

1 **Reallocation of**  
2 **Program Year 2021–2022 Adult Education and Family Literacy Act Funds**  
3 **Discussion Paper**

4 **Background**

5 Texas Workforce Commission (TWC) Chapter 800 General Administration rule §800.79 states  
6 that an Adult Education and Literacy (AEL) grant recipient requesting a voluntary deobligation  
7 of AEL funds must submit a written request to TWC’s three-member Commission  
8 (Commission). This rule also provides that when reallocating these funds, the Commission must  
9 prioritize the availability of the deobligated funds to a grant recipient in the same local workforce  
10 development area (workforce area), if that grant recipient meets the expenditure requirements  
11 outlined in §800.80(a). Criteria require that the AEL grant recipient:

- 12 • meet targeted expenditure levels;  
13 • not have fully expended or obligated more than 100 percent of the workforce area’s  
14 allocation;  
15 • ensure that all expenditures conform to cost limits;  
16 • demonstrate a need and use for more funds;  
17 • be current on expenditure reporting and single audit requirements; and  
18 • not be under sanction.

19 Section 800.80(b) provides that if no grant recipient in the same workforce area meets these  
20 criteria, the Commission may consider an AEL grant recipient meeting these criteria outside the  
21 workforce area to receive the deobligated funds.

22 On February 9, 2022, Denton Independent School District (ISD), which serves the North Central  
23 workforce area, submitted a written request for a voluntary deobligation of funds in the amount  
24 of \$500,000. On February 11, 2022, Amarillo College, which serves the Panhandle workforce  
25 area, sent a written request for a voluntary deobligation of AEL funds in the amount of \$456,328.

26 There are no grant recipients in either the North Central or Panhandle workforce area that meet  
27 the criteria outlined in §800.80(a). At this time, the Commission may approve the reallocation of  
28 funds to another grant recipient or recipients that meet the criteria outlined in §800.80(a).

29 **Issue 1: Reallocation of Deobligated Funds**

30 Section 800.80(b) states that the Commission must approve a plan to reallocate deobligated  
31 funds to an AEL grant recipient outside the workforce area from which funds were deobligated.

32 Staff has identified the following two AEL grant recipients—each of which is meeting the  
33 Program Year 2021–2022 (PY’21–’22) expenditure criteria outlined in §800.80(a) and meets or  
34 exceeds overall enrollment targets—to receive the reallocated funds:

- 35 • Brazos Valley Council of Governments  
36 • Victoria College  
37

38 Table 1 outlines the amount of reallocated funds proposed to be distributed to each of the AEL  
39 grant recipients. The remaining \$538,178 of deobligated funds will be redistributed to all AEL

1 grant recipients with the Program Year 2022-2023 allocations, to be considered by the  
 2 Commission at a future time.

3 **Table 1: Reallocated Funds Received from Deobligation**

<b>AEL Grant Recipient</b>	<b>Reallocated Amounts</b>
Brazos Valley Council of Governments	\$156,820
Victoria College	\$261,330

4 **Issue 2: Adjustment of PY’21–’22 Performance Targets**

5 TWC Chapter 802 Integrity of the Texas Workforce System rule §802.102(a) states that the  
 6 Commission annually approves individual AEL grant recipient performance targets, which may  
 7 be adjusted. An adjustment in PY’21–’22 targets, as approved by the Commission on September  
 8 28, 2021, and December 7, 2021, resulting from the reduction in funding for Denton ISD and  
 9 Amarillo College, are reflected in Tables 2 and 3.

10 **Table 2: Adjusted PY’21–’22 Targets due to Deobligated Funds**

<b>AEL Grant Recipient</b>	<b>Intensive</b>	<b>IET</b>	<b>Total Participants Served</b>
Amarillo College (Original PY’21–’22 Targets)	108	346	1,464
Amarillo College (Adjusted PY’21–’22 Targets)	80	258	1,090
Denton ISD (Original PY’21–’22 Targets)	192	265	2,945
Denton ISD (Adjusted PY’21–’22 Targets)	162	223	2,480

11 Additionally, an adjustment in the PY’21–’22 targets for Brazos Valley Council of Governments  
 12 (Brazos Valley workforce area) and Victoria College (Golden Crescent workforce area) resulting  
 13 from the increased funds due to the reallocation is reflected in Table 3.

14 **Table 3: Adjusted PY’21–’22 Targets with Reallocated Funds**

<b>AEL Grant Recipient</b>	<b>Intensive</b>	<b>IET</b>	<b>Total Participants Served</b>
Brazos Valley Council of Governments (Original PY’21–’22 Targets)	59	82	910
Brazos Valley Council of Governments (Adjusted PY’21–’22 Targets)	68	95	1,056
Victoria College (Original PY’21–’22 Targets)	42	59	662

<b>AEL Grant Recipient</b>	<b>Intensive</b>	<b>IET</b>	<b>Total Participants Served</b>
Victoria College (Adjusted PY'21-'22 Targets)	57	81	905

1 **Decision Point**

2 Staff seeks direction on the following:

- 3 • Accepting the plan to reallocate \$418,150 of deobligated funds to AEL grant recipients  
4 Brazos Valley Council of Governments and Victoria College as shown in Table 1.  
5 • Adjusting the PY'21-'22 performance targets for AEL grant recipients Amarillo College,  
6 Denton ISD, Brazos Valley Council of Governments, and Victoria College as shown in  
7 Tables 2 and 3.