

May 31, 2016

MOTION BY SUPERVISORS MARK RIDLEY-THOMAS AND SHEILA KUEHL

Educational Support Payment (ESP) Program

The Department of Public Social Services (DPSS) administers the State's CalWORKs Program, which serves some of the most vulnerable families in Los Angeles County (County). Unfortunately, nearly 50 percent of the County's CalWORKs adult participants do not possess a high school diploma or General Education Diploma (GED). To break the cycle of dependency and generational poverty and ensure children in the County's CalWORKs caseload have better opportunities, it is imperative that new ways of engagement be developed and implemented to motivate CalWORKs youth to complete their high school education and afford themselves the opportunity to continue on to higher education and advance in careers that help them reach permanent self-sufficiency.

Within the CalWORKs Program, the County's Greater Avenue for Independence (GAIN) Program provides job-related services to adult participants. Although GAIN

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focuses on adult participants, it is vital to address the needs of CalWORKs youth. To this end, in recent years, the County has utilized available funding to provide subsidized employment to CalWORKs youth. The County has the opportunity to continue efforts to break the cycle of dependency by supporting education as well.

DPSS has developed the one-year Educational Support Payment (ESP) Program pilot, which offers a one-time, \$500 total payment to teens ages 16 through 18 years old, who are dependents of participants in the CalWORKs Program, upon completing their high school education through an accredited program. This payment is similar to the \$500 graduation bonus offered to parenting and pregnant Cal-Learn Program participants. CalWORKs teens are not eligible to receive Cal-Learn bonuses, but through the ESP Program, the County can promote and acknowledge the value of a high school education.

Providing this support payment offers an additional opportunity to inform young adults of critical information around financial literacy. The Department of Consumer and Business Affairs (DCBA) has provided valuable leadership in ensuring County residents are informed to make better financial decisions. DCBA has partnered with DPSS to provide financial literacy training to DPSS employees and GAIN participants. By adding this invaluable DCBA resource to the ESP Program, CalWORKs youth will benefit from learning the basics of successful money management.

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DPSS estimates that there are more than 16,000 teens ages 16 through 18 in the CalWORKs Program, with an estimate of nearly 6,000 qualifying for the payment. The ESP Program available to those who graduate will be divided into two payments: a \$400 payment will be issued once the teen provides verification of graduation, and the additional \$100 will be issued once the teen completes financial literacy training.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Direct the Department of Public Social Services to:

1. Develop and implement the Educational Support Payment (ESP) Pilot Program (Pilot Program) for CalWORKs youth to support the completion of a high school education for a \$400 payment and the completion of the financial literacy course for a payment of the remaining \$100;
2. Work with the Director of the Department of Consumer and Business Affairs to deliver the financial literacy courses;
3. Identify baseline outcome measurements and obtain participant feedback from the Pilot Program that will help with advocacy efforts to expand the Pilot Program into a State CalWORKs Program and determine the potential impact of the ESP Program on CalWORKs children and their educational attainment. Measures should include, but are not limited to: the number of CalWORKs children participating in the Pilot Program, completing financial literacy classes, and continuing into higher education; and

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4. Implement the Pilot Program through the use of one-time CalWORKs Fraud Incentive funds that may be used for Federal Temporary Assistance for Needy Families purposes and can serve this population, and work with the California Department of Social Services to identify ongoing CalWORKs Single Allocation funding to sustain the ESP Program based on the success of the Pilot Program.

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