

U.S. DEPARTMENT OF EDUCATION

Investing in America's Future
*A Blueprint for Transforming
Career and Technical Education*



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**UNITED STATES DEPARTMENT OF EDUCATION
Office of Vocational and Adult Education**

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U.S. Department of Education

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THE SECRETARY OF EDUCATION
WASHINGTON, DC 20202

Dear Colleagues,

In his 2012 State of the Union Address, President Obama laid out a blueprint for an economy that is built to last. The President's plan affirms that the strength of the American economy is inextricably linked to the strength of America's education system. Particularly in times of economic challenge, American employers need a workforce that is skilled, adaptable, creative, and equipped for success in the global marketplace. And our students need a more rigorous, better tailored education to acquire the skills they need to compete, to follow a clear pathway into the middle class and to continue to prosper.

To educate our way to a better economy, educators, public officials, and policymakers must ensure that every student in our country graduates from high school prepared for college and a successful career. Yet that is not enough. If America is to once again have the highest proportion of college graduates in the world by the end of the decade, every American should have access to at least one year of higher education or postsecondary training at an affordable cost. A world-class education system that provides high-quality job-training opportunities will reduce skills shortages, spur business growth, encourage new investment and hiring, spark innovation, and promote continued economic growth.

These educational goals are central to rebuilding our economy and securing a brighter future for our nation, and our career and technical education (CTE) system plays a critical part in accomplishing them. With \$1.14 billion in funding for Fiscal Year 2012, the *Carl D. Perkins Career and Technical Education Act of 2006* (*Perkins Act* or *Act*) represents a considerable investment in career readiness. *Perkins Act* programs leverage other components of a broader education and career pathways system that includes K-12 and postsecondary education, workforce investment and job training, adult education, and health and human services. They help create an American economy built to last.

At present, however, the *Perkins Act* is in need of reform and updating. The 2006 *Act* took modest yet important steps to improve the quality of CTE programs. But it did not go far enough to address the overarching educational and economic needs of youths and adults preparing to participate in the knowledge-based, global marketplace of the 21st century.

Our federal investment in CTE must be dramatically reshaped to fulfill its potential to prepare all students, regardless of their backgrounds or circumstances, for further education and cutting-edge careers. The need to strengthen and elevate CTE is urgent. This is a not a time to tinker with CTE—it is a time to transform it. To help accomplish this transformation, this blueprint sets forth the elements of a rigorous, relevant, and results-driven CTE program through reauthorization of the *Perkins Act*.

U.S. SECRETARY OF EDUCATION

Perkins Reauthorization

Introduction

President Obama has laid out a blueprint for an economy that is built to last—an economy built on American manufacturing, American energy, skills for American workers, and a renewal of American values. The President believes that education is a cornerstone of building such an economy.

Today, postsecondary education and training are prerequisites for jobs of the new economy. Of the 30 fastest-growing occupations, about two-thirds require postsecondary education or training. With the average earnings of college graduates at a level that is about twice as high as that of workers with only a high school diploma, postsecondary education and training are now the clearest pathways into the middle class and future prosperity, and central to rebuilding our economy and securing a brighter future for all.

To that end, President Obama set a new goal for the country, that by 2020, America would once again have the highest proportion of college graduates in the world. The President also has challenged every American to commit to at least one year of higher education or postsecondary training.

To achieve the President's goals, we must ensure that every student in our country graduates from high school or its equivalent prepared for both college and a successful career. And we must ensure that more of our nation's young people and adults can afford, access, and complete postsecondary education and training to earn an industry certification or licensure *and* a postsecondary certificate or a degree.

Unfortunately, our education and training systems have failed too many of our students and businesses. In higher education, the U.S. is being outpaced by other countries. While the U.S. ranks 9th in the world in the proportion of young adults enrolled in college, we have fallen to 16th in the world in our share of certificates and degrees awarded to adults ages 25–34—lagging behind South Korea, Canada, Japan, and others. We also suffer from a college attainment gap, as high school graduates from the wealthiest families in our nation are almost certain to continue on to higher education, while just over half of our high school graduates in the poorest quarter of families attend college. And while more than half of college students graduate within six years, the completion rate for students from low-income families is approximately 25 percent. This inequity only fuels the growing income divide in this nation.

Too many of our businesses report that they are having trouble finding workers for skilled jobs in fields such as healthcare, technology, and advanced manufacturing, even in times like today when unemployment is declining but still high. Strengthening all aspects of our education system and creating high-quality job-training opportunities are necessary to further our economic prosperity as a nation and to keep the American promise alive for all of our students.

Transforming career and technical education (CTE) is essential to this process. CTE represents a critical investment in our future. It offers students opportunities for career awareness and preparation by providing them with the academic and technical knowledge and work-related skills necessary to be successful in postsecondary education, training, and employment. Employers turn to CTE as an important source of talent that they need to fill skilled positions within their companies.

Effective, high-quality CTE programs are aligned not only with college- and career-readiness standards, but also with the needs of employers, industry, and labor. They provide students with a curriculum based on integrated academic and technical content and strong employability skills. And they provide work-based learning opportunities that enable students to connect what they are learning to real-life career scenarios and choices.

The students participating in effective CTE programs graduate with industry certifications or licenses and postsecondary certificates or degrees that employers use to make hiring and promotion decisions. These students are positioned to become the country's next leaders and entrepreneurs. And they are empowered to pursue future schooling and training as their educational and career needs evolve.

However, students, parents, teachers, and employers know that there are too few high-quality CTE programs in existence today. *The Carl D. Perkins Career and Technical Education Act of 2006* (*Perkins Act*, *Perkins*, or *Act*) introduced important changes in federal support for CTE, such as in programs of study. These changes helped to improve the learning experiences of students but did not go far enough to systemically create better outcomes for students and employers competing in a 21st-century global economy.

The Administration's blueprint for a reauthorized *Perkins Act* would transform CTE and usher in a new era of rigorous, relevant, and results-driven CTE shaped by **four core principles**:

(1) Alignment. Effective alignment between high-quality CTE programs and labor market needs to equip students with 21st-century skills and prepare them for in-demand occupations in high-growth industry sectors;

(2) Collaboration. Strong collaborations among secondary and postsecondary institutions, employers, and industry partners to improve the quality of CTE programs;

(3) Accountability. Meaningful accountability for improving academic outcomes and building technical and employability skills in CTE programs for all students, based upon common definitions and clear metrics for performance; and

(4) Innovation. Increased emphasis on innovation supported by systemic reform of state policies and practices to support CTE implementation of effective practices at the local level.

The Administration's proposal reflects a commitment to promoting equity and quality across these alignment, collaboration, accountability, and innovation efforts in order to ensure that more students have access to high-quality CTE programs. This commitment stems from the fact that the everyday educational experiences of women, students of color, students from low-income families, and students with disabilities, both in secondary and postsecondary CTE programs, violate the belief in equity at the heart of the American promise. The nation cannot lead the world in college graduates unless we extend educational opportunity to everyone—fairly and equitably. The Administration's proposal would use a combination of technical assistance, competition, and a system of structured rewards to ensure that more students, regardless of backgrounds or circumstances, have access to high-quality CTE programs.

Below is an overview of the Administration’s proposed reforms, organized by principle, with a brief description of the current *Act’s* shortcomings.

Overview of the Existing *Perkins Act* and Proposed Reforms

The Current Act	Principle of Reform	Proposed Reforms
<p>Limited provisions to encourage high-quality CTE programs</p> <p>No requirements for states to work with workforce and economic development agencies to identify areas of focus for CTE program</p>	<p>Effective ALIGNMENT between CTE and labor market needs to equip students with 21st-century skills and prepare them for in-demand occupations in high-growth industry sectors</p>	<ul style="list-style-type: none"> • Clear Expectations for High-quality Programming: Provide states better guidance on establishing high-quality programs • A More Active Role for States: Empower states to identify the in-demand occupations in high-growth industry sectors on which CTE programs should focus
<p>Separate funding for secondary and postsecondary institutions</p> <p>No clear ways for employers, industry, and labor to engage in program and curriculum design and implementation</p> <p>No leveraging of private in-kind and cash resources to share program expenses</p>	<p>Strong COLLABORATION among secondary and postsecondary institutions, employers, and industry partners to improve the quality of CTE programs</p>	<ul style="list-style-type: none"> • Consortia Funding: Establish consortia to ensure collaboration among secondary and postsecondary institutions • Private-sector Match: Use a match contribution to strengthen the participation of employers, industry, and labor partners in program design and execution
<p>Funds distributed by states to local recipients by formula</p> <p>States define participation and accountability measures differently</p> <p>No mechanism to reward high-performing local recipients for success</p>	<p>Meaningful ACCOUNTABILITY for improving academic outcomes and building technical and employability skills in CTE programs, based upon common definitions and clear metrics for performance</p>	<ul style="list-style-type: none"> • Within-state Competitions to Distribute Funds to Consortia: Provide states increased autonomy to select and fund high-quality programs responsive to regional labor-market needs

The Current Act	Principle of Reform	Proposed Reforms
<p>Funds distributed by states to local recipients by formula</p> <p>States define participation and accountability measures differently</p> <p>No mechanism to reward high-performing local recipients for success</p>	<p>Meaningful ACCOUNTABILITY for improving academic outcomes and building technical and employability skills in CTE programs, based upon common definitions and clear metrics for performance</p>	<ul style="list-style-type: none"> • Common Definitions to Strengthen Data Systems and Close Equity Gaps for Participation: Use uniform definitions for participation and performance indicators to create high-quality data systems that enable meaningful comparisons and identification of equity gaps • Incentives for High Performance: Incentivize and reward local recipients that exceed performance targets
<p>No clear identification of the state’s role in creating the conditions for high-quality CTE programs to thrive</p> <p>Formula funding that supports too many purposes and limited reserve funding to create performance and innovation incentives</p>	<p>Increased emphasis on INNOVATION supported by systemic reform of state policies and practices to support CTE implementation of effective practices at the local level</p>	<ul style="list-style-type: none"> • State Conditions for Success and Innovation: Ensure states have in place the policies and systems to support programs at the local level • A Competitive CTE Innovation and Transformation Fund: Develop and implement new practices and models at the local level and support systemic reforms at the state level

Effective Alignment Between CTE and Labor Market Needs

Effective alignment is needed between what is taught in CTE programs and the skills the labor market needs. To form high-quality CTE programs, state and local leaders must work closely together, and with employers, to ensure that CTE programs are responsive to labor market demands.

The Administration's proposal defines clearly the elements of a rigorous, relevant, and results-driven CTE program. States would be asked to collaborate with workforce and economic development agencies to identify the in-demand occupations and high-growth industry sectors on which local CTE programs will focus.

Characteristics of Rigorous, Relevant, and Results-Driven CTE Programs

High-quality CTE programs consistently offer rigorous, blended college-preparatory and career-oriented instruction to produce strong results in their students. The Administration's proposal specifies that CTE programs must offer a streamlined and structured sequence of courses that span secondary and postsecondary education, lead to an industry certification or license and a postsecondary certificate or degree, and enable graduates to gain employment in a high-growth industry upon program completion.

While CTE programs would be designed differently across the country, the Administration's proposal anticipates that these programs would share certain essential features. Secondary school teachers and college faculty would work together to teach integrated academic, career, and technical content that enables students to better grasp the material and that demonstrates connections to real-life career scenarios and choices.

Local education agencies (LEAs), postsecondary institutions, and employers would collaborate to offer students opportunities to participate in work-based learning and to accelerate completion of their studies through dual or concurrent credits.

Programs would use technology to increase access to high-quality learning opportunities, particularly for students in rural or remote areas. These core program features would set a higher bar for the expectations and outcomes of CTE programs. Rather than promote one particular educational or training model, they would provide state and local administrators with sufficient flexibility to design programs that fit their labor-market needs and that lead students to successful outcomes. These features also would encourage state and local leaders to build on recent work on programs of study, expand career academies, or pursue other promising or proven approaches and models of service delivery.



A More Active Role for States

America's CTE system cannot be transformed without strong leadership at the state level, but the current *Act* does not require states to systemically identify the economic needs and priorities of the state, regional, or local economies when making decisions on which CTE programs should be funded using *Perkins* dollars. As a result, local program administrators, business and industry, students and their parents, and other key stakeholders cannot make informed decisions on which programs to support or enter.

The Administration's proposal seeks to change this reality by creating a new role for states in determining which types of CTE programs should be funded. In collaboration with its workforce and economic development agencies, each state would identify in-demand occupations in high-growth industry sectors on which CTE programs in their region would focus. States then would disseminate this information to local CTE administrators to ensure that programs are responsive to labor-market needs and aligned with regional priorities for economic growth. States also would share this information with students and parents so that they are well-informed about programs and career options.

Increasing Secondary School Teacher and College Faculty Effectiveness

Successful CTE programs have great teachers and faculty who enhance student learning outcomes and achievement. Under the Administration's reauthorization proposal, states would be encouraged to enhance their recruitment, professional development, and evaluation systems for CTE educators, for example, by developing talented teachers and faculty through alternative licensing policies that support mid-career professionals in becoming CTE teachers. In collaboration with industry associations, states also could innovate to ensure that CTE teachers and faculty have opportunities to refresh their knowledge of industry and of effective instructional practices for students of diverse backgrounds and needs, including English learners and students with disabilities. Finally, states would be encouraged to integrate CTE teachers and faculty into existing evaluation and support systems that assess their effectiveness and continually improve instruction using standards that are appropriate for the subjects that they teach.

Accelerated Completion Through Articulation Agreements

Articulation agreements between LEAs and postsecondary institutions make it possible for students to earn college credit while still finishing high school and avoid repeating course work when they enroll in college. These agreements are crucial to reducing the time and cost to complete a postsecondary certificate or degree. The Administration's proposal fundamentally would alter the current *Act*, which merely encourages articulation agreements, to require all consortia applying for state subgrants to establish or adopt secondary-postsecondary articulation agreements for each funded CTE program. State leaders would be expected to create statewide articulation agreements and encouraged to support policies that maximize the award of college credit to students who complete registered apprenticeship programs and industry-based training. When successfully implemented, articulation agreements provide opportunities for students to earn dual or concurrent credit, putting them on a fast track to an industry-recognized certification or licensure and postsecondary certificate or degree. By accelerating the pace at which they complete their studies, students can reach high-quality career goals with significantly less debt.

Not Just Skills for a Single Job but Skills for a Lifetime of Career and Community Success

CTE must lead students to develop the knowledge and skills required for success in college, career, and civic life. This includes mastery of the core academic content required of all students, as well as specialized knowledge that is specific to particular careers. It also includes learning and practicing a set of employability skills, such as the ability to work collaboratively in diverse teams, communicate effectively, think critically, solve problems, find and analyze information, ask challenging questions, and adapt to change, that make individuals more employable across specialty areas. These employability skills, or 21st-century skills, are the transferable skills that empower a person to seamlessly transition from one job or field to another for a lifetime of career success. These skills are also important in civic life because they empower individuals to understand and tackle pressing public problems in their communities. The Administration's proposal expects CTE programs to create opportunities for students to develop or strengthen these 21st-century skills, which would prepare students for postsecondary education and training, thriving careers, and active citizenship.

Strong Collaborations and Partnerships

Strong collaborations between secondary and postsecondary education institutions, employers, industry, and other partners are essential to creating high-quality CTE programs, and they result in numerous benefits. Academic, career, and technical content can be made more relevant, rigorous, and better aligned with the skills demanded by the labor market. Students can obtain college credit for course work completed in high school, apprenticeships, or industry-based training. Students also can obtain a clearer understanding of the requirements for entry into college programs, positioning them for seamless transitions into postsecondary education. Strong collaborations also enable resources, such as equipment and facility space, to be purchased and used more efficiently. And, finally, these collaborations support the creation of challenging, work-based learning opportunities that prepare students to graduate with an industry-recognized certification or licensure and a postsecondary certificate or degree and to be ready for employment in an in-demand occupation within a high-growth industry sector.

The Administration's proposal recognizes these benefits and fosters collaboration in two important ways. First, the proposal would permit only consortia of LEAs and postsecondary institutions and their partners to apply to states for *Perkins* funding. Second, the proposal would require states to meet a match requirement using private-sector resources in order to receive *Perkins* funding.

Collaboration Through Consortia

The current *Act* provides separate funding streams for LEAs and postsecondary institutions. Siloed funding discourages collaboration, makes alignment challenging, and weakens a student's ability to transition between secondary and postsecondary systems. The Administration's proposal would discontinue this approach by funding only consortia of LEAs, postsecondary institutions, and their partners.

A consortium could be based on geography, a sector, or other considerations, but at a minimum it must include LEAs—at least one of which serves a high concentration of students from low-income families—and postsecondary institutions that offer a two-year degree. Other partners in a consortium could be employers, industry associations, labor organizations, public and private workforce entities, entrepreneurial organizations, and other institutions, including research universities that play a critical role in economic development, Historically Black Colleges and Universities, and other Minority-Serving Institutions.

A Match Requirement to Solidify Collaboration Among Employers, Industry, and Labor

In CTE today, employers, industry, and labor partners—who have the best understanding of current, near-term, and future labor market needs—do not have adequate opportunities to participate in the design and implementation of CTE programs. This issue is in large part a result of the current *Act*, which does not set parameters for meaningful private-sector participation. It has led to inconsistent levels of involvement and a proliferation of CTE programs that are not aligned with existing and emerging in-demand occupations in high-growth industry sectors.

The Administration's proposal would address this issue by establishing a match requirement that states must meet to receive *Perkins* funds. The match requirement could be met with cash or in-kind resources, such as equipment, training facilities, entrepreneurial start-up capital, and technical assessments, to encourage collaboration between key stakeholders within a consortium.

Meaningful Accountability and Rewards Based Upon Clear Metrics

Effectively transforming CTE involves distributing *Perkins* funding to programs that produce desired outcomes for students. It also involves strengthening the accountability systems used by states to track progress so that performance data are collected, analyzed, and used to identify and address student results as well as equity gaps in educational attainment and employment between different groups of students. Finally, it involves rewarding local programs that produce exceptional results for their success.

In a bold departure from the current *Act*, the Administration's proposal would require states to distribute their *Perkins* funding to local consortia through within-state competitions, use uniformly defined participation and performance indicators to measure performance, and award performance-based funding to local programs that produce exceptional results, including success in closing participation and performance gaps between student subgroups.

Within-state Competitions to Ensure That All Students Can Access Rigorous, Relevant, and Results-driven CTE Programs

The current *Act* requires states to distribute their *Perkins* funding to local recipients by formula. By comparison, the Administration's proposal introduces competition as the basis for awarding funds within states to consortia. This approach would give states greater autonomy and flexibility to fund those CTE programs that are rigorous and responsive to their labor-market needs and regional priorities for economic growth.

Under this new approach, the members of a local consortium would apply for funding to develop CTE programs aligned with the high-growth industry sectors and in-demand occupations identified by the state. States then would award funding to the consortia that best demonstrate the ability to provide high-quality CTE programs for all students, regardless of backgrounds.

The switch from formula funding to within-state competitions marks a significant change in how *Perkins* funding is distributed. To ensure a smooth transition, the Administration's proposal would require states to provide appropriate up-front technical assistance to consortia to ensure equitable opportunities to access *Perkins* funds.

Common Definitions to Improve Student Outcomes and Close Equity Gaps

The current *Act* allows states to create their own definitions for participation and performance indicators. The inconsistencies and incompatibilities of these indicators hinder the objective, valid, and externally verifiable analysis of student and program outcomes. Under the Administration's proposal, states would use common definitions for participation and performance indicators. The definitions used for the performance indicators would be aligned with those under other federal laws, such as the *Elementary and Secondary Education Act of 1965 (ESEA)*, the *Workforce Investment Act of 1998 (WIA)*, and the *Higher Education Act of 1965 (HEA)*. Further, the proposal would require that states incorporate CTE data into their state longitudinal data systems.

Local consortia and states would be required to disaggregate program data to identify student participation and performance gaps by sex, race, ethnicity, socio-economic status, disability, and English proficiency at both the secondary and postsecondary levels. Local consortia and states also would be required to focus on closing identified gaps by developing improvement plans to bridge participation and outcome disparities where they exist.

Common participation and performance definitions would enable CTE educators, researchers, and other key stakeholders to compare and analyze *national* outcome data for CTE students for the first time ever. Disaggregated longitudinal data that are objective, valid, and externally verifiable would provide critical information for monitoring and analyzing student outcomes and closing gaps in participation, educational attainment, and employment between different groups of students. Federal and state leaders, armed with this improved data, would be better positioned to support CTE programs, teachers, and administrators at the local level.

Rural Students. The Administration's proposal would help to ensure that students in rural communities across the country have access to high-quality CTE programs. Rural students would be connected to postsecondary institutions through consortia, even if there are no postsecondary institutions near their rural communities. This would occur through increased use of distance learning technology, resources, and services that would foster success and improve the quality of CTE programs available to those students. New state requirements also would ensure that rural economic needs are considered in the creation of CTE programs.

Low-income Students. All too often, low-income students do not have access to high-quality CTE programs. The Administration's proposal would address this issue by requiring that local consortia receiving subgrants from states include school districts that have high concentrations of students from low-income families, ensuring that these students have access to quality programs and are equally positioned for further education and successful career opportunities.

English Learners. Language should not be a barrier that prevents students from accessing high-quality programs. The Administration's proposal requires states to provide supports, such as academic

and wrap-around services, to these students so that they are prepared to succeed in CTE programs and challenging careers after graduation.

Individuals With Disabilities. The Administration's proposal would ensure equity in access and participation for individuals with disabilities. Each state's plan and each local consortium's application would be expected to include descriptions of the actions that would be taken to ensure that there are no access, participation, quality, or performance barriers for the participation of students with disabilities in CTE programs.

Continued Support for American Indian, Alaska Native, and Hawaiian Students. The Administration's proposal includes continued support for programs under the current *Act* that focus on American Indian, Native Hawaiian and Alaska Native students, Tribally Controlled Postsecondary CTE Institutions, and Tribally Controlled Colleges and Universities. It commits the U.S. Department of Education to consult with tribal nations and native communities on how to strengthen their programs in a way that is respectful of tribal sovereignty and mindful of the key issues that many communities face, such as high rates of unemployment and social and economic distress.

Equity: Access to High-quality Programs for ALL Students

The Administration's proposal is grounded in a commitment to equal educational opportunities. It protects the American promise that all youths and adult students can achieve to their maximum potential. Key elements include:

- **More Targeted and Effective Plans to Aggressively Close Equity Gaps for All Groups.** The Administration's proposal would require states to improve their data collection systems by using commonly defined participation and performance indicators, which would lead to increased transparency and accountability for equity gaps. Such data would be collected on the local and state levels and will be disaggregated by race, ethnicity, sex, disability, socio-economic status, and English proficiency. Improved state data would be reported to the U.S. secretary of education and the public, and would allow states to identify equity gaps in participation and performance on the local and state levels, including where students of a particular background are disproportionately enrolled in or absent from certain programs.
- **Provisions to Ensure Equity in Access, Participation, and Outcomes.** In the statewide competition, states would fund programs that ensure access to all students, including those living in rural, remote, or economically distressed urban communities. Under the Administration's proposal, new expectations for states would ensure that the needs of low-income students, English learners, and students with disabilities living in those areas would be considered in the creation of CTE programs. In addition, states would be required to track data on the local consortia to ensure that CTE programs are serving diverse student populations and communities statewide.
- **Technology to Bridge Access.** New and emerging technologies are viable ways to solve problems of limited access, and uneven quality and rigor of academic and technical curricula. The proposal encourages the use of technology-enabled learning solutions that are accessible to, and usable by, students with disabilities and English learners, to create access to high-quality learning opportunities, including to technical courses and virtual work experiences. By promoting the use of technology, the proposal would connect those students who are served by consortia but who are disconnected due to geography to postsecondary institutions as well as to business and industry, even if those partners are not in close proximity. And students who are disconnected due to socio-economic status, disability, or language barriers would be connected as well.
- **Wrap-Around and Support Services for Students Who Need Them.** Local consortia and states must commit to the success of all youths and adults, including those who need to strengthen or refresh their basic academic skills in order to fully benefit from integrated technical and academic instruction. The CTE programs that we envision would not create separate tracks for certain students; instead, they would provide academic supports and support services that students need to succeed, such as tutoring and counseling. Such wrap-around supports would help to ensure that there are no equity gaps in participation or performance in CTE programs. Local consortia and states would be able to use a portion of their *Perkins* funding to ensure that necessary supports are in place.

Rewarding High-performing Programs

Improved participation and performance data would enable states to reward high-performing programs, assist low-performing ones in need of additional technical assistance and support, and ensure that all students receive an equitable opportunity to participate in CTE programs. Once program data systems have been updated to reflect the new, common definitions for participation and performance metrics, the Administration's proposal would ask states to reward effective programs using within-state performance-based funding. To qualify for the rewards, local consortia would have to meet criteria established by the state, which would include improving student outcomes and success in closing participation and performance gaps between student subgroups.

This structured system of rewards and targeted interventions would allow states to develop and implement their vision for CTE transformation in a way that meets their economic priorities and community needs. And local leaders would have financial incentives to create programming that produces better and more equitable student outcomes, marking a shift to a results-based culture that propels systemwide improvement in CTE.

Increased Support for Local Program Implementation and Innovation

America's ability to build a competitive workforce hinges on whether—and to what extent—educators and leaders can find innovative solutions for preparing all students for college and careers. The changing nature of skills required for existing jobs, the ongoing emergence of new jobs, and the rapid pace of technological advances all demand new, more responsive program models, curricular strategies, and instructional approaches. But new models, strategies, and approaches developed at the local level will not suffice to support the type of transformation that the Administration envisions for CTE unless they are validated and taken to scale. State-level reforms also must accompany advancements made at the local level to ensure that the necessary conditions to foster and sustain innovations that result in positive student outcomes are in place.

As the linchpin to its strategy for transforming CTE, the Administration proposes new conditions that states would meet to receive a formula grant. The Administration also proposes a competitive CTE Innovation and Transformation Fund—administered by the U.S. Department of Education—to incentivize innovation at the local level and supportive system reform at the state level. The fund would comprise approximately 10 percent of the total *Perkins* funding.


State Conditions for Success and Innovation

The Administration's proposal underscores the important role that states play in supporting rigorous programs and systemic reform. While the current *Act* sets minimum expectations for states, our proposal would raise expectations by requiring states to meet certain conditions in order to receive state formula grants. Meeting these conditions would signal that a state or outlying area is ready to transform its CTE system, or has transformed it, to ensure that all students are prepared for further education and a successful career. The conditions for success and innovation would cover such areas as connecting CTE data to state longitudinal data systems, allowing rigorous CTE courses to be counted for academic credit, improving career counseling systems, and reducing state policy barriers to the transformation of CTE. Before states receive any federal funding, the Administration's proposal would ensure that they first commit to instituting the important reforms that are critical to improving CTE for all students.

Competitive Resources for Local Innovations

CTE has long been characterized as having “islands of excellence” where innovation exists in isolation. However, federal, state, and local leaders have made little concerted effort to systematically identify and rigorously evaluate the effectiveness of innovative solutions, much less widely disseminate and scale them to meet the needs of our nation's youths and adults. By creating the infrastructure to seed innovations at the local level and expanding the evidence base for which interventions work best for whom, the Administration's proposal would enable CTE programs to continuously adapt and improve over time.

Because the current *Act* does not provide a mechanism for federal leaders to encourage local innovation, the Administration proposes to use the new CTE Innovation and Transformation Fund to infuse new evidence-based practices and tested approaches into current programs and pathways. With a strong emphasis on identifying and developing new practices, the fund would help test promising CTE practices, programs, and strategies and also support the expansion of proven approaches.



Applicants would be asked to propose projects that develop or expand innovations critical to CTE and build a competitive, high-performing, knowledgeable workforce able to solve the most pressing problems facing our nation—in both the local and global arenas. The U.S. secretary of education could give priority to applicants that will develop or expand innovations focused on specific pressing needs and that build on existing assets and capacities, such as projects that better prepare students to enter and succeed in science, technology, engineering, and mathematics (STEM) careers, support innovations targeted at disconnected youths and low-skilled adults, and serve students in rural areas. Additionally, the fund could support Pay-for-Success projects* that make awards to private non-profit or for-profit entities to undertake activities that achieve cost-effective outcomes in CTE and receive payment based on the extent to which they achieve those outcomes.

Competitive Resources to Drive Systemic State Reforms

To further incentivize high performance, the Administration’s proposal would allow the U.S. secretary of education to award a portion of the CTE Innovation and Transformation Fund to implement policy and programmatic changes designed to considerably increase CTE access, expand state investments in CTE, and take actions to boost performance and outcome levels significantly. For example, states could apply for funding to enhance the technical skills of adults by training them on equipment housed at regional CTE centers. Or states could apply for funding to use technology and Web-based distance training to increase CTE access for rural or remote communities. Another example of how states could use the funding would be to link existing career guidance and counseling services for CTE students to those services provided by the workforce development system. Funding would be available only for states proposing reforms that either enhance or build on the state conditions for success and innovation.

* See <http://www.whitehouse.gov/blog/2012/01/24/pay-success-new-results-oriented-federal-commitment-underserved-americans/>.

Conclusion

Four core principles—alignment, collaboration, accountability, and innovation—are the foundation for the Administration’s proposed reforms to strengthen the nation’s career and technical education system. Collectively, they would usher in a new era of rigorous, relevant, and results-driven CTE programs that are equitable and accessible to all students regardless of their backgrounds or circumstances. These high-quality CTE programs would give students the skills they need to be successful and businesses the skilled workforce they need to thrive.

Students in these CTE programs would be motivated to learn because they are challenged by the rigor and engaged by the relevance. They would be prepared to complete their studies with industry certifications or licensures and postsecondary certificates or degrees that employers use to make hiring and promotion decisions. They would start careers that lead to increased employment and earning prospects over time, positioning them to become the country’s next leaders and entrepreneurs.

At the same time, employers and industry would have a strong voice in developing the very programs they need to fill positions within their companies. They would have access to a highly-skilled pool of workers ready to make immediate contributions.

Educated citizens. Skilled workers. Competitive businesses. Thriving industries. These are the ingredients for an economy built to last.

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