Adult Education and Literacy
Contracted Measures, Targets and Performance-Based Criteria
for Program Year 2024–2025
Discussion Paper

Background
On January 21, 2025, the Texas Workforce Commission's (TWC) three-member Commission (Commission) approved the revised [Adult Education and Literacy (AEL) Program Year 2024–2025 allocations](#) aligned to grants awarded under Request for Applications (RFAs) 32024-00017 and 32024-00149.

AEL grants outline the annual performance measures, also known as contracted measures, AEL grant recipients are required to meet each program year. Historically, the Commission has approved the following AEL contracted measures:

- Participant enrollment targets in the following areas:
  - Intensive Services
  - Integrated Education and Training (IET)
  - Popular Services
  - English Literacy and Civics (ELC) IET
  - Total Participants Served
- Measurable Skill Gains (MSGs) as negotiated with the U.S. Department of Education's Office of Career, Technical, and Adult Education (OCTAE)
- Workforce Innovation Opportunity Act (WIOA) exit-based outcomes as outlined in the General Appropriations Act (GAA) ([HB 1](#), 88th Legislative Session, Regular):
  - Employed/Enrolled Q2 Post-exit
  - Employed/Enrolled Q2–Q4 Post-exit
  - Credential Rate

In July 2024, TWC awarded grants outlining initial PY 2024–2025 enrollment targets based on grant application negotiations and information available at that time. The targets proposed in Table 1 take into consideration:
- Commission-approved allocations
- Commission-approved average cost per target for PY 2024–2025

Issue 1: AEL Contracted Measures
Staff have developed the following recommendations for PY 2024–2025 AEL grant recipient contracted measures for participant enrollment targets, MSGs, and exit-based outcomes.

<u>**AEL Enrollment Targets**</u>
Through the GAA, the AEL program is charged to serve at a minimum 53,874 participants in PY 2024–2025. This number assumes an average cost per participant of $1,465.00 for PY 2024–2025 across three tiers of services. Each tier has different cost assumptions and is described below. The average cost per was used to formulate the cost assumptions to determine AEL

enrollment targets for PY 2024–2025. Any unmet targets for PY 2024-2025 will carry forward into PY 2025-2026 as negotiated with grantees and approved by the Commission. The following describes the types of services and the cost per participant assumptions:

Sec. 231—Adult Education Activities
- Popular AEL Services[1] – assumed cost of $1,276.50 per participant
- Intensive AEL Services[2] – assumed cost of $1,581.75 per participant
- IET Services[3] – assumed cost of $2,344.88 per participant

Sec. 243—Integrated English Literacy and Civics Education Program
- ELC Popular Services – assumed cost of $1,392.55 per participant
- ELC IET Services – assumed cost of $2,558.05 per participant (reflects the complexities of the model and additional language support required for participants)

Sec 231 Enrollment Targets PY 2024-2025
Table 1 outlines the recommended Sec. 231 AEL enrollment targets for PY 2024–2025, assigning any carryforward targets to the Total Enrollment category and using the Popular Services cost assumption. Enrollment targets are applied to funds budgeted for program expenses[4].

Table 1: Sec. 231 PY 2024–2025 AEL Enrollment Targets

AEL Grantee	Popular	IET	Intensive	Total (Unduplicated)[5]
Abilene ISD	459	89	53	601
Alamo Community Colleges District	732	131	77	941
Amarillo Junior College District	625	114	67	808
Angelina County Junior College District	492	97	57	647
Austin Community College	1462	267	158	1,889
Brazos Valley Council of Governments	416	81	48	546

---

[1] Popular Services consist of services that (1) improve the ability to read, write, and speak English and perform mathematics or other activities for the attainment of a secondary high school diploma or its recognized equivalent; (2) facilitate transitions to postsecondary education and training; and (3) assist participants in obtaining employment. For ELC grants, these services include working with internationally trained professional (ITPs) with credentials from countries other than the US.

[2] Intensive Services include workplace literacy activities, post release services for second chance individuals, and services to support ITPs.

[3] Integrated Education and Training (IET) services include simultaneous contextualized AEL activities, workforce preparation activities, and workforce training.

[4] Assumes an applied 7 percent administrative cost limit

[5] The Total (Unduplicated) may not equal the sum of sub-target categories due to rounding.

AEL Grantee	Popular	IET	Intensive	Total (Unduplicated)[5]
Brazosport College	419	75	45	541
Brownsville ISD	778	148	88	1,016
Central Texas College	172	33	20	226
College of the Mainland	422	80	47	551
Collin County Community College District	1047	209	124	1,382
Community Action Inc of Central Texas	1318	236	140	1,696
Del Mar College District	461	86	51	598
Denton ISD	882	158	93	1,135
Grayson College	267	53	31	353
Harris County Dept of Education	2730	506	300	3,538
Houston-Galveston Area Council	5777	1,062	630	7,474
Howard College	325	63	37	426
Laredo College	503	95	56	655
Literacy Council of Tyler Inc	1135	217	128	1,482
McLennan Community College	494	97	57	649
Midland Junior College	282	48	28	359
Navarro College	534	95	56	687
Odessa College	365	72	42	481
Paris Junior College	374	67	40	482
Region 1 ESC	1745	332	196	2,276

AEL Grantee	Popular	IET	Intensive	Total (Unduplicated)[5]
Region 2 ESC	519	101	60	682
Region 5 ESC	595	112	66	775
Region 9 ESC	302	58	34	396
Region 17 ESC	635	121	72	829
Restore Education	2571	478	283	3,335
Socorro Independent School District	1283	242	144	1,671
Southwest Texas Junior College	332	62	37	432
Temple College	492	88	52	633
Texarkana College	146	28	17	192
Victoria County Junior College District	309	57	33	400
Weatherford ISD	319	56	33	410
Workforce Solutions Greater Dallas	3755	696	413	4,868
Workforce Solutions Tarrant County	2751	549	326	3,630
Statewide Total	**38, 225**	**7,159**	**4,239**	**49,728**

Sec. 243 Enrollment Targets PY 2024-2025

Table 2 outlines the recommended AEL enrollment targets for PY 2024–2025 for Sec. 243 grants, assigning any carryforward targets to the Total Enrollment category and using the ELC Popular Services cost assumption. Enrollment targets are applied to funds budgeted for program costs[6].

---

[6] Assumes an applied five percent administrative cost limit

AEL Grant Recipient	ELC IET	Popular ELC	Total ELC (Unduplicated)[7]
Austin Community College	36	624	657
Brownsville ISD	25	430	453
Community Action, Inc.	32	560	589
Del Mar College	14	498	511
Denton ISD	19	342	360
Harris County Department of Education	36	623	656
Laredo College	11	228	239
Restore Education	36	710	743
South Texas College	36	620	653
Southwest Texas College	7	193	199
Victoria College	12	209	220
WFS Tarrant County	36	615	648
Statewide Total	**300**	**5,652**	**5,928**

Measurable Skill Gains

In summer 2024, TWC negotiated both PY 2024–2025 and PY 2025–2026 MSG targets with OCTAE. The negotiated MSG target for PY 2024–2025 is 39.0 percent, to which TWC is held accountable for federal performance reporting.

Table 3: MSG Targets for PY 2024–2025

Contracted Measure	Target
Measurable Skills Gain	39.0%

Exit-Based Measures

The PY 2024–2025 exit-based measures consider reporting periods that exist outside of the current grant cycle. Because the current grant cycle includes new grantees who are not responsible for previous reporting periods, staff recommend targets not be assigned for PY 2024–2025. This one-year pause will not impact the program's ability to report the aggregate state and federal performance to the Legislative Budget Board and OCTAE. Target recommendations for these contracted measures will be resumed for PY 2025–2026.

---

[7] The Total ELC (Unduplicated) may not equal the sum of sub-target categories due to rounding.

Table 4: PY 2024–2025– Exit-Based Measures

Exit-Based Measure	Target
Employed/Enrolled in Q2 Post-exit	N/A
Employed/Enrolled in Q2–Q4 Post-exit	N/A
Credential Rate	N/A

Issue 2: Performance Based Funding Criteria

Texas Labor Code §315.007 requires TWC to set Performance Based Funding (PBF) criteria related to high school equivalency (HSE) enrollment and attainment after exiting the AEL program. The two measures are:

- **25% Enrollment in High School Equivalency (HSE) or Post-Secondary Education (PSE) Program**
  - Denominator: ALL PY AEL participants
  - Numerator: AEL Participants from the denominator who lack a diploma/HSE and who were enrolled in a HSE or PSE program
- **70% HSE/PSE Achievement**
  - Denominator: All PY participants who lack a diploma/HSE who were in an HSE or postsecondary credential during the program year and exited during the program year.
  - Numerator: Exiters from the denominator who achieved an HSE or PSE credential during the program year or by the end of the first quarter in the following program year.

Because the new AEL grant cycle started July 1. 2024, TWC will not be able to determine which grantees meet the exit-based criteria until the first quarter of PY 2025–2026.

Release of Funds

Historically, the payment to grantees who meet the criteria was done through a release of funds held back in their budgets. The new grant terms, however, removed the holdback option. Going forward, AEL staff will determine levels of PBF needed based on grantee performance and will request PBF funding from the statewide initiatives available balance. At this time, staff will also make recommendations regarding corrective actions, if needed.

Decision Point

Staff recommends approval of:
- PY 2024–2025 contracted measures as reflected in Tables 1, 2, 3 and 4; and
- criteria to be used to evaluate grantees in meeting performance described in Texas Labor Code §315.007.