Effective September 1, 2013, the Texas Adult Education and Literacy (AEL) program was transferred from the Texas Education Agency (TEA) to the Texas Workforce Commission (TWC) by authority of Senate Bill 307 (SB 307), enacted by the 83rd Texas Legislature, Regular Session.

At that time, over 100 provider contracts were transferred from TEA to TWC ensuring continuity of services and avoiding any disruptions. TWC adopted a new AEL rules chapter, which included the mandates and requirements of SB 307 and federal program rules, and instituted a competitive procurement process to award contracts to service providers of local education programs across the state. These actions conveyed the TWC’s intent to fully and meaningfully incorporate the AEL program into the Texas Workforce Solutions system and its framework for administrative oversight.

TWC completed essential rulemaking in winter 2013 and conducted procurement during Program Years 2013–2014 (PY’13–’14) for a local provider system and for state professional development support services for teacher training, program support, and innovation development.

The performance and activity period covered by this report represents AEL providers operating under contracts carried over from TEA during the program transition. This report includes PY’13–’14 program information and information on how TWC incorporated PY’13–’14 performance and related reporting behaviors, administrative history, and program objectives during transition activities, including rulemaking and the statewide procurement of local providers.

Since July 1, 2014, AEL has been operational with new AEL service provider contractors, a new statewide professional development system, and TWC leadership monitoring and evaluating data and performance information related to program implementation. TWC is committed to using a performance model and related performance-based funding that reflect the goals and objectives of the program.
State Leadership Funds Describe the major activities supported with State Leadership funds during the reporting period and the extent to which these activities helped you in implementing the goals of the State plan. Specifically describe activities related to the implementation of career pathways.

On January 17, 2014, the TWC’s three-member Commission (Commission) held a work session to discuss:

- uses of State Leadership funds to support program transition and implementation of the objectives outlined in SB 307;
- related legislative intent to develop, administer, and support a comprehensive statewide adult education program in line with the state plan; and
- coordinating related federal and state programs for the education and training of adults.

In enacting SB 307, the Texas legislature expressed the importance of obtaining and retaining employment, continued education and training, and acquiring the basic skills needed for literate functioning. The Commission’s work session identified AEL State Leadership fund uses critical to core system support and the implementation and expansion of Commission objectives for the program.

On February 4, 2014, the Commission allocated AEL State Leadership funds to establish a state professional development center and for AEL grant recipient contractors to address local professional development needs through local acquisition of services. Additionally, the Commission identified funds to acquire a learning management system for online professional development services, increased professional development support for the community-based literacy network, integration of AEL with the workforce system, and development of career pathway models.

A statewide professional development center contractor was procured in PY’13–’14. The statewide center represents a departure from the previous regional professional development model in the state. The contract was awarded to Texas A&M University’s Texas Center for the Advancement of Literacy & Learning (TCALL) under a consortium that includes a network of community colleges branded as TRAIN PD (Texas Research–based Adult Instruction Network Professional Development Consortium). TRAIN PD provides the Texas workforce system with a comprehensive statewide professional development support system that includes, but is not limited to:

- data-driven, research-based professional development support and training;
- recruitment, performance evaluation, and data management of approved professional development contract trainers in a format that is accessible to local providers;
- curricula and multimedia (online and hybrid) course development and delivery on a TWC-provided learning management system;
- creation and maintenance of a web portal to provide the public with information, including a directory of local providers, e-mail discussion lists, online professional publications, an online electronic file repository, and a professional development loan library;
• recruitment, registration, logistics, documentation, and follow-up management for professional development events facilitated by TRAIN PD or TWC;
• statewide purchases of professional development services, materials, assessments, and other professional development items as designated by TWC; and
• statewide and local needs analysis and research aimed at improving local performance, increasing innovation, and strengthening the quality of services to students and staff.

To augment statewide professional development support available through TRAIN PD, the Commission approved a distribution of State Leadership funds to local AEL grant recipients, included in ‘PY’14–’15 contracts specifically for local professional development activities. Additionally, the Commission approved AEL State Leadership funds to support increased professional development support for the community-based literacy network.

To support workforce system integration and the expansion of career pathway models, the Commission also allocated funds to facilitate regional strategic planning meetings to identify gaps and formulate solutions to address regional workforce and AEL system integration.

Performance Data Analyses

Describe any significant findings from the evaluation of your performance data for the reporting period and efforts to improve outcomes for the core indicators of performance.

The AEL program was transferred from TEA to TWC effective September 1, 2013, for which TWC completed essential rulemaking in winter 2013. TWC re-procured the local provider system in spring and summer 2014 and consequently many of the performance measures in this report reflect performance by AEL providers operating under contracts carried over from TEA during the program transition. During this transition period, TWC leadership monitored and evaluated data and performance information related to local program implementation.

During the rulemaking process, AEL stakeholders communicated major concerns to TWC related to the complexity of the performance methodology under TEA, specifically that the performance measures did not adequately support or drive postsecondary enrollment and employment outcomes.

In response, the Commission adopted rules (Texas Labor Code §800.68) establishing a performance accountability framework with benchmarks that AEL grant recipients must meet to access up to 10 percent of their allocated funding. This essential rulemaking process, completed in winter 2013, reflects TWC’s commitment to using a performance model and related performance-based funding that mirror the goals and objectives of the program. The performance model, while not impacting the program performance in this report, reflects TWC’s and the Commission’s analysis of the significant findings of AEL performance data for the reporting period and the actions taken to improve outcomes for the core indicators.

For PY’14–’15 the Commission approved a performance-based funding amount of 5 percent of allocated federal funds, along with measures intended to address the following priorities:
- Quick execution of new contracts and subsequent rapid program ramp-up to facilitate early enrollments in the program year and high retention of students in the program;
- Meeting the core educational mission as measured by educational gains; and
- Improving postsecondary enrollment and employment outcomes through the use of transition and career pathway programs.

The performance-based funding measures addressing these priorities are:

- **Measure A**—Total Served with 12+ Hours. Description: 30 percent of performance funding awarded for grantee meeting 60 percent of their contracted Total Served with 12+ Hours target, by the end of the second quarter.
- **Measure B**—Educational Gains. Description: 35 percent of performance funding based on grantee achieving an average of 100 percent of target across the 11 Department of Education Core Outcome Educational Gain measures with performance on each of the 11 measures achieving at least 95 percent of target.
- **Measure C**—Transition and Career Pathway Class Enrollment. Description: 35 percent of performance funding for grantee achieving at least 95 percent of both negotiated Transitions class enrollments and Career Pathway enrollments by June 30, 2015. Enrollment is constituted by a pretested student receiving 12 or more contact hours.

TWC’s Division of Operational Insight works closely with AEL staff and TWC leadership to build and support local program performance, meet US Department of Education benchmarks, and address state and federal trends and requirements related to program integration and career pathway implementation. PY’13–’14 represents a transitional year for TWC, during which data analysis efforts primarily focused on becoming familiar with Texas’ data systems and validating the reporting code to ensure that AEL is able to meet federal and state reporting requirements.

<table>
<thead>
<tr>
<th>Integration with Other Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe how you have integrated activities funded under the Adult Education and Family Literacy Act (AEFLA) with other adult education, career development, and employment and training activities. Describe your efforts to develop or advance career pathway systems that include career and technical education, postsecondary education, employers, and economic and workforce development. Include a description of how your agency is being represented on the State and Local Workforce Investment Boards, the provision of core and other services through the One-Stop system and an estimate of the AEFLA funds being used to support activities and services through the One-Stop delivery system.</td>
</tr>
</tbody>
</table>

Since 1995, the Texas workforce system has offered a diverse range of services within Texas communities that support current and future economic prosperity for employers, workers, job seekers, students, and communities. TWC has a long-standing commitment to providing employment services, including job training and retraining programs that lead to obtaining and retaining productive employment.
TWC, in partnership with 28 Local Workforce Development Boards (Boards) across the state, forms Texas Workforce Solutions, available to employers, workers, job seekers, and youth throughout the state. Texas Workforce Solutions provides vital workforce development tools and services that help workers find and keep good jobs, and help employers hire the skilled workers they need to expand their businesses. Innovative services are provided to support employers and workers across the state and in collaboration with workforce partners, including AEL providers, community colleges, local independent school districts, economic development groups, and other state agencies. The AEL program aligns with and augments TWC’s mission by delivering the foundational skills and career pathway transitions needed to prepare Texans to adequately support their families, advance their careers, and impact their communities.

Adopted in February 2014, TWC’s AEL rules established a foundation for sustained system enhancement to support increases in career pathway and employment outcomes, including AEL program performance criteria and incentives for accelerated innovation related to Board integration, work with employers, and college transitions. While these rules do not govern requirements for AEL providers operating under contracts carried over from TEA during the program transition, they do underscore the revised direction for the AEL program in Texas.

Professional development support during the transition included courses such as “Integrating Career Readiness into the ABE and ESOL Classroom,” deployment of the Jobs for the Future Counseling to Careers model, and a series of trainings across the state called Workforce 101, which served as an introduction for AEL providers to the Texas workforce system and services available through the Texas Workforce Solutions network.

Looking to PY’14–’15, TWC’s AEL rules have established annual performance benchmarks for the use of AEL funds in serving specific student populations, including students obtaining career and higher education outcomes. Through its new contracts, TWC requires enhancements to service delivery models that support innovation and increased career and postsecondary outcomes, including incentives for enrollment, integration with workforce programs, and models that focus on transitions to work, work-based, and career pathway models. TWC’s approach allows for the continuity of core AEL services as programs build capacity and enhance service delivery and curricula, while steadily supporting an upward trajectory in the program’s overall direction toward increased employment and training outcomes. All PY’14–’15 AEL grant recipients are required to provide the following:

- College and career bridge activities;
- Individual training, education, and career plans for students itemizing short- and long-term goals; and
- Career pathway programs that include integrated education and training and work-based project models.

Every Board in Texas is required to have one member from a local literacy council and one member from an adult basic and continuing education organization. Boards also are required to establish memoranda of understanding with local AEL providers. TWC’s executive director sits on the state’s workforce investment board, the Texas Workforce Investment Council.
The close partnership between AEL and other workforce education and training programs, along with enhancements to performance reporting for AEL providers, position Texas to achieve high performance in the integrated workforce and adult education service delivery system required under the new Workforce Innovation and Opportunity Act of 2014.

**English Literacy/Civics (EL/C) Program** Describe the activities and services supported with EL/C funds, including the number of programs receiving EL/C grants and an estimate of the number of adult learners served. (Only states receiving EL/C funds should respond to question #4).

English Literacy/Civics (EL Civics) performance and activity during the period of this report is representative of providers operating under 53 contracts carried over from TEA during program transition. While some of the providers were integrated with the regular AEFLA program, 23 were stand-alone EL Civics providers. For PY’13–’14, the number of EL Civics students enrolled with a baseline assessment was 12,263.

During this reporting year, EL Civics providers continued services related to effective practices in providing and increasing access to English literacy services integrated with civics education. Local activities included engaging students in effectively participating in civic opportunities across the state while assisting them in acquiring the English language skills needed to understand and navigate government, education, social service, employment, health care, banking, and other key institutional systems.

To increase transfer of learning, providers often held EL Civics classes outside the classroom, allowing students to attend and participate in relevant local meetings such as school board and city council meetings, as well as election-related debates and town hall meetings held by individuals seeking office.

In February 2014, TWC rules established an allocation methodology for EL Civics that mirrors the federal methodologies used to allot funds to the states. TWC integrated the EL Civics program into the grant requirements for the statewide procurement of new providers conducted during PY’13–’14.

**Secondary School Credentials and Equivalencies** Describe your state’s policies related to how it awards a secondary school diploma or its equivalent to individuals who are no longer enrolled or required to be enrolled in secondary school under State law. Include state recognized tests that are used to award the diploma as well as other criteria that may be recognized, such as competency-based or credit-based methods.

TEA is Texas’ administering agency for high school equivalency certificates. The GED Testing Service, LLC, is Texas’ current provider of high school equivalency testing. Upon passing all four of the exams, test takers are issued a State of Texas Certificate of High School Equivalency.
Additionally, TEA rules support efforts to engage adults up to age 26 to receive a Texas high school diploma and encourage school districts to re-engage dropouts by awarding the school districts credit in a state accountability system for recovering dropouts, and by counting recovered students in a school district’s high school longitudinal completion rate.

| Adult Education Standards | Describe your state’s progress toward implementation of adult education college and career readiness (CCR) standards, including whether your state has formally adopted a validated set of CCR standards. Describe how the state has determined the standards to be representative of CCR and the timeline by which such standards will be or have been implemented by all local programs. Describe how the state is supporting the use of standards by local programs and State Leadership funds that are being used to support implementation. |

During PY’13–’14, the Commission allocated State Leadership funds to support a revision of the Texas Adult Education Standards and Benchmarks. Revisions will align the standards with the Texas College and Career Readiness Standards (CCRS) that represent the content knowledge and skills that students should master before entering postsecondary education.

Work on standards alignment builds on existing research conducted in Texas that provided recommendations for revising the current Texas AEL standards to align with the Texas CCRS and included provisions for integrating the standards and outcomes represented in the new GED® 2014 test with the college entrance exam in Texas, the Texas Success Initiative Assessment (TSIA), launched in fall 2013. The TSIA is important in that it both assesses for college readiness and aligns developmental education and adult basic education skill levels using the National Reporting Standards and Texas CCRS.

In PY’14, TWC will procure the revision of ABE/Adult Secondary Education standards, as well as professional development training to support deployment. Alignment of the standards and benchmarks for English as a Second Language levels is proposed for PY’15.
### AEL CORE OUTCOME AND FOLLOW-UP MEASURES FOR FY 2013-2014 STUDENTS

#### CORE OUTCOME MEASURES (Federal)

<table>
<thead>
<tr>
<th>Program</th>
<th>2013-2014 Performance</th>
<th>2013-2014 OCTAE Target</th>
<th>Percent of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABE Beginning Literacy</td>
<td>75%</td>
<td>72%</td>
<td>104.17%</td>
</tr>
<tr>
<td>ABE Beginning</td>
<td>63%</td>
<td>61%</td>
<td>103.28%</td>
</tr>
<tr>
<td>ABE Low Intermediate</td>
<td>63%</td>
<td>62%</td>
<td>101.61%</td>
</tr>
<tr>
<td>ABE High Intermediate</td>
<td>56%</td>
<td>50%</td>
<td>112.00%</td>
</tr>
<tr>
<td>ASE Low</td>
<td>64%</td>
<td>61%</td>
<td>104.92%</td>
</tr>
<tr>
<td>ESL Beginning Literacy</td>
<td>63%</td>
<td>61%</td>
<td>103.28%</td>
</tr>
<tr>
<td>ESL Low Beginning</td>
<td>68%</td>
<td>68%</td>
<td>100.00%</td>
</tr>
<tr>
<td>ESL High Beginning</td>
<td>71%</td>
<td>71%</td>
<td>100.00%</td>
</tr>
<tr>
<td>ESL Low Intermediate</td>
<td>74%</td>
<td>73%</td>
<td>101.37%</td>
</tr>
<tr>
<td>ESL High Intermediate</td>
<td>64%</td>
<td>59%</td>
<td>108.47%</td>
</tr>
<tr>
<td>ESL Advanced</td>
<td>66%</td>
<td>70%</td>
<td>94.29%</td>
</tr>
</tbody>
</table>

**Educational Gains:**
- **Denominator:** All Students
- **Numerator:** Those students from the denominator who complete or advance one or more educational functioning levels from the starting level measured on entry into the program.

#### FOLLOW-UP MEASURES (Federal)

<table>
<thead>
<tr>
<th>Program</th>
<th>2013-2014 Performance</th>
<th>2013-2014 OCTAE Target</th>
<th>Percent of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>HS Diploma/GED</td>
<td>66%</td>
<td>72%</td>
<td>91.67%</td>
</tr>
</tbody>
</table>

**Entry to Postsecondary Education & Training:**
- **Denominator:** Students that take all GED tests or are enrolled in Adult High School who exit during the program year
- **Numerator:** Those students from the denominator who obtain a GED or state-recognized secondary credential.

<table>
<thead>
<tr>
<th>Program</th>
<th>2013-2014 Performance</th>
<th>2013-2014 OCTAE Target</th>
<th>Percent of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entered Postsecondary Ed / Training</td>
<td>13%</td>
<td>23%</td>
<td>56.52%</td>
</tr>
</tbody>
</table>

**Entered Employment:**
- **Denominator:** Students who exit during the program year and were both unemployed and in the labor force at entry to the program.
- **Numerator:** Those students from the denominator who enter unsubsidized employment by the end of the 1st quarter after the quarter of exit

<table>
<thead>
<tr>
<th>Program</th>
<th>2013-2014 Performance</th>
<th>2013-2014 OCTAE Target</th>
<th>Percent of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entered Employment</td>
<td>43%</td>
<td>43%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Retained Employment:**
- **Denominator:** Students who were:
  1. Both unemployed and in the labor force at entry to the program AND who entered unsubsidized employment by the end of the 1st quarter after the quarter of exit;
  2. Employed at entry to the program
- **Numerator:** Those students from the denominator who are employed in the 3rd quarter after the quarter of exit.

<table>
<thead>
<tr>
<th>Program</th>
<th>2013-2014 Performance</th>
<th>2013-2014 OCTAE Target</th>
<th>Percent of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained Employment</td>
<td>56%</td>
<td>64%</td>
<td>87.50%</td>
</tr>
</tbody>
</table>