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**Testimony on House Bill 59 - Biennial Budget
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Primary and Secondary Education Subcommittee, Representative Bill Hayes, Chair
Finance and Appropriations Committee, Ohio House of Representatives

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Good morning, Chairman Hayes, Ranking Member Lundy and members of the House Primary and Secondary Education Subcommittee. My name is Kathy Shibley, and I am the Senior Executive Director for the Center for Student Support and Education Options at the Ohio Department of Education (ODE). One of the offices I oversee is the Office of Career-Technical Education. Today I am pleased to be with you to discuss career-technical education programs and initiatives and their connections to the biennium budget.

Jobs going unfilled in Ohio and the need for skilled employees are common topics among employers, state leaders and the public media. K-12 education is not the first solution that comes to mind when thinking about this need, because the students we work with are often several years away from fulfilling the job openings we know about today, but career-technical education is an important part of the solution. If we do not address the K-12 education contribution to our workforce issues and put longer-term, pipeline solutions in place, we will only perpetuate the current skills gap and continue to lose Ohio's most talented young adults to other states. For that reason I am gratified to see the investments in this budget proposal for K-12 career connections and career-technical education initiatives.

Structure of Ohio's K-12 Career-Technical Education System

Ohio statute (ORC 3313.90) requires that workforce preparation be available to all Ohio high school students. In order to make that possible, in the late 1960's the state was organized into 91 career-technical planning districts (CTPDs) of three types: joint vocational school districts (JVSDs) serving a group of member districts, single school districts in contract with one another (compacts), and single districts operating alone (comprehensives).

Of the 91 CTPDs in the state, 49 are JVSDs that include 556 districts as members. A JVSD is a legal, tax-levying district that offers career-technical education to students from its member districts who elect to take career-technical education as part of their high school program. Most JVSDs are full-time with students taking both their academic and technical courses at the JVSD building, although a few maintain half-day programs offering only technical courses. Some JVSD programs are in a JVSD building and some are in member school district buildings. Those in member district buildings are called satellites of the JVSD. In addition, a JVSD member district may offer a career-technical program on its own without direct administration by the JVSD. In these cases, the JVSD, as the lead district in the CTPD, is still responsible for the accountability of those programs, although not responsible for hiring the teachers, directing curriculum and

assessment, supplying equipment or providing professional development. JVSDs and their member districts served about 79,000 workforce development students in FY 2012.

Seventeen of the 91 CTPDs are compacts that include 80 districts. Currently, compacts are comprised of two to 14 districts with one of the districts serving as the lead district in the CTPD. All districts in a compact collaborate on plans for offering the required career-technical education programming. CTPDs with compact arrangements served about 20,000 workforce development students in FY 2012.

The remaining CTPDs are 25 comprehensive districts that tend to be larger-sized districts that have the economies of scale to offer all required career-technical education programming on their own. The state requirement for CTPDs is that they offer at least 10-12 programs (depending on their size) in eight different career areas. This size and scope requirement is also part of Ohio's federally-approved Carl D. Perkins plan. CTPDs represented by one single district served over 21,000 workforce development students in FY 2012.

There are two types of career-technical education programs currently offered in Ohio: workforce development programs, which are occupational skills offered in 15 career fields, and non-occupational programs. Non-occupational programs include the following:

- *Career-Based Intervention* serves students in grades 7-12 with interventions to remediate academics and prepare students for technical skill pathways;
- *Family and Consumer Sciences* is a series of courses that teach content such as financial literacy and financial management, career planning, nutrition and wellness, and child development; and
- *GRADS (Graduation, Reality and Dual-role Skills)* is a program for parenting and pregnant teens designed to retain them in school, enhance their career planning, and support their academic achievement.

In FY 2012 there were about 120,000 students enrolled in state-approved occupational career-technical education programs, which represents approximately 19 percent of Ohio's traditional high school population. Community schools also offer career-technical education programming, and in FY 2011, almost 15,000 community school students took advantage of these programs. This includes over 1,500 community school students enrolled in workforce development courses, about 12,000 enrolled in Career-Based Intervention, about 200 enrolled in Family and Consumer Sciences, and about 1,000 enrolled in GRADS programming.

CTE as an Important Investment

All students are career-bound. It's just a matter of when and what path they will take to get there. Some will be in the work world right away, some after brief and intermittent postsecondary experiences and some after lengthy college endeavors. Increasing participation in career-technical education is an important state objective because the experiential-based focus of career-technical education ignites students' passions for learning and shows them how their education can be applied for potential careers.

According to our federal accountability reporting for FY 2011 that looks at students in their last year of programs, almost 99 percent of students concentrating in career-technical education graduated, and over 86 percent of those who graduated were placed into postsecondary education, apprenticeships, employment, or the military. Finally, over 72 percent of students who were assessed for acquiring the necessary technical skills in their respective fields passed those assessments.

I would now like to highlight for you some of the ways we are currently focusing on increased access, faster and better responsiveness to employers and higher student attainment:

- By September, 2013, ODE will issue our first career-technical education report card as directed in Senate Bill 316 of the 129th General Assembly. This will increase the transparency and the continuous improvement of career-technical education in Ohio.
- Some of our schools have developed ways to connect to the U.S. Department of Labor apprenticeship programs despite the requirement that apprentices must be at least 18 years old and have a high school diploma. We are committed to make this the norm and not an isolated best practice.
- Many of our students are able to prepare for industry exams that provide an industry credential at the end of their programs. The reporting of industry credentials on the new A through F local report card, as established in House Bill 555 of the 129th General Assembly, is expected to better make known, and therefore incentivize, the earning of industry credentials by our students.
- Through our High Schools that Work connection with the Southern Regional Education Board, Ohio is one of 12 states developing a set of rigorous curricula with an emphasis on academic and technical content integration, 100 percent inquiry-based delivery around authentic work problems, and the awarding of early college credit. For example, in Ohio we are producing two four-course programs - one program for Automated Materials Joining and one program for Health Informatics. We believe this type of curriculum development will result in career-technical education that will prepare students for college and careers both academically and with regard to their critical thinking, innovation and work ethic.
- The FY 2014-15 biennium will be the first in which all career-technical education programs will have been converted to Tech Prep status which means that all secondary career-technical education students will have the opportunity to earn college credit while in high school.

Career-Technical Education in the FY14-15 Biennium Budget

In FY 2013, total state funding for career-technical education is about \$325 million. In addition, Ohio has an almost \$43 million federal Carl D. Perkins grant to support career-technical education in 91 CTPDs, 23 two-year colleges and 28 adult workforce centers. Approximately \$2.2 million of the state dollars for career-technical education is being used as a match to secure the federal Perkins grant. The Ohio Board of Regents partners with ODE in implementing the Perkins grant for postsecondary career-technical education.

Historically, career-technical education funding to JVSs, school districts, and community schools was based on three weights - one for workforce development career fields, one for non-occupational programming, and one for the associated costs of the lead district.

The Executive Budget proposes per pupil amounts for five categories of workforce development career fields and non-occupational programming. The lead district in each CTPD will also receive \$150 per pupil for each career-technical education student.

Category	Career Fields	Amount
1	Environmental & Agricultural Systems, Construction Technologies, Engineering & Science Technologies, Finance, Health Science, Information Technology, Manufacturing Technologies	\$2,900
2	Business & Administrative, Hospitality & Tourism, Human Services, Law & Public Safety, Transportation Systems	\$2,600
3	Career Based Intervention	\$1,650
4	Arts & Communications, Education & Training, Marketing, Workforce Development Academics, Career Development	\$1,200
5	GRADS, Family and Consumer Sciences	\$900

The Executive Budget proposes that community schools and STEM schools be assigned to a CTPD and that the per-pupil funding be directly allocated to the lead district of each CTPD. ODE would deduct and transfer such funding from the lead district to its member districts and schools upon the lead district's notification to ODE of its approval of the career-technical education programming delivered by its members. Universal inclusion in the CTPD will give all students direct and straight forward access which has sometimes been a challenge for some students. We are also hopeful that the enhanced role of the lead district in the CTPD in reviewing all programs for funding eligibility and consulting with all member schools will contribute to more consistency in program quality across the state and shared objectives to expand options for students.

The Executive Budget proposes up to \$410,000 in each fiscal year to pay CTPDs \$500 for each student that receives a journeyman certification, as recognized by the U.S. Department of Labor. A journeyman certificate is very valuable to a student because it is evidence to potential employers that students have acquired the skills and training necessary to succeed in trades requiring specialized and technical skills. We are hopeful that this funding will incentivize more of our CTPDs to innovate new delivery methods that will encourage students to obtain the hours necessary to gain a journeyman certificate by the time they graduate.

The Executive Budget also proposes up to \$2.0 million in each fiscal year to pay CTPDs for reimbursing individuals taking the online GED test for the first time for fees in excess of \$40. This is in response to the federal government transitioning the GED for all states to be administered by Pearson VUE by January of 2014. By that time the GED will only be available through a computer-based exam with a current cost of \$120. The current cost of the paper/pencil exam is \$40. Each CTPD will be required to designate a site or sites where individuals may register and take the exam. The CTPD must also offer career counseling services to adults pursuing their GED.

The Executive Budget also proposes to replace the Postsecondary Enrollment Option (PSEO) program with the College Credit Plus program. The new program will standardize payments between public and nonpublic schools serving secondary students and public and participating private colleges. This will allow Ohio's students the opportunity to gain college credit while in high school without their parents having to pay tuition. It should be noted that articulation agreements for career-technical programs of study are exempt from the College Credit Plus program for the upcoming biennium. During this time ODE and the Ohio Board of Regents will study the implications of applying the College Credit Plus program to current career-technical agreements and make recommendations by July 1, 2014 on how to incorporate them in the College Credit Plus program in the future.

The Executive Budget proposes flat-funding of other set-asides that support career-technical education. These include funding for Tech Prep (line item 200425 and within line item 200545), High Schools that Work (within line item 200545), career-technical education in correctional institutions (within line item 200545) and the Voc-Ag Fifth Quarter program (within line item 200545).

Chairman Hayes, Ranking Member Lundy and members of the subcommittee, ODE is truly excited that career-technical education has been made a priority in the proposed Executive Budget and want to thank you for this opportunity to appear before you today. I would be pleased to answer any questions that you may have.