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State Strategies to Preserve High-Cost CTE Programs in Community and Technical Colleges



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Mission: IHELP conducts research and applies knowledge and evidence to produce actionable recommendations to improve policy, practice, and leadership for postsecondary readiness and success.

Reports on community college student success:

Rules of the Game, February 2007

Beyond the Open Door, August 2007

Invest in Success, October 2007

It Could Happen, February 2008

Crafting a Student-Centered Transfer Process in CA, August 2009

Steps to Success, October 2009

Divided We Fail, October 2010

The Road Less Traveled, February 2011

Sense of Direction, August 2011

Career Opportunities (Parts I-IV), 2012-13

Workforce Investments, August 2013

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The Issue

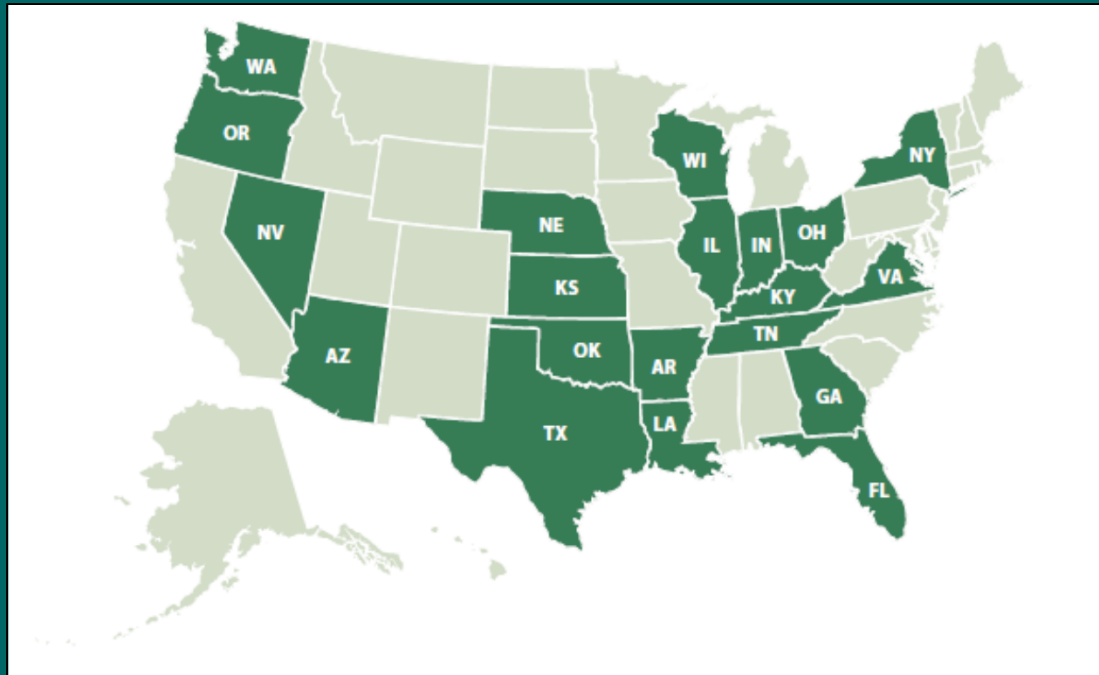
- Career Technical Education (CTE) has unmet potential to help California's students, families, and regions
- One potential barrier is program cost – CA community college enrollments are funded at one set rate

| Instructional Costs Per Student Credit Hour National Averages (2011-2012) | |
|--|-------|
| Humanities/Humanistic Studies | \$52 |
| Biology, General | \$64 |
| Engineering-Related Technologies | \$73 |
| Allied Health and Medical Assisting Services | \$131 |
| Drafting/Design Engineering Technologies/Technicians | \$163 |
| Respiratory Care Therapy/Therapist | \$265 |

Source: National Community College Cost & Productivity Project, National Higher Education Benchmarking Institute

Study Purpose and Scope

- Examine how 20 states try to preserve high-cost CTE/workforce programs
 - Limited to the use of state general funds
 - Limited to postsecondary institutions
 - No analysis of impact of strategies

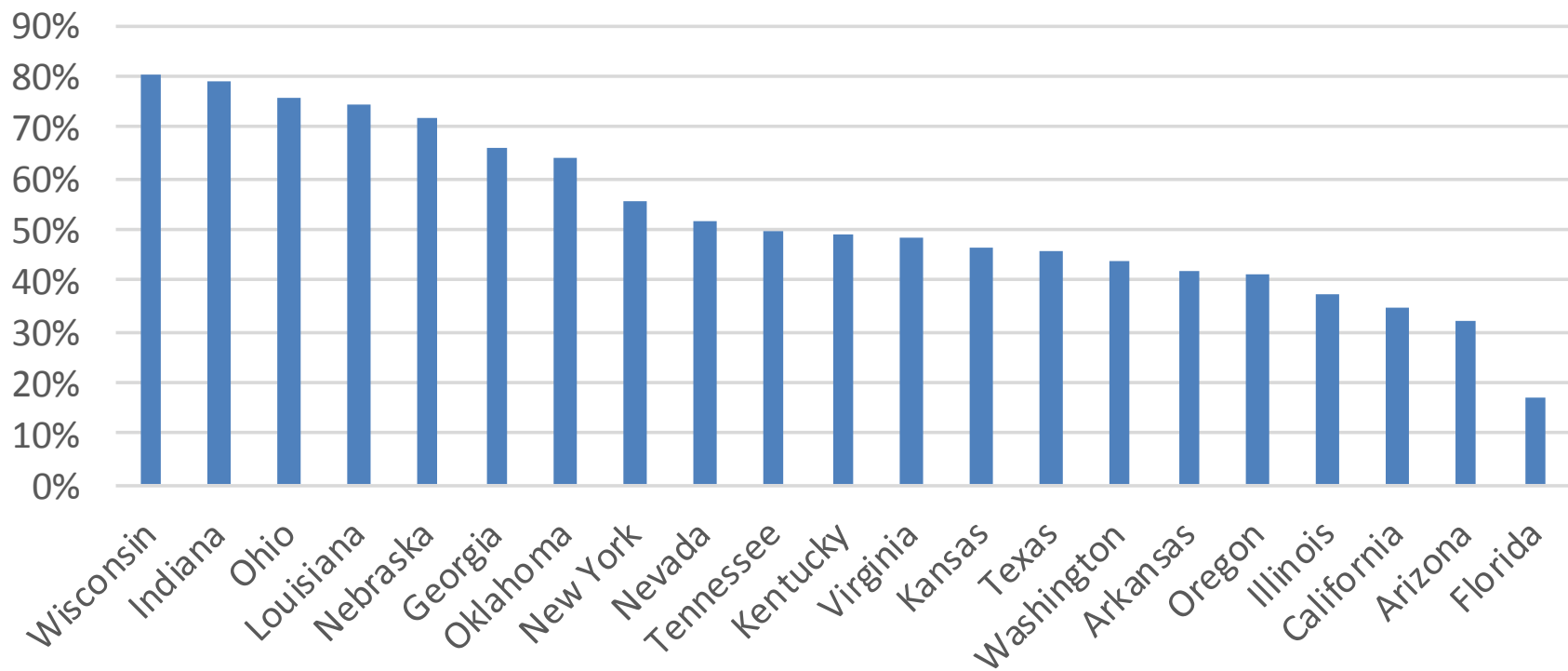


General Findings – from 20 States

- Thoughtful attention to CTE cost issues
- CTE enjoys high relative status - e.g.,
 - Washington: “professional/technical” mission celebrated for job creation
 - Louisiana: colleges fought to retain “technical” name after merger
- CTE a larger portion of two-year college mission

CTE is a Bigger Part of Degree-Granting Mission in Other States

CTE Degrees as Percent of All Degrees in Public Two-Year Colleges, 2010-11



Strategies that May Preserve CTE/Workforce Programs

| Strategy | Number of States (out of 20) | California Approach |
|---|------------------------------|---|
| Separate technical institutions/system | 11 | All colleges have comprehensive mission |
| Differential funding based on costs | 13 | Constant funding rate regardless of program |
| Performance- or outcomes-based funding | 14 | Enrollment-based funding |
| Differential tuition (either for whole system or individual college discretion) | 11 | Same tuition for all programs |
| Differential course fees | 17 | Course materials fees limited by statute |

Separate Technical Systems/Institutions

- 11 out of 20 states have “technical” colleges in 3 types of governance structures, e.g.,
- “Technical” Colleges within a comprehensive system
 - Washington SCTCS
 - Louisiana CTCS
- Separate technical college systems
 - Technical College System of Georgia
 - Texas State Technical College System
- Free-standing technical colleges not in a system
 - Kansas
 - Ohio

Differential Funding

- 13 of 20 states differentiate funding by discipline
- Assign disciplines to cost categories
 - Usually 3-6 categories
 - Higher-cost programs funded 2-3 times higher
 - Some states have more than 20 categories
- Incorporate cost differentials in final allocations, e.g.,
 - Weights: 1, 1.5, 2.0
 - Student/faculty ratios
 - Costs per credit hour

Performance Funding

- 14 out of 20 states have approved PF
- Treats high and low cost programs the same
 - Rewards completions of degrees and certificates
- Can incentivize variety of workforce outcomes
 - Some metrics include job placement, wages, high-need completions, and industry certifications
- Some states have different PF for technical colleges or programs

Differential Tuition

- 11 out of the 20 states
- Some use it broadly, some selectively
- Examples of programs with higher tuition
 - Nursing and allied health
 - Welding
 - Heating and AC; electrical; electronics
- Some marginally higher, some much higher

Course Fees

- 17 of the 20 states charge course fees
- Assessments for individual *courses* - in addition to tuition
- Fees cover lab operation and equipment, supplies, specialized training, assistants
- Examples:
 - Indiana's Ivy Tech college course fees range from \$10 to \$50 for automotive courses, to \$300 for principles of advanced manufacturing
 - At Blue Mountain CC in Oregon, fees range from \$80 for music courses, to \$150 lab fees in welding

Conclusions

- Much to learn from other states
 - Most have been thoughtful about finance
 - Most celebrate the CTE mission without hesitation, and without diminishing the transfer mission
- These 5 strategies are adaptable
 - Each state has somewhat different approach
- Other states have same values as California
 - Access
 - Equity/fairness
 - Quality
 - Employment

Implications for California

- Strategy 1: “Technical colleges”
 - Messaging is important; could be local option
- Strategy 2: Differential funding
 - An equally valid approach to equity
 - “Fair” way to provide equal access to programs
- Strategy 3: Performance funding
 - Flexibility to incentivize workforce and equity outcomes
- Strategy 4: Differential tuition
 - Could apply very selectively
 - Student input could be helpful
- Strategy 5: Course fees
 - Could loosen statutory restrictions