

Testimony to the Basic Education Funding Commission

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Good Morning,

My name is Dave Warren and I am the Executive Director of the Lancaster County Career and Technology Center. I'd like to thank the commission for the opportunity to speak with you today.

The Lancaster County Career & Technology Center is one of the largest career and technical schools in PA, providing services for Lancaster County. The school consists of four campuses and an additional satellite site located throughout the county. LCCTC is owned and governed by the sixteen school districts within Lancaster County. The governing body of our school is referred to as the Joint Operation Committee and is comprised of one member from each of our sending schools' Board of School Directors.

Most of our students come to us on a full-time basis, meaning they attend LCCTC the full-day during their entire senior year. We also have selected cluster programs that are attended by students for half-day periods during their junior year. We offer over 50 technical programs that cover a broad spectrum of career pathways. Every program that we offer at the Lancaster County Career and Technology Center is based on the needs of local business and industry. Our programs all include rigorous theory lessons, as well as hands-on training that uses cutting edge technology in laboratories that replicate the conditions found in industry. Academic education is combined with career and technical education to better identify the relevance of the material to the students. In other words, the students learn how to use the academic subjects in a practical manner that makes sense to them.

Our teachers are subject matter experts, each having worked in their particular industry before coming to this school. They not only teach specific industry skills, but are also highly trained to integrate math, reading and writing skills into the everyday activities they plan for their students. All of our programs are guided by an Occupational Advisory Committee. These committees are comprised of business and industry partners who work closely with our teachers to ensure that we are using current equipment and techniques, and are teaching the skills necessary to meet the needs of business and industry. These partnerships with local businesses are important both for our students and for the employers. Career and technical schools across the state are constantly challenged to provide skilled employees to meet the hiring needs of companies within our areas. Our career and technical schools play an integral role in workforce development, which is linked closely with the economic development within

PA. With the aging workforce, and anticipated retirements, meeting the needs of our labor force will be a reoccurring challenge.

The yearly operating budget for our school is approximately eighteen million dollars (\$18,000,000). Revenues to cover this budget are primarily paid for by our sending districts. This accounts for 78% of our funding. The additional revenues come from the state (14%), federal (6%) and our adult education programs (2%). The amount each of the districts pays toward our budget is based on a formula that utilizes an average of the past three year's enrollments. Based on our budget, the average cost per full day student is approximately \$16,000, and average cost per half day student is approximately \$8,000. Sending students to our career and technical schools creates a significant financial burden to our sending districts.

Due to the increasing costs of educating our students, future budgeting has been a major focus in our strategic planning. As we are not a taxing agency, and are governed by our participating districts, our budgets are approved by all of the board of directors from those districts. The Lancaster County Career & Technology Center has consistently been directed to present a budget that limits the increase each year to the equivalent of the Act 1 index that the districts face. This year, our goal was to limit the increase to no more than 1.9%. If this index remains approximately the same over the next few years, we may face the need to eliminate programs. For example, when we plan for the 2016 -2017 school year budget, the increase needed to just meet the requirements of our contracted obligations, including salaries increases and benefits only, will require a budget increase of approximately 4.2%. This increase does not consider any increases in staffing, energy costs, equipment costs, or supplies. If the index remains at 1.9%, we will need to overcome a gap of approximately \$300,000. If additional revenues are not developed to overcome this deficit, multiple programs may need to be closed. The following year, an additional gap of approximately \$250,000 is anticipated, and a gap of over \$200,000 is likely the third year. All of the career and technical schools in the state will face similar challenges. In addition, based on their increased needs and budgets, all of our districts will be facing even greater budget gaps. One measure that districts across the state have been using to reduce costs has been to restrict the number of students that attend the CTCs. This has already resulted in the closing of programs that are vital to fulfilling the hiring needs of industry. If our state cannot consistently supply a skilled workforce, it will be difficult to keep our current business and industry. They will relocate to states where their needs can be met. In addition, it will be difficult to entice new businesses to move into PA if their workforce needs cannot be met. The ultimate result is a negative impact on economic development within our state.

I ask that you consider developing a funding proposal that takes the price tag off of students who wish to enroll at our career and technical schools. Please consider the proposal presented

to you by Mrs. Cullen on behalf of the PA Association of Career and Technical Administrators. I believe that a proposal like this will provide a financial incentive to the districts to allow more students to attend our school. In turn, this will result in increasing the number of young people who attain skills needed by our area employers and help preserve economic development within PA. Thank you.