

CLASP Proposal for New AEBG Incentive Funding for Serving those in Need

As part of CLASP's June 2017 report, "Prosperity Through Partnership: Opportunities for AEBG to Strengthen Systems and Communities," CLASP recommended \$30 million in new AEBG funding to be used for incentive funding for consortia to better serve their "community of need."

Community of Need

To determine the need for adult education in the entire state of California, Education Code requires CDE and CCCCCO to "consider, at a minimum, measures related to adult population, employment, immigrants, educational attainment, and adult literacy" [CA ED Code 84911]. AEBG allocates resources for the community of need identified by sup-population characteristics as measured by Census data.

AEBG Community of Need Sub-populations (all restricted to adults age 18 and older):

- Below Federal Poverty Level
- 7th grade Education or Lower
- No High School Diploma (or Equivalent)
- Limited English Speaking Ability
- Unemployed

By using these priorities for resource distribution, the AEBG program is intended to deliver services that will, de facto, be part of the solution to these community challenges: lack of foundational skills and high school credentials, unemployment, and poverty.

Incentive Funding Proposal

We propose a funding increase for AEBG that would be distributed to consortia based on targeting services to subpopulations of the community of need. This incentive funding would provide tangible incentives to target the community of need, as even modest amounts of performance funding can motivate changes in behavior.

Modeling on Tennessee's and Ohio's state postsecondary outcomes-based funding formulas,¹ consortia would get incentives for serving individuals in the five sub-populations. Consortia would receive increased incentive funds when they serve individuals belonging to more than one of the sub-populations, with the largest bonus for serving those who are in all five categories. California's Strong Workforce Initiative also has incentive funding.²

¹ Anna Cielinski and Duy Pham, February 2017, "Equity Measures in Outcomes-Based Funding: Incentives for public colleges to support low-income and underprepared students," Center for Law and Social Policy, 2017, <http://www.clasp.org/resources-and-publications/publication-1/Equity-Measures-in-State-Outcomes-Based-Funding.pdf>

² Strong Workforce Programs (SWP) Incentive Funding Model Overview, <http://doingwhatmatters.cccco.edu/portals/6/docs/sw/SWP%20Incentive%20Funding%20Metrics%20At%20A%20Glance.pdf>

AEBG Incentive Funding Proposal Examples

Number of subpopulations to which an individual belongs	Example (for illustrative purposes only)	Incentive funding
1	An individual with no high school diploma or equivalent (HSE), but who is employed, not in poverty, has above 7 th grade education level, and who is not an English language learner.	small incentive bonus
2	An individual who is unemployed and living in poverty, but does not meet any of the other sub-populations.	Slightly larger incentive bonus
3	An individual who is an English language learner, has an education level below 7 th grade, and has no high school diploma or equivalent, but is neither unemployed nor living in poverty.	Larger incentive bonus
4	An individual with no HSE, who is unemployed, living in poverty, and has a below 7 th grade reading level, but whose first language is English.	Second largest incentive bonus
5	An individual with all five of the sub-populations for the community of need.	Largest incentive bonus
0	An individual with a high school diploma or HSE, who is employed and not living in poverty, has a higher than 7 th grade reading level, and who is not an English language learner.	No incentive bonus, only base allocation

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