

# A JOB-DRIVEN COMMUNITY COLLEGE COMPACT FOR TODAY'S STUDENTS



- > America's community and technical colleges play a critical and growing role in ensuring workers and employers have the skills to compete. But our federal policies are not structured to support these institutions or the students they serve. We've treated community colleges as gap-fillers between the traditional K-12 and higher education systems even as more students pass through their halls, and more local employers are engaged by their technical training programs. It's time to establish a new federal policy that invests in partnerships between community colleges and community employers, supports programs that lead to industry-recognized credentials, and allows today's students to obtain skills for the jobs of tomorrow.



Photo courtesy of Boston Private Industry Council, Boston, Massachusetts

**2020 GOAL:** By 2020, America will have a new federal policy—the Community College Compact—that provides dedicated financial aid for working students, industry-responsive investments in career and technical education (CTE) programs, support services for working students, and accountability measures that track employment and wage gains to ensure that investments lead to results.

**THE CHALLENGE:** An increased focus on skills and credentials has driven significant changes in the characteristics of the typical college student, particularly as working adults enroll at community colleges part-time to earn their first postsecondary credential, or to otherwise engage in training to advance within their current companies or industries. More than a quarter of all students work full time. Many enroll in short-term occupational training at community and technical colleges while balancing work and family obligations. Because of how they engage in education and the types of programs they pursue, few of them qualify for federal financial aid under the current Higher Education Act (HEA), because the policy is based on an outdated profile of America’s college students.

At the same time, employers—including small- and medium-sized businesses—look to the nation’s community and technical colleges to prepare local residents for in-demand middle-skill occupations. However, nationally, only one-third of Perkins funding (the primary federal CTE program) supports community and technical college programs (the majority supports high school programs). And in many states, the percentage supporting postsecondary is far lower. As such, community and technical colleges have no dedicated federal support for high-quality, industry-responsive training.

While HEA and Perkins can be improved to address some of these challenges, America ultimately needs a new policy dedicated to supporting the pivotal role of community colleges in training local workers for middle-skill jobs. The administration should develop a new Community College Compact to be administered by a new Office of Community and Technical Colleges at the Department of Education (ED). The Compact should be industry responsive, include institutional support for community colleges, provide financial aid and other supports for today’s working students, and measure outcomes. There are interim steps the administration can take over the next four years to position the nation for this new Compact.





Photo courtesy of Eastern Carolina Workforce Development Board, Inc., New Bern, North Carolina

## First 100 Days

**Create a Community College Compact working group within the newly formed White House Skills Cabinet.** Charge the Secretary of Education with coordinating an interagency working group tasked with planning, stakeholder engagement, and other activities that support the development of the Community College Compact. The working group should include leaders from, at a minimum, ED, the Departments of Labor (DOL), and Health and Human Services (HHS).

**Continue to test financial aid models that are responsive to today's students and economy.** Instruct ED to continue existing Pell experimental sites, including those relating to short-term credentials and competency-based education, and increase technical assistance for participating schools to improve participation rates. Disseminate results from existing sites and develop policy proposals to reform the Pell program to support these models.

**Encourage greater alignment between CTE and workforce systems.** Instruct ED and DOL to issue guidance to secondary and postsecondary CTE providers on opportunities for engagement in state and local workforce development strategies, like

sector partnerships and career pathways models, including those that are implemented under the Workforce Innovation and Opportunity Act (WIOA).

## First Year (2017-18)

**Develop a new title under HEA focused on community colleges and working students.** Work with Congress to develop reauthorization proposals that create a new title focused on working students and community colleges. The title should expand financial aid for short-term credentials and competency-based programs, improve data collection and reporting, strengthen connections to local and regional industries, improve academic supports for low-skilled individuals, and modernize the federal work-study program.

**Strengthen support for community college CTE through Perkins Act reauthorization.** Building on recent congressional efforts, introduce proposals for Perkins Act reauthorization to enhance the role of postsecondary CTE. Establish minimum state allocations for postsecondary institutions, invest in industry partnerships, align postsecondary performance measures with outcome indicators under WIOA, and expand access to work-based learning opportunities.

**Expand and improve investments in community college CTE.** As part of the administration's first budget request, call for increased funding for Perkins state formula grants by at least \$500 million (to \$1.6 billion) to bring in line with historic investment levels. Require that states use this additional funding to develop career pathways that align secondary and postsecondary CTE programs with local and regional industry demands. Also in the budget request, include language to expand eligibility for Pell grants to short-term industry-recognized occupational credentials, and include additional funding to support expansion.

## First Term (2017-20)

**Work with Congress to establish a new industry responsive Community College Compact.** Incorporate the four principles outlined below and fund the Compact at least at the level of current institutional support for community and technical colleges under the Perkins Act and HEA; and the level of student aid (including Pell) currently available for community college students, with an increase to cover the expansion of student eligibility and additional supports.

- ***\$12 billion in tuition aid for workers and working students:*** Today's financial aid policies don't match the realities of today's students. Support debt free tuition assistance for working adults and other non-traditional students, including individuals enrolled on a part-time basis or in short-term occupational training and competency-based programs. Funding should be provided at a level that is at least consistent with the current \$12 billion in Pell investments that go to community and technical college students.
- ***\$500 million annually to support business-community college partnerships:*** Industry partnerships ensure that local training prepares workers for local jobs. But we aren't investing in these models at a scale to sustain economic competitiveness. The Community College Compact should invest in building community and technical college capacity through business-led partnerships.

Funding for these partnerships should be at least \$500 million a year, consistent with annual funding levels authorized under the Trade Adjustment Assistance Community College and Career Training program, and should encourage collaboration with community-based organizations, secondary schools, workforce boards, unions and other stakeholders.

- ***\$500 million in dedicated annual funding for academic supports and acceleration strategies:*** Many working students lack the basic academic skills necessary to succeed in postsecondary education and training, while others need support services in order to balance school, work, and other obligations. The Community College Compact should ensure that financial aid for these students is sufficient to cover developmental education where necessary to prepare them for postsecondary work, and can be extended to include living expenses. The new policy should also provide dedicated funding through a Career Pathways grant program of at least \$500 million annually to support the development of integrated education and training programs and other strategies that can accelerate time to completion. Funding should also be allocated to support career counseling and career awareness activities that will enable non-traditional students to find the right programs for their life and employment needs.
- ***Measure outcomes to ensure program quality:*** Investments in postsecondary education pay off, both for students and businesses, but we lack detailed outcomes data on individual programs that would help us understand what is working and what is not. A new federal policy for community colleges should include employment, earnings, and credential attainment metrics so we can measure return on investment and support program improvements when necessary.



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