

**Reallocation of
Adult Education and Family Literacy Act Funds
Discussion Paper**

Background

On [April 20, 2021](#), Texas Workforce Commission’s (TWC) three-member Commission (Commission) discussed, considered, and took action on Grayson College’s (North Central) request to voluntarily deobligate \$460,761 of its [AEL Program Year 2020–2021 \(PY’20–’21\) funding allocations](#) and to adjust the performance and enrollment targets by a proportionate amount. In this meeting, the Commission discussed the reallocation of funds to the three Adult Education and Literacy (AEL) grantees proposed to receive the reallocated funds—Southwest Texas Junior College; Community Action, Inc., of Central Texas; and Austin Community College—and the resulting increase in performance targets.

The Commission approved the voluntary deobligation and reduced performance targets for Grayson College (North Central) but moved to consider the reallocation of the funds and associated target adjustment of the grantees for PY’20–’21 at the Commission meeting scheduled for April 27, 2021.

Following the April 20 meeting, TWC’s AEL and Division of Operational Insight staff communicated with the three AEL grantees to consider the additional reallocated funds with the additional performance targets. All three AEL grantees agreed to accept reallocated funds with additional performance targets.

Issue 1: Reallocation of Deobligated Funds

TWC Chapter 800 General Administration rule §800.80(b) states that the Commission must approve a plan to reallocate deobligated funds to an AEL grantee outside the local workforce development area from which funds were deobligated.

Staff has identified Southwest Texas Junior College; Community Action, Inc., of Central Texas; and Austin Community College to receive deobligated funds from Grayson College (North Central), as approved by the Commission on April 20, 2021. These grantees have expressed a need for additional funds for PY’20–’21 and understand that these funds will proportionately increase their PY’20–’21 performance targets. Table 1 outlines the amount of reallocated funds to go to each of the AEL grantees receiving the deobligated funds.

Table 1: Reallocated Amounts

AEL Grantee	Reallocated for Combined AEL Allocation	Reallocated EL Civics	Original PY’20 Allocation	Adjusted PY’20 Allocation
Austin Community College	\$186,640	\$30,386	\$2,730,597	\$2,947,623

AEL Grantee	Reallocated for Combined AEL Allocation	Reallocated EL Civics	Original PY'20 Allocation	Adjusted PY'20 Allocation
Community Action, Inc., of Central Texas	\$97,677	\$15,903	\$2,147,112	\$2,260,692
Southwest Texas Junior College	\$111,932	\$18,223	\$760,475	\$890,630

1 **Issue 2: Adjustment of PY'20-'21 Performance Targets for AEL Grantees**

2 Section 802.102(a) states that the Commission annually approves individual AEL grantee
3 performance targets, which may be adjusted. On April 20, 2021, the Commission approved a
4 decrease in Grayson College's (North Central) performance targets. Increases in PY'20-'21
5 performance targets for the AEL grantees that receive the reallocated funds are shown in Table
6 2; these assigned targets are based on the original, negotiated enrollment casemix approved by
7 the Commission on [January 19, 2021](#).

8 Table 2: PY'20-'21 Additional Targets and Participants Served with Reallocated Funds

AEL Grantee	EL Civics	EL Civics IET (Integrated EL Civics)	Intensive	IET	Basic Services ¹	Additional Total Participants Served
Austin Community College	27	5	8	10	164	214
Community Action, Inc., of Central Texas	13	3	3	12	73	104
Southwest Texas Junior College	18	2	8	9	87	124

9 **Decision Point**

10 Staff seeks direction on the following:

- 11 • Accepting the plan to reallocate the \$460,761 of deobligated funds to AEL grantees
12 Austin Community College; Community Action, Inc., of Central Texas; and Southwest
13 Texas Junior College, as shown in Table 1.

¹ Basic AEL services is not an enrollment target category.

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- Increasing the PY'20-'21 performance targets for AEL grantees Austin Community College; Community Action, Inc., of Central Texas; and Southwest Texas Junior College, as shown in Table 2.