June 2014

In this issue you’ll find:
» Workforce Innovation and Opportunity Act Replaces WIA
» $75M First in World Competition by US DoE
» Skills Builders: Building More Comprehensive Measures of Workforce Training Success
» Apprenticeship Tool Kit Now Available
» Success Highlight: President Obama Recognizes SITN Training Efforts
» 2014-15 Budget Update: Final Agreement - by CCCCO Vice Chancellor Dan Troy

Regards,
Van Ton-Quinlivan, Vice Chancellor
CCCCO Division of Workforce and Economic Development

Workforce Innovation and Opportunity Act Replaces WIA

House and Senate leadership announced the release of the Workforce Innovation and Opportunity Act (WIOA), bi-partisan, bi-cameral legislation to reauthorize the Workforce Investment Act (WIA), which was due for reauthorization eleven years ago. For more information, click the links below:

- One-page summary of the legislation
- Summary of key improvements WIOA makes to current workforce development programs
- Senate HELP Committee press release
- House Education & the Workforce Committee press release

Funding Opportunity: U.S. Department of Education Announces $75 Million First in the World Competition

To spur innovation in higher education aimed at helping more students access and complete a college degree or credential, the U.S. Department of Education announced the availability of $75 million in the First in the World (FITW) program. Click here for the Federal Register notice. The grants will fund the development and testing of innovative approaches and strategies at colleges and universities that improve college attainment and make higher education more affordable for students and families.
Resources

Skills Builders: Building More Comprehensive Measures of Workforce Training Success – Video Now Available

This four-minute video explains why including factors such as wage gain, employment retention, and third-party certification would better capture the full range of career and technical education outcomes. View the video and access Discussion Guides that inform policy.

Apprenticeship Tool Kit Now Available

The CCCCO administers over $22M annually for Related and Supplemental Instruction (RSI) for Registered Apprentices in California. The funding supports classroom instruction for apprentices, a requirement in addition to on-the-job training (OJT). The Chancellor's Office also provides technical assistance and support for existing Apprenticeship programs as well as in the creation of new Apprenticeship opportunities. A new Apprenticeship Tool Kit is ready to assist you on the Doing What MATTERS for Jobs and the Economy website.

Success Highlight: President Obama Recognizes SITN Training Efforts

Obama recognizes SITN

The Solar Instructor Training Network, the work of the Federal Department of Energy (Solar) Grant, was formally commended by President Obama in a recent speech on clean energy workforce development. The CCCCO is one of 8 participants in the SITN that builds solar training capacity nationwide. SITN focuses on relationship-building with local community colleges, high school technical centers, labor training centers and other training entities to build a strong platform for US clean energy workforce development. Read more from the Huffington Post.
Colleagues,

Yesterday, the Legislature passed the final version of the 2014-15 and sent it to the Governor’s desk. The details of the budget did not change from the my report of the Conference Committee agreement (for reference, that message is included here).

I would like to draw your attention to a few additional notes on the agreement:

- The STRS employer rate for the 14-15 year will 8.88% (an increase of 0.63%). From the 2015-16 through the 2019-20 fiscal years, the rate will grow by an additional 1.85%, annually. In 2020-21, it will further grow by 0.97%, resulting in an employer contribution rate of 19.1% at that time. The details can be viewed in AB 1469.

- Trailer legislation includes legislative intent that funds provided for increased access “be expended for purposes of increasing the number of FTES in courses or programs that support the primary missions of the segment.” The Chancellor’s Office will also be required to annually report on the number of course sections and FTES that were added in the previous year that are “within the primary missions of the segment.” Clearly, there is significant interest from the Legislature in how the system grows, not just in how much it grows. The details can be viewed in the Education Omnibus bill, SB 860.

Recapping some major details of the Budget Act:

- 2.75% for increased access
- 0.85% COLA
- $148M for maintenance and instructional equipment (includes district flexibility and removes the local match)
- $100M increase for the SSSP
- $70M for Student Equity Plans
- $50M increase for EWD
- $49.5M for earlier mandate reimbursement claims
- $37.5M for Proposition 39 energy efficiency projects and workforce development
- $30M increase for DSPS
- All but $94.6M of system deferrals will paid down
- A positive trigger allowing the Director of Finance to increase Proposition 98 funding if, in his determination, the Proposition 98 guarantee is higher than estimated at the time of the Budget Act. The first call on additional expenditures will be to pay down the remaining deferrals.
- Language equalizing the funding rate for CDCP FTES to the same level as credit FTES, as of the 2015-16 fiscal year
- An increase in the Cal Grant B award to $1,648

Overall, we are very pleased to see the Governor and Legislature provide a budget so clearly supportive of access and success. While the Budget Act does not regain ground for the lost purchasing power of the recessionary years, for the second consecutive year it does fund the annual COLA described in statute. We are also pleased to see that districts are permitted flexibility as to how they choose to allocate their share of the $148M in Physical Plant/Instructional Equipment funding, and will not be required to meet a local match. Also, the partial funding for prior mandate claims chips away at the state’s obligations to community college districts. The planned increase in CDCP rates will more adequately fund this important work and help incentivize the provision of CTE instruction.

With 72 districts come 72 opinions (at least!) of what makes a good budget, but we believe this agreement continues the progress made in 2013-14 budget to restore access to higher education and to support efforts to improve student completion and success.

Regards,
Dan Troy
Vice Chancellor, College Finance and Facilities Planning
California Community Colleges Chancellor’s Office