

Adult Education and Literacy
Contracted Measures, Targets and Performance-Based
Criteria for Program Year 2025–2026
Discussion Paper

Background

On October 7, 2025, the Texas Workforce Commission’s (TWC) three-member Commission (Commission) approved the revised [Adult Education and Literacy \(AEL\) Program Year 2025–2026](#) 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)
 - 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)
- Exit-based outcomes for Workforce Innovation and Opportunity Act (WIOA) or General Appropriations Act (GAA)
 - Employed/Enrolled Q2
 - Employed/Enrolled Q2- Q4
 - Credential Rate

Issue 1: AEL Contracted Measures

Staff have developed the following recommendations for PY 2025–2026 AEL grant recipient contracted measures for participant enrollment targets, MSGs, and exit-based outcomes.

AEL Enrollment Targets

Through the General Appropriations Act (GAA), the AEL program is charged to serve at a minimum 58,649 participants in PY 2025–2026. TWC staff outline some cost assumptions to ensure the state can meet the participants served target as outlined in the GAA. Each tier of enrollment targets has different cost assumptions and is described below. The following describes the types of services and the cost per participant assumptions:

Sec. 231—Adult Education Activities

- Intensive AEL Services¹ – assumed cost of \$1,581.75 per participant

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

- IET Services² – assumed cost of \$2,344.88 per participant

Sec. 243—Integrated English Literacy and Civics Education Program

- 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 2025–2026

Table 1 outlines the recommended Sec. 231 AEL enrollment targets for PY 2025–2026, including any unmet carryforward targets. Enrollment targets are applied to funds budgeted for program expenses³.

Table 1: Sec. 231 PY 2025–2026 AEL Enrollment Targets

AEL Grantee	IET	Intensive	Total (Unduplicated)
Abilene ISD	46	29	617
Alamo Community Colleges District	65	41	867
Austin Community College	176	110	2,323
Brazos Valley Council of Governments	58	36	764
Brazosport College	89	53	698
Brownsville ISD	91	57	1,198
Central Texas College	17	11	235
College of the Mainland	45	28	599
Collin County Community College District	313	191	2,542
Community Action Inc of Central Texas	103	64	1,359
Del Mar College District	85	66	828
Denton ISD	83	52	1,104

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² Integrated Education and Training (IET) services includes simultaneous contextualized AEL activities, workforce preparation activities and workforce training.

³ Assumes an applied 7 percent administrative cost limit

AEL Grantee	IET	Intensive	Total (Unduplicated)
Grayson College	29	18	385
Harris County Dept of Education	260	163	3,419
Houston-Galveston Area Council	870	430	8,285
Howard College	34	21	455
Laredo College	55	34	724
Literacy Council of Tyler Inc	118	74	1,555
McLennan Community College	62	39	817
Midland Junior College	38	23	502
Navarro College	68	43	906
Odessa College	37	23	498
Paris Junior College	35	22	467
Region 1 ESC	160	100	2,112
Region 2 ESC	55	34	724
Region 5 ESC	68	43	903
Region 9 ESC	29	18	382
Region 17 ESC	65	40	854
Restore Education	249	156	3,281
Socorro Independent School District	135	84	1,780
Southwest Texas Junior College	50	31	663
Temple College	49	30	646

AEL Grantee	IET	Intensive	Total (Unduplicated)
Texarkana College	23	14	306
Victoria County Junior College District	40	25	529
Weatherford ISD	49	40	841
Workforce Solutions Greater Dallas	351	220	4,615
Workforce Solutions Tarrant County	464	280	3,957
Statewide Total	4,564	2,743	52,740

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Sec. 243 Enrollment Targets PY 2025–2026

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Table 2 outlines the recommended AEL enrollment targets for PY 2025–2026 for Sec. 243 grants, assigning any unmet carryforward targets. Enrollment targets are applied to funds budgeted for program costs⁴.

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Table 2: Sec. 243 PY 2025–2026 Enrollment Targets

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AEL Grant Recipient	ELC IET	Total ELC (Unduplicated)
Austin Community College	21	627
Brownsville ISD	13	407
Community Action, Inc.	21	634
Del Mar College	22	645
Denton ISD	11	357
Harris County Department of Education	22	658
Laredo College	6	203
Restore Education	21	635
South Texas College	24	736
Southwest Texas College	9	449
Victoria College	12	227
WFS Tarrant County	21	637
Statewide Total	203	6,215

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⁴ Assumes an applied five percent administrative cost limit

65 **Measurable Skill Gains**

66 In summer 2024, TWC negotiated both PY 2024–2025 and PY 2025–2026 MSG targets with
67 OCTAE. Table 3 shows the negotiated MSG target for PY 2025–2026 is 43.0 percent, to
68 which TWC is held accountable for federal performance reporting.

69 Table 3: MSG Targets for PY 2025–2026
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Contracted Measure	Target
Measurable Skills Gain	43.0%

71 **Exit-Based Measures**

72 The PY 2024–2025 exit-based measures were paused due to reporting periods that existed
73 outside of that grant cycle and because that grant cycle included new grantees who were
74 not responsible for previous reporting periods. The one-year pause did not impact the
75 program’s ability to report the aggregate state and federal performance to the Legislative
76 Budget Board and OCTAE. Entering into the second year of the current grant, target
77 recommendations for these contracted measures for PY 2025–2026 are shown in Table 4.
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81 Table 4: PY 2025–2026– Exit-Based Measures

Exit-Based Measure	Target
Employed/Enrolled in Q2	43.0%
Employed/Enrolled in Q2–Q4 ⁵	87%
Credential Rate ⁶	43%

82 **Issue 2: Performance Incentive Funding Criteria**

83 [Texas Labor Code §315.007](#) requires TWC to set Performance Incentive Funding (PIF)
84 criteria related to high school equivalency (HSE) or Post-Secondary Education (PSE)
85 enrollment and attainment after exiting the AEL program. The two measures are:

- 86 • **25% Enrollment in High School Equivalency (HSE) or Post-Secondary**
87 **Education (PSE) Program**
 - 88 ○ Denominator: ALL PY AEL participants
 - 89 ○ Numerator: AEL Participants from the denominator who lack a diploma/HSE and
90 who were enrolled in a HSE or PSE program and who passed at least one HSE test
91 during the PY or were at the Adult Secondary Education (ASE) levels by end of
92 Period of Participation (POP) or PY as determined through testing.
- 93 • **70% HSE/PSE Achievement**

96 ⁵ As passed in the 89th General Appropriations Act (GAA)

97 ⁶ As passed in the 89th General Appropriations Act (GAA)

- 98 ○ Denominator: All PY participants who lack a diploma/HSE who were in an HSE
99 or postsecondary credential during the program year and exited during the
100 program year.
- 101 ○ Numerator: Exiters from the denominator who achieved an HSE or PSE credential
102 during the program year or by the end of the first quarter in the following program
103 year.

104 **Release of Funds**

105 AEL staff will determine levels of Performance Incentive Funding (PIF) needed based on
106 grantee performance as outlined above and will request PIF funding from the statewide
107 initiatives available balance if any grantees meet the requirements outlined in Texas Labor
108 Code,
109 §315.007. Funds for meeting the measure will be released in PY 26-27 when data becomes
110 available.

111 **Decision Point**

112 Staff recommends approval of:

- 113 • PY 2025–2026 contracted measures as reflected in Tables 1, 2, 3 and 4; and
- 114 • Criteria to be used to evaluate grantees in meeting performance described in Texas
115 Labor Code §315.007.