

## Understanding the *Strengthening Career and Technical Education for the 21<sup>st</sup> Century Act (Perkins V)*

The *Strengthening Career and Technical Education for the 21st Century Act (Perkins V)* reauthorized the Carl D. Perkins Career and Technical Education Act (Perkins). Perkins is a federal education program that invests in secondary and postsecondary Career Technical Education (CTE) programs in all 50 states and the territories.

### What is the Purpose of Perkins?

Perkins is dedicated to increasing learner access to high-quality CTE programs of study. With a focus on systems alignment and program improvement, this law has been critical to ensuring programs meet the ever-changing needs of learners and employers.

### Who Benefits from Perkins?

- **Learners:** Approximately 7 million secondary learners and 4 million postsecondary learners are enrolled in CTE programs nationwide.<sup>1</sup>
- **Employers:** Nearly 60 percent of companies report having difficulty filling job openings because of a lack of qualified applicants. This can cost a company upwards of \$800,000 each year in lost productivity and recruitment.<sup>2</sup> CTE programs are responsive to current and emerging labor market demands.
- **Communities:** A community with a skilled workforce leads to a strong economy. For example, **Washington** has found a return of \$7 for every dollar invested in CTE at the high school level, while taxpayers in **Wisconsin** see a return of \$12.20 for every dollar invested in its technical college system.<sup>3,4</sup>

### What is CTE?

CTE is an educational option that provides learners with the knowledge and skills they need to be **prepared for college and careers**. CTE gives purpose to learning by emphasizing **real-world skills** and practical knowledge within a selected career focus.

Learners in CTE programs take specialized courses, in addition to required courses, and often have the opportunity to participate in **internships**, engage with mentors and practice what they are learning through **hands-on projects**. Learners can participate in CTE at the middle or high school level and at postsecondary institutions in every community in every state across the United States.

### Who Receives Perkins Funding?

States designate an eligible agency to administer Perkins. In all but 14 states, this entity is the state education agency. Other eligible agencies include:

- Postsecondary systems (CO, HI, IA, KS, LA, MN, MT, WI and Guam)
- Standalone CTE agencies (AR, ID, ND and OK)
- Workforce Development Board (WA)

At the local level, funds can go to comprehensive high schools, technical high schools, area technical centers, career academies, community and technical colleges, early college high schools, public charter schools, pre-apprenticeship/youth apprenticeship programs, Indian Tribes, Tribal organizations, Tribal educational agencies, and tribally controlled colleges or universities.

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### How Are Perkins Funds Distributed?

The law includes specific formulas that take poverty and population into account to guide the distribution of funds from the federal government to states and from states to local communities.

### How Are Perkins Funds Invested?

Perkins gives states and local communities a lot of flexibility to determine how best to use this funding. Perkins funds support a variety of activities, including:

- Professional development and technical assistance
- Creation of new, innovative programs of study
- Support for implementation and continuous improvement of existing programs of study
- Career exploration, guidance and advisement
- Data collection and analysis, including program and plan evaluation and monitoring

### How Does Perkins Fit into the Federal Policy Landscape?

CTE sits at the intersection of education, workforce development and economic development. While the U.S. Department of Education provides federal oversight for the law, Perkins has strong ties to an array of federal laws including, but not limited to:

- Every Student Succeeds Act
- The Workforce Innovation and Opportunity Act
- The Higher Education Act

These connections occur through coordinated planning and implementation requirements, cross-stakeholder input, aligned definitions and accountability indicators, etc.

### Is Perkins a Good Investment?

- The graduation rate for students who take a concentration of CTE courses is about 93 percent, approximately 10 percent higher than the national average.<sup>5</sup>
- The estimated impact of achieving a 90 percent graduation rate nationwide (calculated for the Class of 2015) is a \$5.7 billion increase in economic growth and \$664 million in additional federal, state and local taxes.<sup>6</sup>
- CTE is a proven strategy to strengthen the U.S. economy, as it engages learners, strengthens the workforce and closes critical skills gap. Forty-six percent of employers have difficulty finding skilled talent, costing an estimated \$14,000 to businesses per job that goes unfilled.<sup>7,8</sup>

### How Can I Learn More?

- Visit the Perkins section of the Advance CTE website: <https://careertech.org/Perkins>
- Check out additional fact sheets on CTE and Perkins: <https://careertech.org/fact-sheets>
- Subscribe to Advance CTE's Legislative Updates: <http://blog.careertech.org/?series=legupdates>

### Programs of Study

Programs of study are non-duplicative sequences of academic and technical courses that extend across secondary and postsecondary institutions and culminate in a degree or credential value.

The Act requires that all local Perkins recipients must offer at least one program of study. Many states require locals to dedicate at least half of their funds to programs of study.



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<sup>1</sup> Refers to Program Year 2016-2017. Source: <https://perkins.ed.gov/pims/DataExplorer/CTEParticipant>

<sup>2</sup> <http://press.careerbuilder.com/2017-04-13-The-Skills-Gap-is-Costing-Companies-Nearly-1-Million-Annually-According-to-New-CareerBuilder-Survey>

<sup>3</sup> <http://www.wtb.wa.gov/CTE2018Dashboard.asp>

<sup>4</sup> <https://www.wistechcolleges.org/your-education/making-futures-blog/four-ways-your-tax-dollars-provide-strong-return-investment>

<sup>5</sup> Refers to Program Year 2016-2017. Source: <https://perkins.ed.gov/pims/DataExplorer/Performance>

<sup>6</sup> Refers to the Graduating Class of 2015: <http://graduationeffect.org/US-GradEffect-Infographic.pdf>

<sup>7</sup> <https://go.manpowergroup.com/talent-shortage-2018>

<sup>8</sup>

<http://www.careerbuilder.com/share/aboutus/pressreleasesdetail.aspx?id=pr807&sd=3/6/2014&ed=03/06/2014>

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