

*A First Look at Critical Issues Surrounding  
Adult Education and Literacy in Texas*



**Texas Workforce Investment Council**

**December 2003**

**Texas Workforce Investment Council  
1100 San Jacinto, Suite 100 (78701)  
Post Office Box 2241  
Austin, Texas 78768-2241**

**Voice: 512/936-8100  
Fax: 512/936-8118**

**List of Members**

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Jeff Moseley

Mario H. Salinas

Robert Scott

Larry Temple

John W. Wroten

Cheryl Fuller  
*Director*

Dear Texas Workforce System Stakeholders:

The Texas Workforce Investment Council (Council) is pleased to present its report entitled *A First Look at Critical Issues Surrounding Adult Education and Literacy in Texas*. This report was prepared to meet requirements of Senate Bill 280, 78<sup>th</sup> Legislature, Regular Session, 2003. The Council was directed to evaluate adult education and literacy programs administered by the Texas Education Agency and the Texas Workforce Commission by December 31, 2003.

As a framework for conducting this evaluation, three aspects of adult education and literacy were identified as of primary interest to the Council:

- (1) Funding – mechanisms, funding levels, flow of funds
- (2) Outcomes – relevance, accountability
- (3) Service Delivery – structure, integration

In its research the Council examined current and projected future needs for adult education and literacy in Texas, and identified gaps and barriers to effective services. The Council makes two recommendations in this report, along with suggested strategies to implement the recommendations.

This is a time of change and new opportunities are emerging for improvement of adult education and literacy services in Texas. Improving the education and skill levels of all Texans has never been more critical for the future of our state.

At the Council's December 12, 2003 meeting, this evaluative report was approved unanimously and I commend it to you.

Sincerely,

Ann Hodge, Chair

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## **PREFACE - Texas' Three Compelling Challenges in Adult Education**

### **The language challenge**

In the 1990s, 1,335,524 foreign-born persons arrived in Texas.<sup>1</sup> While some of these immigrants are well educated and speak English proficiently, many have less education and limited English-speaking skills. Among those with limited skills, some are already in the workforce and could advance if their English language skills were stronger. Those not in the workforce would more likely be employable if their language skills were better.<sup>2</sup>

### **The educational credential challenge**

Native-born and immigrant adults who speak English proficiently but dropped out of school before earning a high school credential present a different workforce challenge. Job skill requirements are increasing in many industries and economic prospects for those without a high school credential are declining. The *Texas Census 2000 Profile* shows that in 2000 there were 1,465,420 Texans 25 years and over who have less than a 9<sup>th</sup>-grade education and another 1,649,141 Texans 25 years and over who have some high school but no diploma—more than 3 million people who could potentially benefit from adult education and literacy services. Yet relatively few Texas adults are earning high school diplomas or GEDs. TEA reported to the Council only 8,023 adult GEDs in FY 2000; 5,606 in FY 2001; 10,012 in FY 2002, and 7,717 in FY 2003.<sup>3</sup>

### **The new literacy challenge**

Adults who speak English proficiently and have a high school credential yet lack the basic skills required for the modern workplace or to pursue higher education or training present yet another challenge. These adults are either employed or actively looking for work. Once, such workers could obtain and hold good jobs, but today's higher skill requirements make it harder for those with low-level skills to be hired or retain their jobs. Employers often face this challenge with incumbent workers who need to learn more advanced skills but lack the necessary foundation provided by basic skills.<sup>4</sup>

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<sup>1</sup> *Texas Census 2000 Profile, Table DP-2*. U. S. Census Bureau. (Linked through the Texas State Data Center web site - <http://www.txscd.tamu.edu>).

<sup>2</sup> Draft of *Building a Level Playing Field* (2001). National Center for the Study of Adult Learning and Literacy. Cited in *A Chamber Guide to Improving Workplace Literacy*. U. S. Chamber of Commerce, 2002.

<sup>3</sup> Data reported to the Council by the Texas Education Agency.

<sup>4</sup> Draft of *Building a Level Playing Field* (2001). National Center for the Study of Adult Learning and Literacy. Cited in *A Chamber Guide to Improving Workplace Literacy*. U. S. Chamber of Commerce, 2002.

## INTRODUCTION

*“Adult education is a rich conglomeration of public and private organizations and agencies at the national, state, local and community levels. Because of that diversity, the field has suffered from disjointed vision and advocacy.”*<sup>5</sup>

In Texas:

- in 2000 there were 1,465,420 Texans 25 years and over with less than a 9<sup>th</sup>-grade education and another 1,649,141 Texans 25 years and over who have some high school but no diploma—more than 3 million people<sup>6</sup>—yet only 8,023 Texas adults earned a high school diploma or GED in FY 2000 and only 7,717 in FY 2003.<sup>7</sup>
- almost 57 percent of Temporary Assistance to Needy Families (TANF) adult caretakers lack a high school diploma<sup>8</sup>;
- almost 50 percent of Texans with the lowest literacy skills live in poverty;
- on average, people without a high school diploma earn less than half of those with a bachelor’s degree;
- among employed adults (both full- and part-time), functional literacy is a serious problem and it is more serious in Texas than in the South or the nation as a whole;<sup>9</sup> and
- as of 2002, over half of Texas prisoners are dropouts. The average school level completed is the 10<sup>th</sup> grade and the average educational achievement score is 7<sup>th</sup> grade level.<sup>10</sup>

The importance of adult education and literacy for the future of Texas and its citizens cannot be overstated. Texas must make adult education and literacy a priority for six crucial reasons:

- to enable individuals to participate fully as citizens;
- to enable individuals to support themselves and their families, thus increasing tax revenues and reducing public assistance expenditures;
- to improve health and health care for those whose low literacy levels impede both;
- to help individuals achieve sufficient technological proficiency to allow them to participate in the knowledge economy;
- to develop the vast workforce potential that exists in Texas’ fast-growing minority populations; and
- to improve the skills of low-literacy parents in order to overcome intergenerational transfer of low skills and learning achievement.<sup>11</sup>

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<sup>5</sup> McLendon, L. L. (2002). *The Year 2000 in Review*, in *Annual Review of Adult Learning and Literacy*, Vol. 3. National Center for the Study of Adult Learning and Literacy. San Francisco: Jossey-Bass.

<sup>6</sup> *Texas Census 2000 Profile, Table DP-2*. U. S. Census Bureau. (Linked through the Texas State Data Center web site - <http://www.txscd.tamu.edu>).

<sup>7</sup> Data reported to the Council by the Texas Education Agency.

<sup>8</sup> *Texas Works Program Budget and Statistics*, July data. Texas Department of Human Services. September 2003.

<sup>9</sup> Jenkins, L. B. and Irwin S. Kirsch (May 1994). *Adult Literacy in Texas: Results of the State Adult Literacy Survey*. Princeton, NJ: Educational Testing Service (through the Texas Education Agency).

<sup>10</sup> Texas Department of Criminal Justice. November 25, 2003. Data source: (<http://www.tdcj.state.tx.us/publications/executive/Stat%20Report.PDF>).

<sup>11</sup> Adapted from *From the Margins to the Mainstream: An Action Agenda for Literacy*. National Literacy Summit 2000, September, 2000. (<http://www-tamu.edu/workforce/cover.htm>).

## Scope of Report

This report is in fulfillment of the Texas Workforce Investment Council's (Council) mandates from the 78<sup>th</sup> Legislature, Regular Session, 2003. Senate Bill 280 requires the Council to evaluate adult education and literacy programs administered by the Texas Education Agency (TEA) and the Texas Workforce Commission (TWC) by December 31, 2003. In addition, Senate Bill 281 requires the Council to evaluate programs administered by agencies represented on the Council to identify any duplication or gaps in the services provided by those programs, along with any other problems that adversely affect the seamless delivery of services.

The term "adult education" encompasses several types of adult learning activities and can be defined in many ways. For this discussion, "adult education" or "adult education and literacy" means adult basic education (ABE), which may include workplace literacy and family literacy services; adult secondary education (ASE), which prepares the student for high school completion or the General Educational Development (GED) tests; and English as a Second Language (ESL).

## The Council's Focus

Many perceive adult education and literacy services in Texas as fragmented and inadequate to meet growing needs. Although the existence of multiple federal funding streams is problematic and not controlled by state and local stakeholders, there are state and local issues to be examined on which appropriate strategies could have a beneficial effect. In its research the Council examined current and projected future needs for adult education and literacy in Texas, and identified gaps and barriers to effective services. As a framework for conducting this evaluation, three aspects of adult education and literacy were identified as of primary interest to the Council:

- (1) Funding – mechanisms, funding levels, flow of funds
- (2) Outcomes – relevance, accountability
- (3) Service Delivery – structure, integration

## Methodology

The Council gathered information and data from both primary and secondary sources. The entities from which data and information were collected include the Texas Education Agency/*Texas LEARNS*, the Texas Workforce Commission and the Texas Higher Education Coordinating Board. Research was conducted through a number of means, including:

- interviews with staff at relevant agencies,
- review of published authoritative reports and documents,
- agency self-evaluation reports,
- interviews with officials in other states,
- interviews with national literacy organizations, and
- Internet research.

## **Presentation of Information**

This report is presented in ten (10) chapters, with attachments, presented in the order of:

- Introduction
- Summaries and Conclusions
- Current Environment
- Current Program Accountability
- Current Delivery Structure
- Current TEA Data
- Current TEA Program Coordination
- The Future
- Analysis
- Recommendations

Working papers containing much of the information found in this report, as well as additional background and qualitative information are available on request.

## **Recommendations**

Recommendations have been drawn directly from conclusions generated in the analysis chapter, which focused on the key areas of Council interest. The summaries and conclusions found in the second chapter are drawn from the information contained within the various chapters in the body of the report; these conclusions informed many of the strategies linked to the recommendations.

## **Governing Legislation**

Reauthorizations for several federal statutes, including TANF and WIA, are making their way through Congress in 2003 and 2004. Differences between House and Senate versions have to be worked out and the federal budget has to be finalized before the funding levels to the state can be determined. The following provides information on current statutes.

### **Workforce Investment Act of 1998 Title I,**

#### **Subtitle B - Chapter 5: Adult and Dislocated Worker Employment and Training Activities**

TWC administers Title I of WIA, which provides funding for services to adults and dislocated workers. Under Title I, TWC administers short-term literacy activities related to basic work readiness; adult education and literacy activities in combination with occupational skills training<sup>12</sup>; and workforce adult literacy demonstration pilot projects.

Job seekers access employment and training services through training providers that have contracts with the One-Stop centers. Services for job seekers are accessed through a tiered system consisting of core, intensive, and training services<sup>13</sup> that serve populations that face multiple barriers to employment.

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<sup>12</sup> *Self-Evaluation Report to the Texas Sunset Advisory Commission*. Texas Workforce Commission. August 2001.

<sup>13</sup> *Ibid*.

- Core services include job information, assessment, counseling, and job search assistance.
- Intensive services include more intensive counseling, occupational assessment, life skills classes, and other non-occupational training.
- Training services include occupational skills training, on-the-job training, programs that combine workplace training with related instruction, programs operated by the private sector, skill upgrading and retraining, adult education literacy activities, and customized job training.<sup>14</sup>

### **Adult Education and Family Literacy Act of 1998**

The Adult Education and Family Literacy Act of 1998 (AEFLA) is Title II of the Workforce Investment Act of 1998 (WIA). During the 32 years preceding WIA, federal legislation had placed adult education and literacy in the U. S. Department of Education through the Adult Education Act, a part of the Elementary and Secondary Education Act of 1966. Under AEFLA, funding is allocated to the states, which in turn contract for the local delivery of programs and services. Both the Secretary of Labor and the Secretary of Education are involved in reservation of funds, allotments, and grants to “eligible agencies”.<sup>15</sup>

Under AEFLA, the term “eligible agency” replaced the term “state education agency” which had been used under the Adult Education Act. WIA defines “eligible agency” as *“the sole entity or agency in a state responsible for administering or supervising policy for adult education and literacy in the state consistent with state law.”*<sup>16</sup> Under current Texas law, this is TEA, which administers both federal and state funding.

The definition of “adult” is different under WIA Title I and Title II. Title I defines an “adult” as a person 22 years or older. Title II (AEFLA), administered by TEA, defines “qualifying adult” as *“(1) 16 years of age or older; (2) beyond the age of compulsory school attendance under the law of the state...; (3) does not have a secondary school diploma or its recognized equivalent; and (4) not enrolled in secondary school.”*

### **Other Acts and Funding Streams**

While AEFLA is the major source of federal funding, there are other federal funding streams with linkages to adult education and literacy. These include the Food Stamps Employment and Training Program, TANF/Choices (educational services to welfare recipients), and Trade Adjustment Assistance, all administered by TWC.

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<sup>14</sup> Brustein, M. and R. Knight. *A Guide to The Workforce Investment Act of 1998*. National Association of Private Industry Councils.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

## SUMMARIES and CONCLUSIONS

### Funding and State Leadership

In FY 2003, when most state budgets were tightened, these other large states still spent much more per student than did Texas: California \$384, Florida \$565, and New York \$511, compared to \$64 per student in Texas. Graphic illustrations are on page 18.

**The funding issue** in Texas has been linked, in the opinion of some stakeholders, with the issue of insufficient evidence of program effectiveness. Effective adult education and literacy services are critical to the future of Texas and cannot be achieved without higher levels of coordination and cooperation between TEA/*Texas LEARNS*, TWC and THECB. Innovation and improvement in service delivery are likely to require increased funding, but strong dedication to collaborative interagency relationships can bring more efficiency and better performance outcomes, maximizing the benefits from scarce resources.

**Two important developments** in 2003 provide the basis for new momentum in interagency cooperation: (1) legislation passed by the 78<sup>th</sup> Legislature, Regular Session, and (2) the reconfiguration of state adult education/literacy leadership at TEA.

### Conclusions

- **Outsourcing TEA adult education state leadership functions to *Texas LEARNS* provides new opportunities for improvement in multiple aspects of adult education and literacy statewide (See Attachment 5). A focus on improved communication, field support, staff development, and administration of a state/regional structure to facilitate strong collaborative relationships will improve stakeholder perceptions and cooperation.**
- **Funding has remained level for several years and is inadequate to meet current adult education and literacy needs in Texas; and those needs are growing. Although strengthened coordination between administering agencies can maximize the use of resources, increased appropriations are needed to increase capacity and to meet even the minimum needs of students. Texas needs to increase funding in order to build a competitive workforce.**

### The Current State of Adult Education and Literacy in Texas

**A nationwide adult literacy survey** conducted in 1992 showed that approximately 3.5 million Texans scored in the lowest of 5 literacy levels; 3.4 million scored in Level 2, and 3.8 million (about 30 percent) scored in Level 3, the minimum standard for success in today's labor market. Literacy levels in Texas 10 years ago were lower than in the South and in the nation as a whole, making it difficult for employers to find qualified workers.

A second comprehensive national literacy survey was conducted in 2003 but analysis for state reporting is not expected to be completed until 2004 or 2005. Since the original national survey a decade ago, Texas has seen large increases in population and in the percentage of non-English speaking immigrants; however, outcomes and numbers served have not increased proportionately. It is likely, therefore, that the 2003 survey results will reveal a commensurate increase in the need for adult education and literacy services, a need that already far exceeds the capacity of available resources. Employers continue to report difficulty in finding applicants that possess the skills needed to fill open positions. At all levels, awareness is increasing of the need to integrate workforce literacy and skills training into adult education programs, using employment-focused, outcome-oriented instruction.

**Accountability for program performance** is a key issue in the adult education field. TEA-funded local providers and TEA, now via *Texas LEARNS*, are accountable for performance reporting at the state level and under WIA Title II (AEFLA) at the federal level. Self-reporting is allowed by both federal and state governments. Heretofore, TEA has not linked local program performance to the initial award or continuation funding of grants in a meaningful way. The current state funding formula, which is based primarily on seat time, has been in place since before WIA was enacted and needs to be re-evaluated. Reauthorization of WIA will likely provide an additional impetus to consider a performance-based approach to grant funding.

**Program delivery** is through educational institutions, and many types of community-based organizations, volunteer groups, and non-profits, as well as the 56 state adult education co-operatives that are made up of such entities. The number of part-time instructors far exceeds full-time instructors. Hiring and retaining qualified teachers is a continuing challenge.

**Federal performance targets** for TEA-funded programs, as negotiated between DOE and TEA under AEFLA, seem to be quite low. TEA has exceeded most of the targets in each of the past two years and has participated in receiving WIA incentive grants, along with TWC and THECB. Given that the TEA targets are low, exceeding them does not mean that substantial progress has been made in addressing Texas' needs in adult education and literacy. Data show that, although it exceeded its federal targets, Texas generally performs below the national averages on various measures under AEFLA (see Program Results – Texas and National Comparisons, beginning on page 25).

**Data sharing** - An accountability issue that warrants further attention is management information systems (MIS). Progress in system integration will be limited until a way is created for the MIS at TEA (ACES) and TWC (TWIST) to communicate with each other. Without this connectivity, effective management is compromised both at a systemic level and at the local level. At a high level, planning and evaluation would be enhanced if these systems communicated. At a local level, students would have the benefit of transferability of their achievement levels and test scores when they change providers. Currently, providers have no way of knowing the level of learning attained by their new students when they were in other locations, so tests are frequently repeated.

**Data quality** continues to be a concern, with gaps in adult education data reporting beginning in FY 2000 and with inconsistencies between data reported by TEA to the Council and to DOE. In its research, the Council was informed by local and state sources of lingering concerns regarding validity of locally reported data in ACES. Findings indicate a need for more training, technical assistance and monitoring of local data collection and handling.



**Collaboration and the degree of coordination** and cooperation vary. At the state level there is evidence to support cooperation in state-level planning; there is also evidence to support the requirement for coordination at the local level. However, despite these plans and funding application requirements there have been varying degrees of success in improving service and outcomes for program participants. While local contractors (providers) are required to work with local boards and workforce centers to both identify and serve adult education and literacy needs, with few exceptions, it appears that this is more rhetoric than standard practice.

**Programs and services at TEA and TWC are often viewed in functional silos.** Services offered by TEA include English Literacy and Civics, ABE, ASE, ESL, and family literacy. Both TEA and TWC serve TANF clients. TWC offers Title I intensive services, training for Food Stamps Employment and Training clients and for Trade Adjustment Assistance clients. TWC offers employer-based workforce literacy programs for incumbent workers and has been achieving excellent results from workforce adult literacy demonstration projects since 2000. Workplace literacy programs frequently take one of three forms: (1) collaborative projects co-located with a local board contractor or workforce center; (2) programs especially for students bound for the workplace, often in collaboration with local workforce development partners; or (3) collaborative, shared-cost, on-site projects with local employers.

**In other states** adult education and literacy administration is most often part of the state's education agency. Many states have moved to or are in transition to performance-based grant award systems for AEFLA funding. All states surveyed spend more per student in state funds than Texas.

## Conclusions

- **Widespread low levels of literacy in Texas reported a decade ago when the last comprehensive assessment was conducted represent an urgent need in the state that has not been sufficiently addressed. The 2003 state literacy survey results, expected in 2004 or 2005, may reflect an even greater need for services than was reported for the 1992 NALS.**
- **Integration of workforce literacy into adult education and literacy programs is essential. Employer- or industry-specific curriculum is desirable for development of employment relevant skills. Texans already working must be able to increase their skills and literacy levels and Texans seeking jobs must be equipped with the basic skills, English literacy and interpersonal skills needed to become employed and retain their jobs.**
- **The current SBOE formula is based primarily on contact hours and does not provide a funding mechanism based on improving student outcomes. It would be useful to consult with states already using performance-based funding, or in transition, to benefit from their lessons learned.**
- **The current adult education funding application requirement for local-level coordination between providers and workforce boards has only achieved limited success. It is essential that the selection methodology, the physical contracting document and the evaluation of performance be tied to one or more specific workforce alignment and coordination criteria that cross all three processes.**

- **TCALL's provider database needs to be expanded to include all locally available adult education and literacy programs and services and it needs to be easily accessible on-line, so that system stakeholders and prospective students can identify all options.**
- **The need for more qualified teachers is a serious concern, and the need will increase as the number of undereducated Texans increases. This problem could be at least partially mitigated by increased funding, but will also require innovation and development of appropriate incentives to attract teachers.**
- **All teachers need a state support system that ensures adequate training and staff development.**
- **TEA performance, while generally exceeding federal targets, was much lower than U.S. averages on *Entered Employment*, *Employment Retention* and *Obtained a GED* for FY 2001, the last year for which U.S. average data are available.**
- **MIS incompatibility between TEA and TWC may be a limiting factor in system development and in the quality of service delivery. For example, duplication of initial student assessments could be avoided if providers had access to this type of student information in both systems. Single entry of intake information from customers would be more efficient and less frustrating for the customer. Better data analysis for system evaluation could be achieved at the state level.**
- **Certain aspects of TEA data collection and reporting through ACES might be improved through expanded training of local staff and enhanced data monitoring procedures.**
- **Increased collaboration between local organizations must be facilitated and encouraged by the administering agencies.**

### **Considerations for the Future of All Texans**

**Federal reauthorizations of relevant legislation** will impact the state's workforce development system. As currently written, the WIA legislation affecting adult education students will have an increased emphasis on workforce preparation and will include provisions for increased program accountability. Federal funding is likely to remain relatively stable but, as of November 2003, states still do not know how limited resources will be. New common performance measures are expected to become effective and new provisions regarding increased accountability are expected to be included in the new laws.

**Projected population growth and race/ethnicity trends** point to an increasing need for adult education, literacy and ESL programs and services. The Texas population and the proportion of immigrants are expected to grow by large percentages in the immediate future. Projections to 2040, by the Office of the State Demographer and Texas State Data Center at Texas A&M University, calculate change based on two assumptions: (1) that growth would continue at the rate it reached in the 1990s, or (2) that growth would continue at half that rate. In either case, the outcome will have serious repercussions for adult education and literacy in Texas.

**The outlook for Texas' economic and competitive future** is dependent on viewing the state's growing population as an asset to be developed and on providing opportunities for education and employment for all Texans. Texas already ranks lower in comparison with other states in median household income, percent of college graduates in the population 25 years and older, and percent of high school graduates in that population. Although Texas has a higher expected job growth rate than the nation, with over 1.8 million jobs expected to be added in Texas between 2000 and 2010, most of them are in *Professional and Related Occupations* and *Service Occupations*, which include health and computer-related fields.

### **Conclusion**

**Whether assuming population growth at the same rate of increase as Texas experienced in the 1990s or at half that rate, projected increases in the proportion of Hispanics in Texas and increases in total population between now and 2040 are very high. Adult education and literacy is and will continue to be an increasingly important program/service for Texas' citizens.**

**CURRENT ENVIRONMENT:  
Results, Challenges and Changing Emphasis and Funding**

**Literacy in Texas – How Texans Fare**

The latest, most comprehensive database available on adult literacy in the U.S. comes from the survey of states and the nation conducted in 1992 by Educational Testing Service under contract with the U.S. Department of Education (DOE). The National Adult Literacy Survey (NALS) asked respondents age 16 and older to spend about an hour performing diverse literacy tasks and answering questions about their background, education, work experiences and reading practices.<sup>17</sup>

DOE has contracted for another survey, the National Assessment of Adult Literacy 2003 (NAAL), similar in design to the NALS, to be conducted in late 2003. National analysis and reporting are scheduled for 2004-2005. Until the report is published, Texas results from the NALS represent the best information available.

**Performance of Texas Adults on the 1992 NALS Assessment**

The 1992 NALS results were reported in five literacy levels, or ranges of performance, across three scales: Prose (text), Document and Quantitative, each ranging from 0 to 500. Literacy tasks presented to respondents were on a continuum of increasingly complex materials, reflecting a progression of literacy demands along each scale. Examples from survey results in Texas include:

**Level 1 (0 – 225 on 500-point scale)**

At Level 1 proficiency a person should be able to sign his or her name, total a bank deposit and identify a country in a short article.

- Approximately 3.5 million Texas adults, or an average of almost 28 percent on the three scales, performed in the lowest literacy level—more than in the South and in the nation as a whole.
- 33 percent of the 3.5 million Texans scoring in Level 1 were born outside the U.S., more than twice the proportion of foreign-born adults in the U.S. population.
- While Latinos represented only 27 percent of Texas residents in 1992, half of those in Level 1 were Latino.
- 41 percent of Texas adults in Level 1 had zero to eight years of education, compared to 14 percent in the statewide population.<sup>18</sup>

Numerous studies have correlated Level 1 literacy skills with people who are more likely to experience poverty, unemployment, and other economic, social and personal problems than are

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<sup>17</sup> Jenkins, L. B. and Irwin S. Kirsch (May 1994). *Adult Literacy in Texas: Results of the State Adult Literacy Survey*. Princeton, NJ: Educational Testing Service (through the Texas Education Agency).

<sup>18</sup> Ibid.

people with higher skills. In general, unemployment rates among labor force participants who scored in Level 1 were four to seven times higher than those of participants in Level 5.<sup>19</sup>

**Level 2** (226 – 275 on 500-point scale)

At Level 2 proficiency a person should be able to locate two pieces of information in a sports article, locate an intersection on a map and calculate postage and fees for certified mail.

- As many as 3.4 million Texas adults (about 27 percent) performed in the second lowest level.
- Although the age and racial/ethnic characteristics of those in the Level 2 range resemble the general population in most respects (unlike Level 1), Texas adults with Level 2 proficiencies were more likely to have been born in the U.S.

**Level 3** (276-325 on 500-point scale)

At Level 3 proficiency a person should be able to write a brief letter explaining an error on a product order and, using a calculator, determine the discount from a bill if paid within 10 days.

- As many as 3.8 million Texas adults (about 30 percent) performed in the middle level of literacy.
- The Level 3 population is much more likely to be White and be native-born.
- Those in Level 3 have better literacy levels than the state's adult population as a whole. For instance, only 6 percent in Level 3 on the prose scale had not attained a high school diploma or GED, compared with 26 percent of the entire population.<sup>20</sup>

Levels 4 and 5 reflect literacy skills that are above the level at which remediation is needed and, therefore, are not relevant for this study.

**Performance of Texas High School Graduates on the 1992 NALS Assessment**

Many Texas high school graduates did poorly in the assessment. Across the three scales, 18 to 21 percent whose highest education level was a high school diploma performed in the Level 1 range and another 35 to 37 percent performed in Level 2.<sup>21</sup> These percentages are a subset of those results noted for the Texas adult population as a whole.

**A Conundrum –  
The Possible Impacts of Ongoing Philosophical Differences**

One of the field's most enduring controversies at both the state and federal levels is whether adult education, in its broadest sense, should focus on providing a liberal education for the self-improvement of all adults or on human resource development, to enable the least educated and

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<sup>19</sup> Sum, Andrew. *Executive Summary of Literacy in the Labor Force: Results From the National Adult Literacy Survey*. National Center for Education Statistics.  
(<http://nces.ed.gov/naal/resources/execsummlabor.asp>).

<sup>20</sup> Jenkins, L. B. and Irwin S. Kirsch (May 1994). *Adult Literacy in Texas: Results of the State Adult Literacy Survey*. Princeton, NJ: Educational Testing Service (through the Texas Education Agency).

<sup>21</sup> Ibid.

most needy adults to contribute to the economic productivity of the nation.<sup>22</sup> Within the context of federal- and state-supported programs studied by the Council, there has been tension between the position that adult education and literacy services should be directed toward developing the educational abilities of participants and the position that primary focus should be on helping participants in greatest need meet their employment goals through skills development, thus facilitating attainment of self-sufficiency for the individual.

Historically there has been a difference in perspective regarding delivery of adult education in Texas between TWC and TEA. TWC advocates delivering adult education to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency. As such, adult education services would be provided in conjunction with work readiness and skills training to achieve real world outcomes. TEA has approached adult education, including family literacy, from an academic perspective focusing on processes, such as the achievement of literacy level gains. Regardless of organizational philosophy, the reality is that there is wide range of needs in adult education and literacy.

### **Impact of the Disconnect – Individuals Without Basic Employment**

According to the Educational Testing Service, the National Educational Goals Panel<sup>23</sup> identified Level 3 proficiency as a minimum standard for success in today's labor market.<sup>24</sup> Fewer than half of Texas adults tested in the 1992 NALS survey (45 to 48 percent) achieved Level 3 or higher on the three scales, a serious challenge for the workforce development system. The level of literacy proficiency is clearly related to success in the labor market, as is the level of education attained. In 1992, the median weekly wage at Level 1 was \$115.00 per week lower than at Level 3 and \$288.00 lower than at Level 4.

Attachment 2 illustrates average scores in Texas by race/ethnicity and average scores for selected occupations. It is important to note that in each group there is a wide range of scores and that there are overlaps in distributions of scores; averages are used for purposes of illustration. Average proficiencies of Texas adults employed in the selected occupations were up to 27 points lower than those of their counterparts nationwide.

### **Impact of the Disconnect – Finding Qualified Workers is Difficult for Employers**

In 2001 and 2002 the U.S. Chamber of Commerce's Center for Workforce Preparation conducted surveys of U.S. employers.<sup>25</sup> In 2001, two-thirds of employers reported severe conditions when trying to hire qualified workers. In 2002, 73 percent reported either "very" or "somewhat" severe conditions. Likewise, the Council's 2001 and 2002 employer surveys found that a majority of Texas employers experienced difficulty in finding workers with adequate basic skills. Because Texas ranks second in the nation in population and size of labor force (behind California), the state has the opportunity to develop a large workforce adequately trained to meet employers' demands.

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<sup>22</sup> Sticht, T.G. (2002). *The Adult Education and Literacy System in the United States*, in *Annual Review of Adult Learning and Literacy*, Vol. 3. National Center for the Study of Adult Learning and Literacy. San Francisco: Jossey-Bass.

<sup>23</sup> An independent executive branch agency of the U.S. government charged with monitoring national and state progress toward educational goals. Dissolved by Congress in 2002.

<sup>24</sup> Barton, Paul E. (Spring 2003). *ETS Policy Notes*, Vol. 11, Number 2. Princeton, NJ: Educational Testing Service.

<sup>25</sup> *Keeping Competitive: Hiring, Training and Retaining Qualified Employees*. The Center for Workforce Preparation, a non-profit affiliate of the U. S. Chamber of Commerce, 2001 and 2002.

### **Impact of the Disconnect – Retaining a Job is Difficult for Employees**

Not only do employers have a hard time finding qualified workers, many employed workers do not have the basic skills needed to excel in the modern workplace. The Center for Workforce Preparation says “...employers pay the price. People who are not up to the job mask their lack of skills by leaving or avoiding employer requirements. Or they make costly errors that reduce efficiency.”<sup>26</sup> With business success riding on workforce competence, workplace literacy is an urgent business issue, a long-term problem that requires a long-range commitment to improving workforce skills.<sup>27</sup>

### **The Direction Ahead – An Increasing Emphasis on Workplace Literacy and Employment Outcomes**

#### **State**

Various developments in adult education and literacy have begun to reflect growing recognition of the dual importance of adult basic education/literacy and workforce literacy.

The following text is from the *Texas State Plan for Adult Education and Family Literacy July 1, 1999 through June 30, 2004* (State Plan)<sup>28</sup> developed under WIA Title II by TEA:

*Mission: The mission of adult education and literacy is to ensure that all adults who live in Texas have the skills necessary to function effectively in their personal and family lives, in the workplace, and in the community.*  
(emphasis added)

Although this mission statement from TEA’s State Plan reflects the need to help individuals become successful in the workplace, the state standardized curriculum framework on the agency’s web site does not have a strong workforce component. It should be noted that no data are available on which providers, if any, use this curriculum framework. Both *Texas LEARNS* and TWC are addressing workforce curriculum issues in FY 2004.<sup>29</sup> Both agencies have made clear their commitment to embracing the issues of workplace readiness anticipated in the federal reauthorization of AEFLA.

#### **Federal**

At the federal level, the Office of Management and Budget (OMB), in its program assessment summary on DOE’s Adult Education State Grants Program for the FY 2004 budget, says that the budget proposes to implement reforms to the program, including “*a clear focus on improving*

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<sup>26</sup> *A Chamber Guide to Improving Workplace Literacy*. U. S. Chamber of Commerce, Center for Workforce Preparation, 2002.

<sup>27</sup> Draft of *Building a Level Playing Field* (2001). National Center for the Study of Adult Learning and Literacy. Cited in *A Chamber Guide to Improving Workplace Literacy*. U. S. Chamber of Commerce, 2002.

<sup>28</sup> The Texas plan for adult education submitted to DOE may be found at TEA’s web site. The current plan covers the period July 1, 1999, to June 30, 2004 (<http://www.tea.state.tx.us/adult/index.html>).

<sup>29</sup> In Senate Bill 280, the 78<sup>th</sup> Legislature made clear its intent that TEA and TWC work to “*improve the coordination and implementation of adult education and literacy services*” by requiring TWC to develop a workplace literacy and basic skills curriculum under contract with TEA. These agencies are currently identifying ways in which collaboration can be most effective. They have had preliminary discussions regarding joint preparation of the new *Adult Education State Plan*, which is due in 2004.

*participants' reading, math, literacy and numeracy skills so they can earn a degree or certificate and obtain employment that leads to economic self-sufficiency.”<sup>30</sup>*

Current indications are that Title II of the reauthorized WIA will have a strong emphasis on workplace literacy and workforce outcomes. The act is being renamed “Workforce Reinvestment and Adult Education Act of 2003”. This rewritten Act will elevate the importance of adult education, and Title II will be renamed “Adult Basic Skills and Family Literacy Education”. Within the context of the current WIA and the language proposed in the future revisions of WIA, the term “skills” refers to the acquisition of functional skills, not just those basic educational knowledge and skills.

### **New Federal Common Measures**

The common measures identified by OMB are part of a larger performance accountability initiative within the President's Management Agenda and include four measures for youth and four measures for adults, replacing 17 WIA measures. The four adult measures are *Entered Employment*, *Employment Retention*, *Earnings Increase* and *Efficiency* (annual cost per participant). Adult basic and literacy education students pursue both education and employment goals. Therefore, in addition to the four adult measures, adult education program performance will be evaluated using two additional measures: *Attainment of a Degree or Certificate* and *Literacy/Numeracy Gains*.<sup>31</sup>

## **Funding**

### **Texas Education Agency Funding for Adult Education and Literacy**

The following table depicts the state and federal funding that flows to TEA for statewide administration and provision of adult education and literacy programs and services.

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<sup>30</sup> Office of Management and Budget. *Performance and Management Assessments: Adult Education State Grants*. (<http://www.whitehouse.gov/omb/budget/fy2004/pma.html>).

<sup>31</sup> *The Adult Basic and Literacy Education Act of 2003: Summary of Major Provisions*. U.S. Department of Education, Office of Vocational and Adult Education. June 2003. (<http://www.ed.gov/offices/OVAE/AdultEd/aebblueprint2.doc>).



**Table 1. Texas Education Agency Federal and State Funding**

	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	
Sec. 231	20,916,066	22,694,892	26,360,556	29,752,628	Pending	<b>Federal Programs Listed in Table:</b>
Sec. 225	2,435,118	2,546,783	2,695,144	3,052,622	Pending	
Sec. 223	3,689,573	4,823,453	4,402,378	5,781,482	Pending	
Family Literacy	1,000,000	1,012,145	-	-	Pending	Sec. 231 – Federal Adult Basic Education Grant
English Literacy Civics	2,138,611	5,580,967	5,370,640	5,383,560	Pending	Sec. 225 – Federal Corrections Education and Other Institutionalized Individuals
TANF - Federal	6,500,000	6,100,000	6,500,000	3,800,000	Pending	
Even Start	11,476,479	16,684,763	17,481,189	18,272,719	Pending	
<b>Total Federal</b>	<b>48,155,847</b>	<b>59,443,003</b>	<b>62,809,907</b>	<b>66,043,011</b>		
State Funding	6,885,700	6,885,700	6,885,700	6,885,700	6,885,700	
TANF-State Program	2,000,000	2,000,000	1,835,494	2,000,000	2,000,000	Sec. 223 – Staff Development and State Leadership Program Fund
<b>Total State</b>	<b>8,885,700</b>	<b>8,885,700</b>	<b>8,721,194</b>	<b>8,885,700</b>	<b>8,885,700</b>	
<b>Total Federal &amp; State</b>	<b>57,041,547</b>	<b>68,328,703</b>	<b>71,531,101</b>	<b>74,928,711</b>		

Grants are awarded on a multi-year basis, for example, two years or three years. The first year is a competitive award, and in the second and, if applicable, third year of the cycle, grantees submit non-competitive continuation applications. (See Attachment 3 for application/allocation details.)

Although one of the TEA criteria (Criterion II) for awarding funds is “*projected goals and performance objectives of the applicant with respect to recruitment, educational achievement, retention and transition,*” there is no apparent linkage between actual performance and state approval of initial funding or continuation of funding for the second and third years.

**Table 2. Texas Workforce Commission State Funding<sup>32</sup>**

	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
TANF	\$2,500,000	\$2,500,000	\$2,000,000	\$2,000,000	\$0	\$0
General Revenue	\$204,934	\$204,934	\$204,934	\$204,934	\$0	\$0

After level funding in recent years, no state funds were appropriated for FY 04-05 to TWC for the TANF rider and workforce literacy projects.

<sup>32</sup> *Adult Basic Education and Literacy Activities at the Texas Workforce Commission*, attachment to letter from Cassie Carlson Reed, Executive Director of TWC, to the Council. August 20, 2003.

### Projected Federal Funding Levels

Total FY 2004 federal budget funding levels are expected to be relatively unchanged.

### Need and State Expenditures

Other large states, like Texas, have large numbers of undereducated adults, including large non-English-speaking populations. FY 2000 data show that Texas enrolled the lowest percent of those in need of adult education.

**Table 3. Comparison With Other Large States FY 2000 – Number of Undereducated Adults and Percent Enrolled**

Comparable Large States	Number of Undereducated Adults	Enrollment	Percent Enrolled
California	5,900,000	456,125	8%
Florida	2,500,000	399,722	16%
New York	3,360,000	194,028	6%
Texas	3,800,000	111,511	3%

Source: U.S. Dept. of Education, Division of Adult Education and Literacy. Cited by THECB January 2003.

The following table shows that California is spending less per student than it did in FY 2000 but the reason for the change is that about three times as many Californians are enrolled in FY 2003 as in FY 2000. The California state funding level is still \$537 million. New York enrollment and state funding are down 6 percent and 11 percent, respectively, but still more than \$500 per student. Florida's state funding level also continues to exceed \$500 per student. FY 2000 data published by the DOE in October 2003 show that the average expenditure among all states and territories was \$455 per student.<sup>33</sup>

At \$8.9 million, Texas currently spends \$64 per student in state funds, which is even lower than the \$80 per student spent by Texas in FY 2000.

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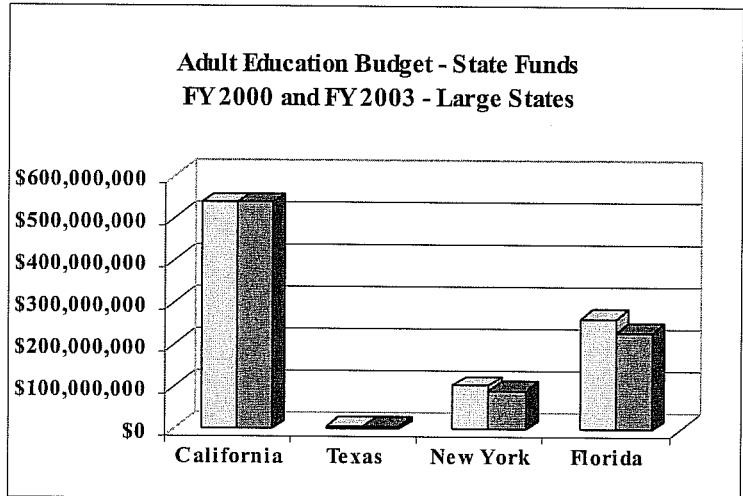
<sup>33</sup> U.S. Department of Education, Office of Vocational and Adult Education, Division of Adult Education and Literacy. October 17, 2003.

**Table 4. Comparison With Other Large States FY 2000 and FY 2003 Level of Investment**

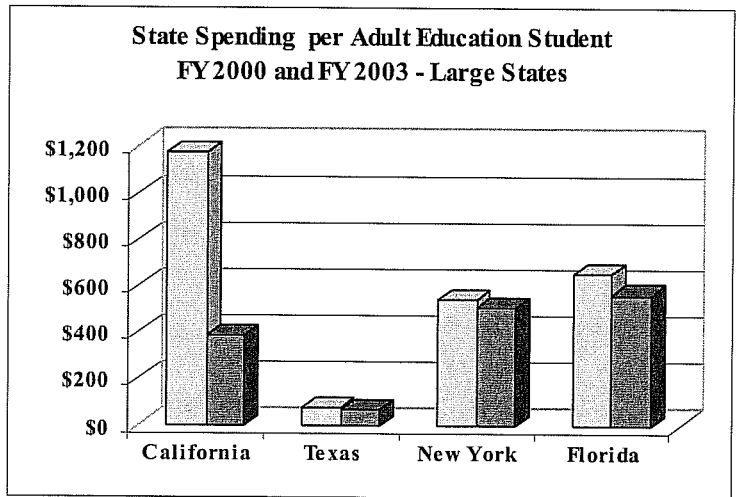
Comparable Large States	FY 2000			FY 2003		
	Enrollment	State Adult Education Budget	State Expend. Per Student	Enrollment	State Adult Education Budget	State Expend. Per Student
California	456,125	\$537,000,000	\$1,177	1,400,000	\$537,000,000	\$384
Florida	399,722	\$264,000,000	\$660	410,346	\$232,000,000	\$565
New York	194,028	\$105,000,000	\$541	182,000	\$93,000,000	\$511
Texas	111,511	\$8,900,000	\$80	140,093	\$8,900,000	\$64

Source: FY 2003 data obtained directly from the states, November 2003.

**Figure 1.**



**Figure 2.**



**CURRENT PROGRAM ACCOUNTABILITY –  
Legislation, Systems, Monitoring and Performance Data**

**Legislation**

**Workforce Investment Act Title II - AEFLA**

AEFLA requires state and local program administrators to establish a comprehensive accountability system to assess the effectiveness of eligible agencies; but, unlike Title I of WIA, no rigorous sanctions are in place for failing to meet performance levels. Core indicators required by Title II (AEFLA) are:

1. demonstrated improvements in literacy skill levels in reading, writing and speaking the English language; numeracy; problem solving; English language acquisition; and other literacy skills;
2. placement in, retention in, or completion of, postsecondary education, training, unsubsidized employment or career development; and
3. receipt of a secondary school diploma or its recognized equivalent.

In addition to reporting to the federal government on the three core measures, TEA reports adult education data to the Legislative Budget Board (LBB) and to the Council, including employment and educational outcomes.

In developing the *State Plan for Adult Education and Family Literacy for July 1, 1999 – June 30, 2004* for the DOE, TEA was required to identify expected levels of performance for each of the core indicators. TEA and the Secretary of Education reached agreement on the performance levels for the first three program years of the State Plan.

AEFLA requires levels to be reviewed after the third year for possible adjustment. Both the federal government and Texas allow local-level self-reporting of adult education and literacy data. The Office of Vocational and Adult Education at DOE developed a data certification process, including a formal data quality checklist that states use to attest to the level of quality of data reported to the DOE.

The DOE has recognized that federal performance standards and accountability systems for ABE are a work in progress, and that current systems need improvement in various areas in order to ensure that outcomes are realized for these federal investments. The OMB, in its assessment of the Adult Education State Grant Program for the FY 2004 federal budget, noted that grantees are not held fully accountable for results and it recommended program reforms to include increased grantee accountability, new common measures and improved performance reporting. OMB noted that targets for new common measures will be determined beginning in 2003.<sup>34</sup> OMB also states that “*new accountability provisions will ensure that grantee funds are contingent on achieving*

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<sup>34</sup> Office of Management and Budget. *Performance and Management Assessments: Adult Education State Grants*. (<http://www.whitehouse.gov/omb/budget/fy2004/pma/adulteducation.pdf>).

*real and measurable outcomes, such as the number of participants who obtain high school degrees or find a job.*<sup>35</sup>

### **Workforce Investment Act Title I**

Local boards (through TWC) and TWC report to the DOL under Title I of WIA. For Adult employment and training activities and dislocated worker programs, there are four Core Performance Indicators:

- Entry into unsubsidized employment;
- Retention in unsubsidized employment;
- Earnings received in unsubsidized employment 6 months after entry into employment; and
- Attainment of a recognized credential relating to achievement of education skills, which may include attainment of a secondary school diploma or its recognized equivalent, or occupational skills, by participants who enter unsubsidized employment.

In addition to the core indicators, TWC and the local boards are responsible for reporting to DOL:

- Customer satisfaction indicators;
- Additional indicators of performance identified by the state; and
- State-adjusted levels of performance for each indicator.<sup>36</sup>

Title I reporting requirements are extensive. TWC, in coordination with local boards, is required to conduct ongoing evaluations of various workforce investment activities involving several categories of customers. For FY 2003, TWC reported approximately 53 measures to the DOL, the majority of which are not related to adult education and literacy. Additionally, detailed reporting is required by the LBB.

### **Federal Common Measures**

Accountability at the federal level may improve the implementation of common performance measures effective in 2004. In 2002, the OMB issued directives for common measures development and implementation to 31 federally funded job training programs that are currently housed in six cabinet level agencies. ABE, administered by the DOE and funded under Title II of the WIA, was included in that directive. It is not clear when the DOE intends to implement the measures. Although the U.S. Department of Labor (DOL) planned to implement in September 2003 for the job training programs under its purview, the DOL's Employment and Training Administration (ETA) has delayed implementation so that ETA regional and national program offices can resolve internal policy matters related to the measures.

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<sup>35</sup> Office of Budget and Management – Department of Education.  
(<http://www.whitehouse.gov/omb/budget/fy2004/education.html>).

<sup>36</sup> Brustein, M. and R. Knight. *A Guide to The Workforce Investment Act of 1998*. National Association of Private Industry Councils.

## Information Systems

### National Reporting System (NRS)

In 1997 the DOE implemented the NRS for adult education student outcomes under AEFLA. AEFLA became law in 1998 and NRS was designed to serve as its accountability system. NRS includes a set of measures, methodologies and reporting procedures, which became effective for the federal program year beginning July 1, 2000. NRS measures include core measures and secondary measures. There are three types of core measures: outcome measures, descriptive measures and participation measures. Core outcome measures include *Educational Gains* and four follow-up measures related to employment and further education. All states and programs must use the NRS to report their progress on core measures annually to the DOE. Secondary measures, which are optional and have no performance standards, include additional measures related to employment, family and community.<sup>37</sup>

The 12 ABE/ESL levels developed by the NRS are used in the performance accountability system to determine the performance of the local provider and the progress of students and classes. The levels are used for reporting each student's progress, including students in workforce literacy programs. Assessments used to determine students' functional levels include workforce-related items.

Under NRS all students are assumed to have at least one goal: Development of Literacy Skills; therefore, all students are counted in the core measure, *Educational Gains*. Students may have additional goals but only four goals are relevant to NRS:

- Entered Employment,
- Retained Employment,
- Receipt of Secondary School Diploma or GED, and
- Placement in Postsecondary Education or Training.

When a student has designated an additional goal, the program is responsible for helping the student attain the goal, and the program or state must obtain information on whether the student achieved the goal after he or she leaves the program. Not all students declare additional goals but may have other purposes for attending, such as:

- Citizenship,
- Improvement in a Current Job, or
- Other Personal Reason.<sup>38</sup>

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<sup>37</sup> *Measures and Methods for the National Reporting System for Adult Education*. Division of Adult Education and Literacy, Office of Vocational and Adult Education, U. S. Department of Education. March 2001.

<sup>38</sup> *Guide for Improving NRS Data Quality: Procedures for Data Collection and Training*. Division of Adult Education and Literacy, Office of Vocational and Adult Education, U. S. Department of Education. August 2002.

### **Texas Education Agency's Adult and Community Education System (ACES)**

Reporting and use of NRS data require that every local program has an individual student record system in a relational database. In addition, states must have software that allows aggregation of data from all local programs into a single state database for reporting. To meet the NRS requirements for state-level software and to satisfy a mandate from the 75<sup>th</sup> Texas Legislature, TEA created ACES. It was first released in 1998 but was not fully effective at that time. For example, TEA was unable to report adult education program performance data to the Council until 2002.

In addition to being a state database, ACES is a local program database that providers can use for management purposes. ACES collects both demographic and student performance information on every adult education and literacy participant statewide. Local providers are required to submit program data through ACES.

According to a previous TEA deputy commissioner, there have been problems regarding data entry at the local level. Local program staff turnover and inconsistent or inadequate training may have been contributing causes. In October 2003 the Council was informed that for approximately the past 18 months ACES training was provided only for new grantees. Local staff who had been previously trained were not provided “refresher” training. Also, the grantees have had to train new staff members themselves. If questions arose, local staff were supposed to call TEA for assistance by phone.

This lack of consistent staff training may have resulted in incomplete/inaccurate reporting. Incomplete reporting through ACES may mean inconsistent data—data that might otherwise contribute to determining program outcomes or understanding the full scope of adult education and literacy needs in Texas.

### **Other TEA Management Information Systems Related to Adult Education**

The Texas Even Start Program Information Reporting System (TESPIRS) supports reporting requirements for the Even Start Program, which integrates adult literacy with early childhood education in a family-centered program. Local providers of Even Start services complete online forms to provide quarterly and annual reports to the state office.

The Public Education Information Management System (PEIMS) database contains comprehensive data on districts, staff, students and program participation. Its application for adult education consists of records of adults who earn a high school diploma or GED.

The Academic Excellence Indicator System (AEIS), first implemented in 1990-91, pulls together a wide range of information on the performance of students in each school and district in Texas for annual reports. Among its many data sources are ACES, TESPIRS, and PEIMS.

### **State Auditor's Review of Selected Mission Critical Information Systems at TEA**

In July 2003 the State Auditor's Office (SAO) issued a report summarizing results of independent information technology reviews conducted during the last three years. The reviews “*found that the agency did not ensure the accuracy of data in certain systems and did not reconcile information in its financial systems*”. In their report the SAO stated that they were unable to make a final assessment of the agency's “*efforts to address the security, reliability, and continuity of major information systems and the data they provide*”. The SAO also stated that the agency is currently working to address the results of the reviews and SAO will monitor the

agency's progress as it completes its organizational changes and has had more time to implement prior recommendations.

While these issues are far broader than adult education, which is a relatively small part of agency operations, they are relevant to adult education. For example, one of the reviews made recommendations regarding PEIMS and another recommended improved reconciliation processes involving certain systems that included the Texas Education Agency Grant Interface.<sup>39</sup>

## **Monitoring, Quality Assurance and Data Reporting**

### **Texas Education Agency**

In 2002, the DOE's Office of Vocational and Adult Education stated:

*"The state has the ultimate responsibility for ensuring that all local programs follow the state's data collection and reporting procedures. To make its system work, each state is responsible for ensuring that local programs receive ongoing training on NRS policies and procedures, state data collection procedures and reporting requirements. States should provide this training at least once annually. State responsibilities also include providing technical assistance to local programs to improve their data collection capabilities, and monitoring and oversight of local procedures. This monitoring should include regular, ongoing review of local data and contact with local staff on data collection issues."*<sup>40</sup>

Current practice has been that the local program conducts a desk review. TEA has also been doing desk reviews with programs rated high, medium or low risk. TEA has subcontracted to an independent team to monitor only the high risk programs. Last year only three programs were monitored and the reports primarily addressed fiscal issues (incorrectly entered figures or lack of amendments being posted). The subcontractors were not familiar with adult education and their reports were perceived by grantees as not contributing to growth or improvement.<sup>41</sup>

TEA has moved to an electronic monitoring system in which data, such as performance indicators and fiscal reports, are entered. If a grantee is out of compliance at the end of each quarter, an e-mail will be sent to the grantee and its TEA service manager explaining the issue(s) out of compliance. A plan is then required by the grantee to move toward improvement.

### **Texas Workforce Commission**

TWC is responsible for WIA operations, such as "...approving policy and rules, and carrying out state-level administrative program functions such as program planning, support in policy development, technical assistance, monitoring, contract and performance management, financial management, and reporting."<sup>42</sup> TWC monitors contractors to ensure that programs are designed

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<sup>39</sup> *A Review of Selected Mission Critical Information Systems at the Texas Education Agency*, Report #03-044. Texas State Auditor's Office. July 2003. (<http://www.sao.state.tx.us/reports/report.cfm/report/03-044>).

<sup>40</sup> *Guide for Improving NRS Data Quality: Procedures for Data Collection and Training*, Division of Adult Education and Literacy, Office of Vocational and Adult Education, U. S. Department of Education. August 2002.

<sup>41</sup> E-mail from Joanie Rethlake, State Director, *Texas LEARNS*. October 24, 2003.

<sup>42</sup> *Self-Evaluation Report to the Texas Sunset Advisory Commission*. Texas Workforce Commission. August 2001.



for achieving expected results, that funds are spent for authorized purposes and that reliable and timely information is captured, reported and used to improve decision making.<sup>43</sup>

**Performance Data**

**Required From the Texas Education Agency – State Level**

At the state level, TEA is required to report certain adult education and literacy data to the Legislative Budget Board (LBB) and to the Council. TEA reported adult data to the Council for the first time in 2002. Numbers were not provided retroactively for FY 2000 and 2001 for *Entered Employment Rate* and *Employment Retention Rate*.

The following table shows the measures that TEA is required to report to the Council and the data reported since FY 2000. There are no targets established for measures reported to the Council under the state workforce strategic plan for FY 2000-04. Two of the Council measures are also reported to the LBB, for which the LBB has established targets. It is clear from the low numbers represented by the percentages in the following table that only a fraction of the need for adult education and literacy services is being met. It is also important to note that the *Number of Students Served by Adult Education Co-operatives* in each of the four years has been significantly lower than the LBB targets.

**Table 5. Performance Data Reported to the Council by TEA**

Council Measure	FY 2000		FY 2001		FY 2002		FY 2003	
	LBB Target *	Reported to Council	LBB Target *	Reported to Council	LBB Target *	Reported to Council	LBB Target *	Reported to Council
Entered Employment (students who declared employment as a goal)		Not available		Not available		69.4% (21,779 students)		68% (24,527 students)
Employment Retention		Not available		Not available		20.4% (4,436 students)		Not available
Number of High School Diplomas or GEDs Issued to Adults		8,023		5,606		10,012		7,717
Percent of Adults Who Complete the Level in Which Enrolled	40%	42%	44%	61.4%	47%	64% (41,992 students)	49%	64.5% (51,878 students)
Number of Students Served Through Adult Co-operatives	228,700	136,195	228,700	135,201	180,000	149,185	185,000	157,354

\*Source: General Appropriations Act

<sup>43</sup> TWC intranet.

### Required from the Texas Education Agency – National Level

At the national level, TEA is required to report to NRS on performance as compared to targets on five core outcome measures, which reflect the core indicator requirements of WIA Title II:

- *Educational Gains*
- *Entered Employment*
- *Retained Employment*
- *Receipt of Secondary School Diploma or GED*
- *Placement in Postsecondary Education or Training*

For *Educational Gains*, TEA reports data to the DOE for 11 of the 12 levels of ABE, ASE and ESL. High ASE is not part of the federal performance measurement system. Other *Educational Gains* measures are *Percent Obtaining a GED* and *Percent Placed in Postsecondary Education*.

Performance targets negotiated by TEA and the DOE for these federal measures are low, as shown in the following table. Low targets are not exclusive to Texas. The OMB, in its evaluation of the Adult Education State Grants Program in preparation for the FY 2004 budget stated: “To the extent performance targets are set by states, a process should be put in place to ensure that state-defined targets are appropriately rigorous...”<sup>44</sup>

The DOE reported for PY 1999-2000 that 41 states exceeded their performance targets. The agency also noted that “many states were especially conservative in setting the performance projections [that] AEFLA mandates”.<sup>45</sup> Similarly, in PY 2000-2001, from 41 to 48 states met or exceeded targets on each of the core measures and 13 states met or exceeded all of their targets.<sup>46</sup> Data in Table 6 are from TEA’s *Annual Performance Report for FY 2002* submitted to the DOE.

### **Program Results – Texas (TEA Data) and National Comparisons**

In May 2003 Texas was awarded its third WIA Incentive Grant. The grant, shared by TWC, THECB and TEA, was awarded for performance outcomes of WIA, vocational education, and adult education programs. Although TEA adult education programs exceeded most of their targets and qualified for the grant, the targets are low and the numbers served are low, compared to the number of adults who need services. Therefore, this award does not mean that significant progress toward meeting adult education and literacy needs has been achieved.

The table on the following page illustrates these performance-to-target outcomes for Texas.

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<sup>44</sup> Office of Management and Budget. *OMB Program Assessment Rating Tool (PART) – Block/Formula Grants, Adult Education State Grants Program*.

(<http://www.whitehouse.gov/omb/budget/fy2004/pma/adulteducation.xls>).

<sup>45</sup> Quoted in Brown, C. G. and A. Hartman (July 2003). *The Adult Education and Family Literacy Act and Disconnected Youth*, in *Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth*. J. L. Epstein and M. H. Greenberg, Editors. Center for Law and Social Policy. Washington, D.C.

<sup>46</sup> *Adult Education and Family Literacy Act, PY 2000-2001: Report to Congress on State Performance*. U.S. Department of Education, Office of Vocational and Adult Education. June 2003.

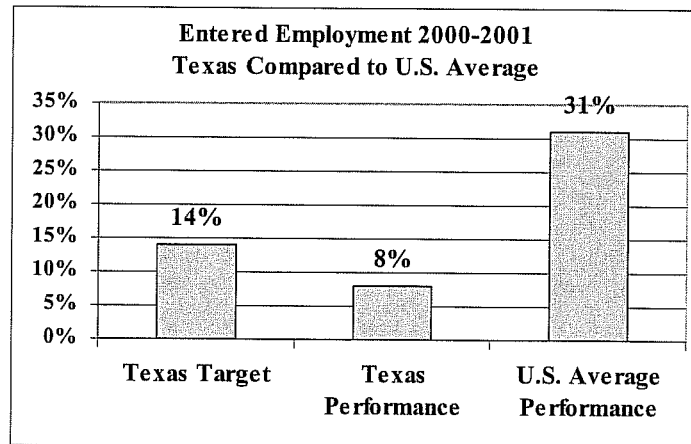
**Table 6. Performance Data Reported by TEA to the DOE – Target and Actual**

Literacy Education Level:	FY 2000		FY 2001		FY 2002	
	Target	Actual	Target	Actual	Target	Actual
ABE Beginning Literacy	13%	12%	13%	23%	14%	28%
Beginning ABE	17%	12%	17%	26%	19%	29%
Low Intermediate ABE	20%	15%	21%	26%	22%	31%
High Intermediate ABE	21%	14%	20%	22%	22%	24%
Low ASE	Not yet developed		25%	29%	26%	44%
High ASE	Reporting not required		Reporting not required		Reporting not required	
ESL Beginning Literacy	15%	21%	15%	31%	16%	36%
Beginning ESL	20%	21%	20%	31%	21%	33%
Low Intermediate ESL	21%	22%	21%	35%	22%	44%
High Intermediate ESL	21%	22%	21%	35%	22%	34%
Low Advanced ESL	Not yet developed		22%	32%	23%	37%
High Advanced ESL	Not yet developed		22%	13%	23%	7%
<b>Employment:</b>						
Entered Employment	14%	12%	14%	8%	15%	69%
Retained Employment	14%	22%	15%	9%	16%	20%
<b>Education:</b>						
Obtained GED	25%	16%	25%	22%	25%	36%
Placement in Postsecondary Education	15%	14%	15%	64%	16%	63%

**Comparison of Employment and Educational Outcomes – Texas (TEA Data) and U.S. Average**

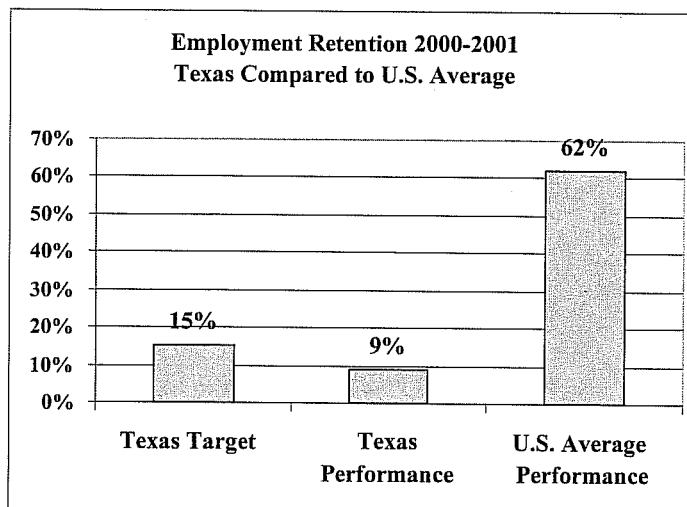
The following two figures compare employment outcomes between Texas and the national average. The next two figures compare educational outcomes. The Texas fiscal year and the U.S. fiscal year do not coincide but the comparisons are indicative of significant disparities nonetheless. U.S. data are from the DOE’s June 2003 report to Congress for 2000-2001, the first full year of state reporting under all accountability requirements of AEFLA.<sup>47</sup>

**Figure 3.**



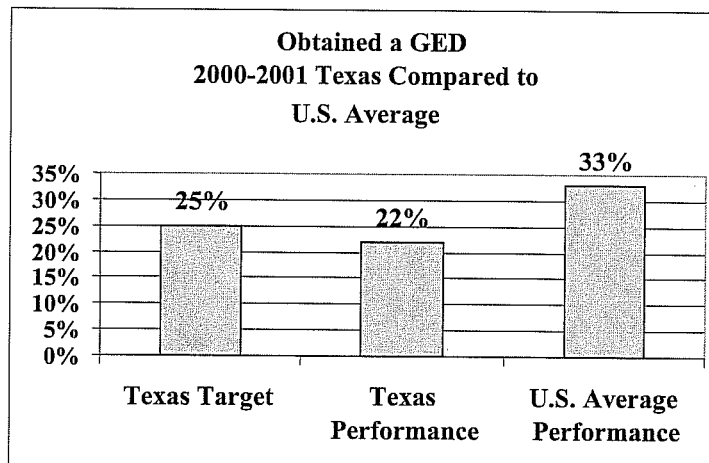
<sup>47</sup> *Adult Education and Family Literacy Act Program Year 2000-2001: Report to Congress on State Performance.* U.S. Department of Education, Office of Vocational and Adult Education. June 2003.

Figure 4.



Texas performance in comparison to Texas targets and to U.S. average performance on the two employment measures was very low for 2000-2001. TEA reported exceeding *Entered Employment* and *Employment Retention* targets for 2001-2002 (FY 2002, as shown on Table 6), but national figures have not been published; therefore, comparison to U.S. average performance cannot be made at this time for 2001-2002.

Figure 5.



### Performance Data Reported by Texas Workforce Commission

Data collected on TWC's 2001-2002 and 2002-2003 adult workforce literacy initiatives are not standardized because the nature of these demonstration projects is such that each is a unique design with different desired outcomes. However, all of these demonstration grant projects collected employer feedback on the question: "Did the project achieve what it was designed to do?"

All employers evaluated the training services positively, with over two-thirds rating services "very good" or "excellent" and all but one stating that the company would participate in this type of program again. For that single company, time was an issue, rather than program quality. Employer feedback listed higher productivity, less time required to explain the work to employees, easier transfer of work between crews, and less down-time because of errors and injuries as the key outcomes of the workforce literacy projects.

Data on TANF Choices participants, Food Stamps Employment and Training participants, and WIA Title I Adults and Dislocated Workers are reported to the federal government, the LBB and the Council. Following are some of the data reported to the Council in recent years on these populations.

**Table 7. Performance Data Reported to the Council by TWC**

	FY 2000	FY 2001	FY 2002	FY 2003
<b>Entered Employment</b>	<b>60,914</b>	<b>75,157</b>	<b>103,133</b>	<b>135,062</b>
<b>Entered Employment Rate</b>	<b>59%</b>	<b>59%</b>	<b>53.3%</b>	<b>52%</b>
<b>Employment Retention Rate</b>	<b>75.3%</b>	<b>75.3%</b>	<b>72.7%</b>	<b>72.4%</b>
<b>Earnings Gains Rate (% entering employment with increased earnings)</b>	<b>39.6%</b>	<b>44.3%</b>	<b>33.5%</b>	<b>33.9%</b>
<b>Employer Participation</b>	<b>32,198</b>	<b>30,178</b>	<b>27,171</b>	<b>24,810</b>
<b>Employer Participation Rate</b>	<b>8.7%</b>	<b>8.1%</b>	<b>7.2%</b>	<b>7.1%</b>
<b>Participant Indicator</b>	<b>1,446,683</b>	<b>1,679,953</b>	<b>2,097,919</b>	<b>1,787,416</b>

## CURRENT DELIVERY STRUCTURE – Service Providers, Teachers, Programs

### Service Providers

#### Fiscal Agents/Co-operatives

According to the Texas Center for Adult Literacy and Learning (TCALL)<sup>48</sup>, there are 56 “adult education co-ops” operating in the state’s 56 geographical areas as established by the Commissioner of Education. One member of each co-op is designated as the fiscal agent by the participating organizations and handles overall management of the co-op. Through such relationships, administrative costs can be minimized and related services can be leveraged. Minimum responsibilities include financial matters, maintenance of records required by TEA/Texas *LEARNS*, and employment of program staff. These fiscal agents are community colleges (24), independent school districts (20), educational service centers (8), community based organizations (3), and the Harris County Department of Education’s *Texas LEARNS*, which is also responsible for the operational functions of TEA’s Adult and Community Education Division as of August 1, 2003.

The co-ops are the primary providers of AEFLA-funded adult literacy and ESL education for those areas, but are by no means the only adult and family literacy providers. TCALL maintains a statewide Directory of Adult & Family Literacy Providers, which currently lists hundreds of co-ops, their affiliates and subcontractors; and local literacy councils. Not included in the directory are an unknown number of volunteer providers, such as churches and small community groups.

#### Community and Technical Colleges

Community colleges have existed in one form or another for nearly 100 years. Much of their growth came from the need to provide higher education access to returning World War II veterans. Unlike their four-year counterparts, community and technical colleges (CTC) essentially have been a product of their local community, reflecting local priorities and resources. *“In the past decade...both federal and state government officials have taken an increased interest in community colleges and expect them to assume a new and more prominent role in policy initiatives ranging from welfare reform to economic development.”*<sup>49</sup> In Texas, CTCs are under the authority of the THECB.

With the increasing number of older community college students requiring remediation or ESL or coming to the CTCs for job training related to state welfare reform requirements, teaching ABE or basic skills training has become a common program at community colleges. Community colleges also offer developmental college courses in math and fundamental reading skills to develop vocabulary and comprehension. In addition, developmental courses are offered for

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<sup>48</sup> TCALL was created in 1988 at Texas A&M University with the purpose of helping to reduce the incidence of adult illiteracy in Texas. TCALL operates the Adult Literacy Clearinghouse, the official state literacy resource center, which is funded by TEA using AEFLA state leadership activity funds. (<http://www-tcall.tamu.org>).

<sup>49</sup> *State Funding for Community Colleges: A 50-State Survey*. Center for Community College Policy, Education Commission of the States. Denver, CO: November 2000.

speakers of languages other than English, including oral communication, reading and vocabulary, and writing and grammar to help these students function in an English-speaking society.

Developmental courses are defined by THECB as “*courses designated as remedial or compensatory to help students develop basic skills*”.<sup>50</sup> Over 88 percent of publicly funded developmental instruction takes place in two-year colleges. As a result of their statutory mission, CTCs maintain an open-door admissions policy, enrolling students from a wide array of backgrounds and levels of preparation, and with differing goals. CTC students are more likely to be older or part-time students and many come from an academically and economically disadvantaged background.<sup>51</sup>

THECB has informed the Council that the agency collects information on developmental education at the colleges, but has no means of determining whether or not students reported in developmental education may actually be better defined and served through adult education and literacy programs.<sup>52</sup> THECB does not receive any funding directly from the federal government or state specifically for ABE/Literacy. Developmental courses are college courses and are not funded under AEFLA.

### **Volunteer Organizations**

The two largest adult volunteer literacy organizations, Laubach Literacy International and Literacy Volunteers of America, Inc., merged in 2002 to become ProLiteracy Worldwide. Currently, there are 80 locations in Texas. For 2002-2003, ProLiteracy reports that 9,475 Texas students were being served by 4,347 ProLiteracy volunteers.<sup>53</sup>

There are many literacy councils and other smaller volunteer groups across the state, which meet in libraries, schools, churches and similar settings. It is unknown how many adult students are served by those groups.

### **WIA Certified Training Providers**

TWC maintains on its web site a Statewide List of Certified Training Providers, which includes all training programs that are currently approved by one or more local boards and certified by TWC as eligible to receive WIA Title I funds. Only programs designed to have a workforce outcome are on the list. Therefore, Title II (AEFLA) providers are not required to undertake this certification process and are not on the list. However, there are many community and technical colleges on the list.

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<sup>50</sup> Draft of *Guidelines for Instructional Programs in Workforce Education 2003*. Texas Higher Education Coordinating Board. (<http://www.theccb.state.tx.us/ctc/ip/GIPWE2003/default.htm>).

<sup>51</sup> *Appropriations for Developmental Education in Texas Public Institutions of Higher Education*. Texas Higher Education Coordinating Board. April 2002.

<sup>52</sup> Letter from Don W. Brown, Commissioner of Higher Education, to Cheryl Fuller, Director of the Texas Council on Workforce and Economic Competitiveness, August 15, 2003.

<sup>53</sup> E-mail from Michele Diecuch, Information Center Coordinator, ProLiteracy Worldwide, Syracuse NY. October 24, 2003.

## Teachers

The numbers of teachers in local areas is dependent on the funds that flow into the local areas. Texas ranks toward the bottom of the 50 states in regard to the total amount of funds available to the state and in regard to the number of dollars available per eligible individual.

TEA/*Texas LEARNS* reports for FY 02-03 that there were 7,615 part-time, 458 full-time and 232 volunteers providing adult education services in Texas.<sup>54</sup> Another source reported in 2002 that “fiscal agents oversee approximately 3,500 teachers, of whom 200-250 teach full time; more than 90 percent of the ABE teaching force work part time.”<sup>55</sup> Although widely divergent in the count, it is clear that a high percentage of teachers are part-time. Similarly, a third source stated that, nationwide, a little less than 90 percent are part-time workers.<sup>56</sup> It is unknown how many teachers are in local volunteer programs not included in TCALL’s provider directory or not otherwise known to TEA.

In order to teach in a TEA-funded program, a person must hold at least a bachelor’s degree. Persons without valid Texas teacher certification must attend an additional 12 clock hours of in-service professional development annually until they have completed either six clock hours of adult education college credit or attained two years of adult education experience. Teachers in volunteer programs do not have to meet these requirements.

Generally, part-time teachers do so to supplement their regular income but recruiting and retaining teachers is difficult, at least in part, because of low pay. For example, ESL may be offered in a community college as a credit class that is not related to local TEA-funded programs. In the same geographical area, ESL might also be offered by a TEA provider such as a private non-profit. A teacher could earn much higher pay teaching the college class. In addition, ABE programs often follow the K-12 and college schedules with classes ceasing for up to a month in December and three months during the summer. This may not meet the job needs of a teacher desiring continuous employment.

The annual adult education performance report provides the number of teachers in the adult education system on an annual basis. But the number of teachers does not tell the entire story. Most of those teachers are part-time. In many areas of the state it is extremely difficult to find teachers who are qualified.

A system for providing appropriate professional development and training for adult education teachers is sorely needed. For example, teachers are not trained to work effectively with students whose goals are tied to time-limited federal programs.<sup>57</sup>

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<sup>54</sup> *Adult Education Self Report Submitted to the Texas Workforce Investment Council*. Harris County Department of Education. September 30, 2003.

<sup>55</sup> Sabatini, John P., Lynda Ginsburg, Mary Russell (2002). *Professionalism and Certification for Teachers in Adult Basic Education*, in *Annual Review of Adult Learning and Literacy, Volume 3*. San Francisco: Jossey-Bass.

<sup>56</sup> Quoted in Brown, C. G. and A. Hartman (July 2003). *The Adult Education and Family Literacy Act and Disconnected Youth*, in Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth. J. L. Epstein and M. H. Greenberg, Editors. Center for Law and Social Policy. Washington, D.C.

<sup>57</sup> Also needed is a way to certify the acquisition of the teaching proficiencies that can produce the desired results and outcomes. *Texas LEARNS* has released a Request for Application (RFA) that includes such a system for the near future.



## **Adult Education Programs**

### **English Literacy and Civics**

EL/Civics federal grants are awarded to provide instruction on the rights and responsibilities of citizenship, the importance of civic participation, the procedures for naturalization, the principles of our Constitution and the history of the U.S. EL/Civics students acquire the skills and knowledge to become active and informed workers, parents, and productive members of their community.

EL/Civics provides an integrated program of services that incorporates English literacy and civics education services to immigrants and other limited English proficient populations. Successful students who complete the program gain an understanding of the system of American government, our educational and workplace systems and the importance of key American industries such as banking and healthcare.

EL/Civics funding is awarded competitively. Eligible applicants must demonstrate proven effectiveness in providing adult students with the key components of the EL/Civics program. Eligible applicants include local education agencies; community-based organizations including volunteer literacy organizations; institutions of higher education; and public or private non-profit agencies.

### **Adult Basic Education Program**

ABE federal grants provide English language skills to limited English proficient adults, and basic instruction in reading, writing, and arithmetic, or secondary level proficiencies to out of school youth and adults functioning at less than a secondary education completion level (ASE).

Funding is awarded competitively to ABE providers. Eligible applicants must demonstrate proven effectiveness in providing adult students with the key components of the ABE program. Successful ABE providers must offer classes that are accessible to adult students. The majority of Texas adults enrolled in an adult education class also work in paid employment; therefore, the classes should be community-based, easy to enroll in, and convenient to attend. Eligible applicants include local education agencies; community-based organizations including volunteer literacy organizations; institutions of higher education; and public or private non-profit agencies and institutions.

### **Temporary Assistance for Needy Families Program**

Consistent with legislative mandate, the Temporary Assistance for Needy Families (TANF) Program provides adult education instruction to its recipients who are required to participate in adult basic education and job training programs as a condition for eligibility.

### **Even Start Family Literacy Program**

Even Start utilizes a family-centered education model that helps improve the academic achievement of young children and the literacy skills of their parents. Even Start combines the four core components of family literacy:

- early childhood education,
- adult literacy – ABE and instruction for English language learners,
- parenting education, and

- activities that link literacy to the interaction between parents and their children.

*Even Start Administrative Structure Related to Adult Education and Literacy*

Parents who are eligible for participation in an adult education program and their children – from birth through age seven – are also eligible to participate in Even Start Family Literacy Programs. At least one parent and one or more eligible children must work together in all components of the Even Start project (early childhood, parenting, and adult education.) Teenagers under the age of 16 who are parents are also eligible to participate with their children as long as the local school district provides the basic education component for the teen parent.

Even Start funding is awarded competitively to applicants who demonstrate proven effectiveness in providing family literacy services. Eligible applicants include local education agencies; community-based organizations including volunteer literacy organizations; institutions of higher education; and public and private non-profit agencies and institutions. Even Start Family Literacy dollars are currently being used to provide instructional activities that utilize scientifically based reading research; provide instructional and enrichment services during the summer months; promote the academic achievement of children and adults; and ensure the retention of participants and the improvement of their educational outcomes.

**Corrections and Institutionalized Education Programs**

Consistent with federal law, the Corrections and Institutionalized Education Program in Texas provides English language proficiency for limited English proficient adults, basic academic and functional context skills, and secondary level proficiencies for the incarcerated. These services are offered in a correctional institution for adults who function at less than a secondary completion level. The Corrections and Institutionalized Education Program provides:

- basic skills education,
- special education programs as determined by the eligible agency,
- reading, writing, speaking and math programs, and
- secondary school credit or diploma programs or their recognized equivalent.<sup>58</sup>

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<sup>58</sup> *Adult Education Self Report Submitted to the Texas Workforce Investment Council.* Harris County Department of Education. September 30, 2003.

**CURRENT TEA DATA – Enrollment, Participant Profile and Composition**

The Enrollment totals and the Participant Profile totals shown below are from the same TEA report to DOE<sup>59</sup>. A participant is an individual receiving adult education services but is not counted as an enrolled student until after completing 12 hours. It is not clear why the Participant totals are lower than Enrollment totals in each year. The Council has requested explanatory information from TEA.

**Table 8. Enrollment**

	2000-2001		2001-2002	
<b>Adult Basic Education</b>	45,998	41%	49,707	41%
<b>Adult Secondary Education</b>	9,700	9%	6,480	5%
<b>English as a Second Language</b>	55,813	50%	63,790	54%
<b>Total</b>	<b>111,511</b>	<b>100%</b>	<b>119,977</b>	<b>100%</b>

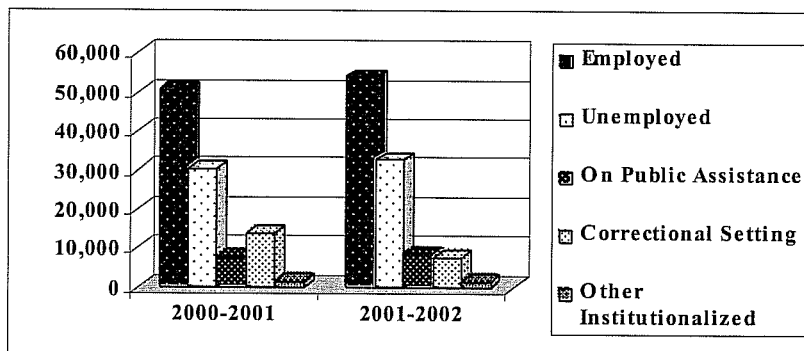
**Table 9. Participant Profile**

	2000-2001	2001-2002
<b>Employed</b>	50,698	53,914
<b>Unemployed</b>	30,368	32,877
<b>On Public Assistance</b>	7,681	8,586
<b>Correctional Setting</b>	14,001	7,838
<b>Other Institutionalized</b>	1,821	1,460
<b>Total</b>	<b>104,569</b>	<b>104,675</b>

ASE enrollment was down significantly for 2001-2002. The Council has no information regarding the reason for this decline. The most significant change in the past few years in the Participant Profile data below is seen in the 56 percent drop in Correctional. The term “correctional institution” means a prison, jail, reformatory, work farm, detention center, halfway house, community-based rehabilitation center, or any other similar institution designed for confinement or rehabilitation of criminal offenders.

**Figure 6.**

**Participant Profile**



<sup>59</sup> Texas Adult Basic Education Program Annual Performance Report FY 2002 [to the U. S. Department of Education]. Texas Education Agency Division of Adult and Community Education.

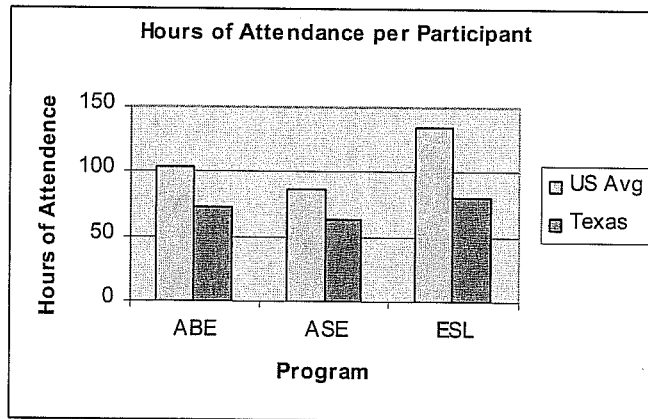
A number of other factors contributed to this decline, including:

- many halfway houses have closed;
- the field was directed by the former state director to serve fewer with more intense instruction;
- fewer fiscal agents applied for money because of a change in interpretation of the grant description; and
- this population is difficult to serve because many do not stay long enough to complete the 12-hour orientation period required in order to be assessed and counted as students. (Many jail classes only last two or three hours twice each week.)

### Individual Participant Attendance

Hours of attendance in TEA-funded programs roughly mirror the U.S. as a whole, in that ASE is the lowest of the three, and ESL is the dominant component. However, the national averages are considerably higher across the board than Texas. In the traditional model, many practitioners believe that 100 hours of attendance is necessary for the student to advance one educational level. Assuming that to be true, it is easy to understand why some adults may become discouraged and drop out of programs because of the length of time required to reach their goals. Interviews with local workforce officials seem to support this.

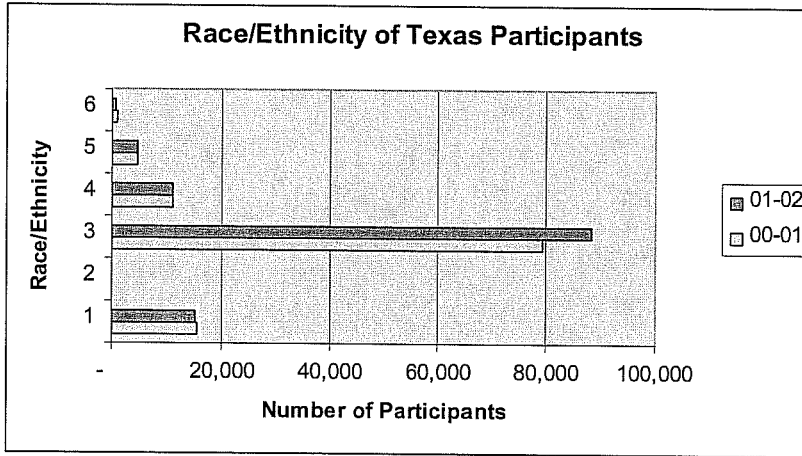
**Figure 7. Hours of Attendance per Participant**



### Race & Ethnicity

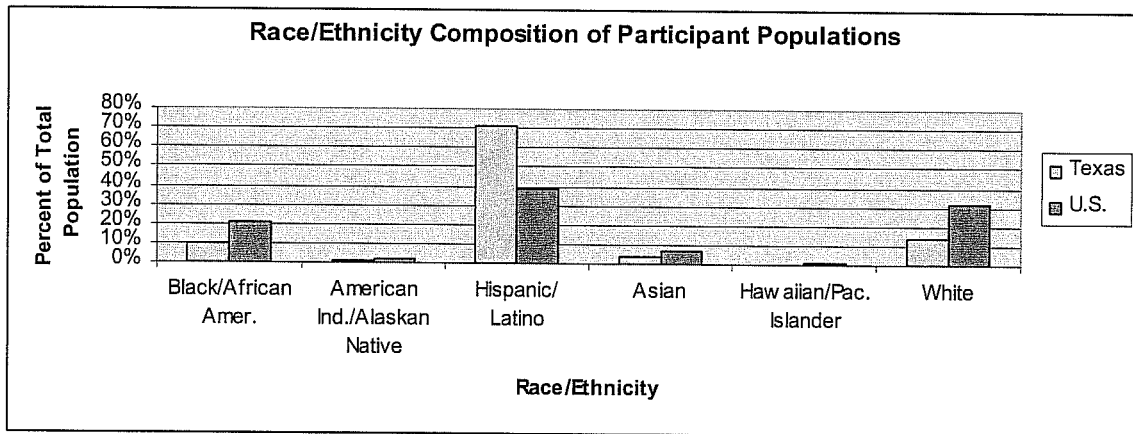
The following bar graph shows that the numbers reported by TEA of all participant populations except Hispanic/Latino remained relatively unchanged from FY 2000-2001 to FY 2001-2002. The number of Hispanic/Latino participants increased more than 11 percent in one year. This increase, as well as those projected for future years, holds significance with regard to serving the Texas population.

**Figure 8. Race/Ethnicity of Participants**



- |                                      |                     |
|--------------------------------------|---------------------|
| 6 – American Indian/Alaskan Native   | 3 – Hispanic/Latino |
| 5 – Black/African American           | 2 – Asian           |
| 4 – Native Hawaiian/Pacific Islander | 1 – White           |

**Figure 9. Race/Ethnicity of Texas Participants Compared to U.S. Participants**



The chart above compares the population percentages of participants in TEA-funded programs with those in the entire nation. Percentages of Hawaiian/Pacific Islander, Asian and American Indian/Alaskan Native participants in Texas are similar to the U.S. in FY 2000-2001. The proportions of White and African American participants in Texas were about half of the U.S. average for PY 2000-2001<sup>60</sup>, while the percentage of Hispanic/Latino participants in Texas was almost twice that of the U.S. average.

These data, combined with census data discussed in relation to the segments of the Texas population that are expected to grow exponentially over the next 20 years, illustrate the critical nature and rapid increase in the need for English literacy in the Texas population. Texas has, and

<sup>60</sup> *Adult Education and Family Literacy Act Program Year 2000-2001: Report to Congress on State Performance.* U.S. Department of Education, Office of Vocational and Adult Education. June 2003.

will continue to have, a significant proportion of both the state population and the adult education population for whom English may not be a first language. This percentage, combined with socio-economic data that positively correlates low socio-economic status with poverty, low levels of literacy and generational economic effects with regard to unemployment, is of significance in addressing those most in need of adult education.

## CURRENT TEA PROGRAM COORDINATION<sup>61</sup>

According to the Texas State Plan for Adult Education and Family Literacy (State Plan), TEA coordinates its Adult Education and Family Literacy Services with two other state agencies.

### **TEA and the Texas Higher Education Coordinating Board**

#### *State Level Activity*

THECB administers institutions of higher education in the state. TEA and THECB coordinate regularly in a number of capacities. THECB has cooperated with TEA in providing data for following adult education students in regard to whether they enrolled in public postsecondary institutions. THECB data are necessary to determine the numbers and percentages of adult education students who enter public postsecondary education, which is a vital part of a core indicator of performance under the AEFLA.

#### *Local Level Activity*

When the State Plan was written in FY 99, of the 56 fiscal agents for adult education consortia, 18 public colleges and universities served as adult education fiscal agents across the state. Currently, 24 fiscal agents are colleges and universities; they apply for TEA grants on behalf of a consortium. Virtually all Texas public community and technical colleges serve as adult education partners in the delivery system. Colleges and universities are a significant resource for adult education in Texas, and allow the leveraging of facilities and other collaborations for service provision. Another way that CTCs are involved in adult education is by inclusion on TWC's list of Eligible Providers under WIA Title I. WIA Eligible Provider programs must have a workforce outcome as their purpose. In addition, six colleges and universities served as contractors for the State's Adult Education Professional Development Consortium between 1999 and 2002, allowing additional leveraging of expertise and resources.

Local adult education programs also integrate activities with institutions of higher education. Local collaboratives of colleges, schools, community-based organizations and other agencies provide an infrastructure for the local provision of services and frequently collaborate in providing workforce development and transition services for adult education students interested in attending college.

### **TEA and the Texas Workforce Commission**

Since TWC is the state agency responsible for oversight of the state's system of local workforce development boards, TEA and TWC have engaged in collaborative planning at the state level, achieving improved services to those clients served by both agencies with varying degrees of success. Representatives from TWC and local boards have participated in the TEA state planning process and hearings; TEA representatives participated in the development of the Title I State

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<sup>61</sup> *Adult Education Self Report Submitted to the Texas Workforce Investment Council.* Harris County Department of Education. September 30, 2003.

Plan under WIA. Also, local boards were represented on the TEA Task Force on Adult Education Accountability<sup>62</sup>.

TWC also administers the employment and training program for welfare recipients under the TANF legislation. TEA administers the federal and state TANF adult education program. Collaboration in regard to this program is extant. Choices Program participants are referred to adult education programs by TWC or local workforce development board contractors for education services, including adult basic education, adult secondary education, and English as a second language.

TEA annually provides information to TWC regarding the amount of state and federal funds that flow into each local workforce development area for adult education and literacy, and local fiscal agents share adult education data with local boards.<sup>63</sup> The information shared with the local boards varies according to the local agreements between adult education programs and their partners in the workforce development system. The data typically shared include student attendance, scores on standardized tests, referrals for additional services, completions, etc.

In addition to the usual information requests between agencies, past examples of coordination between TWC, TEA and THECB have included workgroup participation, interagency grant reading and plan development. TWC's employment-focused philosophy regarding adult education and literacy often differs from the philosophies of TEA and THECB.<sup>64</sup>

#### Local Level Activity

Specific configurations for collaborations of adult education programs with local workforce boards, one-stop workforce centers and their contractors vary. Currently, all applicants for adult education funds are required to consult with local workforce boards and develop written agreements with local boards and one-stop workforce centers. Schedule 5A of the application for funds specifically requires that applicants coordinate with other community entities, including workforce boards. Other requirements include the identification of workforce needs in local literacy needs assessments and that a workforce representative serves on an advisory committee.

While the transition to one-stops and collaboration varies across the state, a fairly common adult education/workforce development model at the one-stop career development centers is that of cost sharing and co-location for the provision of adult education and literacy services to local workforce board clients. A number of programs share space with one-stop centers either for classroom space or for recruitment and orientation purposes. Costs usually shared include historically space, assessment, and the use of technology for instructional purposes.

One-stops provide unique opportunities for adults to access various services, including guidance and possibly childcare and transportation. Where one-stops are located on college campuses, local institutional funds may also support adult education activities. These services include the local

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<sup>62</sup> A memorandum of understanding between TWC and TEA was officially adopted in July 1999 and is still in effect. Additional MOUs have been adopted during the interim years and have typically focused on specific initiatives. Both TWC and the Council are represented on the Task Force on Adult Education Accountability. Although the task force has not met in recent years, the task force continues to exist as it has not been discontinued by its convening authority.

<sup>63</sup> *Adult Education Self Report Submitted to the Texas Workforce Investment Council*. Harris County Department of Education. September 30, 2003.

<sup>64</sup> *Adult Basic Education and Literacy Activities at the Texas Workforce Commission*, attachment to letter from Cassie Carlson Reed, Executive Director of TWC, to the Council. August 20, 2003.



agreements between adult education providers and workforce entities for the delivery of services to TANF recipients in the Choices Program.

TEA requires all applicants for adult education funds to develop written agreements with local boards and one-stop workforce centers. One-stop workforce centers must develop memoranda of understanding with adult education providers. TEA/*Texas LEARNS* states that it will collaborate with TWC to facilitate this process.<sup>65</sup>

### **New State Plan in 2004**

A new state plan will be due to DOE in 2004. TEA, THECB and TWC began discussions in October 2003 about joint preparation of this plan. Such collaboration could provide an opportunity for unprecedented coordination and improvement of adult education and literacy in Texas.

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<sup>65</sup> *Adult Education Self Report Submitted to the Texas Workforce Investment Council*. Harris County Department of Education. September 30, 2003.

**THE FUTURE – Changes and Trends Past 2010**

**Texas Population Growth and Trends**

The decade of the 1990s saw unprecedented growth in Texas, largely due to net migration. The population increased 3,865,310, or 22.8 percent, between 1990 (16,986,510) and 2000 (20,851,820), making Texas the nation’s second largest state, behind California.

Migration is the most difficult population component to project; therefore, in projecting trends until 2040, the Office of the State Demographer and Texas State Data Center at Texas A&M University use three scenarios.

- 1) The 1.0 Scenario assumes rates of net migration equal to 1990 – 2000.
- 2) The 0.5 Scenario assumes net migration equal to one-half of the 1990 – 2000 rate.
- 3) The 0.0 Scenario assumes zero net migration.

The 0.0 Scenario would reflect only the difference in births and deaths and is very unlikely to occur. Texas has a natural impetus to growth that is likely to lead to substantial future population growth under a variety of economic conditions.<sup>66</sup>

Methodology used by the Data Center and assumptions made have certain limitations. For example, it is impossible to know precisely (a) the literacy proficiencies of the adults who migrated into Texas; (b) the literacy proficiencies of exiting adults; and (c) the changes in literacy proficiencies of adults who remain in Texas during the projection period. Also, unforeseen changes in social and economic conditions will affect accuracy in long-term projections. However, projected trends in rates and sources of population growth and growth in the non-Anglo population are critical for understanding the future of Texas.

**Table 10. Total Texas Population for 2010–2040 – Percent Increase from 2000**

Assuming 0.5 Scenario			Assuming 1.0 Scenario <sup>67</sup>		
2000	20,851,820	start	20,851,820	start	
2010	24,178,507	16.0%	25,897,018	24.2%	
2020	27,738,378	33.0%	32,427,282	55.5%	
2030	31,389,565	50.5%	40,538,290	94.4%	
2040	35,012,330	67.9%	50,582,961	142.6%	

<sup>66</sup> Murdock, Steve H., et. al. (December 2002). *A Summary of The Texas Challenge in the Twenty-First Century: Implications of Population Change for the Future of Texas*. Center for Demographic and Socioeconomic Research and Education, Texas A&M University.

<sup>67</sup> Adapted from information in *The Texas Challenge (2002 edition)*, Texas Council of Government Regions Tables. Center for Demographic and Socioeconomic Research and Education, Texas A&M University.

**Changes in Racial/Ethnic Composition in Texas**

Similarly, extrapolations can be calculated for the change to Racial/Ethnic Composition

**Table 11. Race/Ethnicity Percent of Total Population for 2010–2040**

	Assuming 0.5 Scenario						Assuming 1.0 Scenario <sup>68</sup>					
	1990	2000	2010	2020	2030	2040	1990	2000	2010	2020	2030	2040
<b>Anglo</b>	60.6	53.1	47.6	42.4	37.2	32.5	60.6	53.1	45.2	37.5	30.5	24.2
<b>Black</b>	11.6	11.6	11.3	10.8	10.2	9.4	11.6	11.6	11.1	10.2	9.1	7.9
<b>Hispanic</b>	25.6	32.0	37.2	42.3	47.5	52.5	25.6	32.0	39.2	46.4	53.1	59.1
<b>Other</b>	2.2	3.3	3.9	4.5	5.1	5.6	2.2	3.3	4.5	5.9	7.3	8.8

Of the net growth in Texas from 2000 to 2040, 66.7% under the 0.5 Scenario and 84.2 percent under the 1.0 Scenario would be due to net migration, that is, to migrants and their descendants. These rates are similar to historic patterns and show how important migrants and their descendants are in the continuing population growth in Texas.<sup>69</sup>

The Hispanic population is projected to become a majority by 2026 under the 1.0 Scenario and by 2035 under the 0.5 Scenario. Under the 1.0 Scenario, of the net increase in population between 2000 and 2040, only 3.9 percent would be due to an increase in the Anglo population, with more than 96 percent of the net additions to Texas’ population being non-Anglo.<sup>70</sup>

**Why are Population Growth and Racial/Ethnic Composition Important?**

The Senate Education Committee, in its November 2002 Interim Report to the 78<sup>th</sup> Legislature, stated:

*“At the same time that Texas is topping other states in population growth and diversity, the 2000 Census shows Texas closer to the bottom in other categories. With \$39,927 as its annual median household income, Texas ranks 30<sup>th</sup> among the states, a reflection of its high percent of economically disadvantaged residents. The educational attainment of Texans is also lower than average. The percent of college graduates in the population 25 years of age or older is 23 percent for a ranking of 27<sup>th</sup> and the percent of high school graduates in the population 25 years of age or older is 76 percent for a ranking of 45<sup>th</sup>. These three markers, when correlated with the state’s recent and projected demographic changes have signaled an alarm to policy makers. The ethnic groups that are growing the fastest are also those with the lowest high school completion rates...”*

The already acute need for adult education and literacy services is becoming greater each year. And the dramatic increases in the Spanish-speaking population will result in an even greater need

<sup>68</sup> Adapted from information in *The Texas Challenge (2002 edition)*, Texas Council of Government Regions Tables. Center for Demographic and Socioeconomic Research and Education, Texas A&M University.

<sup>69</sup> Murdock, Steve H., et. al. (December 2002). *A Summary of The Texas Challenge in the Twenty-First Century: Implications of Population Change for the Future of Texas*. Center for Demographic and Socioeconomic Research and Education, Texas A&M University.

<sup>70</sup> Ibid.

for English literacy than exists today. A fundamental element in raising literacy and education levels is the need to develop employment readiness in these populations.

### **Texas Employment Projections 2000-2010**

TWC's Labor Market Information Department<sup>71</sup> has projected that total employment in Texas will increase by over 1.8 million jobs between 2000 and 2010, rising to nearly 13 million jobs overall. Over 50 percent of the growth will be found in *Professional and Related Occupations* and *Service Occupations*. Of the top 20 growing occupations, most of them, including health and computer related fields, are in these two major occupational groups. Additionally, almost 2.3 million job vacancies will occur as experienced workers leave their jobs to enter other occupations, retire, or leave the labor force for other reasons. Texas has a higher expected job growth rate than the nation, 17.6 percent vs. 15.2 percent for the 2000 - 2010 projection period, but this strong demand for a skilled workforce cannot be met unless more is done to raise literacy and education levels.

### **Adult Education/Literacy Action Plans Under the New System Strategic Plan for FY 04-09**

*Destination 2010: FY 2004-2009 Integrated Strategic Plan for the Texas Workforce Development System*, which was signed by Governor Perry in October 2003, fulfills legislative mandates and presents action plans for accomplishment of the goals and long-term objectives collaboratively developed through the planning process by the workforce system partners.

Under this plan, TEA is responsible for the two programmatic long-term objectives related to adult education: (1) increasing the *Percentage of Adult Education Students Completing the Level Enrolled*, and (2) increasing the *Percentage of Adult Education Students Receiving a High School Diploma or GED*. Targets, incremental tasks and milestones will be worked out with TEA in the coming months as part of the plan implementation process.

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<sup>71</sup> Gattis, Dorothy (December 2002). *Jobs in the 21<sup>st</sup> Century*. Texas Workforce Commission. (<http://www.texasworkforce.org/lmi>).

## ANALYSIS of Collected Information, Data and Conclusions

### Systemic Issues

The problems identified by TWC and *Texas LEARNS* in their self-reports to the Council highlight the lack of a systemic approach to service delivery and the resulting lack of a cohesive identity. State and local partnerships need to be developed and effectively maintained. Curriculum development and implementation is a critical matter, especially in view of the need for integration of workforce literacy with basic skills development. Low-skilled individuals and displaced workers need to learn transferable skills to reach their employment goals as quickly as possible. A purely academic focus in delivering adult education and literacy takes too long to produce results needed by most students.

A corollary to this is that the services need to be available where and when students need them, and need to be of sufficient intensity and duration. Programs that can be accessed only during the regular K-12 or college schedule are inadequate to meet students' year-around needs. Further, duplications in planning and program administration prevent leveraging of scarce resources and, in some instances, require students or potential students to duplicate assessments or provide personal information multiple times.

Historically, the size and complexity of the state of Texas combined with the different missions of the various agencies providing adult education and literacy services in the state created duplications in services and often resulted in systems that created unnecessary roadblocks for students and employers as the consumers of adult education services.

As of early fall 2003, the adult education and literacy system in Texas is a loosely coupled network of providers, many dedicated, some of which have provided outstanding service, and some that struggle to perform. Given the large and growing demand for adult education services, and the critical need for these services to be delivered in innovative, customer-focused ways, a loosely coupled network is inadequate. In its research the Council discovered that some local workforce boards were not yet aware that TEA's adult education operations had been outsourced to *Texas LEARNS*. This is an example of the need for better communication between workforce boards and the local adult education provider community in some areas.

Strong leadership at the state level is necessary to build a cohesive, systemic approach to the delivery of adult education services in Texas. In recent years, state leadership has struggled to work together to provide vision, direction and solutions to looming concerns. In 2003, interim leadership at TEA has been instrumental in facilitating system change. Early indications are that *Texas LEARNS* has willingness to recognize and frankly address some of the chronic problems that exist, and the commitment to work effectively with local officials, TWC, THECB and other stakeholders to seek solutions. In addition, this change in adult education administration has been an impetus for renewed collaboration at the state level. In fall 2003 the three agencies, along with *Texas LEARNS*, are beginning to work toward both short- and long-term solutions to the critical challenges facing this state.

Much will be required of state leadership and staff, and of local practitioners, if Texas is to see real progress in integrated system development. Many old practices and ways of thinking and operating will have to be reconsidered and, in some instances, replaced. New determination is needed to improve service delivery through innovative thinking and to achieve better outcomes for adult learners.

## Gaps

### Addressing the Growing Need

The most obvious and serious gap is the difference between the number of Texans who need adult education and literacy training and the number of Texans who are being served. This correlates directly with a gap in the amount of funding that is being allocated to adult education and literacy to meet both current and projected future need.

Using population growth data from the 2000 Census, it becomes clear that the current gap will widen unless significant changes are made and funding is increased to levels comparable to states with similar demographics and special populations. Undereducated adult data are extrapolated to the year 2040 using both the 0.5 Scenario (half the growth rate of the 1990s) and the 1.0 Scenario (growth rate equal to the 1990s) as determined by the Texas State Demographer. For the sake of illustration, certain assumptions are made: level funding, no changes in the percent of non-English speakers, and no inflation in education costs.

**Table 12. Projections of Percent Served for 2010–2040  
Assuming 0.5 Scenario and Stable Conditions**

	Projected Population	Percent Increase in Population From 2000	Estimated Number of Under-Educated Adults	Less the Number Served in 2000 (111,511)	% Served Assuming Level Funding & Migration; No Inflation
2000	20,851,820	--	3,800,000	3,688,489	2.9%
2010	24,178,507	16%	4,406,049	4,294,538	2.5%
2020	27,738,378	33%	5,054,765	4,943,254	2.2%
2030	31,389,565	50.5%	5,720,120	5,608,609	1.9%
2040	35,012,330	67.9%	6,380,297	6,268,786	1.7%

**Table 13. Projections of Percent Served for 2010–2040  
Assuming 1.0 Scenario and Stable Conditions**

	Projected Population	Percent Increase in Population From 2000	Est. Number of Under-Educated Adults	Less the Number Served in 2000 (111,511)	% Served with Level Funding & Migration; No Inflation
2000	20,851,820	--	3,800,000	3,688,489	2.9%
2010	25,897,018	24.2%	4,719,214	4,607,703	2.4%
2020	32,427,282	55.5%	5,909,224	5,797,713	1.9%
2030	40,538,290	94.4%	7,387,293	7,275,782	1.5%
2040	50,582,961	142.6%	9,217,733	9,106,222	1.2%

The projections above show that the percentage of Texans served will decrease from about 3 percent to 1.7 percent or 1.2 percent by 2040, given stable conditions equivalent to the year 2000. If the non-English speaking population increases as a percent of total state population as projected, and education costs increase, then even fewer Texans will be served. These numbers serve to foreshadow a pending crisis in the ability of Texans to access requisite adult education and literacy skills. In Texas' border communities, since the beginning of this decade, approximately 50% to 60% of adult residents function at the lowest literacy level. Failure to improve adult education and literacy service delivery in Texas through lack of system reform and lack of adequate investment in human capital will hinder economic and social progress in the state. Changes must be made to the way Texas funds and delivers adult education and literacy services.

Texas' gap in funding and providing access to those in need is even more apparent when compared to other states such as New York, California and Florida. In 2000, while Texas served only about 3 percent of undereducated Texans, New York served 5 percent of undereducated adults; California served 8 percent; and Florida served 16 percent.

The Texas Higher Education Coordinating Board, in a draft paper issued in January 2003, states:

*“Although Texas ranks second in terms of the number of adults in need of education, it ranks last in terms of state expenditures on adult education and in the percentage of adults enrolled. To the extent that more dollars invested produces better results, these figures suggest that other states will be much more successful in their efforts to educate and integrate low-skill adults into the workplace. As a result, Texas may find itself unable to compete with those states in worker productivity and economic output.”<sup>72</sup>*

<sup>72</sup> Draft of *Adult Education: A Human Resource Investment*, a proposed update to the Ten-Year State Plan for the Improvement of Adult Education Efforts in Texas. Texas Higher Education Coordinating Board, in collaboration with the Texas Workforce Commission and Texas Education Agency. January 2003. (<http://www.theccb.state.tx.us/ctc/AsstComm.htm>).

### **Access and Opportunity**

Certain adult participant groups require service delivery flexibility to cope with work and family demands. These adults, namely working adults and single parents, are often challenged in finding time to attend traditionally scheduled ABE/literacy programs. Many may find it impossible to attend evening or Saturday classes, particularly if they have parental responsibilities. These workers could realize career advancements if they had opportunities to develop English literacy skills or obtain GEDs through open-entry/open-exit scheduling of instruction and through distance- and e-learning programs.

Other educationally disadvantaged adults that are not adequately served, as evidenced by only about 3% enrollment in literacy programs in Texas, could also benefit from changes to program delivery methods. *Texas LEARNS* believes that the most underserved populations include single parents, high school dropouts, recent immigrants, and adults with limited English proficiency.<sup>73</sup>

Another group that could especially benefit from a change in service delivery strategy is dislocated workers, who require intensive, vocationally oriented ABE and literacy services.<sup>74</sup> The Texas border region has been hit particularly hard with the El Paso area alone losing more than 20,000 jobs since 1994 because of plant closures. Recent closures in the Valley have resulted in the loss of more than 2,000 jobs in the last two years, and layoffs continue along the border.

While many dislocated workers have strong work histories, many have low educational levels in their native language and little or no English proficiency. Frequently, these workers expend their limited time receiving TAA benefits in traditional ESL classes and leave these programs still lacking sufficient reemployment skills. Dislocated workers have found limited success in traditional education design that incorporates employability and vocational skills as an end point, rather than integrating this emphasis throughout the program.

### **Significant Barriers Present in 2003**

There are other barriers to effective service delivery that prevent potential students from accessing services and prevent participants from deriving the most benefit from services. These include:

#### **State-Local Partnership**

A long-standing need for better communication with the state office has been expressed by many TEA-funded grantees.

#### **Curriculum**

The Texas Curriculum, under development and study for over two years, is an adaptation of the State of Florida's adult education and workforce literacy curriculum. Throughout the Texas development process, local providers expressed concerns about the "de-emphasis" of workplace literacy components in what would become the Texas Adult Education Curriculum. In July 2003, the state office notified local providers that they would not be required to utilize the Literacy

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<sup>73</sup> Adult Education Self Report Submitted to the Texas Workforce Investment Council. Harris County Department of Education. September 30, 2003.

<sup>74</sup> *Adult Basic Education and Literacy Activities at the Texas Workforce Commission*, attachment to letter from Cassie Carlson Reed, Executive Director of TWC, to the Council. August 20, 2003.



Completion Points Checklist. This served to further de-emphasize the value of the state curriculum.

### **Funding Source Constraints**

TWC and the local boards are challenged in designing employer-driven training within the eligibility and program constraints required by a myriad of funding sources. Because of income eligibility and other funding requirements, many workers do not qualify for the program funding sources most often available for ABE/literacy services, such as WIA and TANF. Without more flexible funding resources or service delivery methods that include apportioned cost share by program, TWC and the local boards will continue to struggle to meet the needs of employers and to provide needed services to individuals.

### **Generalized Focus of Local ABE Services**

Historically, efforts to move low-skilled workers into jobs or reemploy dislocated workers have been hampered by reliance on literacy and ABE programs that provide generalized curricula with an academic focus rather than on skills required to reach employment goals.

### **Duration and Intensity of Local ABE Services**

Participants in time-limited programs, such as trade-affected workers and TANF recipients, have found limited success in ABE programs. Many ABE teachers are not familiar with the parameters of workforce programs and are not prepared to offer the intensity and focus of instruction needed to help participants reach their goals before benefits “time out”.

### **Programs Often Follow K-12 and College Schedules**

Participants in time-limited programs cannot meet their employment goals when classes close for a month in December and three months in the summer. This issue also applies to GED testing services that follow the same schedule. Sometimes workers must obtain a GED in order to keep their job or may need prompt GED results in order to enroll in training programs or to meet employers’ needs.

### **ABE Funding Methodology**

The current SBOE funding formula is based largely on contact hours or “seat time” and does not ensure that limited funds and resources go to providers who deliver the most effective services (see Attachment 3).

## **Next Steps**

During recent months, since *Texas LEARNS* assumed responsibility for the state program at TEA, interagency collaboration has begun with TEA, TWC and THECB declaring their intention to develop the 2004 State Plan for Adult Education and Literacy. This will serve the dual purpose of meeting WIA requirements and providing a foundation for development of a coordinated, effective system for adult education/literacy in Texas.

One of the most important prospects for improving adult education and literacy services is already being undertaken by TWC in its development and piloting of workforce related curriculum, as mandated by the 78<sup>th</sup> Legislature. *Texas LEARNS* has stated its intention to revise and improve the current suggested state curriculum and plans to work with TWC on the curriculum issue.

*Texas LEARNS*, TWC, THECB and the Council plan to meet with the Governor's staff in mid-December 2003 to discuss agency-level collaboration to take various actions and the outcomes desired. Once a course of collaborative action is established, it will be critical that appropriate authority is placed in the hands of management at each agency to sustain the commitment to working together. It will also be critical that no one involved loses sight of the reason for this high-level interagency collaboration. Texas has a demographic imperative to address today's needs and to prepare for increased needs tomorrow.

### **Required Actions Linked to Recommendations**

- 1. An adult education and literacy identity must be developed as a seamless sub-system within the education and workforce systems. A common identity and shared priorities among the administering agencies, the local workforce boards, community colleges and adult education providers will much more effectively leverage existing resources to address participant needs.**
- 2. Revised and/or new models of service delivery must be implemented to increase program capacity, access and student outcomes because the current service delivery structure and methods are not meeting the needs of program participants.**
- 3. Interagency collaborative planning and sharing of resources must be used to achieve the above two actions, thereby avoiding inefficient use of resources and duplications in planning and administration.**

### **Further Research**

As in any field, new ideas, approaches to problems, and basic knowledge are developed and expanded through research. Suggested areas for further research include:

Teachers – Research on teacher preparation, certification, compensation and retention, or effective staff development protocol might produce useful information for planners, educators and other stakeholders. *Texas LEARNS* has released a Request for Application that includes an incremental credentialing model for adult education and literacy teachers. Although this is a local decision, the credential levels could be tied to increased compensation, based on years of teaching experience and on student outcomes achieved. The hope is that this would enhance the level of professionalism for teaching adult education and would attract more teachers to the field.

Dropouts – Legislation in the 78<sup>th</sup> Regular Session requires TEA to calculate dropout rates according to the method used by the DOE's National Center for Education Statistics, the national standard. Dropout prevention is critical for the success of K-12 students, for the adult education and literacy system to which dropouts default, and ultimately for our economy and society. Longitudinal studies for dropout prevention could be more meaningful due to this change in methodology.

Disabled – There is a lack of meaningful data regarding persons with disabilities in adult education and literacy. Data collection would be affected by the limitations of federal legislation

relating to disabilities, but it would be useful to create new knowledge in this area in order to better assist these individuals to attain their goals.

*For-profit providers* – If proposed reauthorization of federal legislation passes with the provision that for-profit providers are eligible to apply for adult education funding, it could be useful to study the ways in which this change might affect service delivery locally.

*Incarcerated youth* – When WIA was created in 1998, a stand alone prison literacy program was repealed, and the previous 10 percent floor for corrections education in the Adult Education Act was replaced with a ceiling of 10 percent under AEFLA. This happened in spite of research that showed that education interventions and gains for prisoners result in less recidivism.<sup>75</sup> For juveniles in particular, the research is limited, but the few available studies suggest significant reduction in recidivism. One county study, for example, found that recidivism for juveniles was reduced by 20 percent or more due to participation in intensive reading programs.<sup>76</sup>

### **Implications for Policy**

When policies are changed or new policies implemented, one of the best indicators of successful results of those policy decisions is student outcomes. Are students getting the services they need in order to be successful in meeting their goals? Are more students earning credentials? Are more finding jobs and retaining them? Are more incumbent workers improving their employment status? Are we seeing continuous system improvements and increased capacity because of better use of resources? Are employers finding more workers who are qualified to fill positions?

The 2004 State Plan can provide a framework for greater achievement, so long as it is accompanied by sustained dedication to integrated system development. Significant changes at all levels will be required and these must be driven by commitment at the highest levels of state workforce and education leaders.

Failure is not an option – success will prevent a serious, negative impact on the economy and on the lives of many Texans, and will ensure that the wealth of human resources in this state are developed and utilized for the benefit of business, the economy, and for increased quality of life for all citizens.

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<sup>75</sup> National Coalition for Literacy, 2003b, p. 1, cited in *Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth*, J. Levin-Epstein and M. H. Greenberg, Editors. Center for Law and Social Policy. July 2003.

<sup>76</sup> *Reduced Recidivism and Increased Employment Opportunity Through Research-Based Reading Instruction*. Office of Juvenile Justice and Delinquency Prevention, U. S. Department of Justice. Washington, D. C. January 1993. Cited in *Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth*, J. Levin-Epstein and M. H. Greenberg, Editors. Center for Law and Social Policy. July 2003.

## RECOMMENDATIONS

**Recommendation 1: Develop a shared adult education identity and priorities through the formalization and implementation of cross-agency planning, administrative and contracting processes, and data collection, reporting and evaluation to support that identity.**

**Strategy 1.1** Implement joint TEA/*Texas LEARNS*, TWC and THECB state-level ABE and Literacy planning:

- 2004 Adult Education and Literacy State Plan - WIA Title II
- 2004 WIA Title I State Plan
- Strategic Plan for Texas Public Community Colleges 2003-2007 - revisions and updates
- *Closing The Gaps* – revisions and updates
- P-16 Council activities

**Strategy 1.2** Perform a feasibility and cost study on establishing connectivity between TEA's Adult Community Education System (ACES) and literacy related data in TWC's Texas Workforce Information System of Texas (TWIST).

**Strategy 1.3** Examine the feasibility of using the eight regional ABE centers that will be established by *Texas LEARNS* to be the intermediary for local workforce boards in dealing with the multiple providers in the 56 TEA planning regions.

**Strategy 1.4** Develop and implement training and development and technical assistance support for local-level staff and providers to improve quality of data, quality of teaching and disseminate innovative models and best practices of service delivery.

**Strategy 1.5** Develop specific and consistent criteria as demonstrable evidence of provider collaboration with local workforce development boards. Embed these criteria in ABE:

- Funding application
- Application selection procedure
- Contract
- Acquittal of contract obligations by provider
- Performance evaluation for continued funding

**Strategy 1.6** Examine the feasibility and changes required to implement consistency across TEA/*Texas LEARNS* and TWC application, contracting, evaluation and reporting documentation and processes for funding of ABE and literacy-related activities.

**Recommendation 2: Increase the capacity of the adult education and literacy programs and services in Texas to meet current and future needs of Texans through: increased levels of funding; alternative program delivery models and greater access.**

**Strategy 2.1** Construct a data-driven, fact-based state-wide evaluation of participant outcomes as the basis for requesting consideration for increased funding from the 79<sup>th</sup> Legislature.

**Strategy 2.2** Identify, consider and implement instructional models and formats other than the sequential, time-based model that is widely used. Within this strategy, accelerated learning, distance education and Internet-based models of instruction should be included.

**Strategy 2.3** Develop and implement a model of instruction that integrates English language acquisition with workforce literacy and basic skills acquisition.

**Strategy 2.4** Provide open access for students by making programs year-round, including the traditional educational December/January break and summer months, and weekends rather than the wide-spread current practice of following K-12/college schedules.

**Strategy 2.5** TCALL, at Texas A&M, which is supported with TEA leadership funds, should expand its list of programs to include all community-based volunteer programs, and any other types of literacy programs not already included, so that a complete inventory of available services is easily accessible to the public on-line.

**Strategy 2.6** Texas should consider performance-based funding of AEFLA grants. The current SBOE formula based primarily on contact hours does not provide a mechanism based on improving student outcomes.

ATTACHMENT 1

**LEGISLATION FROM THE 78<sup>TH</sup> REGULAR SESSION**

The Council and four of its five member agencies were included in legislation in the 78<sup>th</sup> Regular Session. Sunset bills were passed for the Council, TWC, THECB, and TDED. The Texas Department of Human Services (TDHS) is part of a massive reorganization of the health and human service agencies effective in FY 2004. TEA will undergo Sunset review for the 79<sup>th</sup> Regular Session in 2005.

Following is a brief description of selected parts of bills passed this year that affect adult education and literacy.

**Senate Bill 280 - Texas Workforce Commission Sunset bill**

- Senate Bill 280 directs the Council to:  
Evaluate adult education and literacy programs administered by TEA and TWC.
- Senate Bill 280 directs TWC to:  
Develop, under contract with TEA, a “*demand-driven workplace literacy and basic skills curriculum*” to be targeted to as many as five industry sectors and pilot tested during the FY 2004-05 biennium. Further, TWC is directed to develop workforce basic skills credentials and to develop and implement a plan to encourage participants who successfully complete the curricula to pursue postsecondary education opportunities leading to certificates and degrees.
- Senate Bill 280 directs TEA to:  
Collaborate with TWC to improve coordination and implementation of adult education and literacy services; monitor and evaluate employment outcomes of participants; and use existing funds to contract with TWC for curriculum development.

**Senate Bill 281 – Council Sunset Bill**

Senate Bill 281 contains text similar to Senate Bill 280, above, regarding the Council’s program evaluation duties. Senate Bill 281 also states the Council’s “*duty to facilitate delivery of integrated workforce services*” but pertains to all of the Council’s member agencies, not only TEA and TWC.

In Senate Bills 280 and 281, the Legislature expressed its intent that workforce services, including adult education and literacy services, be integrated and delivered efficiently. The Council is charged with facilitating this integration. Both bills require the Council to develop and implement immediate- and long-range strategies to address any problems it identifies.

**Senate Bill 286 - Texas Higher Education Coordinating Board Sunset Bill**

Community and technical colleges, an important component of adult education and literacy, are under the authority of THECB, another member agency. As indicated in Senate Bill 286, the Legislature recognizes THECB’s key role in adult education.

In Senate Bill 286, Sec. 61.077 of the Texas Education Code was amended to change the existing Joint Advisory Council to the P-16 Council. The P-16 Council is directed in the current statute to

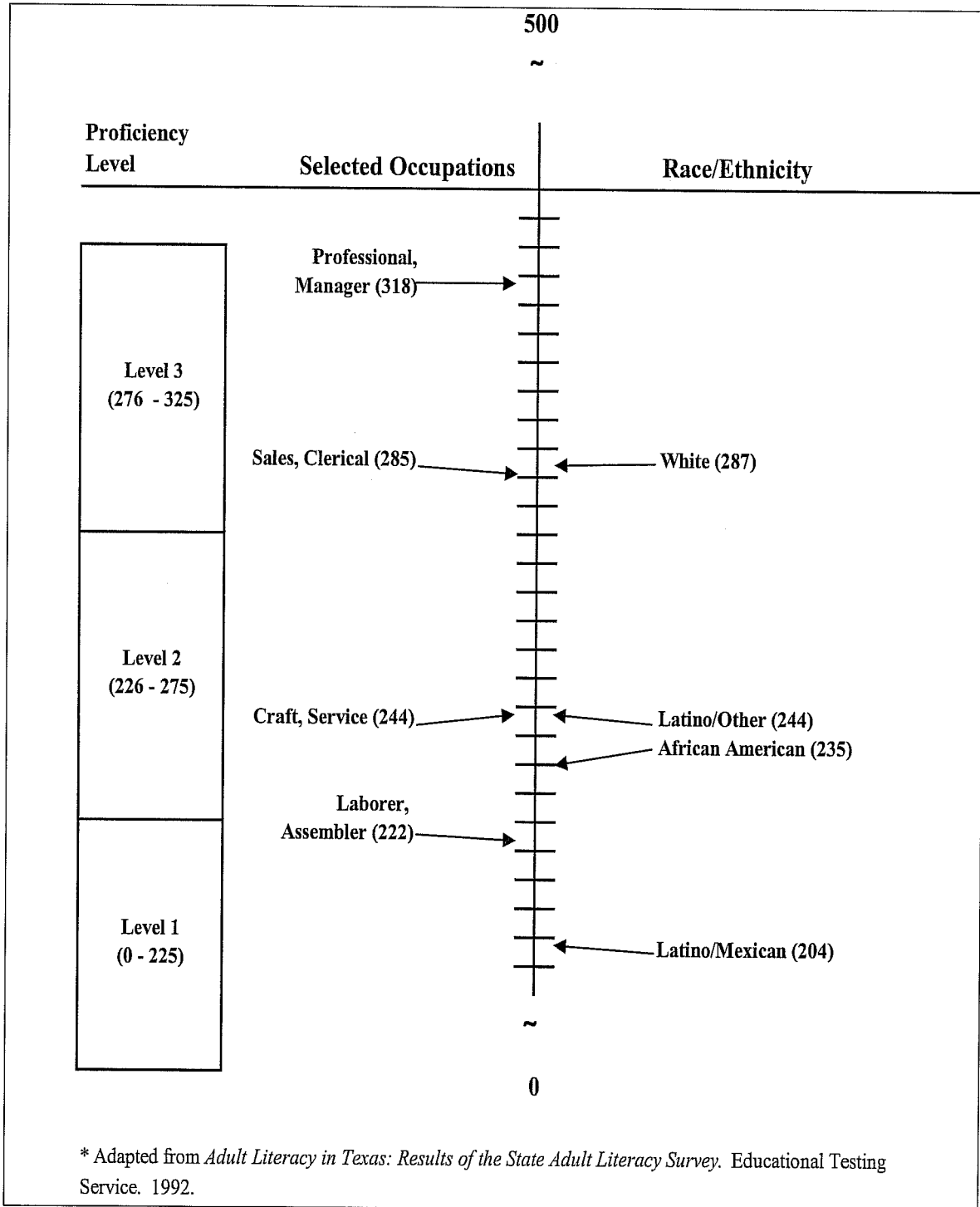
coordinate plans and programs of TEA and THECB in a number of areas. Senate Bill 286 added adult education programs to the P-16 Council's responsibilities.

**Senate Bill 1771 – Texas Enterprise Fund**

In addition to passing bills specifically addressing adult education and literacy, state leadership emphasized the importance of workforce investment and economic development linkage with the passage of Senate Bill 1771. One of Senate Bill 1771's primary purposes is to coordinate economic development efforts in Texas. The bill created the Texas Enterprise Fund to be used for business incentives and other economic development activities. It also provides for the Office of Economic Development and Tourism in the Office of the Governor (successor to TDED, a member agency) to work with certain agencies, including the Council and TWC on challenges related to job training and job creation.

While such economic stimulus measures are critical to economic recovery and long-range prosperity, it is equally important that the state improve the level of educational achievement and skill development of its workforce. Texas workers must be qualified to fill newly created jobs, as well as currently available jobs for which employers cannot find enough qualified workers. Many Texans need to master basic workplace literacy skills first, however, before they can be trained in the technical skills required by many of today's and tomorrow's jobs. A skilled workforce is a critical economic development tool.

**Figure 10.**  
**Average Prose Literacy Scores by Race/Ethnicity and Selected Occupations\***





## ALLOCATION OF FUNDS

### Texas Education Agency

TEA applies to the DOE for a Title II/AEFLA block grant on behalf of the state. Each state's allotment is based on the number of qualifying adults served by the state, as compared to the total number of qualifying adults throughout the nation. AEFLA basic grants to states are the major source of federal support for basic skills programs, which teach reading, writing, math, English language and problem solving.

AEFLA grants are allocated by a formula based upon the number of adults over age 16 who have not completed high school in each state. The numbers on which the formula is based are obtained from the census, which probably does not accurately reflect the numbers of this population. Many people with poor literacy skills may not be able to complete the census form. Many are illegal immigrants who do not wish to be identified and many living at lower socio-economic levels may have multiple families living in one household, not all of whom would be likely to complete a census form. Because such conditions result in a significant undercounting of those in need of adult education and literacy, policy makers have no true picture of need; consequently, federal funding is insufficient.

Under AEFLA, the state may not retain more than 17.5 percent of its grant for state administration and state leadership activities. AEFLA requires states to use not less than 82.5 percent of the grant funds to award grants to local providers on a competitive, multi-year basis. AEFLA has a match provision requiring 25 percent of total funds expended for adult education and literacy in the state to be paid for with non-federal funds.

The eligible agencies must ensure that *no more than* 10 percent will be used to carry out programs for corrections education and education for other institutionalized individuals. This is a marked departure from prior law. The Adult Education Act required *not less than* 10 percent to be available for education for corrections and other institutionalized persons.

States distribute funds to local providers through a competitive process based upon state-established funding criteria.<sup>77</sup> In Texas, this is the responsibility of TEA. Current Texas State Board of Education (SBOE) rules for allocation of funds were adopted in 1996, before the revolutionary WIA was enacted in 1998.<sup>78</sup> The rules say that annually, after federal funds have been set aside for state administration, special projects and staff development, state and federal fund allocations shall be developed for each county and school district geographic area, to be computed as follows. Of the funds available:

- 25 percent shall be allocated based on the best available estimates of the number of eligible adults in each county and school district geographical area within each county.

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<sup>77</sup> U.S. DOE, Office of Vocational and Adult Education (<http://www.ed.gov/offices/OVAE/AdultEd.html>).

<sup>78</sup> Texas Administrative Code, Title 19, Part 2, Chapter 89, Subchapter B, Adult Basic and Secondary Education, Rule 89.29. Allocation of Funds.

- 75 percent shall be allocated based on student contact hours reported by each school district geographic area and for the most recent complete fiscal year reporting period.
- A school district geographic area's student contact hour annual allocation shall not be reduced by more than 10 percent below the preceding fiscal year's contact hour allocation provided that:
  - (a) sufficient funds are available, and
  - (b) the school district geographic area's contact hour performance used in calculating the allocation was not less than that of the preceding fiscal year.

### **Entities Eligible to Apply to the Texas Education Agency for Funds**

#### Under AEFLA Section 203:

- a local educational agency,
- a community-based organization of demonstrated effectiveness,
- a volunteer literacy organization of demonstrated effectiveness,
- an institution of higher education,
- a public or private non-profit agency,
- a library,
- a public housing authority,
- a non-profit institution that has the ability to provide literacy services to adults and families, or
- a consortium of such organizations.

#### Under state law (Texas Education Code, Sec. 29.253):

- public school districts,
- public junior colleges,
- public universities,
- public non-profit agencies, and
- community-based organizations approved in accordance with state statutes and rules adopted by the SBOE.

Eligible providers can form a consortium and apply for funds through a fiscal agent or they can apply individually.<sup>79</sup>

### **Consortium Applicants**

Each fiscal agent acting for a consortium is required to have or establish an advisory committee composed of a broad spectrum of community representatives, including workforce development, as required by SBOE rules. Plans developed by consortia must provide for a system of instructional services delivered through participating eligible providers and must include cooperation with other public and private agencies, businesses and organizations with undereducated adult clients and/or employees.<sup>80</sup>

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<sup>79</sup> As of November 2003 it appears that the reauthorized act will allow for-profit providers to apply for funds, also.

<sup>80</sup> U.S. DOE, Office of Vocational and Adult Education (<http://www.ed.gov/offices/OVAE/AdultEd.html>).

## **Non-Consortium Applicants**

Eligible applicants who are not members of a consortium are also required to “*provide evidence of coordination with existing services sponsored by other providers in the area proposed to be served, so that unproductive duplication of services does not exist.*” They must also have or establish an advisory committee if they are funded.<sup>81</sup>

## **Texas Education Agency Grant Process**

Adult education funds are awarded through the competitive, discretionary grant process. According to TEA’s contracting guidelines, a contract is an agreement in which TEA is the immediate beneficiary of services provided by the contractor. A grant is an agreement in which the recipient of the funds is the immediate beneficiary of services, where funds are used for the benefit of public education. Agencies have more flexibility in awarding grants than in awarding contracts. Agreements awarding discretionary grant funds are processed in the Integrated Statewide Accounting System as a contract.

TEA administers both state and federal funds that support a variety of programs to benefit public education. Depending on their funding source and purpose, these funds are available either on a formula basis to public school districts or on a competitive discretionary basis to public school districts, education service centers, colleges and universities, and private and public non-profit organizations. Funds are sometimes available to individual public school campuses and other appropriate entities.

Eligible providers apply to TEA for funds to provide services to a school district region, multiple school district regions, a county, a portion of a county, or multiple counties.<sup>82</sup> Allocation amounts by county units and school districts within each county are generated as soon as the amount of available federal funds is known. These funds are not an entitlement to the school district, but belong to communities.

### Announcement Letter

TEA announces funding opportunities for competitive discretionary funds through a written letter that briefly describes the program to be funded and the procedures for obtaining a complete copy of the RFA. This announcement letter is sent to all eligible applicants and is generally mailed to the superintendent of a school district, the executive director of an education service center, the administrator of a college or university, the designated head of a non-profit organization, etc. (over 3,500 entities statewide). These announcement letters are also available on the TEA website at [www.tea.state.tx.us](http://www.tea.state.tx.us). In addition to mailing announcements, TEA publishes notices in the Texas Register ([www.sos.state.tx.us/texreg](http://www.sos.state.tx.us/texreg)) and in the Federal Register ([www.access.gpo.gov/su\\_docs/aces/aces140.html](http://www.access.gpo.gov/su_docs/aces/aces140.html)).

### Request for Application

The RFA is available via the TEA website at [www.tea.state.tx.us/grant/announcements](http://www.tea.state.tx.us/grant/announcements). A copy of the RFA may also be obtained from TEA's Document Control Center (512-463-9304 or e-mail: [dcc@tea.state.tx.us](mailto:dcc@tea.state.tx.us)). The RFA is the complete grant application package, including background

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<sup>81</sup> Ibid.

<sup>82</sup> *Texas Adult Education: Soaring Into the 21<sup>st</sup> Century Administrator’s Manual*. Yvette T. Dunn, Don F. Seaman, Texas Center for Adult Literacy and Learning, Texas A&M University; Sheila Rosenberg, Director of Adult and Community Education Division, Texas Education Agency. August 2001.

information, grant objectives and requirements, submittal information, instructions for completing the application called the Standard Application System (SAS), and the SAS forms. Applications must be completed and submitted according to the specifications outlined in the RFA. Competitive applications must be received in the Document Control Center of TEA by an established due date and time specified in the RFA. Applicants that are not public education entities are required to submit indicators of financial stability such as an audited financial statement.

Grants are awarded on a multi-year basis, for example, two years or three years. The first year is a competitive award and, in the second and, if applicable, the third year of the cycle, successful grantees submit non-competitive continuation applications using SAS forms. SAS forms are used to submit annual budgets, previous year progress performance objectives and updated program information, including staff qualifications and professional development plans. Applications are reviewed by TEA for programmatic as well as fiscal criteria that state and federal guidelines require.

Although one of the TEA criteria (Criterion II) for awarding funds is “*projected goals and performance objectives of the applicant with respect to recruitment, educational achievement, retention and transition,*” there is no apparent linkage between actual performance and state approval of initial funding or continuation of funding for the second and third years.

### **Texas Workforce Commission**

For adult education and literacy services for one-stop customers, TWC provides funding to 28 local workforce development boards that, in turn, contract with local organizations to provide services. Services are supported by various funding streams including TANF, Food Stamps Employment and Training, Trade Adjustment Assistance, and the WIA Adult, Dislocated Worker, and Youth. Local boards are held accountable for program funds and local performance measures. WIA Title I funding is contingent upon local board performance. Corrective action and penalties are laid out under TWC rules.

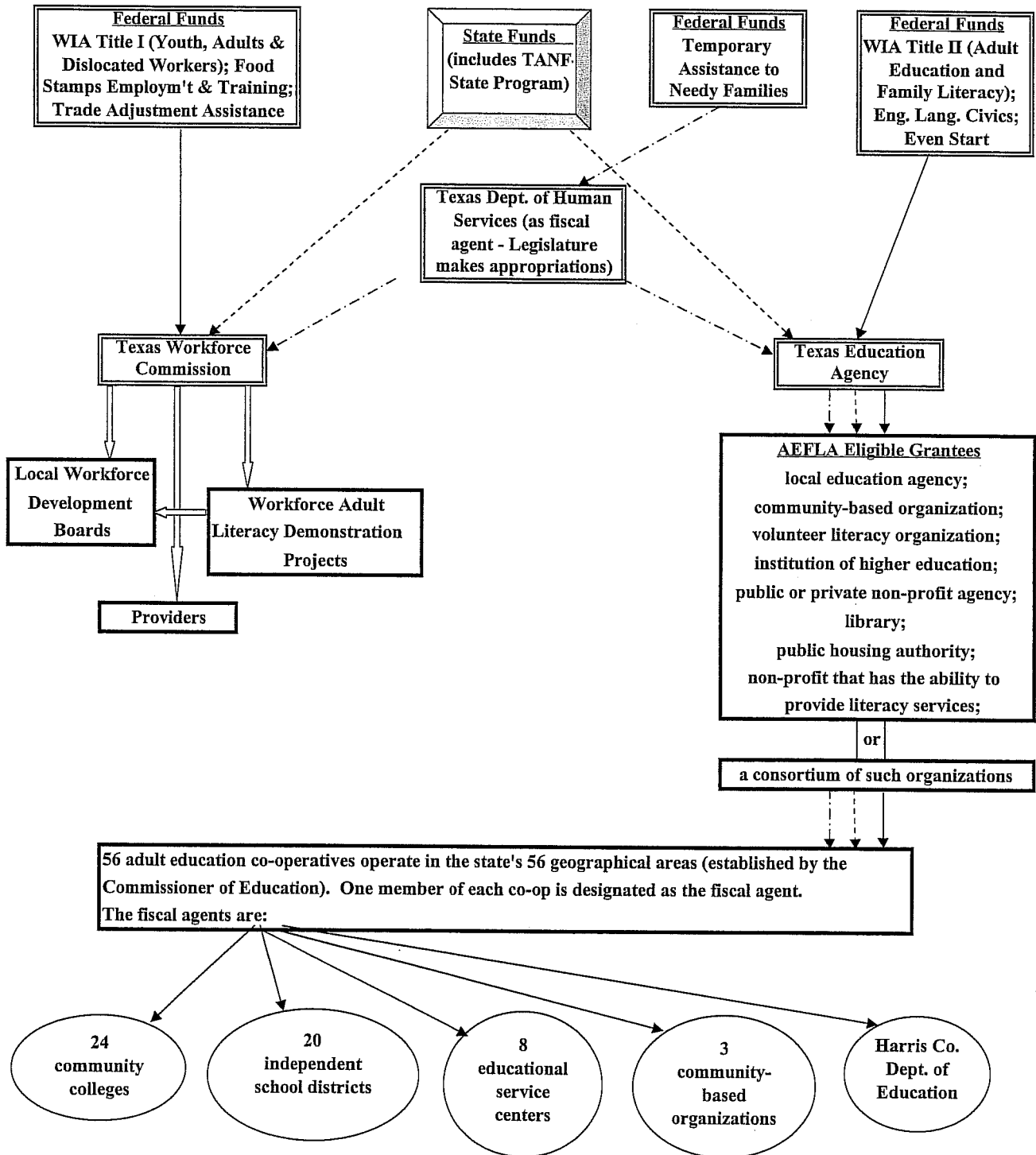
TWC’s Office of Workforce Adult Literacy oversees the development, research and evaluation of workforce literacy projects, in partnership with local boards. TWC funds some workforce adult literacy projects through the local boards and some are funded directly to providers through the RFP process. The projects focus on literacy skills directly related to the workforce, including projects that have targeted Spanish-speaking dislocated workers.<sup>83</sup>

For example, in 2002-2003, TWC awarded \$1,156,845 in grants to five consortia to plan and implement employment-related literacy projects for current and dislocated workers. The consortia consisted of local employer partners, local boards, and providers. Employers provided input regarding their training needs and identified employees in need of skills upgrading. The literacy providers administered assessments, developed curricula and provided basic skills upgrading and customized training. Providers included community colleges, community-based organizations and proprietary schools. Twelve of the 13 sites are located in distressed counties along the Louisiana-Texas border and the Texas-Mexico border.

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<sup>83</sup> *Sunset Commission Staff Report – [TWC] Issue 3.* May 2002.

Figure 11. Flow of Adult Education and Literacy Funds



## ATTACHMENT 5

### CHANGE IN STATE ABE LEADERSHIP AND CONTRACT ADMINISTRATION

On July 31, 2003, TEA outsourced the non-discretionary grant management functions, program assistance and other statewide support services for adult education and family literacy programs in Texas to the Harris County Department of Education (HCDE) a local education agency governed by an elected Board of Trustees who appoint a County School Superintendent. HCDE is directed under Sec. 11.301 (formerly Sec. 17.31), Texas Education Code, to perform functions conferred upon them by the Commissioner of Education.

The TEA retains the sole authority to:

- award Adult Education and Family Literacy Grants to local providers,
- allocate federal and/or state funds to local providers,
- score grants submitted by local providers, and
- monitor local providers for compliance with state and federal law.

HCDE implements responsibilities defined in the TEA/HCDE contract through *Texas LEARNS*, the Texas Adult Education and Family Literacy Partnership. HCDE, a long-time provider and one of the state's 56 fiscal agents for adult education co-operatives, serves Houston and the Harris County area. HCDE's Adult Education Division's non-profit consortium provides literacy services to educationally disadvantaged adults in a joint effort to combat illiteracy and implement workforce development. Included in the group are literacy program providers, business and industry partners, community agencies, the local workforce development board, career development centers, 15 public school districts, and three learning centers that comprise the Harris County Adult Education Consortium.<sup>84</sup>

*Texas LEARNS* employs 12 full-time employees to carry out the state administrative functions, compared to 18 formerly employed by TEA. *Texas LEARNS* staff includes a state director, an assistant state director, seven grant service managers, a policy analyst, an administrative assistant, and an office clerk/receptionist. The *Texas LEARNS* State Director reports directly to the HCDE Superintendent.

In order to improve program quality and focus local providers on the necessity of linking adult education services to student outcomes, *Texas LEARNS* created eight Adult Education regions. Each of the seven grant services managers will be responsible for providing grant management services, technical assistance and support services for the Adult Education fiscal agents within their assigned region. In addition to other supervisory and administrative duties, the Assistant Director will also provide these services to one of the eight adult education regions.

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<sup>84</sup> (<http://www.hcde-texas.org/ae/>).

## STRATEGIES OFFERED BY THE TEXAS WORKFORCE COMMISSION

TWC's philosophy is based on employment-focused education and literacy services. Special TWC initiatives support a wide variety of ABE services, including:

- integrated English literacy and vocational skills training for dislocated workers,
- employer-based workforce literacy programs for incumbent workers,
- development of a statewide in-home learning system in English and Spanish containing customized content that will help students enter targeted occupations,
- board training opportunities for assisting customers with learning disabilities, and
- development of a Spanish language basic computer literacy curriculum.<sup>85</sup>

### Strategies Offered by TWC

- To expand the field's ability to maximize resources, ABE/literacy partners must explore ways to better leverage funds. Local programs should explore fee-for-service partnerships with employers and the general public, stronger partnerships with local boards; and vigilant pursuit of RFPs.
- ABE/literacy partners must develop and increase access to job-relevant curricular resources. These should address the learning needs of customers and directly bridge the skills gap between Texans seeking jobs or better jobs, and current and emerging occupations. Employment-seekers and adults who are underemployed need basic education programs that develop skills that will immediately transfer into available jobs. Programs need to be of sufficient intensity and be available part-time in conjunction with employment.<sup>86</sup>
- Expand e-learning and distance-learning opportunities to provide options to adults who currently have to attend classes in classrooms, libraries or community centers. These methods would benefit adults who have competing work and family priorities, people in rural areas, the mobility-impaired, and those who learn better in a self-paced environment, as well as those who need services throughout the year.
- Texas must fully realize the workforce and education integration goals of HB 1863 and WIA, thereby maximizing opportunities offered by full integration with the Texas Workforce Network. Integration includes developing and implementing employer partnerships to create employment-focused curricula and programs to directly bridge the skills gap between Texans seeking jobs or better jobs, and current and emerging occupations. Students with employment-related goals require programs that deliver on those goals. Employment-related approaches are also critical to employers, who require workers to possess an ever more demanding portfolio of skills and abilities. TWC advocates creating employer-based programs, offering relevant curricula, connecting to local board program services, providing distance-learning opportunities, and fee-for-service work with employers.

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<sup>85</sup> *Adult Basic Education and Literacy Activities at the Texas Workforce Commission*, attachment to letter from Cassie Carlson Reed, Executive Director of TWC, to the Council. August 20, 2003.

<sup>86</sup> *Workforce Adult Literacy: Texas Priorities*. Texas Workforce Commission. June 2001.

- Develop connections to higher education and ensure community college ABE programs connect basic skills development with training opportunities. About one-half of the adult education fiscal agents in Texas are community colleges and they have experience in tailoring services to meet specific needs of employers. Therefore, TWC encourages CTC ABE programs to partner with CTC employer training departments to develop integrated basic education and occupational skills training programs.
- Require more fully reported outcomes. Local providers spend a lot of time and resources reporting traditional literacy-level gains required by AEFLA. Without a practical context in which to frame these gains (e.g., how education improves peoples' lives with better jobs or promotions), the true value of adult education and literacy will continue to be unrecognized by the public, as well as many students and policy makers. TWC believes the state should explore ways to ensure that real-world outcomes are more fully reported and that higher targets are set for those outcomes.

### **Innovative Approaches**

TWC cites the following as examples of innovative approaches to adult education and literacy. Because both federal and state funding is limited, achieving greater efficiency is critical, but efficiency must be tied to effectiveness. Some innovative experimental projects being conducted in Texas are proving to be effective. Some involve technology solutions, but not all. Following are some examples.

#### **A Successful Technology Solution Through TWC**

A long standing issue for states is how to bring the benefits of digital technology to low income, low literacy populations. This problem can be exacerbated when the population is non-English speaking. To address this issue, TWC and some of the local workforce development boards are using the Spanish In-Home Learning System, which provides participants with technology that puts computers, Internet access, and customized educational content into their homes. TWC and the Upper Rio Grande, Permian Basin and Lower Rio Grande local boards have been working with Dallas-based contractor, Business Access, to provide the new system for Spanish-speaking welfare recipients. TWC has provided \$2 million in funds toward the In-Home Learning System.

Business Access builds customized web sites specifically designed to serve welfare recipients, at-risk youth, and historically disadvantaged families. The company's program goals are to introduce the Spanish-speaking community to technology as a tool for lifelong learning, to help individuals gain immediate work skills that may result in employment, increased pay or promotion, and to assist with job retention. The Spanish In-Home Learning System helps participants with low literacy and little or no computer skills. Participants can access an individualized curriculum, basic education, test preparation, courses in their career-specific curriculum, and much more.

The projected participant rate for the Spanish site is more than 1,000 participants over the next year, depending on what each local board requests. So far, each participating local board has purchased the current minimum requirement of 20 seats. The English version, which was introduced four years ago in Dallas, was highly successful with the first 1,400 participants: 72



percent are no longer receiving TANF, 63 percent have received a wage increase, and 44 percent have reported getting a better job or promotion.<sup>87</sup>

### **I CAN Learn Project**

I CAN Learn (Interactive Computer Aided Natural Learning) is a complete educational software system that delivers standards-based algebra and pre-algebra courses to support the math training needs of employers and other workforce customers. The versatility of the system allows local workforce boards to partner with employers to develop educational solutions for new and current workers. The flexibility of the system allows boards to provide math remediation to a broad range of workforce customers including participants eligible for WIA, Choices, and WIA Youth. Additionally, university and community colleges can adopt the I CAN Learn system for their remedial and developmental math programs.

Individuals using the comprehensive I CAN Learn curriculum work at their own pace with a one-to-one learner-to-computer ratio. Every I CAN Learn curriculum was developed and written by experienced educators and incorporates national and state performance standards. Inner city, rural, and suburban participants all have access to the same high-quality educational programs with real-time assessment that assure success. Because it is a computer-assisted program, I CAN Learn educational software ensures participants both consistent and quality instruction as well as convenient access to learning by being available in a wide variety of settings including local one-stop centers, community colleges, and housing projects.

The Office of the Governor authorized the use of \$2 million from the Governor's Reserve 15% Fund to facilitate math skills training in Texas for Welfare-to-Work (WtW) eligible individuals. Texas State Technical College (TSTC) uses funds to provide scholarships to WtW-eligible individuals. TSTC has contracted with JRL Enterprises to provide the training using computer-based learning labs, which may be located throughout workforce areas.

There are 13,332 scholarships allocated and a maximum number of 30 workstations per local workforce development area. The number of workstations in a participating workforce area may increase if other areas choose not to participate.

### **TWC Workforce Adult Literacy Demonstration Projects**

Following are examples of demonstration projects conducted in the last two years.

#### **El Paso Community College**

El Paso Community College contracted to provide training to 30 current workers from diverse businesses and industries in English for Specific Purposes (ESP) and Computer Skills and Leadership Skills (English), and to provide an ESP for Leadership writing skills component integrated with computer tech training. Employer partners included Leviton, Coca-Cola, and D.J. Plastics. High employer satisfaction was reported in survey responses and personal interviews conducted by evaluators.<sup>88</sup>

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<sup>87</sup> San Leiken, National Governors Association Center for Best Practices. September 25, 2003. ([http://www.nga.org/center/frontAndCenter/1,1188,C\\_FRONT\\_CENTER^D\\_5944,00.html](http://www.nga.org/center/frontAndCenter/1,1188,C_FRONT_CENTER^D_5944,00.html)).

<sup>88</sup> *Pilot Project Overviews: 2002-2003 Workforce Adult Literacy*. Texas Workforce Commission. November 2003.

**Kilgore College**

Kilgore College identified a variety of services to be provided to two local employers. One of the employers provides international telephone service from anywhere in the U.S. Its operators needed to learn spelling, phonics, geography and general GED instruction. The college set up a curriculum to meet these needs and trained operators for the company.

**Anamarc Educational Institute**

In El Paso, Anamarc provided training for dislocated and incumbent workers beginning in December 2002. Anamarc uses a streamlined approach to facilitate optimal movement through the educational system with job placement as the ultimate goal. Anamarc addresses learner needs such as transportation, child care, vision screening and eyeglasses. The institute focuses on better integration of what both learners and employers need, and how these needs can be integrated. The curriculum integrates components to prepare adults with the necessary basic skills, job skills and interpersonal habits required to perform successfully in the job market. The approach concentrates on how specific language skills are used on the job. A simulated workplace setting is used where students are required to perform the skills acquired on a "learning-to-do" basis with employment-related basic education.

**STRATEGIES OFFERED BY *TEXAS LEARNS***

- *Texas LEARNS* is currently working to re-establish the state adult education professional development consortium—a successful model for improving program quality that was discontinued under the former program leadership. This fall, *Texas LEARNS* will issue an RFP for Adult Education and Family Literacy Regional Centers of Excellence under the title Project GREAT—Getting Results Educating Adults in Texas.<sup>89</sup>
- *Texas LEARNS* is currently working to re-establish the local provider advisory committee to facilitate more effective partnership between local programs and the state.
- *Texas LEARNS* has met with officials of TWC, TEA, the Council, and leadership of the Texas Legislature to provide assurances of their intent to develop and implement, with support from the field, a state adult education curriculum that meets the adult education and workplace literacy needs of Texas. TWC was directed by the 78<sup>th</sup> Legislature, Regular Session, to develop and pilot an adult education and literacy curriculum, under contract with TEA. This provides an excellent opportunity for productive, effective interagency collaboration.
- Participants in time-limited programs, such as trade-affected workers and TANF recipients, have found limited success in ABE programs. Many ABE teachers are not familiar with the parameters of workforce programs and are not prepared to offer the intensity and focus of instruction needed to help participants reach their goals before benefits “time out”. Statewide staff development to be provided by *Texas LEARNS* for adult educators, along with revised curricula, could potentially alleviate this problem. Teachers should be trained to understand the requirements placed on participants in time-limited programs and to work with them using appropriately paced curriculum components.<sup>90</sup>
- *Texas LEARNS* has indicated that it is developing policies and a leadership structure to enhance local collaboration in order to promote partnerships and to maximize resource sharing; as well as policies to address the issue of data quality and other aspects of accountability.
- *Texas LEARNS* plans to offer constant feedback to local grantees. They also expect to use the new regional training centers to provide consistent training and technical assistance.<sup>91</sup>

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<sup>89</sup> Adult Education Self Report Submitted to the Texas Workforce Investment Council. Harris County Department of Education. September 30, 2003.

<sup>90</sup> Telephone conversation with Jimmy Wynn, Executive Director, Public Information, Harris County Department of Education. November 3, 2003.

<sup>91</sup> Ibid.

### **Other Planned Activities**

Because THECB is responsible for coordinating college preparatory and developmental education activities in the state, TEA/*Texas LEARNS* will expand its collaboration with THECB to include the following activities:

- identify an advisory group to facilitate cooperation between adult education programs and developmental education programs in community colleges,
- analyze the content of adult education programs and developmental education programs to identify areas of overlap and appropriate articulation points,
- provide clearer differentiation between adult education students and developmental education students, and
- encourage community college workforce education programs to enhance their outreach and recruitment efforts to students in GED and adult secondary programs.<sup>92</sup>

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<sup>92</sup> *Adult Education Self Report Submitted to the Texas Workforce Investment Council*. Harris County Department of Education. September 30, 2003.

## ADULT EDUCATION IN OTHER STATES

According to Dr. Sondra Stein, a Senior Research Associate at the National Institute for Literacy, U.S. DOE, the states generally face three key issues in adult education and literacy: strengthening linkages between workforce and education systems; standards-based education; and funding.<sup>93</sup>

According to the area coordinator for DOE's Office of Vocational and Adult Education (OVAE), Charles Talbert, OVAE works with the agency each state's governor designates for adult education and literacy. There are five types of agencies used in various states to house adult education/literacy: state education agencies (34); community/technical/ university (10); technical education/workforce (3); department of labor (2); and Office of Adult Education and Commission on Spanish Speaking Affairs (1 - Michigan).<sup>94</sup>

Mr. Talbert states that a limited number of states have well-defined performance-based funding systems for AEFLA grants: California, Florida, Kansas and Missouri.<sup>95</sup> A few other states are trying to establish performance-based funding.

On pages 17 and 18, data from California, New York and Florida regarding state funding and enrollments are illustrated. Attachment 9, on the following page is a table showing information from various smaller states derived from telephone interviews in November 2003 with state adult education and literacy officials.

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<sup>93</sup> Telephone interview. November 4, 2003.

<sup>94</sup> E-mail from Charles Talbert, November 6, 2003.

<sup>95</sup> Ibid.

**Table 14. Comparison of Texas Funding to Smaller States – FY 2003**      **ATTACHMENT 9**

State	Enrollment	State Funds (millions)	Per Student	Method of Awarding AEFLA Funds and Additional Notes
<b>Texas</b>	140,093	\$8.9	\$64	1996 SBOE formula: 25% based on eligible adults in each area and 75% based on contact hours.
<b>Arkansas</b>	70,000	\$17.6	\$251	Arkansas awards are based on weighted average of eligible adults in each county.
<b>Georgia</b>	114,008	\$12.6	\$110	Georgia uses census data, contact hours and completion of educational functioning levels.
<b>Kentucky</b>	109,800	\$21.0	\$191	Awards are performance and incentive-based, with consideration of the number of eligible adults. Kentucky has comprehensive programs in defined areas of the state. Their award process includes grantee responsibility for meeting NRS indicators and for meeting enrollment goals. If performance goals are met and a specified percentage of goal enrollment achieved, the grantee is eligible for a reward of 5 to 10% of base funding. If goals are not met, after two years improvement plans are made and continued poor performance leads to termination. The state director stated that no real progress had been seen until they implemented enrollment goals.
<b>Massachusetts</b>	24,000	\$30.2	\$1,258	Awards are based on competition every five years. The Massachusetts data system flags below-average performance on various indicators. The state office works with the contractor to develop an improvement plan after one year of below-average performance. If there are two consecutive years of poor performance, a decision is made regarding continuance of the contract. There are restrictions on class size and minimum number of hours programs must offer each week. Instruction must be available for between five and 20 hours weekly. In addition, programs must be offered for a minimum of 32 weeks per year, with a preferred bracket of 40 to 44 weeks. The general policy is that students should receive the maximum level of intensity that they can engage in. Grantees are required to reserve a percentage of their funds for staff development. A range is set from a minimum of five hours annually for part-time staff teaching the lowest number of hours to 50 hours annually for full-time staff. The state office has a support system to ensure that adequate training and development are available.
<b>Michigan</b>	70,893	\$20.0	\$282	90 percent on attendance and 10% on performance. Michigan has implemented an Initiative for Professional Development and has been using task force groups to get input into policy and practices, building better relationships with practitioners. In December 2003 adult education and literacy will be housed in the Department of Labor and Economic Growth.
<b>Oklahoma</b>	21,000	\$2.3	\$110	Oklahoma is moving to performance-based grant funding.
<b>Pennsylvania</b>	50,948	\$19.7	\$387	Pennsylvania grants are performance-based. Pennsylvania has a web-based system that provides performance comparisons and rankings across three years. The state requires all grant applicants to write a program improvement plan to be reviewed by the state and a professional development plan to address the needs identified in the improvement plan. The state also operates a program improvement initiative under which they subject all programs to an intense formal evaluation process, a few programs at a time, on a five-year review completion cycle.
<b>Virginia</b>	32,000	\$3.5	\$110	Virginia considers both local needs and contact hours.

Source: telephone interviews with state directors or assigned staff, November 2003.