

**TEXAS WORKFORCE COMMISSION
ADULT EDUCATION AND LITERACY LETTER**

ID/No:	AEL 06-14
Date:	December 30, 2014
Keyword:	AEL; Choices
Effective:	January 30, 2015

To: Adult Education and Literacy Grant Recipients
Adult Education and Literacy Fiscal Agents
Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers
Lauren M. Bisceglia

From: Reagan Miller, Director, Workforce Development Division

Subject: **Contract Amendment Process for Adult Education and Literacy
Contracts Ending June 30, 2016**

PURPOSE:

To provide Adult Education and Literacy (AEL) grant recipients and fiscal agents with information on requesting budget amendments for AEL contracts ending June 30, 2016, including guidance on:

- budget amendments;
- budget amendment funding source limitations;
- budget amendment request periods; and
- submission of budget amendments.

PROCEDURES:

Budget Amendments

AEL entities must be aware that budget amendments:

- are requests to move funds between cost categories;
- result in formal amendments to the corresponding AEL contracts; and
- require:
 - a written electronic request approved by the AEL grant recipient's program director and fiscal agent or finance department representative;
 - an AEL Contract Action Request form (Attachment 2) that includes a detailed description of each change requested and the associated dollar amount by AEL funding source and cost category; and
 - a revised Contract Budget Summary form (Request for Proposal §4.15.1), with requested changes.

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A budget amendment worksheet tool is provided as Attachment 1 to facilitate the accurate calculation and tracking of budget transfers between cost categories.

Upon approval of the request, Texas Workforce Commission (TWC) staff will initiate required changes in the Cash Draw and Expenditure Reporting (CDER) system and send an electronic snapshot of the CDER changes to the AEL grant recipient’s finance department representative, program director, and fiscal agent, if an entity separate from the grant recipient, for concurrence. A formal contract amendment reflecting the budget amendments will be sent to the AEL grant recipient’s designated signature authority.

Budget Amendment Funding Source Limitations

AEL entities must be aware that funds cannot be moved between AEL funding sources. AEL entities can transfer funds only within the supplemental cost categories of each AEL funding source.

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Budget Amendment Request Periods

AEL entities must be aware that TWC will accept budget amendment requests on a quarterly basis only, and must ensure that budget amendment requests are transmitted by the fifth day of the month following each quarter. Approved budget amendments will be initiated before the 20th of the month, which is the cutoff date for CDER.

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Quarterly Budget Amendment Request Deadlines

AEL Quarter	Amendment Request Deadline
October 1, 2014–December 31, 2014	January 5, 2015
January 1, 2015–March 31, 2015	April 6, 2015
April 1, 2015–June 30, 2015	July 6, 2015
July 1, 2015–September 30, 2015	October 5, 2015
October 1, 2015–December 31, 2015	January 5, 2016
January 1, 2016–March 31, 2016	April 5, 2016
April 1, 2016–June 30, 2016	May 5, 2016

If an AEL grant recipient successfully demonstrates that a budget amendment must be made immediately and outside of the quarterly period due to an emergency or other highly extenuating circumstances, TWC will consider, on a case-by-case basis, waiving the quarterly submission requirement.

Submission of Budget Amendments

AEL entities must submit budget amendment e-mail requests with required supporting documents to aelcontracts@twc.state.tx.us.

NLF

INQUIRIES:

Direct inquiries regarding this AEL Letter to aelpolicy.clarifications@twc.state.tx.us.

ATTACHMENTS:

- Attachment 1: Budget Amendment Worksheet
- Attachment 2: AEL Contract Action Request Form

RESCISSIONS:

None

REFERENCES:

- Office of Management and Budget Circular A-102, “Grants and Cooperative Agreements with State and Local Governments”
- Office of Management and Budget Circular A-110, “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations”
- 34 CFR Part 74, Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
- 34 CFR Part 80, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- Texas Labor Code, Chapter 315, Adult Education and Literacy Programs
- Texas Workforce Commission General Administration Rules: 40 TAC §800.52 and §800.72

FLEXIBILITY RATINGS:

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.”