

DOCUMENT RESUME

ED 364 281

JC 930 548

TITLE Contract Education: A Background Paper.  
 INSTITUTION California Community Colleges, Sacramento. Academic Senate.  
 PUB DATE 4 Dec 93  
 NOTE 12p.  
 PUB TYPE Reports - Descriptive (141)

EDRS PRICE MF01/PC01 Plus Postage.  
 DESCRIPTORS College Role; Community Colleges; Curriculum Development; Economic Development; Educational Finance; \*Educational Legislation; Educational Policy; Income; Job Training; Labor Force Development; Performance Contracts; Personnel Selection; Program Evaluation; \*School Business Relationship; \*Teacher Qualifications; Two Year Colleges; \*Vocational Education

IDENTIFIERS California Community Colleges; \*Contract Education

ABSTRACT

Today contract education is generally thought of as a program or course for which an employer is paying the full cost of instruction for customized training. Contract education can help faculty remain current, encourage industry to make equipment available to the college that might otherwise be too expensive, and provide employment opportunities for students enrolled in contract courses. However, the recent growth of contract education in the California Community Colleges (CCC) has raised concerns about the academic quality of such programs, and about the match between contract education, the college mission, and the legislative intent regarding contract programs. In response to these concerns, a task force was appointed by the state legislature to report on contract education practices in the CCC. The study identified three fundamental types of contractual programs: (1) contracts with private industry, accounting for 43% of all contracts during a 3-year period, and 8.2% of the \$41 million of total revenues generated during this time; (2) contracts with public entities, accounting for 24% of all contracts and 6.6% of total revenues; and (3) contracts sponsored by public training funds, representing 33% of all contracts, yet generating 85.1% of total contract education revenues. Suggestions for the development of contract education programs include greater faculty involvement in curriculum development and approval; faculty involvement in instructor hiring; establishment of a faculty contract education liaison; and assurance of adequate faculty qualifications. A copy of CCC Academic Senate resolutions about contract education and Contra Costa Community College District's agreement with the faculty union regarding contract course payment are included.

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# Contract Education: A Background Paper

Academic Senate for California Community Colleges

December 4, 1993

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# CONTRACT EDUCATION - A BACKGROUND PAPER

## INTRODUCTION

The community colleges have a unique opportunity to assist the state as they fulfill their educational and economic development mission. There is no denying that California will continue to face fiscal concerns for the remainder of the decade. Without an increase in the economic base, the state's conditions will continue to deteriorate. The Academic Senate for California Community Colleges recognized the important role that contract education can play in this economic development when it called for a position paper on this issue at its Fall, 1991, general session. The Academic Senate believes that the concepts contained in this paper refer to all dealings with business and industry and are not limited to those within the ED>NET contract education initiative. These concepts will serve as the basis for the production of a position paper to be presented to the Spring 1994 Session. Close relationships with industry can provide opportunities for faculty to understand the needs of the industry and seek modifications within their programs that adapt to those needs.

## COMMUNITY COLLEGE MISSION RELATED TO ECONOMIC DEVELOPMENT

AB 1725 established section 66701 of the Education Code. In it the mission of the community colleges was established. This mission includes the following.

- (b) Authorized instruction in the community colleges shall include standard collegiate courses for transfer to other institutions, vocational and technical courses leading to or upgrading employment....

However, priorities in the instructional programs shall be as follows:

- (1) The primary mission of the community colleges is the provision of rigorous, high quality degree and certificate curricula in lower division arts and sciences and in vocational and occupational fields.

And the Education Code specifies the role of community services courses as:

- (4) The provision of community services courses and programs is an authorized function of the community colleges so long as their provision is compatible with an institution's ability to meet its obligations in its primary missions.

Indeed, the provision of contract education may assist the college in meeting all its primary mission areas. The close relationships with industry provide the opportunity for faculty to remain current. They encourage industry to make equipment available to the colleges that may be too expensive for the college to purchase. This equipment may be located at the industry site or may be made available on the campus. Additionally, contacts with employers may provide employment opportunities for students enrolled in contract courses. It offers an important opportunity for community colleges to reach out to non-traditional students who may never have considered a college education.

## PROBLEM STATEMENT

The recent growth of contract education has, nevertheless, raised some concerns for faculty who are interested in maintaining the integrity of the educational offerings. Individuals outside the college community may be hired to design and teach classes to meet the unique needs of the employer. Sometimes this has been done 1) without any

direct linkage to the disciplines and departments which have knowledge of the content desired, 2) without an understanding of how learning takes place, 3) without adequate curriculum development, and 4) through hiring practices which may not meet the letter of the law.

There may be times (for example, in the offering of credit and non-credit courses that have mandated hiring and curriculum approval processes) that industry timelines will require colleges to consider developing more expedient processes.

There has been an apparent increase in the number of classes offered as not-for-credit under community services regulations. The use of not-for-credit classes usually bypasses faculty-driven curriculum development and approval processes. It may also avoid both important hiring processes and the consideration of the qualifications of those hired.

Addressing the educational needs of local employers is clearly one of the important roles which the community colleges have traditionally provided in their existing vocational programs and most recently through the design and implementation of courses designed to meet specific employer needs.

College policies on contract education must assure the integrity of the college name and its legal compliance with the intent of the law.

## BACKGROUND

California's community colleges have been involved in contract education for many years. The earliest mode of contract education instruction involved military contracts or federal job training programs such as Job Training Partnership Act (JTPA). In addition, the community colleges have engaged in contracts with local businesses under the aegis of the California Worksite Education and Training Act (CWETA) and the California Employment Training Panel (ETP) programs. Today, contract education is generally thought of as a program or course for which an employer is paying the full cost of instruction for customized training. With the growth of contract education programs come concerns about the academic quality of those programs. In addition, concerns about the administrative practices involved with contract education have been raised. Finally, an important concern has been raised regarding the match between how contract education has been implemented, the mission of the community colleges, and the legislative intent regarding contract education programs.

In response to these concerns the California Legislature passed AB3938 (Farr, 1985) authorizing the appointment of a task force to study and report on contract education practices in community colleges. This task force had significant faculty representation, namely: Les Birdsall, Pam Fisher, Robert Hancock, Marty Hittelman, Fred Horn and Erna Noble. Arthur Young & Company prepared the final report presented to the Chancellor and the California Legislature. Some of the task force findings appear below.

In 1986, fifty-five districts generated approximately \$41 million in contract education revenue over a three-year period. Current data concerning the extent of contract education offered by the community colleges is unavailable, but it is believed that the amount of money generated and the number of districts involved has continued to grow. A project is currently under way to gather data about contract education offerings. The results should be known by the Spring of 1994.

### The Three Fundamental Types of Contractual Programs

#### 1. Contracts with Private Industry

These classes have been designed to provide short-term skills training seminars or classes for company employees. These programs have been funded entirely by private industry or jointly between private

industry and community colleges. The study found that most of the courses were in the area of business and management. These programs made up almost 43% of all contracts over the three-year period but accounted for only 8.2% of the dollars revenue generated by contract education.

## 2. Contracts with Public Entities

Twenty-four percent of contract education programs fell into this category and accounted for 6.6% of all funds generated by contract education.

## 3. Contracts Supported by Public Training Funds

These were primarily conducted under the Job Training Partnership Act (JTPA) and the California Employment Training Panel (ETP). The programs were usually occupationally oriented and designed to train unemployed persons for new jobs, or to retrain currently employed persons in new skills. Approximately 33% of contract education courses belonged in this category, yet they accounted for 85.1% of all funds generated by contract education.

### Delivery of Contract Education

In the same study, half of all contract education classes were offered for community college credit. The majority of courses were existing college courses (44%) or modification of existing courses (35%). The majority of the classes were closed to the public (78.5%), and those classes closed to the public did not receive state apportionment.

Contract education can generally be divided into those courses which generate apportionment and those which do not. Occasionally, there may be a contract in which some services are supported by apportionment and other services are paid by the employer.

#### 1. Apportionment-Generating Contract Education

These credit and/or noncredit courses are open to the public and the faculty must meet minimum qualifications for service as defined by Title 5. In addition, the curriculum must be approved by the curriculum process as defined by Title 5 regulations.

Employers may pay for the cost of coordination, instruction and special services (such as book delivery, on-site registration, and orientation) and may pay employees' fees. Some contracts state that if the class is below a certain enrollment size, the employer will pay a specified amount for each unfilled slot on an hourly basis.

#### 2. Non-Apportionment-Generating Contract Education

These classes are closed to the public and employers must pay for the cost of coordination, instruction, and special services. They must also pay any other employee fees associated with the class offering.

These classes may be credit, noncredit, or fee-based community service courses. Any credit or noncredit courses must have the curriculum approved according to standards defined by Title 5, and faculty must meet the minimum qualifications for service as defined by Title 5. Not-for-credit courses do not legally need to meet these requirements. These classes are usually short term and designed to meet specific employer needs. Usually, they are offered at the employer's location.

These not-for-credit contract education classes do not generate apportionment and are not required to meet the same standards for curriculum development, course approval, and faculty qualifications as those classes which are offered for credit. These classes are legally covered by the same regulations and requirements as community service offerings, although some colleges use the same hiring practices and

salary scale as for credit instruction. These classes, designed specifically to meet the needs of employers, have raised a number of concerns among the faculty. To both satisfy the needs of the employers and maintain the credibility of the community colleges is a major challenge.

## **CONTRACT EDUCATION ISSUES**

### **Curriculum Development and Approval**

For contract education to be successful in whatever form it is offered, faculty must take an active role in curriculum development and approval. The position of the Academic Senate for California Community Colleges, established by resolution at the Fall, 1991, general session, is that the same curriculum procedures as used for regular courses should be used for contract education courses. These procedures should be followed regardless of whether the course is credit, noncredit, or not-for-credit. These procedures fall into two areas: the development of new courses and their approval.

Not-for-credit offerings are generally developed for an immediate, specific industry need. Short time frames often make it difficult to use established procedures of curriculum development. However, the importance of curriculum development by regular faculty members cannot be ignored. The possibility should be explored that course development be done by regular faculty in the discipline which most closely matches the content requested by the employer. If this is not possible, the course could at the very least get the formal approval of the department faculty.

Not-for-credit contract education courses do not require approval by the curriculum committee. However, the curriculum committee could be involved. This could perhaps take place by giving the curriculum committee advanced notification before any new class is offered. The intent would not be to add to the time required before a class could be offered, but to suggest procedures need to be developed locally to meet the concerns of all parties that quality education be offered.

### **Hiring**

The success of contract education depends as much on faculty involvement in the hiring process as it does on faculty involvement in curriculum. In the case of those teaching contract education courses offered for credit, minimum qualifications for hire are determined and applied by faculty as authorized by Title 5. No such stringent requirements exist for community service trainers. It is the position of the Academic Senate, established by resolution at the Fall, 1991, general session, that the hiring of not-for-credit trainers be under local control. A Spring, 1992, resolution (11.3, Not-for-Credit Contract Education Instructor Hiring Process) recommended that "the department chair or full-time tenured faculty designee teaching in a discipline reasonably related to the subject area in which the training is being sought should participate in the selection of the not-for-credit trainer with the campus person responsible for the contract."

One goal of the Academic Senate study currently under way is to develop guidelines--in the form of a model--for such hiring. (Such guidelines were also mandated by resolution 11.1, Fall, 1991.) Quality education rests in the hands of the faculty, and that responsibility cannot be assigned to anyone else.

### **Faculty Contract Education Liaison**

Many colleges give administrative responsibility for contract education to an administrator who may or may not have other responsibilities. Contract education can cause friction between administration and faculty when the faculty has the impression that appropriate curriculum safeguards are being bypassed. To reduce this potential source of misunderstanding, the possibility of a faculty contract education liaison should be explored. Such a person could give frequent and current reports to the academic senate and work with the administrator in charge of contract education to ensure quality of the offerings.

### **Faculty Qualifications**

Those teaching not-for-credit classes must have the qualifications needed to teach the classes. These qualifications should be specified for each course to be taught. The role of the regular faculty in the most closely related discipline in defining these qualifications should be explored.

The class content may be similar to that included in regular credit classes. When this is the case, the faculty could have the same minimum qualifications as those who teach the credit classes. When possible, these classes could be taught by the regular faculty, either full-time or part-time. This practice would ensure the quality of the faculty and give the employer a proven faculty member who is knowledgeable in meeting the learning needs of the students.

Adherence to affirmative action guidelines and commitment to diversity in hiring for contract education courses are essential. (See the Spring, 1992, resolution 3.1 and 3.2 on affirmative action.) If regular faculty members are hired to teach contract education courses, affirmative action procedures were already followed during the original hiring. However, affirmative action guidelines need to be followed for new contract education hires as well.

It must also be noted that there are some basic differences between semester-length credit classes and not-for-credit contract education classes designed to meet the specific needs of an employer. Faculty hired to teach need to understand their success is determined by increased employee performance on the job, not by a grade the student earns at the end of the course.

### **Load**

Even though most contract education classes are short term, some are offered for a length of time that could easily be included in computing faculty load. There is nothing in regulation that would prevent a union from negotiating this possibility.

Some colleges are reluctant to hire part-time faculty who also teach credit classes because of the limit of a 60% load. Exceeding this limit results in the establishment of a permanent position with that person on the tenure track. This can be prevented by seeking legislation to clarify that not-for-credit contract education classes do not count toward the 60% limit for part-time faculty. (See resolution 11.4, Spring, 1992.) This would create a pool of qualified faculty as well as provide employment for the faculty.

### **Use of Fees**

Contract education generates money for the college. The possibility of requiring that these funds be used to improve the instructional program should be explored. Another possibility is rewarding departments that are involved in offering contract education, based upon priorities established by the faculty. Keeping in mind that this money may not be recurring, it would not be advisable to use it for any on-going expenses. The ability of faculty to participate in projects beyond the funding resources of the college will serve to stimulate faculty interest in contract education.

## **SUMMARY**

### **Current Academic Senate Positions**

1. A position paper should be prepared for Spring, 1994.
2. The same curriculum procedures as used for regular courses should be used for contract education courses.
3. The hiring of not-for-credit trainers should be under local control.
4. The department chair or full-time tenured faculty designee teaching in a discipline reasonably related to the subject area in which the training is being sought should participate in the selection of the not-for-credit trainer with the campus person responsible for the contract.

5. The Academic Senate should develop guidelines--in the form of a model--for hiring of not-for-credit trainers.
6. Adherence to affirmative action guidelines and commitment to diversity in hiring for contract education courses are essential.
7. The Academic Senate should seek legislation to clarify that not-for-credit contract education classes do not count toward the 60% limit for part-time faculty.

#### **Issues To Be Pursued**

1. Course development could be done by regular faculty in the discipline which most closely matches the content requested by the employer.
2. The curriculum committee could be involved in approval of not-for-credit contract education courses. This could perhaps take place by giving the curriculum committee advanced notification before any new class is offered.
3. The possibility of a faculty contract education liaison should be explored.
4. Qualifications should be specified for each not-for-credit course to be taught. The role of the regular faculty in the most closely related discipline in defining these qualifications should be explored.
5. When not-for-credit class content is similar to that included in regular credit classes, those teaching the class could have the same minimum qualifications as those who teach the credit classes.
6. The possibility of requiring that contract education funds be used to improve the instructional program should be explored.
7. Investigate the possibility of rewarding departments that are involved in offering contract education, based upon priorities established by the faculty.



## Appendix A - Academic Senate Resolutions about Contract Education

### 3.3 S91 Contract Education

Whereas contract education is gaining importance in the California community college system, and  
Whereas contract education may involve credit, noncredit and not-for-credit (community service) instruction,  
Therefore be it resolved that the Academic Senate for California Community Colleges present a position  
paper on contract education at a future session.

#### 11.1 F91 Not-For-Credit Instructor Qualifications

Whereas the designation "not-for-credit" refers to classes, including community services classes, that are  
offered without credit and which are not eligible for apportionment, and  
Whereas there are no regulations that address minimum qualifications for service or not-for-credit instructors,  
and  
Whereas not-for-credit courses often have to satisfy community college needs in a timely manner,  
Therefore be it resolved that the Academic Senate for California Community Colleges recommend to the  
Board of Governors that the qualifications for hire of not-for-credit instructors remain under local control,  
and  
Be it further resolved that the Academic Senate for California Community Colleges develop guidelines for  
local districts to use when hiring not-for-credit instructors.

#### 11.2 F91 Contract Education

Whereas contract education has become increasingly important to many community colleges, not only as an  
alternative means of serving the educational needs of the community, but also as an alternative means of  
generating funds independent of normal sources, and  
Whereas the interest of the Academic Senate for California Community Colleges in contract education is to  
ensure that the academic integrity of individual colleges and of the community college system is upheld  
while engaging in educational partnerships that are mutually beneficial, and  
Whereas it is our belief that academic integrity is best maintained by the involvement of local faculty, and  
Whereas this involvement is particularly critical in the areas of course development, faculty hiring, and  
faculty evaluation, and  
Whereas the principle that local faculty are responsible for ensuring that quality courses be taught by  
qualified instructors is included in Title 5 and AB 1725, a principle which applies equally to courses  
offered through contract education, and  
Whereas another concern of the Academic Senate for California Community Colleges is that colleges while  
engaging in contract education not lose sight of the mission of the California Community Colleges in the  
areas of transfer education, vocational education, and basic skills education, and that any other motive be  
secondary to fulfilling this mission,  
Therefore be it resolved that the Academic Senate for California Community Colleges reaffirm that local  
senates:

1. Develop procedures that will use the same approval processes for contract credit, noncredit, and  
not-for-credit education courses as are used for regular credit, noncredit, and not-for-credit  
courses, respectively, and
2. Remind their districts to use the minimum qualifications that were developed for credit and  
noncredit disciplines, respectively, when hiring faculty to teach contract credit and noncredit  
education courses, and
3. Determine how faculty are hired to teach contract credit and noncredit education courses in their  
districts, and
4. Work within their districts to ensure that when hiring faculty to teach contract credit and noncredit  
education courses, these faculty are hired by following the procedures that have been established  
for hiring regular credit and noncredit faculty.

### 3.1 S92 Affirmative Action, Not-for-Credit Faculty Hiring Process

Whereas AB 1725 established the goal that by 2005 California's community college work force as a system should reflect the diversity of the state, and  
Whereas AB 1725 has established as a goal that 30% of new hires within the community colleges, as a system, should be ethnic minorities by fiscal year 1992-93, and  
Whereas AB 1725 requires that each district have an Affirmative Action Plan that includes steps that the district will take in meeting and improving hiring goals for both full- and part-time faculty, and  
Whereas section 78020 (d) of Title 5 addresses not-for-credit faculty, thereby making not-for-credit faculty part of the community college system,  
Therefore be it resolved that the Academic Senate for California Community Colleges encourage local senates to urge their districts to develop policies that would require that the same affirmative action hiring standards and guidelines used for credit and noncredit faculty be used when hiring not-for-credit faculty.

### 3.2 S92 Affirmative Action/Contract Education

Be it resolved that the Academic Senate for California Community Colleges pursue action to increase the diversity of faculty hired in contract education.

### 11.3 S92 Not-for-Credit Contract Education Instructor Hiring Process

Whereas community college districts are becoming more involved in contract education, and  
Whereas many courses offered under a contract with a local, regional, or statewide business or industry and not-for-credit programs, and  
Whereas every safeguard possible must be taken to insure that a district's dependence on not-for-credit instructors hired for their specific expertise will positively affect students enrolled in existing credit and noncredit courses, and  
Whereas faculty in reasonably related disciplines to the subject area being taught under a contract should be involved and assured that quality of instruction is central to the selection of the not-for-credit instructor, and  
Whereas because of this involvement, department faculty will have enhanced access to those people in the work place who have expertise in emerging technologies and may want to ask these trainers to serve on the college's vocational education advisory committees, and  
Whereas department faculty will have increased opportunities to develop linkages with people currently employed in the field and may want to use these experts as guest lecturers and/or arrange for field trips for students in traditional vocational education programs, and  
Whereas these linkages will provide a means by which the specialized knowledge and skills will become integrated into the certificate, diploma and transfer curriculum of a district,  
Therefore be it resolved that the Academic Senate for California Community Colleges direct the Executive Committee to develop a model, to consider at a future session, for hiring not-for-credit contract education instructors incorporating but not limited to the following recommendation:  
The department chair or full-time tenured faculty designee teaching in a discipline reasonably related to the subject area in which the training is being sought should participate in the selection of the not-for-credit trainer with the campus person responsible for the contract.

### 11.4 S92 Contract Education

Whereas Education Code section 87470 provides that district governing boards may employ appropriately qualified individuals to perform instructional services under contract with public or private agencies, and  
Whereas Education Code section 87470 also provides that service under such contracts will not count toward tenure unless the person is subsequently employed as a contract employee and has served more than 75% of the immediately preceding year performing services under such a contract with a public or private agency, and

Whereas the nature of contract education (i.e. minimum lead time, no guarantees of subsequent offerings) does not lend itself to the stability necessary to hire additional tenure-track faculty, and

Whereas the districts' pools of part-time instructors include highly talented and committed individuals needed to provide high quality contract education courses, and

Whereas it is in the interest of the districts to be allowed more flexible use of qualified part-time instructors in contract education and to stabilize part-time instructors' employment by providing them with significant new instructional opportunities,

Be it resolved that the Academic Senate for California Community Colleges explore the legal feasibility of part-time service under contracts with public or private agencies under Education Code 87470, not being counted for purposes of the 60% teaching load limitation with regard to tenure consideration.

## Appendix B - Contra Costa Community College District Agreement with United Faculty

This memorandum applies to the employment and payment of "not-for-credit" instructors in contract education. (Credit and noncredit instructors are already covered in the UF-CCCCD Agreement.) According to the memorandum:

1. The college will be able to contract an individual to teach in the contract education program. Upon the completion of the first contract and prior to the beginning of a second contract this individual will become a non-dues paying unit member.
2. Compensation will start at the average "C" contract rate for any individual who is employed to teach a contract education not-for-credit offering. If an existing unit member from one of the colleges has agreed to teach a contract education offering, he/she would be compensated at the existing "C" or "A/C" contract rate. These not-for-credit activities are not counted toward load.
3. Instructors will be selected by contract education staff after consultation and mutually agreeing with the department. For example, the department may give the contract education staff permission to hire.

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