



Ohio House Finance Subcommittee on Higher Education  
Testimony of William Bussey  
Executive Director, Ohio Technical Centers  
(Division of Ohio Association of Career Technical Superintendents)

HB 166 Testimony / Ohio Technical Centers

April 4, 2019

Chair Carfagna, Ranking Member Sweeney, and Members of the Ohio House Finance Subcommittee on Higher Education,

My name is Bill Bussey and I am currently Executive Director of the Ohio Technical Center (OTC) division of the Ohio Association of Career Technical Superintendents (OACTS). I have over forty years in Career Technical Education (CTE). This includes eleven years as an OTC Director at Eastland Fairfield Career Technical Schools and nearly 14 years as the Superintendent of Mid-East Career and Technology Centers. I am testifying today to enhance committee members' knowledge of the state's 54 OTCs, and to express general support for the Governor's proposed budget / HB 166.

Last fall the state's OTC Directors, Career Center Superintendents and members of the Ohio ACTE board adopted recommendations for OTC funding for the next biennial budget. Recommendations for the OTC budget line item included restoring the budget line to the level approved in Ohio's FY2001 operating budget. Yes, it is rather alarming that the budget in FY2001 was almost 40% larger than in 2019. The budget was over \$23.5 million annually then and is approximately \$16.5 million annually this current year. Of course, we are extremely pleased that the proposed budget supports an 18.2% increase in funding each year of the next biennium budget—bringing the total funding in FY21 up to our requested amount and equal to that of FY2001. The OTCs around the state have different needs so will utilize these funds in different ways but together they will be providing new and improved opportunities for unemployed and underemployed adults, and services and training for business and industries.

As my colleagues explained today, Ohio Technical Centers operate and are funded through the Ohio Department of Higher Education and provide a host of educational services for adults and businesses. Adults can earn certificates, licenses and other credentials that will assist them in their employment. Although normally housed and always governed by either the Career Center, (JVS), or the comprehensive school district of which they are part, each OTC has a separate funding mechanism than their secondary counterpart. At almost every OTC, general funds from local levies or other local funds are not used for OTC expenses. Each stands alone except for the use of facilities and utilities. (Although there is a trend that more OTCs are paying for these expenses also.)

Performance-Based Funding: OTC Directors, administrators and superintendents are very satisfied with the Performance Based Funding Model, which is the method of distributing our line item across all 54 OTCs statewide. The model accommodates payments according to Student Retention, Student Program Completion, and Student Placement into employment and credentials earned by students. We are also pleased to see that in 2020 no OTC will receive less than 75% funding based on the average allocation of the previous three years, and that the minimum funding for 2021 will be at 65% of the average of the last three years. Many circumstances have caused some centers to have a reduction in enrollment and therefore less funding. We are working to assist OTCs to make the necessary changes to better address the workforce development needs of their communities and regions so that a guarantee is not a consideration in the next budget.

Final Revenue-Neutral Recommendation: In the transition from OTCs being funded under ODE to ODHE in 2008, there was a loss of focus and funding for business and industry contract and “customized” training. OTCs are currently partnering with over 300 businesses throughout Ohio but can do more with additional financial resources. There is line-item allocation language in the current and proposed budget for \$1.3 million to be directed to provide business consultation (contract and customized training) with matching dollars from OTCs. The OTC Directors and Career Center Superintendents recommend that this amount be increased to \$3 million with matching funds to provide incentives for OTCs to increase assistance in upgrading skills of incumbent workers. Also, in our proposed revision, the minimum amount for any qualifying OTC to receive would be \$25,000 with the maximum amount determined through formula approved by the Chancellor, with the total not to exceed the \$3 million allocation. Note too that this final recommendation represents a revenue-neutral (and minor) reallocation of our own funds, and would not increase the overall OTC line item whatsoever.

In summary, we all know that we have a worker shortage in Ohio and want to provide education and training to fill this gap. There are several pathways that adults can take in post-secondary education in order to fill the gap. There are of course needs for those with Masters, Bachelor's, and Associate Degrees, but the majority of job openings that can provide a living wage are those that require high level skills and usually require some type of certificate or credential. Universities provide for Bachelors and post baccalaureate degrees, Community Colleges provide Associate Degrees and Ohio Technical Centers are the resource for the majority of adults to learn skills to obtain a job and advance their career and life style. And of course, fill the majority of vacancies in business and industry.

We often have said that Ohioans need to recognize the resources that OTCs provide. The proposed budget / HB 166 is proof that this administration, legislators, and other elected officials realize that learning a skill / earning a credential will be the key to accomplishing the attainment goal of 65% of adults have a credential or degree by 2025.

The 54 OTCs around Ohio thank you for your support and I thank you for allowing me to speak today. I would be happy to answer any of your questions.