

1 **TEXAS WORKFORCE COMMISSION**
2 **Adult Education and Literacy Letter**

ID/No:	AEL 02-21
Date:	April 14, 2021
Keyword:	AEL; WIOA
Effective:	Immediately

3 **To:** Adult Education and Literacy Grant Recipients
4 Adult Education and Literacy Special Project Grantees
5 Local Workforce Development Board Executive Directors
6 Commission Executive Offices
7 Integrated Service Area Managers



8
9 **From:** Courtney Arbour, Director, Workforce Development Division

10 **Subject:** **Program Year 2020–2021 AEL Targets and Performance-Based Funding**
11

12 **PURPOSE:**

13 The purpose of this AEL Letter is to provide Adult Education and Literacy (AEL)
14 grantees¹ with information and guidance on Program Year 2020–2021 (PY’20–’21)
15 enrollment and performance targets and performance-based funding criteria for year three
16 of contracts awarded under Request for Proposals (RFP) 320-18-01. Additionally, this
17 AEL Letter provides the target-setting history for AEL grantees under this RFP.

- 18 • Attachment 1, Program Year 2020–2021 Adult Education and Literacy Enrollment
19 and Performance Targets, lists enrollment targets and performance targets for PY’20–
20 ’21 that were approved by TWC’s three-member Commission (Commission).
- 21 • Attachment 2, Program Year 2020–2021 Performance-Based Funding Criteria, lists
22 the performance-based funding amounts to be released to grantees that meet the
23 criteria for measure 1 and measure 2.
- 24 • Attachment 3, TEAMS Activity and Funding Codes for AEL Core Grantee
25 Enrollment Targets, is a desk aid that will help grantees enter data correctly into the
26 Texas Educating Adults Management System (TEAMS).

27 **RESCISSIONS:**

28 None

29 **BACKGROUND:**

30 In PY’18–’19, the first program year for contracts awarded under RFP 320-18-01, TWC
31 contracted three sets of targets to AEL grantees for statewide AEL service delivery.

¹ For the purposes of this AEL Letter, AEL grantees are entities that receive AEL funds through the Texas Workforce Commission (TWC).

1 These targets included participant enrollment targets, Measurable Skill Gains (MSGs),
2 and employment and exit-based outcomes.

3 On July 1, 2019, year two contracts for these AEL statewide grants began, and in summer
4 2019, TWC worked with grantees to negotiate the participant enrollment targets for
5 PY'19-'20 using a negotiation tool. These negotiations considered carryforward targets
6 from the previous program year to account for unmet enrollment and performance
7 measures. The Commission approved these negotiated year two targets on August 27,
8 2019, and allowed grantees to renegotiate targets to account for shifts in demand. The
9 Commission approved renegotiated PY'19-'20 targets for 11 grantees on [March 3, 2020](#),
10 then for a 12th grantee on [June 16, 2020](#).

11 **Program Year 2020–2021 Performance-Based Criteria**

12 [On October 27, 2020](#), the Commission approved the performance-based criteria that AEL
13 grantees are required to meet in order to access 2 percent of their held-back allocation, as
14 shown in Attachment 2 and as provided in TWC Chapter 800 General Administration
15 rule §800.68. The approved criteria include criteria that are required under House Bill
16 (HB) 1949 of the 86th Texas Legislature, Regular Session (2019). HB 1949 requires the
17 inclusion of both enrollment and credential achievement performance in high school
18 equivalency (HSE) or postsecondary ability-to-benefit programs.

19 **State and Federal Performance Background and PY'20-'21 Targets**

20 Because AEL grantees were required to redesign service delivery to distant and remote
21 learning options as a result of the COVID-19 pandemic, TWC did not require that unmet
22 targets from PY'19-'20 carry forward into PY'20-'21.

23 [On January 19, 2021](#), the Commission approved the PY'19-'20 AEL participants-served
24 targets, MSG targets, and exit-based outcomes for each of the 37 core AEL grantees.
25 These measures are based on figures TWC submitted to the Legislative Budget Board in
26 fall 2020 as the Legislative Appropriations Request for Fiscal Years 2022 and 2023
27 (FY'22-'23).² This LAR will be considered during the 87th Texas Legislature, Regular
28 Session (2021), for passage under the General Appropriations Act (GAA). When
29 developing assigned enrollment and performance targets for AEL grantees for PY'20-
30 '21, TWC considered the LAR performance measure targets and the federal performance
31 measures for MSGs and exit-based outcomes negotiated with the US Department of
32 Education Adult Education and Literacy Division Office of Career, Technical, and Adult
33 Education (OCTAE).

34 **Participants-served targets** are a TWC-set measure based on the overall AEL
35 participants-served figure that TWC submitted in the LAR. TWC's FY'22-'23 LAR
36 provided that 70,509 AEL participants will be served in FY'21. This target assumed that
37 there are three different costs for AEL service tiers, with costs as follows:

² TWC's FY'22-'23 legislative appropriations request (LAR), <https://twc.texas.gov/files/twc/fy2022-2023-legislative-appropriations-requests-twc.pdf>, pages 73 and 121, outlines these measures.

- Tier I: Basic AEL Services, assumed to cost \$840 per participant
- Tier II: Intensive AEL Services (Work-Based, Internationally Trained Professionals, and Transition to Reentry and Post-Release Services), assumed to add \$250 per participant to the cost of Basic AEL Services, to total \$1,090 per participant
- Tier III: Integrated Education and Training (IET) Services, assumed to add \$900 per participant to the cost of Basic AEL Services, to total \$1,740 per participant

MSG targets are federally required performance targets that TWC negotiates with OCTAE for each of the 12 Educational Functioning Levels (EFLs). MSG targets assigned to each AEL grantee are a result of the case mix across the EFL cohorts, as calculated by TWC’s Division of Operational Insight (DOI). In previous program years, TWC assigned MSG targets using a double-blended target system that had higher targets earlier in the program year than in the latter part of the program year; however, to mitigate confusion as to how MSG targets are assigned to AEL grantees, the method of MSG target assignment was simplified for PY’20–’21. For this program year, DOI used the MSG targets negotiated with OCTAE for each of the EFLs and created blended averages of the EFL subtargets, which were then assigned to grantees.

Exit-based outcome measures assigned to grantees are based on performance projections submitted by TWC in the FY’22–’23 LAR. Two of the three exit-based measures are similar to federal ones negotiated with OCTAE, and one is identical. Essentially, the Texas exit-based outcomes assigned to grantees support the federal measures, sometimes called WIOA exit-based outcomes. TWC-assigned exit-based outcome measures are as follows:

- Employed/Enrolled in Quarter Two (Q2) Post-Exit
- Employed/Enrolled in Quarter Two–Quarter Four (Q2–Q4) Post-Exit
- Credential Rate

PROCEDURES:

No Local Flexibility (NLF): This rating indicates that AEL entities must comply with the federal and state laws, rules, policies, and required procedures set forth in this AEL Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must” or “shall.”

Local Flexibility (LF): This rating indicates that AEL entities have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this AEL Letter. All information with an LF rating is indicated by “may” or “recommend.”

Program Year 2020–2021 Enrollment Targets

NLF: AEL grantees must deliver services to meet the PY’20–’21 participants-served targets described in Attachment 1 in the following service delivery categories, as approved by the Commission on January 19, 2021:

- English Literacy (EL) Civics
- Integrated EL Civics
- Intensive Services

- 1 • IET
- 2 • Total Enrollment (Total Participants Served)

3 **NLF**: AEL grantees must be aware that the PY'20–'21 participants-served targets may be
4 altered due to voluntary or TWC-mandated deobligation and reallocation of funds, as
5 allowed under TWC Chapter 800 General Administration rules §§800.78–800.80 and as
6 approved by the Commission.

7 **NLF**: AEL grantees must be aware that the participants-served targets outlined in Attachment 1
8 do not include carryforward targets from PY'19–'20, due to the impact COVID-19 has
9 had on service delivery.

10 **NLF**: AEL grantees must be aware that TWC may assign any unmet participants-served targets
11 for PY'20–'21 to the PY'21–'22 targets.

12 **NLF**: AEL grantees must be aware that TWC will not renegotiate enrollment targets for
13 PY'20–'21.

14 **NLF**: AEL grantees must be aware that a participant is an individual who has taken a National
15 Reporting System (NRS)–approved pretest that establishes basic education eligibility and
16 attains 12 direct contact hours or maintains a period of participation from a previous
17 program year. To receive credit toward participant enrollment targets, grantees must
18 correctly code participants in TEAMS using the funding codes found in Attachment 3.

19 **NLF**: AEL grantees must be aware that participants who do not have an NRS-approved pretest
20 in TEAMS will not be counted toward any participant target. This policy is also found in
21 [AEL Letter 03-20, Change 1, issued January 25, 2021, and titled “Remote Testing,
22 Waivers, and Performance in Adult Education and Literacy for Program Year 2020–
23 2021.”](#)

24 **LF**: AEL grantees that are consortia may include, where applicable to the service, enrollment
25 targets in each service delivery tier in subrecipient contracts and include corresponding
26 cost-pers to support the level of service delivery quality that TWC expects and to support
27 the full expenditure of grant funds to meet the demand for year-round service delivery.

28 **NLF**: AEL grantees must be aware that a participant may count toward more than one
29 enrollment target category, such as EL Civics, Integrated EL Civics, Intensive Services,
30 or IET, but he or she will only count once toward the overall participants-served target.³
31 Participants who receive different types of Intensive Services, such as Workplace
32 Literacy or Internationally Trained Professionals Services, will only count once toward
33 the Intensive Services target category for the program year.

³ The Career Pathways section on page 40 of the Texas AEL Guide, <https://twc.texas.gov/files/partners/texas-ael-guide-twc.pdf>, provides descriptions of each of these models.

1 **Accurate Data Entry in TEAMS**

2 **NLF:** AEL grantees must be aware that the services provided to a participant must be
3 accurately reported in TEAMS to count toward the enrollment target category.
4 Attachment 3 provides a matrix of all the TEAMS funding codes, which correspond to an
5 AEL enrollment target and service category for core grantees.

6 **NLF:** AEL grantees must be aware that funding codes attributed to state-leadership initiatives,
7 such as Ability-to-Benefit (ATB), Accelerate Texas, and the Math Assistance Call Center
8 (MACC), as shown in Attachment 3, will only count toward the overall participants-
9 served enrollment category. The funding codes “Ability-to-Benefit (AEFLA)” and
10 “Accelerate Texas (AEFLA)” signify that the AEL grantee is providing Basic AEL
11 Services to a participant. That participant will count toward the core grantee’s overall
12 participant enrollment target and toward the state leadership grantee’s specific target.

13 **NLF:** AEL grantees must be aware that the MACC (State Leadership) funding code attributed
14 to a participant will count those direct contact hours toward the participant’s overall
15 direct contact hours.

16 **NLF:** AEL grantees that partner, leverage, or are direct grantees for Accelerate Texas or ATB
17 must report those services accurately per the contract or agreement for those services.

18 **MSG and Exit-Based Performance Targets**

19 **NLF:** AEL grantees must meet MSG, employment or enrolled, and credential targets described
20 in this AEL Letter using the MSG and credential options described in AEL Letter 01-18,
21 Change 1, issued September 7, 2018, and titled “Educational Outcomes for Adult
22 Education and Literacy—*Update*,” and subsequent issuances.

23 **NLF:** AEL grantees must meet the MSG targets provided in the MSG Contracted Report and in
24 the AEL Monthly Performance Report.

25 **NLF:** AEL grantees must meet the following exit-based outcome targets, also outlined in
26 Attachment 1, which are applicable to exiters in the denominators outlined in AEL 01-18,
27 Change 1, and subsequent issuances:

- 28 • Employed/Enrolled in Q2 Post-Exit: 34 percent
- 29 • Employed/Enrolled in Q2–Q4 Post-Exit: 79.7 percent
- 30 • Credential Attainment: 39 percent

31 **PY’20 Performance-Based Funding Criteria**

32 **NLF:** AEL grantees must be aware that on October 27, 2020, the Commission approved the
33 performance-based funding criteria for PY’20–’21. Part of this approval included the
34 release of 33.33 percent of the PY’20–’21 holdback, related to the HSE and Ability-to-
35 Benefit enrollments and achievement for PY’19–’20. This measure was rescinded due to
36 the impact the pandemic had on closing HSE testing centers and limiting training options
37 due to social distancing measures, thereby impacting participants’ abilities to obtain a
38 TxCHSE and credentials.

1 **PY'20 Third Quarter Retention Measure**

2 **NLF:** AEL grantees must be aware that they will be awarded approximately 66.66 percent of
3 their PY'20 performance-based funding allocation if by March 31, 2021, participants
4 enrolled in the first two quarters of the program year meet the grant recipients' second
5 quarter MSG targets for PY'20-'21. The MSG target for this measure is available in both
6 the December 2020 Contracted MSG Report and the Monthly Performance Report.

- 7 • **Denominator:** The unduplicated number of AEL participants served between July 1,
8 2020, and December 31, 2020
- 9 • **Numerator:** The number of participants in the denominator who achieve an approved
10 MSG by March 31, 2021

11 Release of Funds: Funds for achievement of this measure will be released after the third
12 quarter of PY'20.

13
14 **PY'20 HSE or Ability-to-Benefit Enrollment and Achievement (for Release in
15 PY'21)**

16 **NLF:** AEL grantees must be aware that they will be awarded approximately 33.33 percent of
17 the future PY'21 performance-based allocation as follows:

- 18 a. At least 25 percent of all PY'20-'21 participants served in the program year must be
19 enrolled in an HSE or postsecondary ability-to-benefit program.
- 20 b. At least 70 percent of participants who were in an HSE or postsecondary program
21 during PY'20-'21 and exited during the program year must achieve either an HSE or
22 a recognized postsecondary credential.
 - 23 • **Denominator:** All PY'20-'21 participants who were in an HSE or postsecondary
24 ability-to-benefit program during the program year and exited during the program
25 year
 - 26 • **Numerator:** Exiters from the denominator who achieved an HSE or postsecondary
27 credential during the program year or after exit

28 Release of Funds: Funds for achievement of this measure will be released after the first
29 quarter of PY'21; it is expected that the PY'21-PY'22 performance-based holdback will
30 be approved by the Commission in summer 2021.

31 **INQUIRIES:**

32 Send inquiries regarding this AEL Letter to AELpolicy.clarifications@twc.state.tx.us.

33 **ATTACHMENTS:**

34 Attachment 1: Program Year 2020-2021 Adult Education and Literacy Enrollment and
35 Performance Targets

36 Attachment 2: Program Year 2020-2021 Performance-Based Funding Criteria

37 Attachment 3: TEAMS Activity and Funding Codes for AEL Core Grantee Enrollment
38 Targets

39 **REFERENCES:**

40 Workforce Innovation and Opportunity Act
41 Adult Education and Family Literacy Act

1 Texas Workforce Commission Legislative Appropriations Request for Fiscal Years 2022
2 and 2023
3 Texas Workforce Commission Chapter 800 General Administration Rules §800.68,
4 §§800.78–800.80
5 Texas AEL Guide, issued July 2017, [https://twc.texas.gov/files/partners/texas-ael-guide-](https://twc.texas.gov/files/partners/texas-ael-guide-twc.pdf)
6 [twc.pdf](https://twc.texas.gov/files/partners/texas-ael-guide-twc.pdf)
7 AEL Letter 01-18, Change 1, issued September 7, 2018, and titled “Educational
8 Outcomes for Adult Education and Literacy—*Update*,” and subsequent issuances
9 AEL Letter 03-20, Change 1, issued January 25, 2021, and titled “Remote Testing,
10 Waivers, and Performance in Adult Education and Literacy for Program Year 2020–
11 2021”
12 Texas Workforce Commission Request for Proposals No. 320-18-01