

## Executive Summary, Study on the Funding and Governance of Career and Technical Education in Vermont (March 31, 2023)

### ***Background, Study Approach and Key Findings***

Augenblick, Palaich and Associates, Inc. (APA), with its partner National Center on Education and the Economy (NCEE) was contracted by the State of Vermont, Legislative Joint Fiscal Office in October 2022 to conduct a study on the funding and governance structures of career technical education (CTE) in Vermont, authorized by Act 127 of 2022, Section 17<sup>1</sup>.

**Background and Review.** Vermont's CTE system has multiple regional governance structures and a rather complex funding model. For several decades, challenges associated with the funding and governance of CTE in Vermont have been a topic of discussion and study among stakeholders in the state. This study was built upon that foundation of knowledge and included literature/document reviews, national and international CTE policy scans, stakeholder engagement, and data analysis.

The 50-state review of governance and funding policies found a variety of state approaches and that no single approach to either is most common. Governance structures are typically district-based, regional-based, or a mixed approach. Funding approaches include weighted funding or foundation formula, categorical funding, unit-based or resource-based funding, reimbursement, other, or no direct state CTE funding. *States approach CTE governance and funding differently, and Vermont is unique in its approach.*

**Stakeholder Engagement.** During stakeholder engagement, the study team spoke directly to 140 people through interviews, focus groups and listening sessions, and had around 750 respondents to an online survey, including 260 students. Stakeholders generally felt positive about the responsiveness of their local CTE center to student and industry needs, but also identified barriers and disincentives to CTE participation that can lead to inequity, including:

- Alignment issues between CTE centers and sending schools including calendars, daily schedules, and graduation requirements.
- Alignment issues in CTE between K-12 and higher education.
- Difficulty attracting and retaining qualified CTE teachers.
- Economies of scale challenges in a state with many small settings.
- Funding concerns across the CTE sector, including the tuition-based funding model.

**Data Analysis.** High level data analysis examined the relationships between governance structures, performance, funding, and student participation in CTE in Vermont.

- No clear relationships exist between governance structures, student performance, funding, and student participation.
- Local decisions at the individual center level, and in the communities that support the centers, seem to be a more significant contributor to the opportunities offered for students.
- Proximity to the CTE center corresponds with the level of CTE participation by students.

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<sup>1</sup> <https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT127/ACT127%20As%20Enacted.pdf>

### Recommendations

In order for Vermont to reduce barriers to enrollment and improve the quality, duration, impact, and access to CTE, as stated in the RFP, as well as to meet the state’s evolving workforce needs, simple changes in the system’s governance or funding will not be sufficient.

**The study recommendations assume that Vermont sees CTE as a key part of its statewide workforce development system to meet evolving workforce needs to keep the state competitive.**

**Many of the recommendations are related to two overarching themes identified in the study team’s work that impact not only CTE, but other areas of Vermont’s K-12 system: alignment and economies of scale.**

In each recommendation area, recommendations that are more easily made within the current governance and funding structures are at the beginning of the section and recommendations that likely require greater change to current structures are at the end of each section.

Rec. Area	Recommendation
Funding	1. Provide additional funding and incentives or grants to create more accessibility for students whose sending high school is not on a shared campus with a CTE center.
Funding	2. Create a facilities funding system for CTE programs to address current facilities deficiencies, update program equipment, address enrollment needs, and plan for the future. The system should focus on updating facilities and growing capacity for the programs most needed for workforce development in the state.
Funding	3. Design a funding system that treats all CTE equitably while incentivizing additional CTE capacity in high-growth sectors, utilizing a weighted student funding formula that differentiates funding by CTE program type with funding flowing directly to CTE centers from the Education fund, eliminating tuition-based funding. Additionally, eliminate the six-semester FTE average for funding purposes.
Policy	4. Require regions to align certain systems including calendars and academic requirements, to improve the efficiency of the system for students and staff, providing better outcomes in the system.
Policy	5. Review CTE teacher preparation and licensure requirements and salary policies with an aim of attracting high-skilled industry professionals to teaching.
State Capacity	6. Invest in additional staffing at AOE to provide support to CTE educators across program areas and increase program quality, monitor the system, and to help ensure equity of CTE opportunity across the state.
State Capacity	7. Require that career exploration be offered to all middle school students across the state to increase awareness of CTE offerings as students enter high school.
State Capacity	8. Encourage greater secondary-postsecondary collaboration and require alignment/acceptance of credentialed Vermont CTE center pathways as precursors for enrollment into Vermont CTE postsecondary programs, eliminating the need for core course repetition and ensuring faster and lower cost credentialing for students.
Larger Systems Change	9. Examine current distribution of programs across the centers in the state and consider offering more programming outside of CTE centers (e.g., at sending schools or college) to expand opportunities for students.
Larger Systems Change	10. Consider creating either a coordinated regional governance structure or a single district for CTE. If the state’s intentions are equity for all students and developing a statewide workforce, then the state needs a more coordinated and coherent statewide strategy for CTE.