

2019-21 Biennial Budget Decision Package

Agency: 350 – Supt of Public Instruction

DP code/title: Expanding Access to CTE Programs

Budget period: 19-21 Regular Session

Budget level: PL

Agency RecSum text:

Systemic and financial barriers prevent many students from accessing high-quality career and technical education (CTE) programs. CTE programs create alignment between industry and K–12 academic standards. These programs provide students opportunities to take coursework aligned with their professional goals. This request will support multiple pathways to graduation and post-secondary success by increasing the cost allocation for CTE materials and supplies; increasing access to CTE courses; providing grants to support CTE Dual Credit coursework and industry certificates; and initiating a pilot program to improve student access to skill centers.

Fiscal detail: To be completed by budget staff

Operating Expenditures	FY 2020	FY 2021	FY 2022	FY 2023
Fund 001-01	19,456,000	25,077,000	25,556,000	26,031,000
Total Expenditures	19,456,000	25,077,000	25,556,000	26,031,000
Biennial Totals	\$44,533,000		\$51,587,000	
Staffing	FY 2020	FY 2021	FY 2022	FY 2023
FTEs	0	0	0	0
Average Annual	0		0	
Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. N	19,456,000	25,077,000	25,556,000	26,031,000
Biennial Totals	\$44,533,000		\$51,587,000	

Package description

Washington students deserve an educational system with multiple valued pathways to graduation and post-secondary success. Career and technical education (CTE) programs in Washington are aligned with rigorous industry and academic standards. CTE programs educate students for a range of career options through the delivery of 16 Career Clusters and more than 79 career pathways. A pathway is an identified sequence of rigorous academic and career-related courses centered on the student's post-secondary career goals. These clear programs of study prepare students for industry

certifications, post-secondary certificates and degrees, and immediate employment. High-quality CTE programs support a pathway to fulfill employer needs in high-skill, high-demand areas of employment. According to the January 2018 publication, *CTE TODAY!* from the Association for Career and Technical Education, “high school students involved in CTE are more engaged, graduate at higher rates, and typically go on to postsecondary education.”

Many CTE courses — including those taught at skill centers — offer credit that meets the academic credits required for graduation. Some CTE courses allow students to earn dual credit, meaning students earn college and high school credit at the same time, tuition-free. For statewide equivalent courses, the Office of Superintendent of Public Instruction (OSPI) creates state frameworks. A framework aligns national and industry standards to state core content standards, performance assessments, leadership, employability, relevance to work, and critical thinking skills, all in one document. School districts and institutions of higher education develop formal agreements, called articulation agreements, which document the transfer policies for specific credit requirements. This proposal would expand and strengthen access to career-connected learning (CCL) and work-integrated programs and services through CTE that have proven to help students identify connections between their opportunities and efforts in school and post-secondary aspirations.

This request identifies strategies to achieve three critical goals:

1. Increased investment and access to high-quality CTE Programs:
 - a. Increase full-time equivalent (FTE) funding for CTE students to 1.2.
 - b. Increase CTE maintenance, supplies, and operations costs (MSOC) allocation per FTE.
2. Increased CTE dual credit opportunities:
 - a. Fund statewide/regionalized articulation pilots.
 - b. Fund CTE dual credit grants.
3. Increased industry-based career-connected learning:
 - a. Expand access to industry-based certificates.
 - b. Fund all-day skill center pilots.

What is the problem, opportunity or priority you are addressing with the request?

1a: Districts without access to a skill center have inadequate support to offer CTE courses beyond the regular school day and into the summer.

Current rules restrict students who are enrolled in high school and non-skill center-based career and technical education (CTE) courses to a 1.0 annual average student full-time equivalent (FTE). Only skill center programs can claim student FTE up to 1.6, most commonly accessed through summer CTE course taking. Skill centers do not serve all school districts; therefore, not all students can access additional CTE programs. This request will allow comprehensive high schools (high schools serving grades 9–12) to claim 1.2 FTE for CTE enrollment in order to enable students enrolled in high schools to take CTE courses beyond current restrictions. With current support for career-connected and work-integrated learning from Governor Jay Inslee and the Legislature, this is the opportune time to close opportunity gaps for students who lack access to a skill center that meets their needs.

1b: CTE maintenance, supplies, and operations costs (MSOC) allocation per FTE is insufficient to support instructional resources needed.

CTE courses cost more money to support than general education courses because of the resources needed to purchase, operate, and maintain equipment and supplies that are unique to CTE. At one time, the state recognized those differences by providing over twice the amount of funding to support MSOC for CTE than for general education courses. Today the difference in support is marginal (\$1,499.98 per FTE for CTE MSOC; \$1,334.08 per FTE for general education MSOC). Yet the CTE model (and its resource needs) has not changed. Increasing the amount of support for CTE MSOC would enable schools to purchase or repair needed instructional resources.

2a: Washington lacks statewide articulation agreements for CTE courses.

The lack of statewide or regionalized models of articulation agreements is a barrier to increasing the number of CTE dual credit opportunities. Articulation agreements identify the high school courses that will transfer into a receiving post-secondary institution. The 2017 performance audit report, “Leading Practices for the State’s Secondary Career and Technical Education Programs,” from the Washington State Auditor’s Office, included a recommendation to “expand the number of CTE dual-credit opportunities to increase the number of pathways from high school to college” (pg. 4). The report identified the lack of funding available to expand existing CTE dual credit agreements, as well as the recommendation that a statewide approach to articulation could increase the number of opportunities and reduce costs to school districts and higher education institutions. The report also suggested statewide articulation agreements should be developed for courses that are common across the college system and easily tied to industry standards. Currently, articulation agreements must be developed and agreed to at the local level, and are typically specifically identified between a school district and a community or technical college. A pilot program to initiate the development of articulation agreements would begin to address these needs.

2b: CTE high school dual credit opportunities have diminished greatly.

Federal funding for Tech Prep was eliminated in 2011, creating a gap in available funds to establish articulated high school CTE courses for college-level credit. Tech Prep was rebranded as CTE Dual Credit in 2017; however, local school districts still struggle to establish dual credit opportunities due to the lack of available state funding support. State-supported grants to offset the loss of federal funds would support development of high school CTE courses offered for college credit.

3a: Students have limited opportunities to earn industry-based certificates.

Costs associated with providing industry certificates are a barrier to creating opportunities for students. The Career Connect Washington Task Force identified a goal to connect 100,000 Washington youth during the next five years with career-connected learning opportunities that prepare them for high-demand, high-wage jobs. To support this goal, students need multiple opportunities to build critical skills through CTE programming, such as earning industry-valued certifications that support employment opportunities. Revised Code of Washington (RCW) [28A.700.090](#) allows OSPI to provide grants (subject to funding) to eligible students to offset the costs associated with earning state or industry certificates as part of a student’s CTE program. The Legislature established this grant program in 2008, however, funding to directly support school district industry certification costs has not been provided in recent years. The program provides that eligible students must have a family income that is at or below 200 percent of the federal poverty level.

3b: Logistical barriers impede students’ access to skill centers.

Fifteen skill centers currently provide regionalized learning centers for high school students from multiple school districts. A student attending a skill center typically goes to their home high school for half of the day and the skill center for the remaining half. Often, transportation barriers, earned credit opportunities, instructional time loss, and other access-related factors can obstruct students from accessing skill center coursework. Many students do not pursue preparatory programs at a skill center because of access barriers and barriers related to the capacity to earn required credits toward high school graduation. A pilot program to allow students to do all course work at a skill center for their full day, without needing to attend their home high school at all, would significantly reduce these access barriers.

What is your proposed solution?

1. Increase full-time equivalent (FTE) funding for CTE students: State-approved career and technical education (CTE) courses must follow the CTE model, which includes instruction that is aligned to both academic and industry standards, opportunity to demonstrate hands-on applications of skills, and leadership and employability skill development both in the classroom and as a component of the required extended learning opportunities. Extended learning is defined as learning opportunities that take place outside of the regularly scheduled school day and school year. Career-connected and work-integrated learning efforts are supported through CTE programming, as all CTE programs must include an element of work-based learning. Quality work-based learning opportunities assist students in building experience to understand work readiness skills, career exploration, and opportunity to learn and earn as they contribute to the economy. Supporting CTE programs will address the above outlined problems utilizing a systematic, multi-faceted approach. This request will expand access to CTE programs by supporting additional FTE opportunity and an increase in MSOC allocation. School districts will benefit from the implementation of the outlined areas of impact:

1a: Increase FTE funding for CTE students to 1.2: Expanding access to CTE programming by increasing the maximum FTE that can be claimed for funding would address current restrictions. This request will increase the maximum CTE FTE eligible for funding from 1.0 to 1.2 for students who pursue additional CTE experiences. This proposal creates an incremental increase in FTE access and funds would be specifically targeted to schools that are not currently in a service agreement with a skill center.

1b: Increase the CTE MSOC allocation per FTE: Increasing the CTE MSOC multiplier rate from 1.183 to 1.3 will more adequately reflect the costs associated with implementing a high-quality CTE program.

2. Increased CTE Dual Credit opportunities: Funding to support the development of statewide, regionalized, and localized articulation agreements is critical to increasing the number of CTE Dual Credit opportunities available to students.

2a. Fund statewide and regionalized articulation pilots: Funding to support statewide and regionalized articulation agreements will cover the costs to convene teams of high school and community and technical college educators to build articulation agreements for use across the state and in geographic regions. These articulation agreements will focus on areas of high-demand programs, and will result in cost savings, as these options will be

preferable to locally developed articulation agreements currently navigated by local school districts and community and technical colleges.

2b. Fund CTE Dual Credit grants: Grant funding to school districts will allow them to build additional courses and associated articulation agreements for CTE coursework with an emphasis on high-demand programs. Identifying local programs of study with clear articulation credit opportunities is a requirement aligned with the Federal Perkins Act.

3. Supporting industry-based and career-connected learning: Funding certification opportunities will increase the number of students with industry-recognized credentials and support career pathway options that include direct entry to employment, apprenticeship, and post-secondary credentialing. Additionally, skill center programs provide an opportunity for students to be immersed in preparatory programs with opportunities to earn industry certificates or articulated credit.

3a. Expand access to industry-based certificates: Funding for state license access and funds to offset the fees associated with earning industry credentials is a cost-effective way to increase the number of certificates earned by students prior to high school graduation.

3b. Fund all-day skill center pilots: Providing school districts with access to increased funding for CTE courses will address barriers related to transportation, potential loss of instructional time, and inconsistencies among application of equivalency credit. Increased funding will also provide students the choice of attending a skill center all day to receive their entire instructional program. This request seeks funding to create two, two-year pilot programs of all-day skill centers. These pilots will support course equivalency initiatives by requiring participating schools to approve and transcript any course equivalencies successfully completed at the skill center. Additionally, this pilot program will help identify barriers to scaling the program at other skill centers.

What are you purchasing and how does it solve the problem?

1a. Increase funding for additional full-time equivalent (FTE) access to 1.2: The increased FTE will lower barriers for students to access additional career and technical education (CTE) coursework to support skill obtainment and a meaningful high school diploma, reflective of their High School and Beyond Plan. **Estimated 2019–21 biennial cost: \$22,295,000.**

1b. Increase the CTE maintenance, supplies, and operations costs (MSOC) allocation per FTE: Currently, funding is generated by a per student rate for each student in approved CTE programs. Currently that rate exceeds the general education rate by 1.183. The 2019–20 proposed MSOC would be \$1,679.46, which would result in a multiplier rate of 1.3. **Estimated 2019–21 biennial cost: \$18,638,000.**

2a. Fund statewide and regionalized articulation pilots:

Statewide and regionalized model articulations will increase the number of CTE Dual Credit opportunities for students, and be a step in creating equity in access across common programs. **Estimated 2019–21 biennial cost: \$400,000.**

2b. Funding for CTE Dual Credit grants:

CTE Dual Credit grants will provide the funds necessary for local teams to create articulation agreements, providing additional dual credit access for programs that may be unique to the community served. **Estimated 2019–21 biennial cost: \$300,000.**

3a. Expand access to industry-based certificates:

Grants to school districts will offset the costs associated with secondary students earning industry certificates prior to graduation. **Estimated 2019–21 biennial costs: \$2,500,000.**

3b. Fund all-day skill center pilots: This pilot will support course equivalency initiatives by requiring participating schools to approve and transcript any course equivalencies successfully completed at the skill center and report data to determine barriers to scaling these opportunities. **Estimated 2019–21 biennial costs: \$400,000.**

What alternatives did you explore and why was this option chosen?

Alternatives were explored in the following areas:

1a. Increase funding for additional FTE access to 1.2: While more generous alternatives would provide a larger FTE ratio or an expansion of the increased FTE for all programs or all campuses, a more limited approach will allow us to learn as we grow the program.

1b. Increase the CTE MSOC allocation per FTE: We estimated the cost of restoring the ratio for the CTE MSOC multiplier to the levels set in the 2011–13 biennial budget, which would represent an increase from 1.138 to 2.459. Our estimates indicate that an increase of this magnitude is cost-prohibitive in single step. Instead, we propose an incremental restoration of the multiplier beginning with the 2019–21 biennium.

Assumptions and calculations

Expansion or alteration of a current program or service

1a. Increase funding for additional FTE access to 1.2 (alteration of current funding model):

This request expands FTE access to 1.2. Historical information on total state expenditures on CTE programs is as follows:

Year	Total State Expenditures on CTE
School Year 2015–16	Approximately \$400 million
School Year 2016–17	Approximately \$411 million
School Year 2017–18	Approximately \$470 million
School Year 2018–19	Projected to be approximately \$556 million

Figure 1. Historical information on total state expenditures on CTE programs.

1b. Increase the CTE MSOC allocation per FTE (alteration of current funding model):

This request increases the per student FTE allocation that would move to \$1,679.46 in 2020, \$1,713.05 in 2021, \$1,747.31 in 2022, and \$1,782.26 in 2023.

All other pieces included in this request are new programs.

Detailed assumptions and calculations

Request	State Fiscal Year			
	2020	2021	2022	2023
Increase CTE student FTE to 1.2	\$9,642,000	\$12,653,000	\$12,933,000	\$13,191,000
Increase CTE MSOC (1.3 multiplier)	\$8,014,000	\$10,624,000	\$10,873,000	\$11,090,000
Access to industry-based certificates	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000
Statewide articulation agreements	\$200,000	\$200,000	\$150,000	\$150,000
CTE Dual Credit grants	\$150,000	\$150,000	\$150,000	\$150,000
All-day skill center pilots	\$200,000	\$200,000	\$200,000	\$200,000
Total	\$19,456,000	\$25,077,000	\$25,556,000	\$26,031,000

Figure 2. Breakdown of the items included in this request and their funding for FY 2020–23.

1a. Increase funding for additional FTE access to 1.2:

This request projects funding needed based on the total school district full-time equivalent (FTE) and summer skill center FTE of the associated districts to compute a statewide annual average participation rate of 19.31 percent. Taking into consideration career and technical education (CTE) enrollment in districts with less than 2,000 FTE, we find a total enrollment of 6,954.77 for school year 2017–18. Applying the 19.31 percent average participation rate and factoring the CTE Running Start rate for each of the projected fiscal years, we arrive at estimated costs of \$9,642,000 in 2020 and \$12,653,000 in 2021. Additionally, estimated costs of \$12,933,000 in 2022 and \$13,191,000 in 2023 are projected.

Funding will allow school districts not currently served by skill centers to offer additional CTE courses to students that enroll in additional course taking beyond their currently limited 1.0 FTE. Fully projected costs are outlined in the fiscal section of this decision package, and details are included on attached documentation.

1b. Increase the CTE MSOC allocation per FTE:

This request projects CTE MSOC per student allocation to be \$1,679.46 in 2020; \$1,713.05 in 2021; \$1,747.31 in 2022; and \$1,782.26 in 2023. To determine these rates, OSPI compared the current basic education MSOC and CTE MSOC, and used a multiplier of 1.3 and an estimated caseload of CTE students of 68,483.01 in 2019–20 and 69,523.51 in 2020–21. The projected caseload numbers came from the Caseload Forecast Council. The total impact would be \$8,014,000 in 2020; \$10,624,000 in 2021; \$10,873,000 in 2022; and \$11,090,000 in 2023.

2a. Fund statewide and regionalized articulation pilots: The fiscal impact of this request each year (2020–23) is \$200,000. These funds will provide for the convening of four two-day events a year with up to 100 attendees each event. Funds will cover the costs of travel, facilities, hotel, and sub-reimbursement for attendees. OSPI calculates a cost of \$250, per person, per day.

2c. CTE Dual Credit grants: This request will allow OSPI to distribute grants of \$1,500 to 100 school districts to create CTE Dual Credit opportunities for students. The grant funding will allow school districts to establish local articulation agreements for new courses. These assumptions remain consistent into year two of the biennium, for a total investment of \$300,000.

3a. Expand access to industry-based certificates: This request will allow OSPI to distribute grants in the amount of \$1,550 to 542 high schools. This request also includes \$400,000 for state license access grants. This comes to an estimated total of \$842,000 to fund industry-based credentials outside of the state licensed program. These assumptions remain consistent into year two of the biennium, for a total investment of 2,500,000.

3b. Fund all-day skill center pilots: This request will allow OSPI to provide grants to two skill center sites in the amount of \$100,000. The grants will be provided for pilot projects that will continue in the second year of the biennium. Each site will receive \$200,000 over the biennium to address barriers for all day attendance.

Workforce assumptions

Not applicable.

Strategic and performance outcomes

Strategic framework

This request supports the Results Washington K–12 goals related to student success by granting more tools to school districts to provide their students a world-class education that prepares them for success in their post-secondary pathway.

Career and technical education (CTE) concentrators are students who have enrolled in two or more CTE courses above the exploratory level in a single cluster; which requires completion of two courses that are designated as preparatory and meet state law requirements of preparatory course work. In 2016–17, the high school graduation rate for CTE concentrators was 87.9 percent, in comparison to the state average of 79.1 percent. This request supports an increase in student access and experience with CTE programs, which will allow more students to experience courses aligned with their post-secondary pathway.

Finally, this request directly supports the Office of Superintendent of Public Instruction (OSPI) goal of “multiple pathways for all.” The long-term goal is for every student to have access to a pathway to graduation that prepares them for college, industry credentials, or post-secondary training. OSPI aims to design an education system that enables and empowers students to make informed decisions about their lives after graduation. Increasing the opportunity to earn academic credit through CTE

equivalency coursework supports valued pathways toward earning a meaningful high school diploma.

Performance outcomes

Increased investment and access to high-quality CTE programs:

If this request is funded, OSPI expects school districts to utilize the new 1.2 FTE allocation, which will cause an increase in credits earned and CTE courses taken. OSPI expects the increase in CTE credits earned will also contribute to higher graduation rates.

Industry-based and career-connected learning:

If this request is funded, OSPI expects to see an increase in the number of industry-recognized credentials earned by students. CTE programs report this element as part of the Comprehensive Education Data and Research System (CEDARS) data management system.

Additionally, OSPI's CTE Department will pursue alternative data collection mechanisms to collect total number of certificates earned by student. An outcome we expect from the skill center pilot program is to identify the interest and demand for all-day attendance, as well as isolate the barriers and funding needs for successful attendance to a skill center for the entire instructional day.

Other collateral connections

Intergovernmental

School districts and associated programs will benefit from the expenditures outlined in this request.

Stakeholder response

OSPI anticipates business and industry partners seeking skilled and credentialed employees to be in favor of this request. The increase in career preparation experience through CTE coursework, earned dual credit, and earned industry certificates will help support employment pathways for students in our state.

The Career Connect Washington Task Force identified a goal to connect 100,000 Washington youth during the next five years with career-connected learning opportunities that prepare them for high-demand, high-wage jobs. This request would provide multiple opportunities for K–12 students to build critical skills through CTE programming, such as earning industry-valued certifications that support employment opportunities.

Legal or administrative mandates

Not applicable.

Changes from current law

The FTE limitation would change the guidance in the OSPI Enrollment Reporting Handbook, which stems from Washington Administrative Code (WAC) [392-121-136](#).

State workforce impacts

Not applicable.

State facilities impacts

Not applicable.

Puget Sound recovery

Not applicable to OSPI.

Other supporting materials

CTE Programs Excel document (attached)

Information technology (IT)

Information Technology

Does this DP include funding for any IT-related costs, including hardware, software (including cloud-based services), contracts or IT staff?

No

Yes

Please download the [IT-addendum](#) and follow the directions on the bottom of the addendum to meet requirements for OCIO review. After completing the IT addendum, please upload the document to continue.