



ENHANCING WORKFORCE TRAINING IN TULSA

COMPARING WORKFORCE TRAINING IN TULSA &
OKLAHOMA AGAINST COMPETITIVE SOUTHEASTERN STATES

AUGUST 2019



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EXECUTIVE SUMMARY

SUMMARY: STRENGTHS & WEAKNESSES OF STATE PROGRAMS

Most/More Favorable Programs in Dark Green/Light Green, Moderately Favorable Programs in Yellow

	Alabama	Georgia	North Carolina	South Carolina	Tennessee	Oklahoma
Overall Funding	<ul style="list-style-type: none"> ✓ Steadily growing state support for its community college system. 	<ul style="list-style-type: none"> ✓ Growing state funding for system. ✗ For a large state, system is not as extensive or well funded compared to state like NC. 	<ul style="list-style-type: none"> ✓ Growing state funding. ✓ Expansive, well funded community college system. 	<ul style="list-style-type: none"> ✓ Growing state support and major capital investment. ✓ Additional funding through lottery. 	<ul style="list-style-type: none"> ✓ Growing state support through performance based funding model. ✗ System not as well funded as the other states. 	<ul style="list-style-type: none"> ✓ Extremely strong local funding component. ✗ Major state budget cuts over the past several years – significantly impacting community colleges.
Customized Training	<ul style="list-style-type: none"> ✓ Commerce-controlled AIDT provides strong custom training for major projects (e.g. auto). ✓ Complemented by community college’s AL Tech Network – training for existing companies. 	<ul style="list-style-type: none"> ✓ Quick Start is the best technical training in the country. ✓ Know-how and delivery is second to none. ✓ Centralized approach – training delivered anywhere in state. 	<ul style="list-style-type: none"> ✓ Significant flexibility in targeting customized training funds to key projects and regions via flexible program criteria. ✗ System is not as formalized or well funded as in other states. 	<ul style="list-style-type: none"> ✓ Much like QuickStart, readySC provides centralized, state-wide approach that can deliver services anywhere in the state. ✓ Big, recent project experience (e.g. Volvo). ✓ Expanding its budget. 	<ul style="list-style-type: none"> ✓ Grant funding via discretionary incentive program. ✗ While this can be attractive to some companies, no centralized customized training offering like in other states. 	<ul style="list-style-type: none"> ✓ Delivers significant, cost-effective, customized training in fee-for service model. ✗ Lower recent expenditures for TIG and TIP programs. ✗ No state-level programmatic approach.
Tuition Support	<ul style="list-style-type: none"> ✗ No flagship tuition support program. ✗ SREB data shows relatively high tuition. 	<ul style="list-style-type: none"> ✓ Targeted enhanced grant money to key programs (e.g. Hope Career Grants). ✓ Very well funded grant and scholarship programs through lottery. 	<ul style="list-style-type: none"> ✓ Low tuition rates – goal is to keep tuition rates low and education accessible. ✓ “Finish Line Grants” to help students with unexpected expenses. 	<ul style="list-style-type: none"> ✓ Grants for non-Pell qualifying, continuing education via lottery funds – unique offering. ✓ Proposed “SC WINS” – targeted enhanced support for key programs. 	<ul style="list-style-type: none"> ✓ Premier gap scholarship program for young and older workers via Promise & Reconnect. ✓ Nashville GRAD – “super” gap program to cover <u>all</u> expenses for tech. & CC students. 	<ul style="list-style-type: none"> ✓ Low tech tuition. ✓ Means-tested OK Promise program. ✓ Local gap scholarship programs via Tulsa Futures and Accelerating Independence Scholarships.
Ecosystem & Coordination	<ul style="list-style-type: none"> ✓ Major customized program run through Commerce, but training also through CC system. ✓ But all other education operated through comm college system. 	<ul style="list-style-type: none"> ✓ Fully self-contained technical college program. ✓ Further consolidation of workforce development and other programs within the system. 	<ul style="list-style-type: none"> ✓ Fully self-contained comm. college system. 	<ul style="list-style-type: none"> ✓ Fully self-contained technical college system. 	<ul style="list-style-type: none"> ✓ Comm. college and technical training centers are separated, but under the same umbrella. ✓ Improving articulation and coordination. 	<ul style="list-style-type: none"> ✗ Comm. college & 4 year separate from technical training. Challenges in articulation, competition, coordination, differential funding, etc.
Completion Trends	<ul style="list-style-type: none"> ✓ Very strong growth in industrial focused completions. ✗ Few completions for professional services needs. 	<ul style="list-style-type: none"> ✓ Very strong growth in certifications, short-term awards, targeted awards to industry, etc. 	<ul style="list-style-type: none"> ✓ Very strong growth in key certifications, associate’s degrees, and critical awards for industrial and professional needs. 	<ul style="list-style-type: none"> ✓ Moderate growth in key completions. 	<ul style="list-style-type: none"> ✓ Moderate growth in key completions – likely to spike after TN Promise and Reconnect are fully implemented. 	<ul style="list-style-type: none"> ✓ Growth in OK and Tulsa for ind. certificates and short-term prof. awards. ✗ Falling count of target associate’s degrees. ✗ Low growth in short-term industrial awards.

POLICY OPTIONS: #1 – STRUCTURE & FUNDING

#1: STRUCTURE & FUNDING	
Summary of Comparison States	<p>The five comparison states have all increased their state-level investment and funding for their technical and community colleges over the past five years. They have done this through a mix of increases in general funds appropriations, specific bond issuance for capital improvements, or leveraging growing pools of additional resources (e.g. lottery funds). Regardless, the trend is clear, and states in the Southeast are spending more money on this type of workforce training and education.</p>
Oklahoma and Tulsa Comparison	<p>Oklahoma, on the other hand, has made significant state-level cuts to its CareerTech and community college system over the past several years. While state funding has ticked up for the community college system in 2017-2018, the trend is in stark contrast to that in other states. The SREB data presented herein show Oklahoma as the only state of the ones reviewed here that has declining state funding per FTE for both community colleges and CareerTech.</p> <p>However, Oklahoma also is unique in that local ad valorem taxes fund a significant part of the CareerTech system, especially in places like Tulsa. Further, those local property taxes also help, in part, some community colleges like Tulsa Community College.</p>
Policy Options	<p>Based on practices and trends in the comparison states reviewed in this report, the following options are available to policymakers in Tulsa and across Oklahoma:</p> <ul style="list-style-type: none"> ▪ <u>Increase State Funding for CareerTech & Especially for Community Colleges:</u> While always easier said than done, policymakers at the state level could find ways to simply increase the amount of funding available to these institutions to simply keep pace with the investment that other states are making in their public community and technical college systems. The community college system, with proportionally more funding provided by the state, ▪ <u>Balance Existing Capital Funding to Programmatic and Operational Needs:</u> Another option is to find ways to divert funding for capital improvements to ongoing operational and programmatic needs. As noted in our second report, and from employers and stakeholders alike, the CareerTech system tends to have modern, first-class physical buildings and campuses due to a dedicated portion of that property tax funding to be used only for capital needs. While it would require a heavy lift via a constitutional change, allowing the system overall or individual institutions to access those capital funds for programmatic needs could better balance the system towards delivery of training to workers and companies. <p>Touching on the overall structure of technical and two-year education in Oklahoma, we recognize that the state has a unique system separating technical education from community colleges with distinguishes itself from the comparison states in this report, excluding Tennessee. A mammoth change on integrating all higher education in Oklahoma under one system, while not technically impossible, would be a massive undertaking and well beyond the scope or expertise of this report.</p> <p>Further, the opposite alternative of further segmenting higher education in Oklahoma by separating the community college system into an independent entity, while not technically impossible, would seem to only introduce more challenges to overarching integration of education and workforce training in the state.</p>

POLICY OPTIONS: #2 – CUSTOMIZED TRAINING

#2: CUSTOMIZED TRAINING

<p>Summary of Comparison States</p>	<p>Georgia, South Carolina, and Alabama all have robust, state-level customized training programs that allow services to be delivered in-kind to new and growing companies across each of their respective states. These programs tend to be fully staffed with technical subject matter experts, along with teams experts on delivering training content via written materials, animations, and detailed video capability. These statewide systems have hundreds of dedicated employees, and tend to be well funded, separate line items in their state budgets, or as a portion of their technical college systems budgets.</p> <p>North Carolina has a less formalized customized training program, but what it lacks in resources, it makes up for in flexibility. It offers a unique set of qualification criteria that allows the state to offer some level of free, in-kind customized training services to a variety of different types of firms across the state. Tennessee does not have a customized training program, but instead offers training grants to new and expanding companies.</p>
<p>Oklahoma and Tulsa Comparison</p>	<p>Oklahoma offers in-kind training services to new and expanding companies through its Training for Industry Partners and Training for Industry Growth programs, with services delivered by the CareerTech system. These are not centralized, statewide “programs” like those in GA, SC, or AL. TIG and TIP are not separate budgetary line-items, nor are they stand-alone programs. They’re most akin to North Carolina’s system of delivery customized training services to new and expanding companies through state-level funding, and actual delivery of the services through the local technical/community college. A comparatively limited amount of customized training has been delivered to companies across Oklahoma using these funds over the past several years.</p> <p>Oklahoma also delivers a significant amount of customized training services in a fee-for-service model to existing companies across the state through the CareerTech system.</p>
<p>Policy Options</p>	<p>Based on practices and trends in the comparison states reviewed in this report, the following options are available to policymakers in Tulsa and across Oklahoma:</p> <ul style="list-style-type: none"> ▪ Increase Availability of TIP and TIG Funding: Whether done as a separate budgetary line item, or just part of CareerTech’s overall state budget, increasing the amount of de facto funds available to new, expanding, or other companies across the state could bolster access to free training services for companies. Relatedly, Oklahoma could consider tweaking its qualification criteria (like North Carolina) to provide more access. ▪ Develop a Comprehensive, Statewide Customized Training Program and Brand: One of the key advantages of Georgia’s QuickStart, or South Carolina’s readySC program is that while they leverage local technical training resources, they are fundamentally statewide programs that can deliver the same training anywhere in the state. Oklahoma’s system is, in part, focused on delivery through the local CareerTech center, so services could be delivered by one institution in one part of the state, or a totally different institution just 20 miles away. In SSG’s experience, the ability to sell the exact same program and services, regardless of where the company ultimately chooses to locate their project in the state is a significant advantage. ▪ Develop the Infrastructure for a “Super” Customized Package: States like Alabama, Georgia, and South Carolina have benefitted from experience in delivering major training packages (including dedicated facilities) for major project requirements, typically in the automotive sector. While it is difficult to predict that that next project will be, Oklahoma should ensure that they have the process, pre-approvals, and any other proactive measures in place to deliver a comprehensive training package for a transformational project.

POLICY OPTIONS: #3 – STUDENT SUPPORT & ACCESS

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<p>Summary of Comparison States</p>	<p>The comparison states reviewed herein have developed a number of different strategies to ensure access to education and training for individuals across the state. For example, North Carolina simply offers low tuition rates for its community colleges due to a large, well-funded system. Georgia and South Carolina leverage lottery funds, among other funding sources, to provide both broad and targeted tuition support programs. And Tennessee offers the broadest access program through a statewide gap scholarship program for recent high school graduates (Tennessee Promise) and now for <u>all</u> individuals without higher educational credentials (Tennessee Reconnect) to allow individuals to access training at any state technical training facility, community college, or four year institution. Further, these states are providing even more targeted programs to meet strategic workforce goals and to promote completion. For example:</p> <ul style="list-style-type: none"> ▪ “Finish Line” Grants: North Carolina recently launched a program to provide funds to students near completion of their degrees of certificates, but who have experienced an unexpected financial burden. ▪ Continuing Education Grants: South Carolina is spending \$8M in tuition support for continuing education in key manufacturing and information technology programs (i.e. programs that do not qualify for federal funding support). ▪ Targeted Careers: Georgia has a separate grant program to provide full funding for students pursuing certificates/degrees in key programs related to industrial and technology areas. South Carolina is considering a similar, enhanced program that would cover all funding for students pursuing that training at its technical schools with additional funds for books/fees. ▪ “Super” Gap Funding: To complement the TN Promise and Reconnect programs, Nashville is launching a program to provide supplemental funding to cover <u>all</u> expenses (books, fees, equipment, licensing exams) for any student pursuing education at either a technical training facility <u>or</u> a community college.
<p>Oklahoma and Tulsa Comparison</p>	<p>Oklahoma has a means-tested program (Oklahoma’s Promise) to provide gap funding for low and moderate income students to pursue higher education. Tulsa is unique in that it also offers two localized programs to offset tuition for students pursuing education at Tulsa Tech or Tulsa Community College. The Tulsa Achieves programs is a gap scholarship for students attending TCC, while the Accelerating Independence Scholarship is a similar program for students attending Tulsa Tech.</p> <p>In short, Tulsa has robust, core tuition support programs for students pursuing either technical education or two-year degrees.</p>
<p>Policy Options</p>	<p>As a result, the policy options for Tulsa verse the state of Oklahoma are different. Given existing programs and resources, Tulsa can pursue “enhanced” support programs, replicating the types of programs listed above (e.g. completion grants, non-Pell qualifying tuition support, or a super gap funding program to cover <u>all</u> expenses associated with pursuing a certificate or degree).</p> <p>For the state of Oklahoma, there are a number of broader policy options available, from using state general funds and support of CareerTech and community colleges to ensure tuition rates are low, to developing more targeted career grants, to a broader Promise program.</p>

POLICY OPTIONS: #4 – INSTITUTIONAL COLLABORATION

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<p>Summary of Comparison States</p>	<p>States like Georgia, North Carolina, and South Carolina streamline their technical and community college systems through one overarching governance structure. As a result, they minimize challenges associated with coordinating activity across a multitude of institutional types. Alabama has a similar system, but does break out its major customized training program (AIDT) to be managed by its Department of Commerce, rather than through its community college system.</p> <p>As a result, the most appropriate comparison state for Oklahoma is Tennessee. That state separates its technical training from its community college system, while the two are governed by the same overarching agency. While challenges remain in coordinating activities across the technical/career training institutions and the community college system, Tennessee has instituted a number of recent policies to encourage further collaboration across those institutions. Examples include a new, statewide articulation framework for technical training and community colleges, which has led in part to a number of localized institutions establishing specific articulation agreements. Chattanooga and Nashville specifically have unique environments where their technical training and community colleges share physical buildings, administrative resources, and scholarship funding, along with developing deeper articulation agreements.</p> <p>Finally, Tennessee is piloting a program called TNTrained to better align the goals and expertise of all economic and workforce development stakeholders across the state.</p>
<p>Oklahoma and Tulsa Comparison</p>	<p>Oklahoma houses its technical training system (CareerTech) in a completely different silo from the state’s community college system which is governed along with the four-year colleges in the state.</p> <p>Because the two systems have different funding streams and resources, goals, oversight bodies, etc. there are inherent challenges in coordinating delivery of training to students and services to businesses across all institutions. However, Tulsa Tech and Tulsa Community College have worked closely in the last several years to better bridge those gaps in that community.</p>
<p>Policy Options</p>	<p>Absent a full-integration of the CareerTech and community college systems (which again, would be challenging and certainly above and beyond the expertise of this report and author), there are other ways that CareerTech and the community college system in Oklahoma and Tulsa specifically can further align their offerings to ensure that students have clear, lifelong pathways to success, and that the coordination can be clearly marketed to new and prospective companies in the state and to the public at large.</p> <ul style="list-style-type: none"> ▪ Furthering Articulation Agreements: Several broad and specific examples from Tennessee show the movement in that state toward better coordination across technical training and community colleges. The comprehensive agreements in place in Chattanooga, for example, which also extends to the four-year system are a great example of that type of collaboration, and how to market it. ▪ Creating/Modifying Funding Streams for a “Super” Gap Scholarship Program: This copies from the recently announced initiative in Nashville, where the community college, technical training institution, municipal government, and private funds partnered to provide full funding support (above and beyond tuition covered by the state Promise or Reconnect programs). The funding is indifferent to whether students pursue training at the technical institution or the community college. In SSG’s view, it’s an attractive, unique, and pragmatic approach. Whether Tulsa Achieves and the Accelerating Independence Scholarship programs in Tulsa could be melded is unknown, but Nashville’s framework provides an illustrative example.