**Question and Response:**

**Q1:** In the new AEL Provider RFA, there was a line in the Budget Workbook that talked about Professional Development is considered an admin cost. When funds for PD are fully expended in Admin, can additional PD costs be applied to Program costs?

**R1:** For the AEL Provider awards issued under RFAs 32024-00017 and 32024-00149, for the period starting July 1, 2024, professional development is currently funded as an administrative cost only. If an AEL provider needs additional administrative funds, it can negotiate with TWC to determine an adequate level of funds for administrative purposes. (AEFLA § 233(b)) The classification as administrative costs is consistent with program statute and the budget instructions provided in Attachment 3 of RFAs 32024-00017 and 32024-00149. Previously existing AEL Providers may recognize this as a change from the awards that expired June 30, 2024, under RFA 320-18-01. Unlike the current awards, the awards issued under RFA 320-18-01 isolated a portion of the General Revenue funding to cover professional development costs. Those funds did not count against local administrative limits. The current treatment also differs from the AEL Letter 07-15 guidance that applies for awards issued under TWC RFA 320-14-10.

**Q2:** re purchases for digital licenses for use of Burlington English, OneFlow, CompTIA supplies, as these are consumables? A local fiscal office is saying that the provider needs to have a contract with these entities in order to provide the service. Can you clarify if these costs are to be contractual or supplies?

**R2:** The licenses in question appear to be software licenses and licenses for rights for instructors and/or students to gain online access to certain digital content. If that is the case—then for purposes of the object of expense categories listed on the TWC Budget Form for these awards, and for the corresponding “supplemental” cost categories on the respective expenditure report in the Cash Draw and Expenditure Reporting system—use of either the “Contractual” category or the “Other Costs” category appears to be most consistent with the cost category descriptions that were provided in Attachment 3 of RFAs 32024-00017 and 32024-00149. As described in those RFAs, the “Supplies” category is designated for costs for tangible personal property other than equipment.