

THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

**TO:** Higher Education Committee  
**FROM:** John L. D'Agati *John L. D'Agati*  
**SUBJECT:** Community College Funding Proposal  
**DATE:** March 4, 2013  
**AUTHORIZATION(S):** *John B. ...*  
**SUMMARY**

**Issue for Discussion**

The 2013-2014 Executive Budget proposal includes the Next Generation Job Linkage Program. The Budget includes \$5 million in performance grants to incentivize community colleges to place students in high demand jobs. This new \$5 million investment, combined with the net impact of unrelated enrollment changes, results in a \$1 million year-to-year increase in community college support.

**Reason(s) for Consideration**

For Information

**Proposed Handling**

This Item will come before the Higher Education Committee at its March 2013 meeting for informational purposes.

**Background Information**

The basis of the Next Generation Job Linkage Program is to ensure students are prepared for the jobs of today, tomorrow and the future. The Executive Budget recommends changes to the approach for funding community college workforce and vocational programs. It makes two changes to the current enrollment-based system of funding community colleges for workforce and vocational programs. The changes will serve to refocus college workforce and vocational programs on training students to succeed in today's high-skills economy.

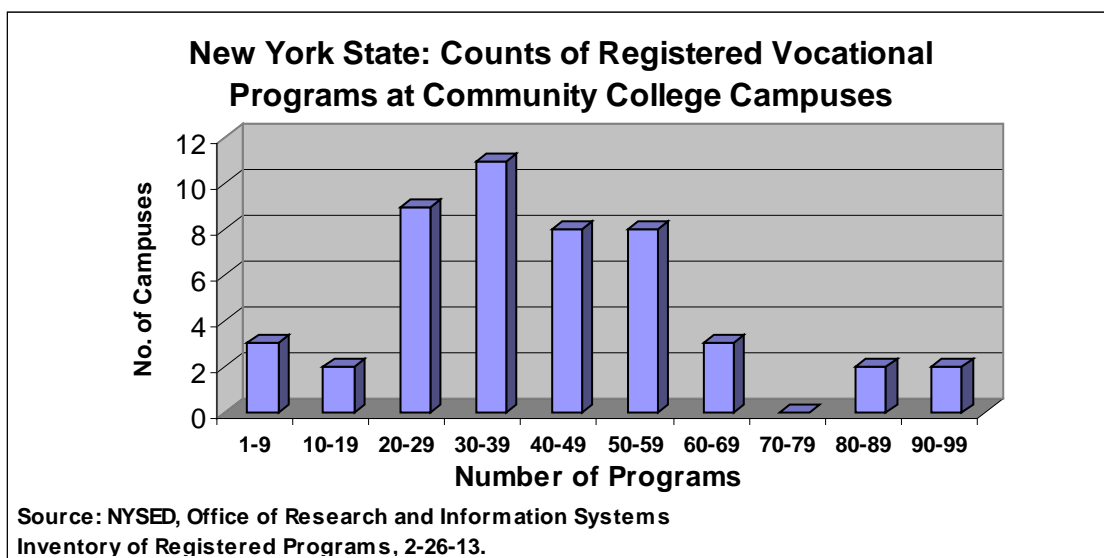
Instead of funding based entirely on the colleges' total enrollment, they will only receive State support for enrollment in workforce and vocational programs at community colleges if they have a partnership with local employers and the Regional Economic Development Councils to identify job training needs. In addition, the Budget provides new funding to community colleges based on performance in measures of student success, including job placement.

First, in order to qualify for State funding, community college workforce and vocational programs will be offered in partnership with employers that are directly related to the specific vocational training program and that are focused on high-demand jobs that need to be filled now. Using guidance from the Department of Labor, and working with the Regional Economic Development Councils, community colleges will help students to enter the workforce. In addition, these partnerships will help to inform the alignment of curriculum with the needs of employers.

Second, the \$5 million is for new performance-based funding to reward community colleges that enable students to find or advance in good paying jobs in their chosen occupation, provide training for careers that are in demand by employers in their region, and help students graduate on time with an industry recognized degree or certificate.

### *Current Vocational Programs*

In New York State, vocational programs are identified through the Higher Education General Information Survey (HEGIS) code. There are nearly 2,000 vocational programs (HEGIS codes 50-55) registered at the State's community colleges. The average number of registered programs per campus is 41 and the range is from 5 to 92 programs.



### *Implications*

While the full details of the Executive Budget proposal are currently unavailable, the implication is that the proposal will result in a denial of state support for workforce and vocational programs at community colleges that do not have the required partnerships with business and industry employers. Under such circumstances it is possible that some community colleges will discontinue the program.

Much remains to be determined in the Executive Budget proposal; however, the Next Generation Job Linkage Program represents the kind of linkage between support for education and job placement that is becoming more prevalent on a national basis. In many ways it is similar to the gainful employment regulations that the federal government has established in an effort to ensure that colleges are offering programs that have a value to future employers.

### **Recommendation**

It is recommended that the Board of Regents direct the Department to continue to monitor the proposed statutory changes to the community college workforce and vocational programs to determine their effect on funding, access and student academic outcomes and job placement outcomes.