

DOCUMENT RESUME

ED 383 876

CE 069 226

AUTHOR Ponessa, Joan M.  
 TITLE Postsecondary Occupational Education: The Need for Funding Reform.  
 INSTITUTION Public Affairs Research Inst. of New Jersey, Inc.  
 PUB DATE Jun 94  
 NOTE 9p.; Government Fiscal Issues.  
 PUB TYPE Collected Works - Serials (022)  
 JOURNAL CIT Public Affairs Focus; n28 Jun 1994

EDRS PRICE MF01/PC01 Plus Postage.  
 DESCRIPTORS Community Colleges; Educational Change; Educational Finance; Educational Legislation; Educational Policy; Job Training; Labor Force Development; Postsecondary Education; \*State Aid; State Legislation; State Programs; \*Statewide Planning; Two Year Colleges; \*Vocational Education; Vocational High Schools  
 IDENTIFIERS \*New Jersey

ABSTRACT

Lack of a comprehensive state policy on state government aid for postsecondary work force training has resulted in duplicate funding and competitive relationships between the vocational high schools and the county colleges in New Jersey. Major attempts by state government agencies and the legislature to influence the future of work force training have included a statewide study of secondary vocational education, issuance of recommendations, release of "A Unified State Plan for New Jersey's Workforce Readiness System," and the Quality Education Act, the total overhaul of funding for public schools. The level of state government funding to vocational high schools for adult students attending postsecondary programs often exceeds by four times the amount of aid that the state provides for similar and more advanced credit programs for students at county colleges. State government funding for work force training continues to escalate but has not been subjected to a thorough comprehensive review process. No agency has evaluated the merits of postsecondary courses in a county college versus those offered by a vocational school. No statewide policy has been followed in delivery of occupational education. The New Jersey legislature should revise state government funding for postsecondary education to reflect a statewide policy of consolidation of workforce training at the county level. The oversight for all postsecondary occupational programs must be reviewed. (YLB)

\*\*\*\*\*  
 \* Reproductions supplied by EDRS are the best that can be made \*  
 \* from the original document. \*  
 \*\*\*\*\*



# PUBLIC AFFAIRS FOCUS

**PUBLIC AFFAIRS RESEARCH INSTITUTE OF NEW JERSEY, INC.**

Suite 100, 212 Carnegie Center, Princeton, NJ 08540-6212  
(609) 452-0220

U.S. DEPARTMENT OF EDUCATION  
Office of Educational Research and Improvement  
EDUCATIONAL RESOURCES INFORMATION  
CENTER (ERIC)

- This document has been reproduced as received from the person or organization originating it.
- Minor changes have been made to improve reproduction quality.
- Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Issue Number 28  
June, 1994

## Postsecondary Occupational Education: The Need for Funding Reform

**N**ew Jersey's policy for providing postsecondary occupational/vocational education (also called workforce training) needs a thorough review by policymakers. The increasing competition between county colleges and public vocational high schools is encouraging a highly fragmented system of mixed quality. The level of state government funding to New Jersey's vocational high schools for adult students attending postsecondary programs often exceeds by four times the amount of aid that the state provides for similar and, frequently, more advanced credit programs for students at county colleges. The most basic policy questions—who is the best provider for a particular type of training and who should oversee the process?—must be reexamined, and the mechanisms for state government funding of such programs must be analyzed. Lack of a comprehensive state policy on state government aid for postsecondary workforce training has resulted in duplicate funding and competitive, rather than cooperative, relationships between institutions from two educational

systems--the vocational high schools and the county colleges.

The term "postsecondary" is widely used and is applied to training received by students beyond the secondary level, i.e., training for students who possess a high school diploma or its equivalent. The term frequently is applied to adult students receiving further occupational training, as opposed to those attending traditional academic college programs. Institutions of higher education, colleges or universities, are postsecondary schools, but so are proprietary schools. In New Jersey, county vocational education high schools are both secondary (grades 9-12) and postsecondary schools. (For purposes of this report, county vocational education high schools will be called vocational schools, despite the name change of some to institutes of technology.) Coming to terms with definitions is only a small piece of a very complicated puzzle.

As the economy faltered in the late 1980s and into the 1990s, the need for postsecondary occupational training and retraining increased,

and institutions, both county colleges and vocational schools, responded by adding more programs and courses, addressing every conceivable area to whet the appetites of potential students. The enrollments in county colleges increased dramatically and so did the number of postsecondary students in vocational schools. In the past, the mission of vocational schools centered around training for entry level employment upon high school graduation. As secondary enrollments plummeted through the previous decade, a new role was sought to bolster enrollments and to counter charges that the costs of operating vocational schools were exorbitant. The limited numbers of programs previously offered on the postsecondary level were expanded, in many cases in direct competition with local county colleges. During this period, various levels of government and private industry both initiated and responded to county college and vocational school requests for assistance in setting up new programs. Grants were awarded and training contracts negotiated to



provide incentives to train more workers. The total amount of taxpayer dollars distributed to institutions offering postsecondary occupational training continued to grow in addition to regular state government funding. The New Jersey Department of Labor has attempted to review just a portion of such funding but has not yet provided a conclusive report.

### **Attempts to Change Policy Direction**

**O**verlapping and concurrent with these events were several major attempts by New Jersey state government agencies and the legislature to influence the future of workforce training.

1. New Jersey's former Commissioner of Education, Saul Cooperman, directed a statewide panel of school administrators, national and state officials, labor leaders, and business representatives to study secondary vocational education in New Jersey. The subsequent report, issued in April, 1989, proved to be extremely controversial because of the accountability recommendations which would mandate basic educational skills, occupationally specific skills, and work behavior skills for all graduates. The report also called for coordination between all levels of the educational process for occupational/vocational training and stressed the avoidance of unnecessary duplication of programs to maximize resources. What is noteworthy about this report is what it did not say. Although the Cooperman-appointed panel of experts called for major changes in vocational education delivery, no

recommendations were made to expand postsecondary programs at the vocational schools. Only "tech prep" programs, which consist of the last two years of high school or vocational school plus two years at a college, were suggested.

2. Further articulation of a policy for vocational education fell to the State Employment and Training Commission (SETC), established late in the Kean administration. In November, 1990, the SETC's Occupational Education Task Force issued a series of recommendations. In a strongly worded plan of action statement, the Task Force said, "A common 'public philosophy' about the centrality of occupational education in the educational system needs to be developed at the State level. Once this is accomplished it must be clearly communicated to local providers. In short, State leadership is required in order to restructure the way New Jersey provides occupational education. It is no longer acceptable for departments to define themselves in terms of the constituencies they either serve or regulate."

Subsequently, Governor Florio directed the SETC to develop a comprehensive approach to handling occupational education. In 1992, the much heralded "A Unified State Plan for New Jersey's Workforce Readiness System", nicknamed "The Plan", was released. The Plan's call for authentic and effective collaboration among all components of the workforce readiness system was emphatic. Primary and secondary schools, colleges and universities, proprietary and public vocational schools, state agencies and community-based organizations, business and government were asked to function as a single system. The Plan addressed not only postsecondary training, but also K-12 education, and attempted to design a comprehensive career education plan responsive to the lifelong learning needs of all individuals. County colleges were specifically called on to make training of the workforce their highest priority. The Plan also called for the establishment of sub-state entities that mirror the integrative function of SETC, but at the county

level. Subsequently, Workforce Investment Boards (WIBS) were initiated as forums for all planning, coordination, labor market assessment and delivery system decisions on the county level. The Plan does not discuss present funding mechanisms for the workforce readiness system or future needs for funding, except to label the higher education system as underfunded. Postsecondary workforce training at vocational schools was not specifically addressed, despite the fact that the legislature was pouring new money into those programs.

3. The Quality Education Act (QEA), the total overhaul of funding for New Jersey public schools was originally enacted in 1990 and revised in 1991 in regard to vocational education. Under the revised QEA, the 20 county vocational schools receive their own foundation aid for both secondary and postsecondary students. Pre-QEA, state government aid to county vocational schools flowed through local districts that were only responsible for local secondary students attending a vocational school. Consequently, full-time postsecondary training at vocational schools was not directly state government funded prior to QEA. Since QEA, county vocational schools receive categorical aid, known as county vocational program aid, for both secondary and postsecondary students. A special provision of QEA, applicable in 1991-92, provided that state government aid could not exceed 150% of the previous year's state government aid level. The result was that only \$11 million of a \$27 million county vocational program aid entitlement was distributed. With the restriction removed, the county vocational program aid jumped to over \$28 million in 1992-93 (This represents combined state government aid for both postsecondary and secondary programs; Table 1 represents only postsecondary state government aid). The intent of this legislation in relation to vocational education on the postsecondary level is open to speculation since no explicit state-wide policy existed calling for

*The educational mission  
of the institutions is  
not driving the funding,  
the funding is driving  
the missions.*

**TABLE 1**  
**Quality Education Act State Government Aid For Vocational Schools**  
**1992-1993**

County	Full-time Postsecondary Students	Foundation Aid Attributable To Postsecondary	Categorical Aid Attributable To Postsecondary	Total	State Aid Per Postsecondary Student
Atlantic	280	\$ 342,425	\$ 245,409	\$ 587,834	\$2,099
Bergen	290	0	254,173	254,173	876
Burlington	223	806,321	195,450	1,001,771	4,492
Camden	1,367	3,918,229	1,198,121	5,116,350	3,743
Cape May	114	0	99,916	99,916	876
Cumberland	151	702,609	132,345	834,954	5,529
Essex	193	419,939	169,157	589,096	3,052
Gloucester	239	1,095,716	209,474	1,305,190	5,461
Hudson	290	1,107,868	254,173	1,362,041	4,697
Mercer	138	301,841	150,951	422,792	3,063
Middlesex	1,435	1,663,161	1,257,720	2,920,881	2,035
Monmouth	307	389,397	269,073	658,470	2,145
Morris	215	0	188,439	188,439	876
Ocean	237	429,023	207,721	636,744	2,687
Passaic	24	9,491	21,035	30,526	1,272
Salem	132	534,643	115,693	650,336	4,927
Somerset	327	0	286,602	286,602	876
Sussex	28	87,719	24,541	112,260	4,009
Union	219	218,545	191,945	410,490	1,874
Warren	101	235,980	88,522	324,502	3,213
<b>Total</b>	<b>6,310</b>			<b>\$17,793,367</b>	<b>\$2,820 (Average)</b>

**SOURCE:** New Jersey Department of Education, "Application for State School Aid, 1992-93."  
 New Jersey Department of Education, "State Aid Report, 1992-93."

funding for these programs. What is clear is the proliferation of these programs since 1991, due to the lucrative funding offered in QEA.

### Aid Levels for Occupational Training on the Postsecondary Level

**A** review of the state government aid to county vocational schools attributable to full-time postsecondary students is displayed in Table 1. This is new state government aid, not available before QEA. With QEA, a full-time postsecondary student is funded with state government aid at a rate of 1.33 times the foundation level (\$6,742 for 1992-93). In some counties, the vocational school does not receive foundation aid under QEA, but all such schools receive categorical county vocational

program aid.

In contrast, funding for county colleges has not been increased. In fact, actual state government funding for county colleges decreased 10.3% between FY 1989 and FY 1991, increased 1.6% in FY 1992, and increased another 7% in FY 1993, but it was still not up to the FY 1989 level. Only in FY 1994 did state government aid finally exceed the FY 1989 level. According to statute (18A:64A-22), New Jersey should fund 43% of operating expenses at the county colleges. In FY 1994, state government aid for county colleges averaged only 21% of operating expenses. State government funding for county colleges is based on a totally different funding structure than the funding structure for vocational schools, as the latter are part of the K-12 system. County college state government aid is calculated by measuring the number

of full-time equivalent (FTE) students enrolled at the institution and factoring in the types of courses they are taking. For example, "allied health" and "heavy technology" courses are funded twice as much as general liberal arts courses due to the smaller class size requirements and the expense of running laboratory courses. Non-credit courses receive 0.75 times the aid for liberal arts courses. County colleges frequently do not report non-credit courses to the Department of Higher Education (DHE), because if no state government aid is received, the tuition level is at their discretion, i.e. tuition charged could be higher.

State government aid for county colleges per FTE student is listed in Table 2 and is considerably lower than aid to vocational schools. The average aid levels to county colleges shown in Table 2 are probably on the high side, because funding for



**TABLE 2**  
**County College State Government Aid, Fiscal Year 1993**

<b>County</b>	<b>College</b>	<b>State Government Aid</b>	<b>State Government Audited Full-time Equivalent*</b>	<b>Aid For Full-time Equivalent</b>
Atlantic	Atlantic Community College	\$3,390,616	3,452	\$982
Bergen	Bergen Community College	8,440,498	8,927	946
Burlington	Burlington County College	4,111,393	4,209	977
Camden	Camden County College	6,994,907	8,520	821
Cumberland	Cumberland County College	1,894,092	1,753	1,080
Essex	Essex County College	6,555,322	7,753	846
Gloucester	Gloucester County College	3,013,632	3,398	887
Hudson	Hudson County Community College	3,025,665	2,388	1,267
Mercer	Mercer County Community College	6,322,741	6,027	1,049
Middlesex	Middlesex County College	8,368,841	8,581	975
Monmouth	Brookdale Community College	7,288,498	7,971	914
Morris	County College of Morris	6,190,071	6,551	945
Ocean	Ocean County College	4,814,290	5,721	842
Passaic	Passaic County Community College	2,471,912	2,211	1,118
Salem	Salem Community College	1,174,685	1,043	1,126
Somerset & Hunterdon	Raritan Valley Community College	3,319,378	3,298	1,006
Sussex	Sussex County College	1,779,056	1,761	1,010
Union	Union County College	7,249,326	7,279	996
Warren	Warren County Community College	968,077	659	1,469
	<b>Total</b>	<b>\$87,373,000</b>	<b>91,500</b>	
	<b>Average</b>	<b>\$4,598,579</b>		<b>\$1,013</b>

**SOURCE:** New Jersey Department of Higher Education communication.  
\* Full-time equivalent=30 credit hours per year.

remedial basic skills courses which represent about 25% of state government aid to county colleges are included.

In analyzing Table 1 and Table 2, this report is attempting to compare postsecondary programs offered to full-time students in public vocational schools with full-time equivalent postsecondary programs offered at county colleges. Vocational schools receive additional funding for part-time students on a matching fund basis through an \$840,000 grant appropriation entitled "other than full time" handled through the New Jersey Department of Education's Office of Adult and Occupational Education (formerly the Division of Vocational Education). The level of funding to each vocational school for these part-time programs is determined by the number of sites, not the types of

programs or the number of students. Ocean County Vocational School receives funding for 13 sites, while Cumberland County Vocational School receives funding for one site. Sites funded include some prisons and a fire academy. As demonstrated by Table 3, this funding mechanism produces large discrepancies in aid per student.

Both county colleges and vocational schools are also funded by their local county government, as shown in Table 4. The amounts of funding provided by each county government varies; there is no standard formula employed. The amount of county government aid for vocational schools is the total amount given to the institution for education of all students, secondary and postsecondary, part-time and full-time. The county college county government aid is also for part-time

and full-time, academic as well as vocational programs, all of which are included in the FTE count. In most counties, funding appears to be significantly more generous for vocational schools than for county colleges. County government funding is probably even more generous to the vocational schools than this calculation shows because, for purposes of this comparison, part-time postsecondary students at the vocational schools are counted by PARI as a one-half student even though many may be attending less than half-time.

Noteworthy in this discussion is the amount of tuition charged to students for these postsecondary programs. Tuition rates at the county colleges for state government aided programs are subject to the annual review and approval of the State Board of Higher Education. Tuitions

for postsecondary programs at vocational schools appear open-ended. Camden County Vocational Schools charge no tuition for postsecondary programs, but most other vocational schools charge varying amounts of tuition or fees for full-time postsecondary students.

### Current Status

**I**n theory, New Jersey is ahead of many states in organizing workforce training and, because of the SETC Plan, has frequently been cited as a model for other states to follow. In practice, improvements are necessary. The state government funding for workforce training in the form of grants and contracts has continued to escalate but has not been subjected to a thorough comprehensive review process. New Jersey ranks second in funding for worker retraining, according to a

recent study completed for the University of California by the Sacramento firm of Steve Duscha Associates, but analyzing where all that money goes is next to impossible. New money has been used to establish new programs. For example, \$50 million has been diverted from the Unemployment Compensation Fund to fund on-the-job training and training for unemployed workers, but no one has questioned or analyzed the "old money", i.e. the annual state government appropriations directly funding postsecondary programs and providing stable year-to-year funding. While policy statements from SETC reflect the need for occupational program consolidation, the QEA increased funding for postsecondary education at the vocational schools, resulting in an increase in new programs. At the same time, the state government funding for county

colleges that historically have been charged with expanding training programs was cut.

There has been no evaluation to date by any agency of the merits of postsecondary courses in a county college versus those offered by a vocational school. Vocational schools have, for years, provided some postsecondary training leading to licensure, primarily in fields such as practical nursing and cosmetology, and they offered some courses for apprenticeship programs leading to federal and state government licensure. The recent proliferation of postsecondary programs in vocational schools has occurred mostly in areas leading to vocational certificates. In contrast, occupational training for postsecondary students at the county college level leads either to a Certificate (the capital "C" is important here because a small "c" implies short term programs which

**TABLE 3**  
**Maintenance of "Other Than Full-Time" Day School Sites, By Vocational Schools**  
**Fiscal Year 1993**

District Vocational Schools	Number of Sites	Enrollment	Allocation	Grant Aid Per Student*
Atlantic	4	1,762	\$ 32,877	\$18.66
Bergen	9	3,676	73,973	5.41
Burlington	6	3,241	49,315	15.22
Camden	2	514	16,438	31.98
Cape May	4	1,115	32,877	29.49
Cumberland	1	621	8,219	13.23
Essex	3	978	24,657	25.21
Gloucester	4	3,855	32,877	8.53
Hudson	3	4,616	24,657	5.34
Mercer	4	1,641	32,877	20.03
Middlesex	4	637	32,877	51.61
Monmouth	14	1,729	115,069	66.55
Morris	4	2,233	32,877	14.72
Ocean	13	3,814	106,849	28.00
Passaic	4	2,714	32,877	12.11
Salem	6	670	49,315	73.60
Somerset	7	2,786	57,534	20.65
Sussex	2	1,682	16,438	9.77
Union	3	2,831	24,657	8.71
Warren	6	748	42,740	57.14
<b>Total</b>	<b>103</b>	<b>51,863</b>	<b>\$840,000</b>	

**SOURCE:** New Jersey Department of Education, Division of Academic Programs and Standards, Office of Adult and Occupational Education.

\* Calculations by PARI staff.

**TABLE 4**  
**County Government Aid to Vocational Schools and to County Colleges**  
**Fiscal Year 1993**

County	Funding to Vocational Schools			Funding to Community Colleges		
	Total	Enrollment*	Aid Per Student	Total	Audited FTEs	Aid Per FTE
Atlantic	\$ 3,039,149	1,502	\$2,023	\$ 4,758,069	3,452	\$1,378
Bergen	17,055,060	8,365	2,039	14,182,943	8,927	1,589
Burlington	7,175,921	3,146	2,281	9,911,452	4,209	2,355
Camden	7,433,000	3,699	2,010	8,514,872	8,520	999
Cumberland	949,773	640	1,484	2,413,966	1,753	1,377
Essex	7,876,000	2,687	2,931	12,788,954	7,753	1,650
Gloucester	2,957,446	2,678	1,104	6,823,470	3,398	2,008
Hudson	12,438,875	5,086	2,445	6,377,329	2,388	2,671
Mercer	4,339,208	1,315	3,300	9,864,186	6,027	1,637
Middlesex	16,023,425	3,520	4,552	12,600,716	8,581	1,468
Monmouth	8,681,490	2,345	3,702	17,922,685	7,971	2,248
Morris	3,520,844	1,711	2,058	9,194,004	6,551	1,403
Occan	7,659,675	3,033	2,525	7,569,603	5,721	1,323
Passaic	2,650,000	3,640	728	6,490,500	2,211	2,936
Salem	1,111,500	665	1,671	1,681,000	1,043	1,612
Somerset	6,884,676	2,058	3,345	9,228,894	3,298	2,798
Sussex	4,391,901	1,679	2,615	1,978,748	1,761	1,124
Union	2,755,513	1,818	1,516	9,062,463	7,279	1,245
Warren	1,930,000	809	2,385	1,549,637	659	2,351
	<u>\$118,873,454</u>	<u>50,396</u>	<u>\$2,359</u>	<u>\$152,913,487</u>	<u>91,500</u>	<u>\$1,671</u>

**SOURCES:** *New Jersey Department of Education, Office of Adult and Occupational Education and New Jersey Council of County Colleges. Calculations by PARI staff.*

**NOTE:** *County fiscal year funding was calculated by adding one-half of calendar 1992 aid to one-half of calendar 1993 aid. \*Number of full-time students, secondary and postsecondary, plus one-half of all part-time students.*

may result in a certificate of completion) or to an associate degree of applied science. Many of the programs offered at the vocational schools on a postsecondary level appear to be similar to those offered in county colleges but do not offer college credit. Comparison of the federally established Classification of Instructional Programs (CIP) reveals a significant number of business, computer applications, and drafting courses with the same code number. No college credits are offered in vocational schools unless the program is jointly run with a college or university.

There is ample evidence that no statewide policy has been followed in the delivery of occupational education. Every county is unique in the way workforce training is handled and, indeed, every county's needs are different. But, a general review

reveals unevenness in delivery, varying levels of cooperation between institutions, and little hard evidence that programs offered are responsive to the needs of the labor market. Funding is skewed toward the county vocational schools in most counties.

There is no one best design for offering occupational training on the postsecondary level. Most vocational schools have the best technical equipment and excellent facilities. County colleges are better equipped to handle basic skills programs and academic training. A marriage can work in many program areas. There are signs of hope that some counties are well on their way in consolidation efforts. The cooperative spirit between Mercer County Community College and Mercer County Vocational School merits recognition. Administrators from these two institutions note that, from a finan-

cial standpoint, cooperation has become a necessity. Taxpayer dollars are no longer available to support two competing systems of education; general operating costs are high and capital construction costs for state-of-the-art classroom and laboratory facilities have become prohibitive. The philosophy of the Mercer County school administrators is that duplication within the same county is a blatant misuse of taxpayer dollars.

### Oversight

**N**ew Jersey has no clear policy on oversight for postsecondary occupational education. Programs have been divorced from each other by placing state control in two separate departments—the Department of Education and the Department of Higher Education. A few examples will illustrate the

problem. Federal funding for vocational education and reporting of program performance measures under the Perkins Act is handled by DOE. The county colleges do report on the usage of these funds to DHE, but a DOE internal audit report chastises its own department for not requiring expenditure reports from the DHE for the Perkins funds distributed to county colleges. Former Governor Florio designated DHE to be the State Postsecondary Review Entity (required for each state by federal mandate) to oversee the evaluation of outcome measures and loan defaults for all postsecondary programs, including county vocational programs that are under the control of the DOE. Coordinators for apprenticeship programs work under the DOE, but students may take courses in the county colleges to complete their requirements for federal and state government certification. Reporting to the U.S. Department of Education's National Center for Education Statistics for the Integrated Postsecondary Education Data System is completed by DHE for the 60 institutions of higher learning in New Jersey. No reports are submitted by DOE for postsecondary programs under their jurisdiction; consequently, New Jersey's information is incomplete. The result of two departments competing for jurisdiction has been fragmented oversight and friction between program providers.

With Governor Whitman's budget proposal for elimination of DHE, the possibility exists for a new look at postsecondary occupational education oversight. Moving oversight to DOE should not be viewed as the only option or even a desirable one. DOE's major mission is K-12 education. County colleges were founded to provide education for adults, consequently postsecondary education should be closely aligned with this sector. Oversight needs to be analyzed from this perspective.

### Is New Jersey Unique?

**T**he entire arena of occupational education is complicated and frequently comes under review

by various governmental agencies in New Jersey and around the country. As noted by Alms C. McGuinness, Jr., and Christine Paulson in the **State Postsecondary Education Structure Handbook, 1991**, published by the Education Commission of the States, there are some perennial issues that spur governors and legislators to restructure education systems, and one of these is "the need for improved coordination among the many institutions offering one-and two-year vocational, technical or occupational programs." The authors describe these issues as "long-standing irritants whose urgency surfaces as economic conditions worsen." In the past decade, more than 20 states have addressed the problem of coordination and governance of these programs and focused debates on financing them.

North Carolina is generally acknowledged as one of the states with the most successful strategy for organizing workforce training. Not surprisingly, North Carolina has been very successful in attracting business and industry. All programs are administered by, and funded through, the community colleges in the Tar Heel state. Having a lead agency—the community college—is what spelled success.

What makes New Jersey unique among states is the explicit policy of "encouraging" coordination and further development of college level postsecondary training, but not identifying the county colleges as the major providers for such training. In fact, New Jersey fragments and reverses the coordination process with a state government funding scheme favoring postsecondary training in the vocational schools. The trend in other states is definitely in the direction of advanced postsecondary training on the community college level.

### Recommendations

**T**he New Jersey legislature should revise state government funding for postsecondary education to reflect a statewide policy of consolidation of workforce

training at the county level. Foundation aid, categorical aid, and the grant programs funnelled through the DOE, such as the \$840,000 "other than full-time" grant, should be eliminated for postsecondary programs in the vocational schools. In order to provide comparable state government funding, an aid formula should be adopted for postsecondary vocational school programs which is similar to county college state government aid, based on the number of student hours and the type of course. Only courses leading to college credit, courses leading to presently established licensure, and courses for approved apprenticeship programs should be funded through the formula. Criteria should be established by the legislature for state government aid for non-credit courses at both the county college and the vocational schools on the postsecondary level. Aid should be based on the type of instruction provided and the proven need of the courses to support local and state economic development. An adequate stable funding plan is an absolute necessity in order to provide top quality occupational programs for New Jersey students. Adding new grant programs is not always constructive. Yearly competitive grant processes are administratively time consuming and destructive to programs requiring highly sophisticated equipment and trained staffs. New grants every year with complicated requests for proposals offer little in the way of stability and may result in programs designed only to obtain short term funding.

The new administration must address the consolidation of county programs offered in all publicly funded postsecondary institutions.

### Become A Supporter!

For information on how you can become a supporter of the Public Affairs Research Institute of New Jersey, please call Joan Ponessa, Acting Director, at 609-452-0220.



The mechanism designed under the previous administration for such responsibility falls to the newly established Workforce Investment Boards, under the State Employment & Training Commission. These entities, as presently designed, have little authority and, at the very least, will need a helping hand from the state government in the form of funding control in order to implement successfully the process of organization and consolidation. The SETC should also be charged with contracting with a private agency to review the effectiveness of the consolidation efforts of each county WIB after three years of operation.

The oversight for all postsecondary occupational programs must be reviewed, and the current revision of restructuring oversight for higher education would seem the appropriate time. In order for New Jersey to provide the ad-

vanced technology programs required for statewide economic growth, the higher education community, particularly the county colleges, must take the lead. The North Carolina model merits adoption.

### Conclusion

**D**espite the flurry of activity surrounding workforce development and occupational training, there has been no evaluation of how New Jersey funds the basic process on the postsecondary level. The educational mission of the institutions is not driving the funding, the funding is driving the missions. This report has been an attempt to explore the process for the express purpose of opening a dialogue among policymakers in New Jersey. Suffice it to say, this report does not discuss all the intricacies of state government aid, grant funding,

**T**he Public Affairs Research Institute of New Jersey, Inc., is a privately funded, nonprofit, nonpartisan policy analysis organization concerned with state and local government fiscal and administrative issues. This publication is not copyrighted, and the material herein may be reproduced; credit given to Public Affairs Research Institute of New Jersey would be appreciated.

For additional information about PARI or about this publication, please call 609-452-0220.

training contracts, or public cooperative ventures, but, hopefully, it will be the basis for analysis by policymakers leading to corrective action.

—Joan M. Ponessa



## PUBLIC AFFAIRS RESEARCH INSTITUTE

OF NEW JERSEY, INC.

Suite 100  
212 Carnegie Center  
Princeton, NJ 08540-6212  
(609) 452-0220

Non-Profit Org.  
U.S. Postage  
**PAID**  
Permit No. 467  
Princeton, NJ