Outline

Funding Drivers of CTE Capacity

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1. Introduction
   a. Discuss how and why "baseline funding" ties back to the Task Force goal of 1M more AA, certificates and industry-valued credentials over the next 10 years. Also tie back to the high rate of success for CTE students as a way for the system to achieve their Student Success goals.
   b. Discuss the number of times that the high cost of CTE programs has arisen across the 14 Regional College and Faculty Conversations.
2. Context and goals of rethinking funding for CTE
   a. Context
      i. Demand for CTE programs has increased as the skills gap and employment gap for middle skills jobs has increase, while at the same time the system has decreased its CTE offerings due to their high-cost (including lack of COLA provided in budgets during the recession and the volatile nature of grant-funded CTE programs).
      ii. CTE funding is an integral part of a broader movement to reshape workforce development in California (quote Governor's 2015 Budget Proposal) and at the national level (quote WIOA)
      iii. CTE costs more per unit of instruction when compared with non-CTE.
         1. Overview of program cost data
         2. How higher cost affects availability, quality, and delivery
         ~~2.~~**3. Enhanced CTE has envisioned by the BOG in the mission assigned to the Task Force would add to the cost.**
   b. Goals
      i. Ensure adequate and stable funding for CTE courses and programs
      ii. Align financial incentives with the policy objectives
      iii. Funding and other CTE policy changes should work synergistically.
      ~~iii.~~**iv. Funding should ensure responsiveness to job market demands, enhancement of exit competencies to close the skills gap, and provide professional development to CTE faculty**
3. General structure and organization and CTE and non-CTE education in California
   a. The California workforce training system

i. **Workforce Investment Board**

ii. **Employment Development Department**

iii. **Employment Training Panel**

iv. **Department of Industrial Relations (Apprenticeships)**

~~a.~~**b.** **The California Community College system**

i. Overview of ways that colleges earn revenue for CTE courses and programs (credit, non-credit, enhanced non-credit, community ed, categorical grants, federal grants)

ii. Overview of CTE and non-CTE structure, students, outcomes, and funding.

~~ii.~~**iii. Overview of statutes and regulations governing funding and provision of CTE training by community colleges**

iv. Data on higher cost of CTE programs

~~iii.~~**v. Projections of cost for market responsiveness, enhanced skills, and faculty professional development**

~~b.~~c. Other CTE providers

i. The K–12 public school system

~~ii. The Adult Education system (including WIBs, ETP, etc.). Private proprietary providers~~

iii. Employer-provided training

~~c.~~d. Recent CTE reform efforts **related to funding**

i. The Doing What Matters for Jobs and the Economy – regionalism, sector pathways, common metrics, braided funding

ii. The 2014-15 $50 M CTE Enhancement Fund

iii. Career Pathways Trust

~~i.~~**iv. Federal Grant Programs (TAAC, YouthBuild, etc.)**

4. How other states have attempted to address the higher cost of CTE
   a. Overview of state funding options with pros and cons.

i. Integrated funding and delivery of workforce training among state agencies (Virginia, etc.)

~~i.~~ii. Tiered FTES rates to acknowledge higher-cost programs (e.g., fund different types of programs at different rates, usually depending on the cost to offer or maintain the program.)

~~ii.~~iii. Adjusted FTES (AFTES) to acknowledge higher-cost programs (Alternatively, leave the apportioned FTES dollar value the same for all programs, but create a data-driven "FTES Factor" that modifies actual FTES to yield AFTES to account for the cost.)

~~iii.~~iv. Categorical funding to augment higher-cost programs (i.e., set aside categorical funds to supplement colleges for these costs.). These can be weighted based on factors such as percent of CTE FTES at a college. Or, colleges can get a fixed dollar amount based on the percentage range CTE represents of total FTES. Define what is a categorical.

~~iv.~~v. Differential tuition/course fees for higher cost programs

~~v.~~vi. Performance-based funding

~~vi.~~vii. Incentive funding for workforce completers (linking to Kathy Booth's definition of workforce completers)

~~vii.~~viii. Separate technical colleges/satellite technical colleges for CTE-focused instruction

5. Funding options to consider for California
   a. Adapting the CTE funding options in #4 above to California based on the pros and cons of each option in the context of the California's CTE system and the policy changes being considered by the Task Force.
   b. How does modifying the attendance accounting model improve attainment of policy objectives such as structured pathways, cohorts, etc.?
      i. Dual enrollment (reimbursing colleges for offering closed courses on a high school campus for students in an articulated CTE pathway, which would increase the K-14 CTE pipeline)
      ii. Integrated basic education and skills training (basic skills instructors and CTE instructors jointly design and teach college-level occupational classes that admit basic skills-level students, thereby reducing the possibility of students getting stuck in remediation)
      iii. Cohort stability (fund cohorts based on their first-year FTES to eliminate the financial disincentive of students dropping out of cohort programs, and the college not being fully reimbursed for the subsequent terms)
   c. Coordination of funding reform with other policy and organizational reforms
      i. Funding sources (new funds vs. base funds)
      ii. Consideration of how other aspects of CTE policy and organization (such as data on outcomes, labor-market alignment, extent of regional collaboration, curriculum development and updating process, etc.), can affect the success of various funding models.
      iii. Changes in laws and regulations
      ~~ii.~~**iv. Coordination with other state agencies**
6. Conclusion