



Council for Education Policy,
Research and Improvement

A New Funding Methodology For Workforce Education

DRAFT – Part 2

New Introduction: The Importance of Workforce Education

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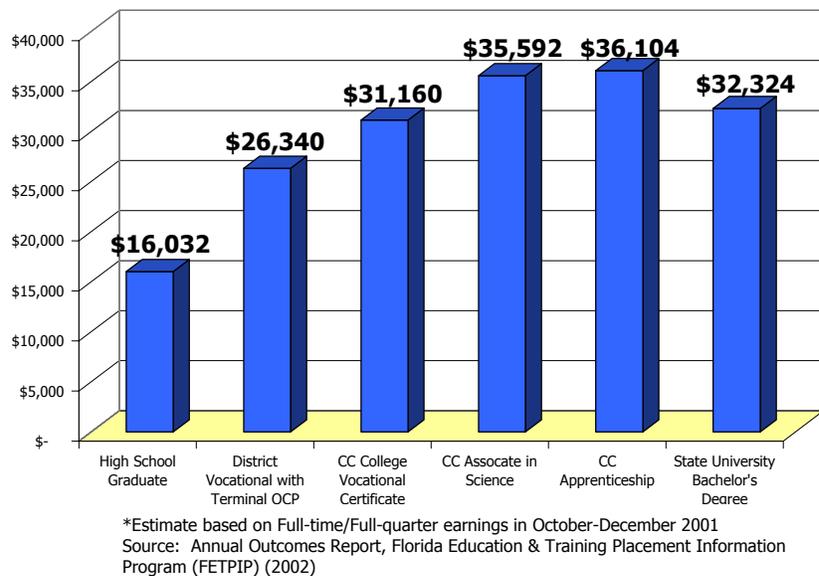
Why is Workforce Education Important?

The value of the skilled workers produced by the state's community colleges and technical centers are apparent in the daily life of every Florida citizen. Every time Floridians need emergency medical care, break down on the side of the road, or wake up to a puddle of water in their bathroom, more than likely they need the services of skilled workers. The nurses, automotive mechanics and plumbers who are called upon to respond to these emergencies probably learned their trade in Florida's community college and school district technical programs. These are just a few of the essential workers produced by Florida's workforce education system.

For those who think that the wages earned by these skilled professionals are low, they should recall the last time they paid a hospital bill, an auto repair bill or a plumbing charge. As **Figure 1** shows, the average annual wages for a community college associate in science graduate (which includes registered nurses) are \$35,392. This compares favorably to the initial wages of a bachelor's degree graduate (\$32,324). These skilled workers require as little as one to two years of training and initially out earn students completing four-year programs.

With training, high school graduates can significantly improve their earnings potential. The Florida Education and Training Placement Information Program (FETPIP) annual outcomes survey reports that only 6 percent of recent high school graduates who enter the workforce immediately earned more than \$9 per hour¹. For those high school graduates who enter and complete a community college vocational certificate program, 74 percent earned more than \$9 per hour.

Figure 1:
Estimated Annual Wages of 2000-01 Program Completers



Skilled workers with one or two years of postsecondary career-technical training will be in great demand in Florida for the foreseeable future. Through 2010, nine of the top ten fastest growing jobs in Florida will require an associate's degree or a postsecondary vocational certificate². The overwhelming majority of job growth occurs in the information technology field for which a technical credential is sufficient. In addition, 61 percent of the projected job growth in Florida through 2010 will be in occupations requiring an Associate's degree (285,887 jobs), a postsecondary

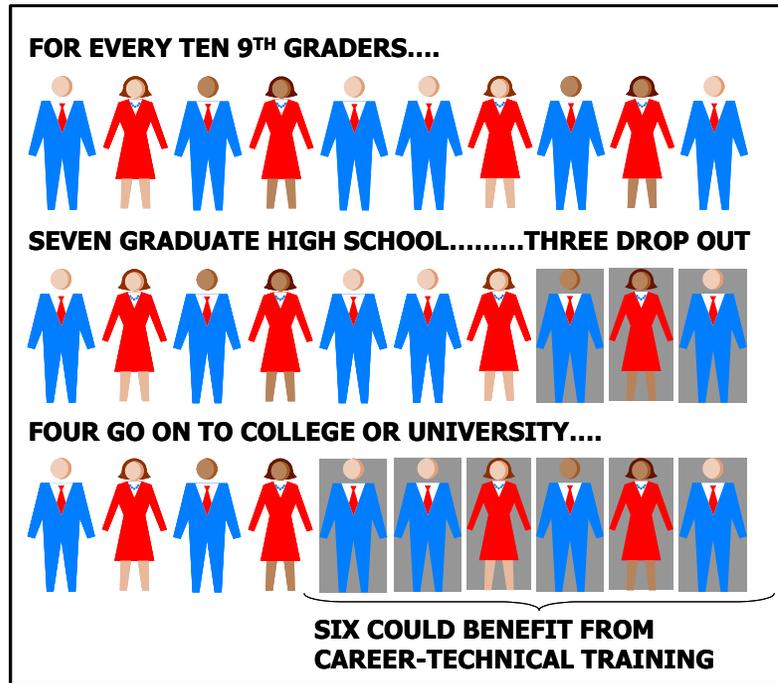
¹ *Annual Outcomes Report: Fall 2001 data*, Florida Education & Training Placement Information Program

² Agency for Workforce Innovation and the Florida Department of Education.

vocational certificate (501,898), or a high school diploma with some vocational training (191,916). While still important, jobs requiring a bachelor's or graduate degree will only increase by 203,772.

The education and training needs of Florida's citizens can not be met if the state only focuses primarily on bachelor's degree production. Although important, a relatively small percentage of the population is expected to earn a bachelor's degree in a Florida institution. As **Figure 2** demonstrates, most of Florida's high school students do not seek immediate entry into a college or university upon graduation. In fact, three out of ten 9th graders do not even graduate from high school. Career-technical education and adult general education can play a pivotal role in meeting the needs of Florida's forgotten majority. The six of ten ninth graders who have either dropped out of high school or who did not enter a college or university may require basic skills and/or skilled training to acquire the education necessary for sustainable employment.

Figure 2



Despite these enormous needs for education and training, the state's priority is often focused on the college preparatory track. Without a strong political constituency, workforce education programs often receive the lowest priority among all education programs.

State spending for workforce education programs represents an extremely low share of the total education budget for Florida. In 2003-04, appropriations for the Workforce Development Education Fund (WDEF) and the Adults with Disabilities programs, which totaled \$692.9 million, represented only 5.6% of the total education budget.³

Since the development of the WDEF in 1997, funding for adult, career and technical training has consistently declined, with the exception of the 2000-01 and 2002-03. Over the seven years since the WDEF was put in place, funding has declined overall by 8 percent, or \$57.1 million. **Table 1** provides the recent history of funding for adult and career education programs. From 1997-98 to 2003-04, funding for workforce education has decreased 6 percent⁴. Over the same time period, funding has increased 33 percent for community colleges and 27 percent for universities.⁵

³ The total education budget for 2003-04 (including General Revenue Fund, State School Trust Fund, Educational Enhancement Trust Fund) was \$12,275,909,504.

⁴ Includes WDEF allocation, Adults with Disabilities funds, and Capitalization Incentive Grants.

⁵ Community college funding includes general revenue and lottery funds for the Community College Program Fund (minus Workforce) and Performance Based Incentive Funds. University funding includes general revenue and lottery funds for E&G, IFAS, and the UF, USF, and FSU Medical Schools.

Table 1: Recent History of Funding for the Workforce Development Education Fund

1997-98	\$731.6	WDEF created from FEFP (public schools) and CCPF (community colleges)
1998-99	\$712.2	Separated adults with disabilities
1999-00	\$704.6	First funding formula applied (but not in Adult General Education)
2000-01	\$719.7	An additional \$15M in funds were earmarked for performance
2001-02	\$672.2	Amount remaining after a \$51M (7%) mid-year reduction from original 2001-02 appropriation
2002-03	\$678.7	CC workforce funds return to sector budget, allocated to institutions on a pro-rata basis (formula not used)
2003-04	\$674.5	Funds allocated to institutions on a pro-rata basis (formula not used)

While there has been a steady decline in funding for adult and career education programs in recent years, enrollment has consistently grown. In the previous three fiscal years, the disconnect between demand for workforce training and availability of state funding has increased. The reality is that in poor economic conditions when dislocated workers increase the demand for career-technical training, the state has less flexibility to deal with additional students as state revenues decline.

Across all programs, there has been a 34 percent increase in enrollment from 1999-00 to 2001-02. Among Adult General Education programs, Adult Basic Education, including English for Speakers of Other Languages (ESOL) programs, experienced the largest increase in enrollments with almost 70,000 more students served over this three-year period.

For vocational certificate programs, enrollment increased by about 18,000 students overall, a 19 percent increase. Enrollment grew the most in family/consumer sciences (e.g., child care workers) and public service programs. The number of family/consumer sciences students increased by 68 percent (5,306 students) in the district programs and 163 percent (3,223 students) in the colleges. Apprenticeship programs also experienced enrollment demands, with more than 2,000 more students enrolled in college and district programs. Associate in Science (A.S.) programs, including shorter term credit programs for certificates and technology diplomas, expanded by 33,877 students, a 44 percent increase. Twenty-three of the twenty-eight community colleges increased their enrollment in Associate in Science programs.