

Analysis of Community College reform in FY2013 Budget

1. New Funding

- a. Line Item 7066-0025, Performance Management Set-Aside \$7.5M
 - i. This line item provides funds distributed by the Commissioner of Higher Education through a competitive grant process based on priorities established by the Vision Project. This year's funding proposal keeps the level funding of \$2.5M and adds an additions \$5M for community colleges to promote higher completion rates, the adoption of standard course offerings and numbering, and consolidation and coordination of administration and procurements across the colleges.
- b. Line item 7066-0004, Office of Coordination \$400,000
 - i. Provides funds for the Office of Coordination, a workforce training clearinghouse within the Department of Higher Education as established in Outside Section 51.
- c. Line item 7066-0050 – Rapid Response Grants \$2.25M
 - i. Provides \$2.25M to be distributed by the Commissioner to the colleges through competitive grants to allow colleges to respond to employer requested workforce training programs.
- d. Line item 7066-01111 – Technical Assistance \$100,000
 - i. Provides funds to the commissioner for policy and research assistance
- e. Line item 7066-1221 – Workforce Grant operations \$200,000
 - i. Provides funds for the administration of the workforce grant advisory committee.
- f. Outside Section 170 – Community College Workforce Grants
 - i. This outside section creates a committee to provide the framework for the BHE to award grants to community colleges from the gaming licensing fees. The committee will be chaired by the Commissioner of Higher Ed, and include the Secretaries of Education, Labor, Economic Development, and Commissioner of Elementary education, as well as representatives from AIM, Commonwealth Corporation, MACP, MBRT, Workforce Investment Board, Vocational and Technical School administrators, Governor's STEM board, and labor. The criteria for grants shall include collaboration with business, alignment with regional workforce needs, record of job placement, completion rates of students. These grants shall be matched by business and industry partners.

2. New Formula

a. Outside Section 171, Community College Funding Formula

- i. The Commissioner shall, in consultation with the presidents, develop a funding formula and report on such formula to A&F and the legislature by 12/1/2012. The formula shall consider accurate enrollment data, institutional performance on clearly defined goals and metrics, and the relationship with state initiatives around innovative workforce development practices. Goals and metrics shall include rate of completion, transfer rates, alignment of degree and certificate programs, coordinated procurement, and job placement rates.

3. Governance

a. Outside Section 46, Board Chairman

- i. This allows the Governor to appoint the chairman of the individual community college boards (who shall reside in the college area).

b. Outside Section 47, Vocational-Technical Schools

- i. This designates that each board include, as a non-voting member, a trustee for vocational-regional schools in the geographic area to promote greater interaction.

c. Outside Section 48, Search Committee

- i. Adds one member on the BHE to the search committee for the community college presidents.

d. Outside Section 49, Capital needs reporting

- i. Mandates that the community college boards submit a report on capital needs and expenditures to the legislature and A&F annually.

e. Outside Section 50 and 39, Coordination with Voc-Tech Schools

- i. The college boards reporting requirements will include analysis of their collaboration with regional voc-tech schools.
- ii. A member of the voc-tech school board shall serve on the board of the local community college to help coordinate efforts.

f. Outside Section 51, Office of Coordination

- i. Establishes within the department of Higher Education an office of coordination that will serve as a clearinghouse for all workforce training opportunities across all of public higher education. The office will maintain a public website and provide assistance to employers looking for training opportunities.

g. Outside Section 172, BHE guidance for college presidents

- i. Allows the board of higher education to establish and issue guidelines and procedures for the search, selection, appointment, compensation, evaluation and removal of the college presidents.