funds may not be used to acquire equipment (including computer software) that results in a direct financial benefit to any organization representing the interest of the acquiring entity or its employees or any affiliate of such an organization.

Building Rental & Utilization

Building rental or utilization of space in support of BEdA instructional activities. Building rental and costs must be calculated at or below fair market value (FMV). Please verify that costs are at or below FMV in your budget narrative.

Example (Instructional): Rental of classroom space at XYZ Community Building - rent calculated below FMV.

Example (Administration): Rental of B office space at XYZ Community Building - rent calculated at FMV.

Travel

Expenditures for transportation, meals, hotel, and other expenses associated with traveling related to allowable grant activities. Reimbursement for travel costs must be within OFM travel rates and regulations which can be found in the State Administrative and Accounting Manual (SAAM), Chapter 10.90. Please note, when the grant recipient (the college or CBO) reimburses travel under this grant using state funds, the same OFM travel rates and regulations must be applied.

Example (Instructional): CASAS testing staff or faculty travel to off-campus class locations.

Examples (Administration): Administrative staff travel to meetings or professional development courses.

Contracts

Professional or technical services provided by a consultant (contractor) to accomplish a specific study, project, task, or other work statement. Rules that apply to the grant recipient (the college or CBO) under this grant must also be applied to the contractor.

Note: Interagency agreements (contracts between two or more state agencies) are considered services and should be budgeted and invoiced in the "goods and services" category.

Capital Assets

A Capital asset is defined as property or equipment with a useful life in excess of one (1) year and a per unit acquisition cost of $10,000 or more. Equipment purchased with grant funds shall remain the property of the grant recipient and their inventory control. ***All capital assets purchased with funds from this grant must be approved by the SBCTC prior to purchase.***

Funds may not be used to acquire equipment (including computer software) that results in a direct financial benefit to any organization representing the interest of the acquiring entity or its employees or any affiliate of such an organization.

Tuition

Basic Grant and IELCE funds **can**/**cannot** be used to fund tuition and required fees for the "T" training piece for Integrated Education and Training (IET) and IELCE Title II eligible students under the following circumstances:

If the instruction (faculty) of the credit-bearing/college-level and the basic skills courses **are not paid** *for with basic skills funds, then the tuition for the "training or college-level" courses* **can be paid** *with Basic Grant or IELCE funds*.

If the basic skills instruction (faculty) is paid with basic skills funds, but the "training or college-level" instruction (faculty) **is not paid** *with basic skills funds then tuition for the "training or college-level" courses* **can be paid** *for with Basic Grant or IELCE funds.*

If the instruction (faculty) for the "training or college-level" courses are paid with Basic Grant or IELCE funds, then tuition **cannot be paid**.

Please note that Basic Skills tuition can never be paid from Basic Grant or IELCE funds.

Student Support Budget Categories

The following budget categories are only available/applicable for the Student Supports budget activity. Student Support funds may NOT be given directly to a student.

These costs may be necessary to implement AEFLA programs if they are expended to meet the child and dependent care and/or transportation needs of an adult learner who is not able to pay

these costs, or for which other sources of funding could not be obtained, and the adult learner could not otherwise participate regularly in an AEFLA-funded program if these needs are not met.

Recipients must set their own policy for the request and use of student support funds in line with their approved budget. The classification of items as participant support costs must be documented in the recipient's written policies and procedures and treated consistently across all Federal awards per 2 CFR 200.456. For child and dependent care and transportation costs for AEFLA-funded participants, it is important that grantees implement appropriate internal controls.

Childcare

Necessary and reasonable costs for child and dependent care that help maintain eligible student enrollment in applicable programs. In assessing the reasonableness of child care costs, among other things, "[m]arket prices for comparable goods or services for the geographic area" are an important consideration under 2 C.F.R. § 200.404. The National Database of Childcare Prices published by the Women's Bureau of the U.S. Department of Labor is one resource that may be used to learn about the local market prices of child care.

Costs must be allocated according to the relative benefits received by the AEFLA-funded program. For example, if an adult education class is 2 hours long, an AEFLA-funded program may pay childcare costs for 2 hours plus the time needed by the participant to travel to and from the site where childcare is being provided.

Transportation

Costs associated with transportation must be necessary to enable an adult learner who needs assistance with these costs to participate in an AEFLA- funded program. Reasonable transportation costs may include gas cards, ride-sharing gift cards, and funds for the use of public transportation.

Examples: bus passes, van pool, train, ferry, and gas cards.

Unallowable costs are traffic tickets, fines, penalties, and collection charges.

Indirect

To cover such costs as operation, maintenance, library, and student administration expenses that cannot be clearly allocated to an individual program. Each entity must submit their indirect rate letter or confirm that they do not have a negotiated restricted indirect cost rate with their cognizant agency.

Pursuant to Section 241(a) of WIOA, funds made available for adult education and literacy activities under this title shall supplement and not supplant other State or local public funds expended for adult education and literacy activities. To charge indirect costs to AEFLA grant funds, local providers must either: (a) have a current indirect cost rate agreement, which includes a restricted indirect cost rate, with their cognizant federal agency, or (b) if they do not have a current restricted indirect cost rate agreement, use 8% of Modified Total Direct Costs (MTDC). Indirect costs are part of the administrative total and subject to the 5% administrative cap of the grant award – if the cap is too restrictive, the local provider can negotiate with the State.

Calculate the indirect amount as 8% of MTDC or the restricted indirect rate negotiated with the organization's cognizant agency. MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $50,000 of each subaward.

Modified total direct costs (MTDC) **excludes**:

1. Equipment
2. Capital expenditures
3. Patient care charges
4. Rental costs
5. Tuition remission
6. Scholarships and fellowships
7. Participant support costs
8. The portion of each subaward in excess of $50,000

2 CFR Title I, Chapter II, Parts 200.1

Indirect may be budgeted at no more than the entities approved restricted rate or 8% of MTDC for the grant. ***(If an entity's negotiated, restricted indirect rate is lower than 8% of MTDC, please contact SBCTC.)*** Indirect charges must be based on actual expenses. The allowable variance of 10% per budget cell does not apply to the amount budgeted in the indirect budget cell.

Budget Revisions

SBCTC approval of a revised budget is required if there is more than a 10% variation in expenditure levels for any individual budget cell.

Budget revisions must be submitted to the SBCTC via the Online Budget & Invoicing System (OBIS).

Final budget revision deadline: June 15, 2026

See the OBIS user manual (available in the Resources section of OBIS) for information on how to create and submit a budget revision. Be sure to update budget narrative content as applicable.

Invoicing

Funds for this grant must be claimed on a reimbursement basis. No payments in advance of or in anticipation of goods or services provided under this grant shall be requested or paid. All costs must be reported for the period incurred.

Reimbursement requests must be submitted at least quarterly, but not more than monthly via OBIS. All costs must be submitted for reimbursement in accordance with the schedule shown below.

For expenses incurred	Invoice no later than
July – September	October 31, 2025
October – December	January 31, 2025
January – March	April 30, 2026
April – June	July 15, 2026

All financial reports, including reimbursement requests, must be certified upon submission. Please read the certification statement within the OBIS invoice module and click on the check box to attest to the statement.

Invoices may be pulled for pre-payment review by SBCTC financial staff. If this is done, the invoice will be placed in "Audit" status in OBIS and the recipient institution will receive an automated email detailing the next steps. It is important to provide all requested back-up documentation as soon as possible, as OBIS will not allow additional budget revisions or invoices for the same award to be submitted while an invoice is in "Audit" status.

Grant Terms & Information

General

Funds for these grants are provided to the State Board of Community and Technical Colleges (SBCTC) from the U.S. Department of Education (DOE) under ***CFDA 84.002A***, Adult Education – State Grant Program.

These programs are authorized by the Adult Education and Literacy Act, Title II of the Workforce Innovation and Opportunity Act of 2014 (WIOA). Regulations and guidelines governing the programs are codified in Title 34 of the Code of Federal Regulations (CFR). Funds made available under this grant **shall supplement and not supplant other state or local public funds** expended for adult education and literacy activities. Federal funds may not result in a decrease in state or local funding that would have been available to conduct the activity had federal funds not been received. Federal funds may not free up state or local dollars for other purposes but should create or augment programs to an extent not possible without federal dollars.

Colleges receiving grants from Federal funds will be required to certify that they have done reviews of funded programs for compliance with Federal Civil Rights Laws. Documentation of these reviews must be provided to SBCTC upon request.

Allowable Activities

The term "adult education and literacy activities" means programs, activities, and services that include: (a) Adult education, (b) Literacy, (c) Workplace adult education and literacy activities, (d) Family literacy activities, (e) English language acquisition activities, (f) Integrated English literacy and civics education, (g) Workforce preparation activities, or (h) Integrated education and training. Additionally, in accordance with the Workforce Innovation and Opportunity Act of 2014 (WIOA) (Public Law. 113-128), and the Washington State Plan for Talent and Prosperity for All:

Washington's Operational and Program-Specific Workforce Plan Components, programs must have a framework that demonstrates a pathway to college and career readiness that supports contextualized instruction, digital literacy, employability skills, critical thinking and a comprehensive college and career readiness pathway.

Allowable Costs

All expenditures submitted for reimbursement under this grant must be necessary and reasonable for proper and efficient administration of the BEdA program.

Allowable costs are determined by 2 CFR Subpart E (parts 200.400-476).

The following state and federal regulations must be followed:

Applicable Washington State Regulations

The State Administrative and Accounting Manual (SAAM) must be followed.

Applicable Federal Regulations

EDGAR as Applicable (34 CFR Part 75 & 76)

2 CFR Part 200 (Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards).

2 CFR PART 3474

Grantees must not use federal funds under this project in any manner that violates the United States Constitution, Title VI or Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq. or 42 U.S.C. § 2000e et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), section 504 of the Rehabilitation Act (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12131 et seq.), the Boy Scouts of America Equal Access Act of 2001 (20 U.S.C. § 7905), section 117 of the Higher Education Act of 1965, as amended (20 U.S.C. § 1011f), or other applicable federal law. To the extent that a grantee uses grant funds for such unallowable activities, the Department intends to take appropriate enforcement action including under section 451 of the General Education Provisions Act (GEPA), which may include the recovery of funds under section 452 of GEPA.

Note for Non-Profits:

In compliance with 2 CFR 200.512(a)(1), if your agency has a finding related to federal funds on your Single Audit, you must submit a copy of the audit report to SBCTC within 9 months following the audit period.

Capital Assets

Capital assets are defined as any item with a useful life in excess of one year and a per unit cost of $10,000 or more. (This is the federal definition of "equipment.")

All capital assets purchased with funds from this grant must be approved by the SBCTC prior to

purchase. If specific capital assets are not included in your original grant budget, please submit a budget revision through OBIS for approval prior to purchase.

Costs for capital assets that will be used by programs in addition to BEdA must be split based upon the percentage of use by BEdA and the other program(s).

Purchased Items – Tracking

All non-consumable items purchased with grant funds shall remain the property of the grant recipient. "Small and attractive" items and items with a per unit acquisition of $10,000 or more and a useful life in excess of one year must be under inventory control.

Purchased Items – Disposal of Items

The price initially paid for an item determines which category it falls into below.

Equipment (Capital Assets):

When a grant recipient's BEdA program no longer has use for equipment that had an original per unit acquisition cost of $10,000 or more and a useful life in excess of one year, it may be offered to another federal program at the recipient's college at no cost. If the equipment is not needed for another federal program, the grant recipient must contact SBCTC before disposing of the equipment. ***Grant recipients must not sell or surplus the equipment before consulting with SBCTC staff listed below.***

Per 2 CFR 200.313(e), if a grant recipient no longer has a need for equipment purchased from a federal grant, the grant recipient must contact the federal agency where funding originates to request disposition instructions. SBCTC will assist with this. If the federal agency allows the grant recipient to sell the equipment and the current fair market value of the equipment is more than $10,000 per unit, the proceeds must be returned to the federal agency minus selling and handling expenses of $1,000 or 10% of the proceeds, whichever is less. Please contact EduContracts@sbctc.edu for assistance.

Supplies:

Per 2 CFR 200.314(a), when a grant recipient's BEdA program no longer has a need for supplies with an aggregate value of more than $10,000, they may be offered to another federal program at the recipient's college at no cost. If the supplies are not needed for another federal program, they can be sold or transferred to a non-federal program. If the supplies are sold or transferred, the value must be returned to the federal agency where the funds originated. The SBCTC will assist in the return of funds. Please contact EduContracts@sbctc.edu for assistance.

Unallowable Costs

The following costs are explicitly disallowed:

- Bad debt expenses (2 CFR 200.426)
- Cost of construction or purchase of facilities or buildings (34 CFR 75.533)
- Payment to any person for influencing, or attempting to influence, an officer or employee of any agency, member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the awarding of a federal contract, continuation,

renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement (2 CFR 200.450)

- Sectarian worship, instruction, or proselytization (34 CFR 75.532)
- Light refreshments. (2 CFR 200.405(a)(3))
- Promotional items and memorabilia including but not limited to tote bags, key chains, t-shirts, pens, magnets, etc. (2 CFR 200.421(e))
- Advertising costs that are not specifically related to the grant program (2 CFR 200.421(e))
- Commencement and convocation costs (2 CFR 200.429)
- Contributions and donations (2 CFR 200.434)
- Student activity costs unless specifically provided for in the grant award (2 CFR 200.469)

Debarment and Suspension

The grant recipient agrees that it is not debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension" and that the recipient will not contract with a subcontractor that is debarred or suspended.

Expenditure Accounting

These funds must be kept in an account separate from all other funding sources.

For colleges these funds must be set up as a cost-reimbursement/as-incurred grant in ctcLink and be accounted for as grant and contract (fund 145) along with any student enrollments generated with these funds. SBCTC reimbursement for this grant must be coded to 4020120. For directions on setting up a cost-reimbursable grants in ctcLink, please see the "Reimbursable Grant - Creation to Activation" QRG.

Set up this grant in ctcLInk using the following information:

- Grant Type: As Incurred/Cost Reimbursable
- Sponsor ID: FIN00107
- CFDA/Assistance listing: As of FY26 - do NOT enter the CFDA/ALN number in ctcLink for grants from SBCTC.
- F&A Distribution Department: 98219
- F&A Rate Type: IND
- F&A Base Budget: MTDC
- FA Rate %: 8.00
- Project Type: 02012

- Fund: 145
- Class: See NACUBO Code Section, below, for suggestions
- Revenue Account: 4020120
- Contract Asset Account: 1010180

When entering this grant into ctcLink, be sure to select budget items based on the types of expenses the college will have. To view ctcLink budget items/accounts and expense accounts that roll up to each budget item/account, visit the ctcLink Project Tree QRG.

To add a new activity to an existing grant in ctcLink follow the Adding an Activity to an Active Grant QRG. Use this QRG to add new funding to the grant for a new activity or to add funds in an existing activity not previously entered in ctcLink.

NACUBO Code

The following are suggested National Association of College and University Business Officers (NACUBO) codes. Colleges may use other codes as appropriate.

- Instructional budget line: 118
- Administration budget line: 143

Final Reporting

A final report summarizing the grant activities, analysis of outcomes and Federal Financial Report (FFR) is required by each funded program. These reports are to be uploaded into OGMS with a tentative due date of September 15, 2026.

Insurance

Non-state entities receiving grant funds must maintain insurance coverage as follows:

1. Commercial General Liability covering the risks of bodily injury (including death), property damage and personal injury, including coverage for contractual liability, with a limit of not less than $1 million per occurrence.
2. Grant recipients must at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsible in any way for claims filed by the grant recipient or their employees for services performed under the terms of this grant.

If the grant recipient will transport students, the grant recipient must also maintain the following:

3. Business Automobile Liability (owned, hired, or non-owned) covering the risks of bodily injury (including death) and property damage, including coverage for contractual liability, with a limit of not less than $1 million per accident.

All grant recipients must ensure that all subcontractors maintain the minimum levels of insurance

stated above.

Institutionalized Programs

If an organization has been authorized to spend funds on adult education institutionalized programs, an account separate from the regular adult basic education program must be set up to track the institutionalized expenditures. This is necessary because the institutionalized expenditures must be reported separately on the year-end fiscal report.

Maintenance of Effort

SBCTC must demonstrate to the federal government that the total statewide expenditure for basic skills programming is the same each year as in prior years. If SBCTC were not able to demonstrate that the state of Washington was maintaining the same fiscal effort as before, the SBCTC would lose part of its federal Adult Education and Family Literacy Act funding. If that were to happen, the reduction in federal Basic Education for Adults (BEdA) funds would be covered by reducing the grants to local BEdA providers which had reported reduced expenditures.

At the end of each fiscal year, all grant recipients are required to complete Federal Financial Reports to include all federal BEdA and non-federal resources used to support this program.

Maintenance of effort is not the same as required matching funds. See Matching Funds section below for more information.

Mandatory Disclosures

Grant recipients must promptly disclose whenever, in connection with the Federal award, it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations or a violation of the civil False Claims Act. The disclosure must be made in writing to SBCTC, the Federal agency, and the agency's Office of Inspector General. Recipients are also required to report matters related to recipient integrity and performance in accordance with 2 CFR 200 Appendix XII.

Matching Funds

Grant recipients must provide a non-federal contribution in an amount equal to 25% of the ***total*** amount of funds expended for adult education and literacy activities supportable by the WOIA Act, Title II. Match can be in the form of cash or in-kind (fairly evaluated) and shall include only non-federal funds used for adult education and literacy activities that are consistent with the purposes of the Adult Education and Family Literacy Act (AEFLA).

Examples for Calculating Minimum Match

- $75,000 grant award amount x 1/3 = $25,000

  OR

- $75,000 grant award amount ÷ 3 = $25,000

A BEdA provider with a $75,000 grant award must spend at least $25,000 from non-federal matching funds on adult education and literacy activities. This means a total of $100,000 must be

spent: 75% from the grant and 25% from non-federal matching funds.

In grant budgets, grant recipients must describe how their 25% matching funds will be spent. Grant recipients do not need to explain how their entire maintenance of effort funding will be spent in the grant application; however, match funds DO need to meet the maintenance of effort 90%-mark year to year.

Grant recipients are responsible for tracking and documenting match funding consistent with internal policies and procedures for federal grant funding.

Monitoring

The SBCTC may schedule monitoring visits during and after the grant period to evaluate the fiscal progress and performance of the program and provide technical assistance. The purpose of monitoring is to ensure regulatory and contractual compliance on the part of grant recipients. To ensure compliance with grant requirements and to ensure that financial records support program expenditures, the SBCTC staff will schedule virtual and/or on-site visits.

Non-Discrimination

No individual shall be excluded from participation, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

Per RCW 28A.415.443: "Equity" includes developing, strengthening, and supporting procedural and outcome fairness in systems, procedures, and resource distribution mechanisms to create equitable opportunities for all individuals. The term also includes eliminating barriers that prevent the full participation of individuals and groups.

Participation in Faith-based Organizations

A faith-based organization that participates in this program retains its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law.

A faith-based organization may not use direct Federal financial assistance from the Department to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. Such an organization also may not, in providing services funded by the Department, or in outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

If a grantee under a State-Administered Formula Grant program of the Department has the authority under the grant or subgrant to select a private organization to provide services supported by direct Federal financial assistance under the program by subgrant, contract, or other agreement, the grantee must ensure compliance with applicable Federal requirements governing contracts, grants, and other agreements with faith-based organizations, including, as applicable,

the Education Department General Administrative Regulations (EDGAR), 34 CFR Parts 76.52 and 76.532 and 2 CFR Part 3474.15 (see EDGAR, 34 CFR Part 76.714).

Program Income

Program income and expenditures must be reported to SBCTC each year in the Federal Financial Report (FFR). Financial records related to program income must be retained by the agency and be available for audit.

Program Income Generated from BEdA Tuition and Fees

Grant recipients may use program income generated from BEdA tuition and fees in addition to their federal grant. These funds must be used for any activities authorized under the grant, per the Office of Career, Technical, and Adult Education (OCTAE) as described in 2 CFR 200.307. ***All program income generated from tuition and fees must be spent in the grant year.*** Program income may not be carried over into future grant years. Program income earned from tuition and fees from July 1, 2025, through June 30, 2026, must be spent no later than the grant end date of June 30, 2026.

Program Income Generated from Other Sources

Program income generated with BEdA funds other than tuition and fees must be deducted from the overall expenditures, reducing the amount that can be charged to the grant. For example, if a grant recipient generates $10,000 in program income from sources other than tuition and fees, the grant recipient must leave $10,000 of the grant unspent. This regulation can be found in 2 CFR 200.307.

Public Announcements, Disclosure of Federal Funding

When issuing statements, press releases, or other documents describing this project, the grant recipient shall clearly state:

1. The dollar amount of federal funds for the project;
2. The percentage of the total cost of the project financed with federal funds; and
3. The percentage and dollar amount of the total costs of the project financed by non-governmental sources.

Records Retention

Financial management systems shall reflect accurate, current, and complete disclosure of all cost expenses for grant activities. Grant recipients must maintain books and records, supported by source documentation, that sufficiently and properly reflect the source of funds and all costs expended for program purposes. These records and financial statements are subject to inspection, review, reproduction, and/or audit by the SBCTC or its designee for at least six years after the dispersal of funds, the termination or expiration of the contract, or the resolution of litigation or audits related to the program, whichever is latest. Additional information on records retention may be found in Chapter 7 of the SBCTC Policy Manual.

Rights in Materials

Materials, which originate from WIOA funds, shall be “works for hire” as defined by the U.S. Copyright Act of 1976 and shall be owned by the U.S. Department of Education. Materials shall include, but are not limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register, and the ability to transfer these rights.

Supplanting

Federal grant funds must supplement and not supplant state or local public funds of the agency. Federal funds may not result in a decrease in state or local funding that would have been available to conduct the activity had federal funds not been received. In other words, federal funds may not free up state or local dollars for other purposes but should create or augment programs to an extent not possible without federal funds.

Termination

This grant may be terminated by the SBCTC upon giving notice in writing to the grant recipient at least thirty (30) days in advance of the date of termination. If the grant is terminated for any reason, all reports and data gathered by the grant recipient prior to termination shall at the option of the SBCTC, become the property of the SBCTC. If termination shall occur pursuant to this section, reimbursement to grant recipient shall be made on the basis of work performed prior to the effective date of termination as mutually agreed upon by both parties. Determination of final adjustments, either payments or refunds, shall also be mutually agreed upon by both parties.

Termination for Cause

If for any reason, the grant recipient violates any terms and conditions of the Adult Basic Education program, the SBCTC will give the grant recipient notice of such failure or violation. The grant recipient will be given the opportunity to correct the violation or failure within thirty (30) days. If failure or violation is not corrected, this grant may be terminated immediately by written notice from the SBCTC.

Savings

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, the SBCTC may terminate the grant under the "Termination" clause, without the thirty-day notice requirement, subject to renegotiation at the SBCTC’s discretion under those new funding limitations and conditions.

Time & Effort Reporting

Federal regulations under 2 CFR 200.430 require employees all faculty or staff who are compensated, in whole or in part, by a federal grant, or whose efforts are used to satisfy a required or voluntary match or leveraged funds for federal grants to keep time and/or effort reports to substantiate the charges. Additional time & effort reporting information may be found online.

Transparency Act

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. As a result of FFATA:

- The SBCTC must report federal grants of $30,000 or more.
- Colleges and CBOs must be registered in the federal government's System for Award Management (SAM).
- Colleges and CBOs must have a Unique Entity ID as a universal identifier.
  If your college or CBO does not already have a Unique Entity ID created in SAM.gov, go to this help article.
- Colleges and CBOs must report the total compensation for each of the five most highly compensated executives for the preceding completed fiscal year if:

  The college or CBO received:

  1. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
  2. $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
  3. Compensation information is not already available through reporting to the Securities and Exchange Commission (SEC).

Whistleblower Protections

An employee of a recipient or subrecipient must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract or grant. The recipient and subrecipient must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712.

Written Notice of Beneficiary Protections

In accordance with the Education Department General Administrative Regulations (EDGAR), 34 CFR Part 76.712, all grantees and subgrantees providing social services under a Department program supported by direct Federal financial assistance (e.g., programs that provide employment, independent living, education, or related services to individuals or groups of individuals) must give written notice to a beneficiary or prospective beneficiary of certain protections.

The written notice that an organization uses to notify beneficiaries or prospective beneficiaries of certain religious non-discrimination protections must include language substantially similar to that in Appendix C to 34 CFR Part 75 (See EDGAR, 34 CFR Part 76.712(d)). Grantees and subgrantees have discretion regarding how to provide the notice, which may include providing the notice directly

to each beneficiary, posting it on the grantee's website, or other means. A grantee or subgrantee that participates in multiple Department programs may provide a single notice covering all applicable programs. Additionally, grantees must ensure that the notice is accessible to individuals with disabilities and limited English proficient individuals as required by law. Unless notified by the applicable program office, a grantee or subgrantee is not required to include in the notice the information in paragraph (5) of Appendix C to 34 CFR Part 75 (i.e., the opportunity of a beneficiary to receive information about other similar providers).

Appendix A: How to Calculate FTE & FTEF

Why Are Accurate FTE and FTEF Calculations Necessary?

Grant expenses must be "necessary and reasonable." You must provide some type of salary breakdown for us to determine that the budgeted cost is reasonable. The budget narrative amounts must agree with the dollar amounts entered in the salary/wages and benefits budget boxes.

What are FTE and FTEF?

FTE is **f**ull-**t**ime **e**quivalent staff. The plural is "FTEs" (with a lower case "s").

FTEF is **f**ull-**t**ime **e**quivalent **f**aculty.

How Do I Calculate Percentages of FTE and FTEF?

Total amount of funds budgeted for the staff/faculty time per position ÷ the annual full-time salary per position = total FTE per position to be funded from the grant.

Percentage of position salary allocated to the grant x the annual salary of each position = the salary budget for each position.

Example of Calculating FTE and/or FTEF:

Ex. 1) $10,000 budgeted for a part-time office assistant/adjunct faculty ÷ $50,000 annual full-time salary for this position at your organization = a total of .20 FTE office assistant/adjunct faculty paid from this grant.

$10,000 ÷ $50,000 = .20 FTE

Ex 2) The grant staff/faculty salary allocation of 75% FTE is budgeted for this year. The annual salary for this position is $60,000. The salary cost for the budget comes to $45,000 by multiplying the estimated FTE by the annual salary for this staff/faculty position.

$60,000 x 75% FTE = $45,000

Ex. 3) Salary allocation for a grant administrator is $80,000. The annual salary for this position is $160,000. Annual FTE for this position Is calculated by dividing $80,000 by $160,000. Double check by multiplying the calculated FTE by the annual salary for this administrative position.

$80,000 ÷ $160,000 = .50 FTE

More Examples & Explanations

Acceptable Budget Narrative:

Salary Budget: $15,000 Benefits Budget: $3000

Narrative Description:

PT Program Assistant: .30FTE = $15,000 salary and $3,000 benefits. Provides CTE data entry support. The above seems reasonable for a part-time program assistant providing data entry support.

Unacceptable Budget Narrative:

Salary Budget: $1,000 Benefits Budget: $200

Narrative Description: Part-time program assistant to provide data entry support.

The above narrative omits the FTE, salary, or hourly wage information, and benefit amount for this position. The total for the salaries/wages, and benefits for categories showing more than one position must agree with the budgets. The narrative for each position needs to include the specific FTE, salary or hourly wage information, and benefit amount so the SBCTC can confirm that the budgets agree with the listed narrative amounts.

Budget Narrative Using Hourly Wage Information:

While we prefer FTE/FTEF amounts, it's also acceptable to provide an approximate number of hours and an approximate hourly pay rate in budget narratives.

Salary/Wages Budget: $1,200 Benefits Budget: $250

Narrative Description: Program Assistant: $1,200 Wages for approx. 60 hrs. at $20/hr., and Benefits $250. Provides data entry support.

SBCTC can determine that the dollar amount is reasonable and accurate.

CC BY 4.0, unless otherwise noted.

Washington State Board for Community and Technical Colleges