

Committee Reporting Form
CCCCIO Representatives on Statewide Committees

Committee: 17% Committee (CCCCO Strong Workforce-Incentive Based Funding)	CCCCIO Rep: Kim Hoffmans
Meeting Date: January 6, 2017	Meeting Location: Sacramento/Online

Committee Charge:

Review conceptual models and make recommendations for incentive based funding for the 17% or \$34 million Strong Workforce Program dollars.

- Meeting Agenda Topics:**
- Overview of the committee
 - Discuss three models for funding:
 - Output-Base Systems
 - Performance Contracts
 - Performance Set Asides
 - Themes for second white paper

Topics for CCCCIO consideration/discussion:

The meeting started with committee member self-introductions lead by Kathy Booth from West Ed. Next, Van Ton-Quinlivan, Vice Chancellor of Workforce and Economic Development, provided background on the Strong Workforce Task and the California Legislature allocated \$200 million annually over the next 3 years to bolster CTE in community colleges. Part of that Legislation requires that 17% or \$34 million of the funding incentivize student completion and employment outcomes. As such, this 17% Committee was formed to make recommendations on an incentive structure for allocating the \$34 million dollars to the colleges.

Three performance-based conceptual models were proposed and discussed. However, it was stressed that California wants to focus on emphasizing incentives and promoting buy-in rather than penalizing institutions. Below is a brief description of each of the models:

Model #1: Output-Based Systems
 This model creates incentives for colleges for improvement based on key performance metrics. Institutions are measured relative to past performance.

Model #2: Performance Contract

This model is a negotiated contract between the college and the Chancellor's Office which could be customized and campus centric. Each college can choose benchmarks appropriate for their CTE initiatives to include in the contract. Could be a labor intensive process.

Model #3: Performance Set-Aside

This model triggers funding based on targets achieved in a competitive process where colleges would be compared against one another and ranked for determining most progress. This model was unanimously agreed upon by the committee to take off the table for discussion.

The committee had various questions regarding the models and identified a number of issues to be considered regarding rolling out of an incentive based funding model. Also, the group discussed the idea of a hybrid incentive model (based on the models above and past experiences) which may possibly better serve our needs better than one of the aforementioned model singularly.

The next meeting is scheduled for February 10, 2017