

Pennsylvania Association of Career and Technical Administrators

**Testimony to the
House Appropriations Committee**

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Background

Our nation's focus on competition in the global economy has resulted in numerous federal and state legislative initiatives designed to improve education and the quality of our workforce. Recent legislation includes No Child Left Behind, Race To The Top, Every Student Succeeds Act and several versions of the Carl D. Perkins Career and Technical Education Act.

Career and technical education, a delivery model that integrates rigorous academics with technical and skill knowledge, is essential to meeting today's workforce demands. The following economic premise summarizes the continuum and indisputable link between education and the economy:

Basic education, and especially career and technical education, is imperative to workforce development. Workforce development is essential to economic development, which is vital to achieving a higher standard of living. A robust economy results in a higher tax base that in turn provides greater resources for schools and educational improvements.

In response to the changing economy, career and technical education (CTE) has undergone significant changes in the past few decades. Its mission is focused on preparing students for successful careers and lifelong learning in order to enhance our nation's workforce competitiveness on a global level. Pennsylvania CTE leaders have redirected programs to include a greater emphasis on higher-level academics; postsecondary education preparation; twenty-first century skills development; and, curriculum that is aligned to nationally recognized business and industry credentials. CTE graduates must be equally prepared for success as a credentialed technician (in above entry level positions) as well as success in postsecondary education/college without the need for academic remediation. In simple terms, Pennsylvania CTE high school graduates must be college and career ready.

One significant change in career and technical education is its transformation from an elective program to a career pathway leading to college and a high skill, high wage career. CTE is now part of the college preparatory track, with an increasing number of graduates enrolling in postsecondary education and completing a baccalaureate degree. In addition, there is growing evidence that career and technical education is an effective intervention for reducing high school dropout rates as it often captures the engagement of at-risk learners.

Central to the development and delivery of cutting edge CTE programs are high standards, high expectations, and continuous improvement. Pennsylvania Department

of Education (PDE) regulations ensure that approved CTE programs include informed leadership, a supportive organizational structure, highly qualified teachers and support staff, an uncompromising adherence to high standards, and input from experts in business and industry.

Pennsylvania's career and technical centers (CTC), school districts, community colleges, and state universities collaborate in the development and implementation of career-focused programs of study. In addition, Carl D. Perkins emphasizes quality CTE through rigorous academics, employer engagement, industry credentials, career pathways, and accountability. To further ensure high quality and continuous improvement, Pennsylvania regulations provide an advisory structure framework that requires CTCs and individual CTE programs to seek support, advice, and guidance from business, industry, and community stakeholders in all aspects of career and technical education.

Pennsylvania's CTE students often participate in relevant work-based learning where they engage in paid or unpaid internships or cooperative education in a modern workplace. Further, CTE students may earn advanced standing in local community colleges through dual enrollment, and they may receive college credit for the industry credentials earned while in CTE. College credits are the result of articulation agreements between secondary and postsecondary institutions that recognize the value of industry credentials and career and technical education. Earning college credits while in high school provides a valuable economic benefit to students, parents, and employers and may also encourage students to pursue additional education after high school graduation. In some cases, CTE students have the opportunity to earn enough credits to be considered a sophomore in college allowing them to finish an associate degree in one year and a bachelor's degree within three years of graduating from high school.

The majority of the state's CTCs also serve their communities by providing career and technical education programs for adults and entry-level employees as well as advanced incumbent worker and customized training programs for local employers. In addition, many CTCs have achieved postsecondary accreditation. This is essential for veterans' and other adult students' eligibility for loans and financial aid.

Despite the enormous improvements in and expansion of career and technical education, challenges exist. This document will first examine funding, as it is the most important factor impacting career and technical education. Next, the topic of students' access to CTE and emerging concerns about CTE teacher certification are explored. Finally, this document concludes with a summary of recommendations for consideration by the Pennsylvania State Legislature.

Funding

Career and technical centers in Pennsylvania receive most of their funding from three primary sources. Approximately three percent of a CTC's budget comes from Carl D. Perkins federal funds. Perkins funding is a critical revenue source for our state's secondary and postsecondary CTE schools. Unfortunately, Perkins funding has not increased in nine years, and Pennsylvania has suffered a five million dollar decrease since 2009. Pennsylvania and its CTE schools' continued funding under the Perkins Act is dependent on strict accountability in the achievement of performance measures and standards that are reflective of student achievement in high quality career and technical education.

Unfortunately, many of the state's career and technical centers dedicate much of their Perkins allocation to support the high enrollment of special education students in academic and CTE subjects. Typically, special education student participation at a CTC can exceed forty percent; this is two to three times the special education enrollment at member school districts. School districts receive IDEA federal funding in support of special education students; however, the money does not follow the students when they enroll part-time or full-time (all day) at the CTC. The CTCs include the excess cost of providing support for special education students in their budgets which inflates the overall cost of CTE. This results in a disproportionate amount of Perkins spent in support of special education students thus reducing the amount of federal dollars available for CTE instructional equipment and program improvements. Career and technical education is an excellent education option for all students and special education students achieve success in CTE and in their career after graduation. However, the cost of providing individualized support for special needs students is not subsidized by federal or state funding. Ultimately, the majority of school districts support CTC budgets but their primary reason for reducing CTE enrollments is the "high cost of CTE," which is in part caused by their restriction and reduction of CTE enrollments and the lack of dedicated special education funds to provide support services needed to ensure the success of special education students enrolled at the CTC.

State Career and Technical Education Subsidy provides approximately 49 million dollars in funding. However, this amount has not increased in eight years while the cost of retirement and healthcare has risen drastically and other fixed costs are subject to inflation. State CTE Subsidy provides about seven hundred dollars per student for each student enrolled in a PDE approved CTE program. (The actual amount varies based on state subsidy formula and demographics.) The intent of the State CTE Subsidy is to supplement or reduce the excess cost of CTE. The amount of subsidy is determined by

the sum of money appropriated in the state budget and it is reduced depending on how many students qualify for subsidy across PA. CTE programs and students must meet minimum time and performance requirements to be eligible for the state subsidy. It is allocated based on the average daily membership report (a reflection of enrollment and attendance) for subsidy payment across the state. Recently, statewide CTE enrollments have increased by three percent, but the increase reduces the amount available per student. Additional CTE enrollment does not generate additional subsidy statewide. The Secretary of Education provides a reduction factor allocating CTE subsidy when CTE enrollments exceed the monies allocated in the state budget. The final calculation is determined by the total number of average daily memberships in each school district enrolled in CTE, times the reduction factor established by the Secretary of Education, times the school district's equalized mills (indicator of potential tax revenue). This method scales the payment of subsidy so that poorer districts receive the full subsidy minus the reduction factor. Districts with a strong tax base receive far less subsidy. State Career and Technical Education Subsidy has not kept pace with inflation or the requirement to provide industry standard instructional equipment and other instructional costs associated with career and technical education.

The State CTE Subsidy equates to less than eight percent (on average) of the cost of CTE, while member school districts' share of the CTCs' budgets has increased to approximately ninety percent. Due to demographic indicators, decreasing federal funds, and less state subsidy per student, some school districts' portion of their CTC's budget can exceed ninety percent of the total cost of providing career and technical education.

The current method of funding CTCs was determined in the mid-1960s by guidelines from the state department of education who provided an articles of agreement template to establish and govern AVTSs, now CTCs. The template identified two costs incurred by CTCs: (1) capital costs, which are funded by the member school districts based on their tax assessed value as determined by the State Tax Equalization Board; and, (2) annual operating costs, which are determined by average daily membership (ADMs) at the CTC. The operating cost calculation created a "pay-for-use" concept. Unfortunately, the pay-for-use concept has had a devastating impact on CTE enrollments. Many school districts reduce or restrict CTC enrollments, believing they reduce their costs. When school districts employ this logic, they are denying students their right to an education that may ultimately lead to high skill, family wage sustaining career. In addition, reducing CTC enrollments increases the cost per student and seldom results in savings for the school district. An unintended consequence of the method of funding CTE in Pennsylvania is the impact on our employers' ability to find the highly skilled employees they need to sustain their operation and contribute to the state's economy. Somewhat ironically, employers provide invaluable support for CTE yet we are often unable to meet their demand for CTE graduates.

Career and technical centers are not tuition schools. Their budgets are based on the cost of delivering quality CTE programs (program-based budget) and traditional fixed costs. Career and technical education costs more than basic education, and that is the primary reason it is offered on a consortium basis at a regional career and technical center. The consortia approach also enables the state's CTCs to offer a greater number and variety of CTE courses, far more than any single school district could afford. Member school districts falsely believe the calculation for "per student cost" equates to tuition and reducing CTC enrollments will result in direct savings. It has an opposite result, increasing the cost per student and the cost per program.

The gross cost per student is calculated by dividing the total enrollment into the total general fund budget. The net cost per student (member school district cost) is calculated at the year-end audit when actual revenues, expenditures, and final enrollments have been determined. Carl D. Perkins funding and State Career and Technical Education Subsidy reduce the actual cost per student to member school districts, which is important to school superintendents and school board members. Cost per student is important for budget purposes and it is an effective management tool for programmatic decision-making. In reality, a CTC's enrollment capacity versus the actual enrollment is the most critical factor in determining cost. When enrollments are reduced to fifty percent of the capacity the cost per student is nearly double, because member school districts are paying for empty seats. An appropriate analogy can be made using a 46-passenger school bus that is filled with only 23 students. The cost of operating the bus is fixed but the transportation cost per student is double. Again, CTCs prepare their operating budgets based on program requirements and not on tuition. When students have unrestricted access to the CTC, enrollment increases and the cost per student decreases. CTE program budgets represent a capacity to serve students, employers, and the economy. Operating programs at less than optimum capacity is an economic inefficiency for school districts and our state.

The pay-for-use concept is further flawed in that the Average Daily Membership (student) from each school district represents a percentage of the total enrollment, and districts pay for their proportionate share of the CTC's general fund budget based on their annual participation (enrollment) in relationship to the other member school districts' participation. As an example, if school district "A" sends twenty percent of the total CTC enrollment and school district "B" sends twelve percent to the CTC, district "A" pays twenty percent and district "B" pays twelve percent of the CTC's general fund budget. Member district cost calculation is complex and often unfair to school districts that experience an increase and support higher enrollment at the CTC. If other member districts decrease their CTC enrollments, the cost to the districts that experience an increase or remain at the same level, will increase disproportionately. Schools that increase CTC enrollments pay for any savings realized by districts that limit or reduce

CTC enrollments. Once again, school districts pay for their percentage of use, not tuition.

The requirements driven by business and industry's input and the need to support state and regional workforce development priorities established a demand to modernize existing CTE programs and add new programs in support of emerging occupations. However, this presents a financial challenge to CTCs due to the nature of costly facilities and equipment. The current Act 1 index does not apply to CTCs but every member school district is governed by the base index, which is driven by the state average wage calculation. Therefore, CTCs cannot increase their budgets higher than the legal limitations imposed on school districts, and CTCs cannot claim exceptions that are granted to school districts. CTCs, like school districts, are experiencing unprecedented increase in PSERS retirement share and health care costs that total more than the allowable budgetary increase under Act 1. This unintended consequence of Act 1 limitation has restricted CTCs' ability to adequately modernize CTE programs and add new programs. The cost of adding one new technical program typically exceeds the allowable index for an increase to the general fund budget. The cost of modernizing existing CTC programs and/or adding a new program is borne by member school districts.

The Pennsylvania Department of Education has provided competitive equipment grants for up to one hundred thousand dollars per CTC and the funding has made a significant difference in resourcing CTC programs. However, the amount is far less than what is needed for modernizing some of the more equipment-intensive programs such as manufacturing and other high demand occupations. Additional funding is available periodically from the Pennsylvania Department of Labor and Industry for CTCs and community colleges that are "postsecondary accredited."

In addition, in recent years the Pennsylvania Legislature has provided supplemental funding in the amount of three million dollars for career and technical education instructional equipment. The funding has proven to address critical equipment needs that were not included in the schools' instructional budgets due to budget revenue limitations. For many CTCs across the state, the PDE competitive equipment grants and the PA Legislature's supplemental funding have provided the only source of revenue for instructional equipment. Without this vital funding, many CTCs would have been unable to purchase the instructional equipment needed to prepare students for high value industry credentials.

Access

In the Commonwealth of Pennsylvania, school districts determine which students are enrolled in career and technical education; the process of selecting students and determining when they may attend a CTC varies from district to district. There may be multiple criteria involved in the selection process or it may be quite arbitrary. In some cases, school districts have inaccurate or outdated information about the programs and opportunities available at the career and technical centers. Marketing materials and activities explaining CTE are often limited; school districts rely on the CTC to provide information about CTE but they also approve the CTC's budget so the amount of money budgeted for CTE information and marketing is conservative. Employers, students, and parents often say, "CTE is the best kept secret," and that is a reflection of our inability to market the college and career opportunities in CTE.

Student access to career and technical education has been restricted for a number of years for several reasons. In some instances, it is a direct result of cost cutting measures by school districts. Some districts have decided to limit the number of students they send to CTCs to reduce their budgetary costs. As mentioned previously, these districts falsely believe there is a direct savings in "tuition costs" from the amount paid for each student enrolled at the CTC. In reality, their actions cause an increase to their per student cost and for the per student cost in every school district in the consortium. If the trend continues, more programs will close at the CTC and more students will be denied career and technical education. Presently, many CTE programs and schools operate with enrollments that are inefficient and drive higher per student costs.

In other situations, school districts have reduced staff as a money saving effort and as a result, school counselor positions have been eliminated. School counselors deal with a wide variety of tasks from helping students explore colleges to providing critical support to students with a myriad of challenges including drug problems, abuse, poverty and homelessness, and criminal behavior, and other family related issues. With fewer counselors on staff, time available for career counseling has greatly diminished. Further, most counselors lack expertise in workforce demographics and emerging technical careers. As a result, many students do not receive adequate career guidance and without this, they do not take advantage of the offerings at their CTC. Unfortunately, the reduction in counselors has the greatest impact on the least fortunate students – the academically and economically disadvantaged. While CTE serves a wide variety of students with diverse abilities and interests, a great number of disadvantaged students depend on career and technical education for their entrance to their career pathway. Yet

too many disadvantaged students are unaware of the postsecondary and career opportunities available through CTE.

School accountability and student testing have had a negative influence on CTC enrollment since the early days of PSSA and Keystone exams. When students did poorly on an academic exam they were denied access to the CTC or un-enrolled from the CTC so they could be scheduled for remedial academic classes or additional courses in preparation for a retest. In some instances, school districts have denied one or even two entire grade levels (usually grades nine and ten) from participating in CTE to allow more time for test preparation. Research tells us that ninth grade is the most critical year for at-risk students, and the National Drop-Out Prevention Center at Clemson University sites career and technical education as a highly effective dropout intervention strategy. Denying students in any grade access to CTE may contribute to an increase of high school dropouts.

Career and technical educators do not want their students to receive less academic preparation or rigor. They know that CTE graduates must be academically proficient and prepared for technological changes and lifelong learning. Instead of removing students from CTE, there are options and successful strategies that are designed to improve both academic and technical skill proficiency including early intervention; blended learning; evening or weekend and summer school programs; course and credit recovery; mentoring and tutoring; and, the integration of academic standards in career and technical education curriculum through project-based learning and other proven practices. Numerous reports and resources are available from organizations such as the Association of Career & Technical Education, National Center for Research in Career, and Technical Education and High Schools That Work providing extensive data documenting the positive influence of career and technical education on academic achievement and students' success in college and their career.

Once again, we believe strongly in high standards and accountability, and we want our students to have an opportunity to complete both rigorous academic and challenging CTE courses. For too many years, students enrolled in CTE programs were relegated to low level academic courses that neither prepared students for college or the modern technological workplace. State assessments and accountability have forced school districts to eliminate low-level academic courses and implement strategies to enable all students to achieve high academic standards. We believe the state assessment and testing was not intended to result in students being denied access to career and technical education. The Pennsylvania Legislature's recent recognition of NOCTI assessments has provided another path for CTE students to graduate, allowing many students to continue to pursue their chosen career through career and technical education while also meeting the academic standards for graduation. We commend the Department of Education for its recent release of a Question and Answer document on

the implementation of Act 6. It provides clear direction to the educational community and we believe accurately reflects the legislative intent of the Act.

CTE Teacher Certification

The image of vocational education, known today as career and technical education, suffers from a number of issues anchored to the past including industry working conditions, salaries, and the level of education required for the “trades.” Common beliefs are expressed in comments such as: *Vocational education is important but not for my kid. Do you want to go to college or Vo-tech? If you go to Vo-tech you can't go to college.* Clearly, many people perceive CTE as an alternative to college.

Parents, students, and many educators misunderstand the difference between yesterday's vo-tech and today's career and technical education. In Pennsylvania's early years of vocational education (1967 to the mid- to late-1970's) vocational instructors were required to have a high school diploma or a GED to teach a program in which they had “real world” experience. Once hired, they were required to obtain a total of 60 college credits within ten years in order to become permanently certified. Permanent certification was awarded without a final assessment of the individual's knowledge of education, such as a Praxis examination.

Today, CTE teachers must prepare students in three areas: (1) mastery of technical skills required for business and industry credentials; (2) academic standards as they are applied in problem solving and performing advanced technical skills; and, (3) employability or soft skills that are essential to securing and sustaining employment. All three components of the curriculum are critical to achieve higher levels of expertise and advancement in postsecondary education and a career.

Unfortunately, many believe that CTE instructors are not professional educators yet nothing could be further from the truth. Today's CTE teachers, who are required to earn 78 college credits, must be able to integrate academic standards into written curriculum and utilize research proven instructional strategies to meet a wide diversity of student ability and learning styles. CTE teachers are charged with preparing learners for the world of work where employees are expected to have increasingly more advanced technical skills and knowledge. Employees must read, write, and analyze technical materials and specifications that are written at a level equal to the second or third year of college. They must possess the ability to continue to learn and adopt to advances in science and technology. CTE is no longer vo-tech or shop class, and CTE teachers are highly skilled educators who apply the art and science of instruction to both technical and academic curricula.

Fortunately, many of today's candidates for CTE teaching positions already possess college degrees or some college credits. A 2017 report from Georgetown University's

Center on Education and the Workforce states that, "...in 1967 twenty-five percent of workers had 'some college', in 2015 sixty-one percent of workers had some college and double the number of workers possess a two or four-year degree."

Most states offer an alternative path for teacher certification but some require a four-year baccalaureate degree (e.g., Nebraska and Wisconsin) with a major in career and technical education. Other states require less than a four-year degree but a common trend has been to increase college credit requirements in response to No Child Left Behind and increase performance standards for schools and students established in Carl D. Perkins legislation.

No Child Left Behind, Every Student Succeeds Act, and Carl D. Perkins performance standards and measures require academic achievement and accountability. Lowering the education requirements for an educator in any setting will lower student performance in all subject areas.

Some CTE school directors are frustrated because they are having difficulty hiring career and technical education teachers, and they believe the problem is based in the state's CTE teacher certification requirements. However, the CTE teacher certification program can be revised to enhance the attractiveness of a career in teaching CTE without lowering standards and the quality of the CTE teacher preparation. CTE teacher certification courses must be more relevant to instructional and eliminate irrelevant electives. Courses can be more prescriptive, including a focus on education technology, special education, and literacy courses, for example.

Not all regions in the state are experiencing difficulties hiring and retaining highly qualified CTE teachers. For example, southeastern Pennsylvania CTCs and schools bordering states such as New Jersey and Maryland are not losing CTE teachers as a result of our certification requirements. Instead, teachers who leave or change schools reportedly do so because they find employment closer to their home and/or they gain higher salaries in neighboring schools and states.

Other issues surrounding CTE teacher hiring and retention are related to salaries (e.g., starting salaries, salary schedules, and maximum earnings). These issues are regional and controlled in most CTE schools by teacher contracts, which typically make no distinction between academic educators and CTE educators. The starting salaries of CTE teachers must be adjusted to reflect the salary demands of business and industry.

Recommendations

The quality of career and technical education and its ability to support Pennsylvania's workforce and economic development has been compromised because of the deterioration of the federal and state funding for CTE, the cost of career and technical

education, and the rising cost of basic education at school districts. The method of funding career and technical education in Pennsylvania places the majority of costs on school districts, and the lack of adequate career and technical education subsidy has caused school districts to reduce enrollments at CTCs. The current level of state subsidy for CTE has become a disincentive to allowing students to enroll in career and technical education.

Increasing the amount of Basic Education Subsidy by four thousand dollars for every student that is enrolled in CTE at a regional CTC will address the excess cost experienced by member school districts. Providing a four thousand dollar subsidy directly to the school district will incentivize district support for CTE, and CTC enrollments will increase to capacity, which will decrease the cost per student. In addition, increasing subsidy will result in higher CTE program quality and a greater number of graduates will be available to sustain economic growth in Pennsylvania. The CTCs' ability to enhance current CTE program components and open new programs essential to meet workforce needs is greatly restricted by the lack of adequate state funding for instructional equipment.

We recommend increasing the amount of money available and the number of PDE competitive equipment grants.

We recommend the PA Legislative Supplemental Funding for CTE instructional equipment be included as a line item in future state budgets and be appropriated at the same or higher level.

We recommend the Pennsylvania State Career and Technical Education Subsidy be increased to a maximum of 1500 dollars per student while enrolled in a PDE approved CTE Program. The current formula should remain as defined previously. The subsidy will be used to enhance CTE programs without adding costs to member school district budgets.

We recommend the Pennsylvania Legislature provide additional funding to support modernizing and/or the development of new CTE programs in high priority occupations as identified by the Pennsylvania Department of Labor and Industry.

We recommend that a tax credit program be established to provide tax credits to eligible taxpayers to support career and technical education equipment purchases.

We recommend funding be established to increase the availability of career counseling and career and technical information to all Pennsylvania students.

Regarding legislative action pertaining to the Pennsylvania CTE Teacher Certification process, we recommend the following:

Require 60 prescribed credits as opposed to the current 78. The additional courses will not include any irrelevant electives.

Award 30 credits for the Occupational Competency Assessment (OCA) when 60 credits are earned. (Lehigh Carbon Community College has granted CTE students 30 credits for NOCTI assessments in approximately 12 CTE areas since 1997.) Currently 24 credits can be awarded to CTE teachers for the OCA after a CTE teacher attains 90 college course credits matriculates for a four-degree in education and pays a per credit fee to the university. Limit the fee to a \$25 application fee.

PDE has already increased the time to seven years after the award of a Vocation I certificate. This is a total of 10 years (after an intern certificate is issued.) Therefore, some CTE teachers may have 11 years to earn the Vocational II, permanent certification, depending on their starting date status.

Other potential legislation can assist CTE schools in the development of a salary schedule that is regionally competitive with business and industry.

In summary, the above recommendation reduces the required number of credits from 78 to 60 and it eliminates “junk” or unrelated courses that are taken as electives. An additional year has been added by PDE to the time required to achieve permanent certification while the total number of course credits in this proposal would be reduced by 18 (an average of three years is required to complete 18 credits as a part-time student).

CTE teachers that complete the 60-college course credit requirement for certification need only to apply for an additional 30 credits for their OCA. As a result, CTE teachers across the state will earn no less than 90 credits, exceeding the current total of 78 credits required for certification.

The above recommendation will improve the quality of CTE instruction and the image of CTE. It will also make teaching CTE more attractive as a career in Pennsylvania, thus increasing the pool of qualified teacher candidates.

More than ever, teacher candidates possess college credits and degrees, both associate and baccalaureate level. Candidates that possess prior college credits can transfer core academic course credits and reduce the total number of course required for certification.

The recommendation is not a compromise and it does not lower teacher preparation standards but it does provide a viable enhancement to the current PA teacher certification model. The recommendation will drastically reduce regional issues associated with hiring CTE teachers.

In addition to the above recommendations we support the vast majority of the recommendations in the *Final Report of the Select Subcommittee on Technical Education and Career Readiness*.

Thank you for this opportunity to provide testimony.