

March 24, 2015

The 2015-16 Budget: CTE Incentive Grants for Secondary Schools

LEGISLATIVE ANALYST'S OFFICE

Presented to:

Assembly Budget Subcommittee No. 2 on Education Finance
Hon. Kevin McCarty, Chair





Background



Career Technical Education (CTE) Includes Coursework in 15 Areas

CTE Industry Areas

-  **Agriculture and Natural Resources**
-  **Arts, Media, and Entertainment**
-  **Building and Construction Trades**
-  **Business and Finance**
-  **Education, Child Development, and Family Services**
-  **Energy, Environment, and Utilities**
-  **Engineering and Architecture**
-  **Fashion and Interior Design**
-  **Health Science and Medical Technology**
-  **Hospitality, Tourism, and Recreation**
-  **Information and Communication Technologies**
-  **Manufacturing and Product Development**
-  **Marketing, Sales, and Service**
-  **Public Services**
-  **Transportation**

CTE = career technical education.



Background

(Continued)

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- ☑ **Several Fund Sources Support High School CTE**
 - Includes ongoing categorical programs, one-time competitive grants, foundation funding, and federal funding. In addition, many high schools fund CTE instruction using their general purpose local control funding formula (LCFF) monies.

 - ☑ **Regional Occupational Centers and Programs (ROCPs) Historically State's Largest High School CTE Program**
 - ROCPs subject to categorical flexibility during recession.
 - Despite flexibility, ROCPs largely maintained.
 - ROCP folded into LCFF.
 - Two-year ROCP maintenance-of-effort (MOE) for 2013-14 and 2014-15.

 - ☑ **LCFF Provides More Money to High Schools to Acknowledge Higher Academic Costs**
 - Higher "base" rate for high schools, plus 2.6 percent "add-on."
 - Add-on calculated based on former statewide ROCP funding.



Governor's Proposal

- Governor Proposes Additional \$250 Million to Support High School CTE Programs**
 - First of three annual \$250 million installments.
 - Grants could go to school districts, county offices of education, charter schools, and ROCP joint powers authorities that operate quality CTE programs.
 - Grant amounts and grantees to be determined by California Department of Education and State Board of Education.
 - Priority would be awarded to existing CTE programs.
 - Requires local dollar-for-dollar match and commitment to ongoing support.
 - Allows ROCP MOE to expire July 2015.



LAO Assessment and Recommendations

- Inconsistent With State's New Approach to School Funding**
 - Creating short-term categorical program counter to state's goal of better coordination and less fragmentation.

- Accountability Systems Already Encourage High Schools to Offer CTE**
 - CTE helps schools meet student achievement and student engagement—two key priority areas for which the state holds schools accountable.
 - Recent legislation requires that the state's two primary accountability reports, Local Control and Accountability Plans and the Academic Performance Index, include CTE-related measures.

- Recommend Rejecting Proposal**
 - Continue to focus on accountability for student outcomes.
 - Request Superintendent of Public Instruction provide update on CTE-related accountability measures.
 - Strengthen CTE-related accountability measures if Legislature deems they are inadequate.