

State of Washington
Recommendation Summary

3:18:53PM

Agency: **354 Workforce Train & Educ Coord Board**

9/19/2014

Dollars in Thousands

	Annual Average FTEs	General Fund State	Other Funds	Total Funds
2013-15 Current Biennium Total	20.7	2,980	55,357	58,337
CL 01 Federal Economic Development Grant	0.4		258	258
CL 02 Retirement Buy Out		(62)	(10)	(72)
CL 03 AG Legal Services		1		1
CL 04 DES Central Services		(55)	(36)	(91)
CL 05 Biennialize Employee PEB Rate		61	42	103
Total Carry Forward Level	21.1	2,925	55,611	58,536
Percent Change from Current Biennium	1.9%	(1.8)%	.5%	.3%
Carry Forward plus Workload Changes	21.1	2,925	55,611	58,536
Percent Change from Current Biennium	1.9%	(1.8)%	.5%	.3%
M2 06 Private/Local Funding Carry forward	0.1		28	28
M2 8L Lease Rate Adjustments		13	7	20
M2 8R Retirement Buyout Costs	0.7	33	32	65
M2 97 Merit System Increments		24	20	44
M2 ML Interagency FTE Transfer	1.0			
Total Maintenance Level	22.9	2,995	55,698	58,693
Percent Change from Current Biennium	10.6%	.5%	.6%	.6%
PL A0 Reduce CTE Grant Matching Funds	(8.2)	(449)	(20,718)	(21,167)
PL N0 Restore CTE Grant Match	8.2	389	20,718	21,107
PL N1 PVS Enhanced Compliance Monitoring	1.0	212		212
PL N2 Restore Industry Sector Reporting	0.1	60		60
PL N3 PVS Protection-Online Schools	0.5	125		125
Subtotal - Performance Level Changes	1.6	337		337
2015-17 Total Proposed Budget	24.5	3,332	55,698	59,030
Percent Change from Current Biennium	18.4%	11.8%	.6%	1.2%

M2 06 Private/Local Funding Carry forward

The Workforce Training and Education Coordinating Board entered into a contractual agreement with Seattle Foundation effective June 1, 2011 through June 30, 2016 for design, analysis and evaluation services related to the Skill Link project. The agency also entered into a contractual agreement with the Bainbridge Graduate Institute effective January 24, 2014 through March 31, 2016 for design, analysis and evaluation services related to the Ice House project. The agency was paid in advance for consultation using its experience and expertise in sustaining Washington's economic vitality through a highly skilled workforce. The agency requests expenditure authority to utilize the remaining unearned revenue that has already been received and to continue providing these services through the end of each contract.

M2 8L Lease Rate Adjustments

The lease agreement for agency staff office space signed by the Workforce Training and Education Coordinating Board in July 2010 included a 10% lease increase effective July 1, 2013, and a 12% increase effective July 1, 2016.

M2 8R Retirement Buyout Costs

The Workforce Training and Education Coordinating Board requests funding to cover the retirement costs for three staff members in the 2015-2017 biennium.

M2 97 Merit System Increments

The Workforce Training and Education Coordinating Board request funding to compensate the merit system salary increment costs for seven staff members in the 2015-2017 biennium.

M2 ML Interagency FTE Transfer

The Workforce Training and Education Coordinating Board requests an FTE transfer under existing funding.

PL A0 Reduce CTE Grant Matching Funds

As part of the 15% reduction exercise, the Workforce Training and Education Coordinating Board (Workforce Board) is submitting potential cuts for the Governor's review. The Workforce Board is a small state agency with few FTEs and limited resources.

Nearly a third of the agency's operating budget comes from federal sources, many of which require a state match. Consequently, reaching the recommended 15% near General Fund State Target Reduction requires a cut of a magnitude that would eliminate the use of equal amounts of federal funding. The agency is reluctantly bringing forward a suggested cut to the state funds for Career and Technical Education (CTE) activities. These state funded expenditures have been used as a required match for administrative funds under the federal Carl D. Perkins grant. The Workforce Board uses these funds to support required accountability activities and policy analysis and direction for career and technical education in Washington.

In addition, two legislatively mandated industry sector reports would be eliminated to save \$60,000 per biennium: Aerospace report - RCW 28C.18.190, and Green Jobs report - RCW 28C.18.170.

PL N0 Restore CTE Grant Match

This package reverses the majority of the "A0 - Reduce CTE Grant Matching Funds" proposal which was developed in response to the 15% reduction exercise. The Workforce Board is proposing a restoration of state funds which support a wide range of planning support and accountability activities for secondary and post-secondary career and technical education and training - and which are matched dollar for dollar by federal Carl Perkins act funds.

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Reversing this cut is important not only to maintaining federal and state mandated activities by the Board in the areas of accountability, evaluation, policy development and career guidance infrastructure, but also to avoid the risk of loss to the state of far larger amounts of Carl Perkins program funds that are passed through to public school districts and community and technical colleges.

(Note the separate restoration proposal - N4- Restore Aerospace and Green Jobs Reporting - which could restore the small

remainder of reduction NO that is not included in this proposal.)

PL N1 PVS Enhanced Compliance Monitoring

The Workforce Board is requesting an additional 1.0 FTE for the Consumer Protection Unit that licenses and monitors Washington's 300+ private vocational schools. This position is necessary to strengthen onsite visits and compliance monitoring of private vocational schools operating in Washington and to establish a more rigorous monitoring and enforcement program of unauthorized entities potentially operating illegally. This new FTE also supports the overall mission of continuing to provide effective public/consumer protection in the regulation of all private vocational schools delivering educational services to Washington residents. Private vocational schools serve approximately 28,000 Washington students per year in programs offering certificates and other vocational credentials. Recent national and local news coverage and scrutiny of the private vocational school industry makes this request even more significant in ensuring public confidence in state oversight for this educational sector.

PL N2 Restore Industry Sector Reporting

This package reverses a small portion of the "A0 - Reduce CTE Grant Matching Funds" proposal which was developed in response to the 15% reduction exercise. The Workforce Board is proposing a restoration of two mandated annual industry sector reports at a cost of about \$60,000 per biennium. These are the Aerospace report in RCW 28C.18.190 and the Green Jobs report in RCW 28C.18.170.

PL N3 PVS Protection-Online Schools

The Workforce Board requests consideration to hire a Research Investigator 3 at the .5 FTE level to do an exploratory study of postsecondary online/Internet schools that solely offer distance education programs and confer educational credentials to Washington residents. This position would be charged with conducting an exploratory study of the issues around postsecondary online schools to identify possible improvements in the agency's consumer protection for students taking courses at potentially fraudulent online schools or Internet diploma mills.

The state and nation will likely continue to face a growing number of schools offering exclusively online diplomas, certificates and degrees, which results not only in unprotected students, but potentially, unfair competition and other illegal trade practices which adversely impact licensed private vocational schools operating in compliance with the law. This lack of state oversight on out-of-state proprietary schools solely offering distance education programs leaves the public vulnerable to misrepresentation and fraud, with few or no remedies. Increasing protection for students attending out-of-state online schools is a key recommendation in the National Consumer Law Center's report, Ensuring Educational Integrity: 10 Steps to Improve State Oversight of For-Profit Schools (June, 2014).