

Adult Education and Literacy
Contracted Measures, Targets and Performance-Based Criteria
for Program Year 2026-2027
Discussion Paper

Background

On June 2, 2026, the Texas Workforce Commission's (TWC) three-member Commission (Commission) approved the [Adult Education and Literacy \(AEL\) Program Year 2026-2027](#) 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 2026-2027 grant recipient contracted measures for participant enrollment targets, MSGs, and exit-based outcomes.

AEL Enrollment Targets

Through the GAA, the AEL program is charged to serve a minimum of 58,649 participants in PY 2026-2027. 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 \$1,554.55 per participant
- IET Services² – assumed cost of \$2,304.55 per participant

¹ Intensive Services include workplace literacy activities, post release services for second chance individuals, and services to support ITPs.

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

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 2026–2027

Table 1 outlines the recommended Sec. 231 AEL enrollment targets for PY 2026-2027.

Enrollment targets are applied to funds budgeted for programs³.

Table 1: Sec. 231 PY 2026-2027 AEL Enrollment Targets

AEL Grantee	IET	Intensive	Total (Unduplicated) ⁴
Abilene ISD	36	49	567
Alamo Community Colleges District	57	76	888
Austin Community College	105	142	1,645
Brazos Valley Council of Governments	35	48	558
Brazosport College	33	44	514
Brownsville ISD	64	87	1,009
Central Texas College	13	17	203
College of the Mainland	36	48	563
Collin County Community College District	87	118	1,368
Community Action Inc of Central Texas	102	137	1,594
Del Mar College District	34	46	537
Denton ISD	66	89	1,037
Grayson College	24	32	377
Harris County Dept of Education	220	296	3,431
Houston-Galveston Area Council	461	621	7,189

³ Assumes an applied 7 percent administrative cost limit.

⁴ Total enrollment includes unduplicated participants receiving IET, Intensive, or other allowable AEL services.

AEL Grantee	IET	Intensive	Total (Unduplicated)⁴
Howard College	26	36	415
Laredo College	40	54	631
Literacy Council of Tyler Inc	87	117	1,361
McLennan Community College	39	52	609
Midland Junior College	18	25	291
Navarro College	47	64	745
Odessa College	29	39	454
Paris Junior College	31	42	491
Region 1 ESC	144	195	2,255
Region 2 ESC	42	57	664
Region 5 ESC	47	64	746
Region 9 ESC	24	32	378
Region 17 ESC	49	66	772
Restore Education	206	278	3,216
Socorro Independent School District	103	139	1,615
Southwest Texas Junior College	28	37	438
Temple College	36	49	567
Texarkana College	11	15	176
Victoria County Junior College District	23	32	370
Weatherford ISD	23	32	372

AEL Grantee	IET	Intensive	Total (Unduplicated)⁴
Workforce Solutions Greater Dallas	294	396	4,583
Workforce Solutions Tarrant County	235	317	3,676
Statewide Total	2,908	3,920	47,668

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2 **Sec. 243 Enrollment Targets PY 2026–2027**

3 Table 2 outlines the recommended AEL enrollment targets for PY 2026-2027 for Sec. 243
4 grants, assigning any unmet carryforward targets⁵.

5 Table 2: Sec. 243 PY 2026-2027 Enrollment Targets

AEL Grant Recipient	ELC IET	Total ELC (Unduplicated)⁶
Austin Community College	41	602
Brownsville ISD	26	390
Community Action, Inc.	41	608
Del Mar College	28	410
Denton ISD	23	342
Harris County Department of Education	43	632
Laredo College	13	195
Restore Education	41	610
South Texas College	37	542
Southwest Texas College	15	220
Victoria College	12	185
WFS Tarrant County	41	612
Statewide Total	365	5,348

6 **Measurable Skill Gains**

7 In spring 2026, TWC negotiated both PY 2026-2027 and PY 2027-2028 MSG targets with
8 OCTAE. Table 3 shows the negotiated MSG target for PY 2026-2027 is 46.30 percent, to which
9 TWC is held accountable for federal performance reporting.

⁵ Assumes an applied five percent administrative cost limit.

⁶ Total ELC enrollments include unduplicated count of participants receiving ELC IET and other allowable IELCE services.

Table 3: MSG Targets for PY 2026-2027

Contracted Measure	Target
Measurable Skills Gain	46.30%

Exit-Based Measures

Entering into the third year of the current grant, target recommendations for the exit-based contracted measures for PY 2026-2027 are shown in Table 4.

Table 4: PY 2026-2027 Exit-Based Measures

Exit-Based Measure	Target
Employed/Enrolled in Q2	61% ⁷
Employed/Enrolled in Q2–Q4 ⁸	87%
Credential Rate ⁹	43%

Issue 2: Performance Incentive Funding Criteria

[Texas Labor Code §315.007](#) requires TWC to set Performance Incentive Funding (PIF) criteria related to high school equivalency (HSE) or Post-Secondary Education (PSE) 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 and who passed at least one HSE test during the PY or were at the Adult Secondary Education (ASE) levels by end of Period of Participation (POP) or PY as determined through testing.
- **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.

Release of Funds

AEL staff will determine levels of Performance Incentive Funding (PIF) needed based on grantee performance as outlined above and will request PIF funding from the statewide initiatives available balance if any grantees meet the requirements outlined in Texas Labor Code,

⁷ As passed in the Legislative Appropriations Request (LAR) for FY2026 and 2027

⁸ As passed in the 89th Texas Legislature General Appropriations Act (GAA)

⁹ As passed in the 89th Texas Legislature General Appropriations Act (GAA)

1 §315.007. Funds for meeting the measure will be released in PY 2027-2028 when data becomes
2 available.

3 **Decision Point**

4 Staff recommends approval of:

- 5 • PY 2026-2027 contracted measures as reflected in Tables 1, 2, 3 and 4; and
6 • Criteria to be used to evaluate grantees in meeting performance described in Texas Labor
7 Code §315.007.