



# Area Technical Centers: Supporting Postsecondary Skill and Credential Attainment in Utah

Lumina Foundation’s Stronger Nation initiative finds that just half of Americans hold a credential beyond high school.<sup>1</sup> There is great disparity by race and education level in who has access to the skills and credentials needed to transition into new careers or advance in current ones. In response to this need, Lumina Foundation set a national goal of equipping at least 60 percent of the working-age population with a postsecondary degree or credential by 2025, challenging each state to set its own postsecondary attainment goal; — and most have. States have many resources they can leverage to achieve their postsecondary attainment goals, including area technical centers (ATCs).

ATCs can play an important role in helping learners equitably access and attain postsecondary education and related credentials of value. ATCs are institutions that are focused on Career Technical Education (CTE). They serve learners from across multiple geographies, offering sub-baccalaureate-level education and training. These institutions are nimble enough to respond to changing labor market conditions and provide learners with the skills they need to obtain credentials leading to high-wage, in-demand employment.<sup>2</sup>

## CONTEXT — AS IT STANDS

Utah’s ATCs, known throughout the state as technical colleges, exist under the Utah System of Higher Education (USHE) as eight of the state’s 16 public postsecondary institutions.<sup>3</sup> The USHE is led by a governor-appointed Board of Higher Education that oversees all 16 institutions and appoints a system commissioner as its chief executive officer. The technical colleges are accredited by the Council on Occupational Education and offer industry-recognized and short-term credentials.<sup>4</sup>

## UTAH TECHNICAL COLLEGES AT A GLANCE

- 8 technical colleges
- Serve both secondary and postsecondary learners\*
- 36,716 student (FY19)
- 6,726,677 hours of instruction systemwide (FY19)

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## HISTORY

In 1968, the first area vocational center started in the Uintah Basin, funded in part by a federal grant. Over the next 25 years, local communities established vocational centers around the state, with periodic attempts to consolidate these centers into state vocational centers to create a level of coordination among these institutions. In 1994, the five existing stand-alone area vocational centers were formally organized and renamed applied technology centers, each serving an assigned geographic area. At the same time, applied technology center service regions (distinct from applied technology centers) developed; they were generally co-located in or formally partnered with other educational institutions. For example, the Mountainland service region operated out of a department within a larger postsecondary institution (in this case, Utah Valley Community College). In contrast, CTE delivery in the Salt Lake County service region was jointly provided by the area's school districts and community college. Because of the varying ways the service regions were organized, their design, governance and learner populations varied significantly from those of the stand-alone applied technology centers across the state. These differences raised concerns for policymakers about equitable access and quality. Over the following 15 years, the number of institutions grew to include five stand-alone applied technology centers and four dependent applied technology center service regions, each intended to serve their community's regional needs. Governance for these nine institutions fell under the purview of the Utah State Board of Education and a State Board for Applied Technology Education (composed of the same members) as well as the service region's corresponding local K-12 district boards.

After a series of state legislative audits, and in an effort to further consolidate the applied technology centers and service regions into a more cohesive system, in 2001, the Utah legislature passed H.B. 1003, which created the Utah College of Applied Technology (UCAT).<sup>5</sup> UCAT was established as an overarching institution of higher education, with 10 “applied technology colleges” serving as UCAT regional campuses. UCAT was overseen by a UCAT Board of Trustees under the governance of the Utah State Board of Regents, with a UCAT president as its chief executive officer (CEO). In addition, each of the 10 applied technology colleges had its own regional president and board of directors. The applied technology colleges were specifically designed to be open access and competency based, allowing both secondary and postsecondary students to attend. Their service areas also continued to be geographically based, though applied technology colleges were occasionally absorbed by community colleges to eliminate duplication in a given area.

While UCAT and each of its regional campuses were largely successful in increasing numbers of students and programs over time, political



## 1968

The passage of NDEA broadens the scope of CTE beyond a few occupational areas and introduces the initial concept of specialty CTE institutions that would serve wider geographic areas and help meet new workforce challenges of the time. This concept then evolves more formally into the ATCs of today.

## 1995-2000

The number of applied technology centers and applied technology service regions expand to a collective nine. Because these institutions arise organically, their design, governance and learner populations differ across the state. The discrepancies between applied technology centers raise concerns for policymakers about equitable access, quality and oversight.

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## 2009-2017

Applied technology colleges continue to grow more independent as institutions and develop enough to be self-sustaining and self-governing.

## 2017

To further clarify the structure and role of the ATCs, the Legislature passes S.B. 238, which renames the ATCs technical colleges and changes the name of UCAT to the Utah System of Technical Colleges (UTech).

## 2020

S.B. 111 merges the UTech system with the Utah System of Higher Education under a new Utah Board of Higher Education, with provisions for attending to the unique needs of both technical and academic education. The new system encompasses the 16 public postsecondary institutions, eight of which are technical colleges.

## 1994

To bring a level of consistency to area vocational centers, existing centers are formally incorporated into five applied technology centers, each serving an applied technology service region and governed by the Utah State Board of Education and a State Board for Applied Technology Education (composed of the same members), as well as the service region's corresponding local K-12 district boards.

## 2001

As a result of numerous studies about the governance of ATCs and ATCSRs, the Utah Legislature passes H.B. 1003, creating the Utah College of Applied Technology (UCAT) to serve as a single higher education institution, with 10 regional "applied technology college" campuses. UCAT is overseen by a UCAT Board of Trustees with a president as CEO, under the governance of the State Board of Regents. Each of the 10 regional campuses has its own regional president and board of directors. The campuses are specifically designed to be open access and competency based with programming for both secondary and postsecondary learners. The campuses are located around the state in the former applied technology centers and applied technology center service regions to support equitable CTE access geographically.

## 2009

To provide each campus with more individual voice, the Utah Legislature passes H.B. 15, which changes the governance of UCAT to just the UCAT Board of Trustees, removing the State Board of Regents from having direct oversight. The Board of Trustees is charged with creating articulation agreements between UCAT and other postsecondary institutions and with collaborating with other state agencies for the purpose of comprehensive CTE delivery at both the secondary and postsecondary levels.

## 2018-2019

The Legislature passes H.B. 300 and establishes a Higher Education Strategic Planning Commission to study and address the future challenges of the state system of higher education. National Center for Higher Education Management Systems produces three different state coordination options.

Sources: <https://stech.edu/about/>

<http://www.ucats.org/about/history.html>

[https://ushe.edu/wp-content/uploads/pdf/reports/issue\\_brief/2020/2020\\_New\\_Combined\\_System.pdf](https://ushe.edu/wp-content/uploads/pdf/reports/issue_brief/2020/2020_New_Combined_System.pdf)

challenges arose over institutional CTE. In 2009, H.B. 15 moved UCAT from the State Board of Regents and established the UCAT Board of Trustees as a separate governing body for the applied technology colleges, overseen by a commissioner of technical education.<sup>6</sup> The UCAT Board of Trustees was charged with developing articulation agreements between UCAT and other state postsecondary institutions and “collaborat[ing] with the State Board of Regents, the State Board of Education, the State System of Public Education, the State System of Higher Education, the Department of Workforce Services, and the Governor’s Office of Economic Development on the delivery of career and technical education.” Separating from the Board of Regents, however, functionally created two systems of higher education in the state — one overseen by the Board of Regents and one by the UCAT Board of Trustees. This structure resulted in different institutions offering similar programs. This duplication often made transferring among institutions difficult for students and created unintended competition between institutions as they vied for students, resources and instructional

services.<sup>7</sup> UCAT essentially functioned as a “system” of colleges, rather than a single college, as each applied technology college was separately organized with its own board, local administration, and its own accreditation as an institution. As such, the designation of an applied technology college was ambiguous; in questions over legal agreements and legislative statute, “institution” could have referred to an applied technology college individually, UCAT as a system or both.

In 2017, the Utah Legislature passed S.B. 238, which renamed the applied technology colleges and changed the name of UCAT to the Utah System of Technical Colleges (UTech).<sup>8</sup> The eight colleges were designated as a system of institutions of higher education, still under the governance of the UTech Board of Trustees with the commissioner of technical education as CEO (the title of “president” had been changed to “commissioner” in previous legislation). This renaming perpetuated the dual system of higher education in the state, one focused on technical education and one focused on academic education.

In recognition of the historical and political challenges that affected technical education in the state, the state Legislature passed H.B. 300, which established a Higher Education Strategic Planning Commission and instructed that commission to develop a strategic plan aimed at meeting the future challenges of the state system of higher education, including addressing quality, affordable and accessible education; higher education’s role in workforce and economic development; and higher education governance.<sup>9</sup> In September 2019, the National Center for Higher Education Management Systems provided the state with a series of recommendations, including three different state coordination options.<sup>10</sup> As a result of these recommendations, leadership of the UTech Board of Trustees and the State Board of Regents issued a joint position statement, advocating for



**Utah’s legislature commissioned a strategic plan aimed at meeting the future challenges of the state system of higher education, including quality, affordability and access.**

a single, unified system of higher education that preserves the historically unique institutional roles and missions of technical and academic institutions and ensures equity between them.<sup>11</sup> In solidarity, the strategic planning commission's co-chairs sponsored S.B. 111, merging the UTech system with the USHE and designating one board, the Utah Board of Higher Education, as its singular governing authority.<sup>12</sup>

On July 1, 2020, the new system encompassing 16 public postsecondary institutions, eight of which are technical colleges, was established to provide all Utahns with regional access to secondary and postsecondary CTE. All are funded individually using legislative appropriations and treated equally under the law, with all requests for appropriations passed through the Board of Higher Education. Because all 16 institutions are governed by the same entity, this structure allows for significant benefits in facilitating the creation of seamless career pathways for learners, with full credit transferability.

## LOCAL GOVERNANCE AND FUNDING

At the institutional level, the technical colleges are overseen by a college president and a board of trustees. The boards are composed of a local school board member from each of the incorporated school districts in the technical college service area, a member of the board of trustees from the region's degree-granting institution, and a greater number of representatives from business and industry in that region. While each technical college may have a different number of board members depending on the size of its service region, this arrangement allows technical colleges to be responsive to both the educational and workforce needs of their regional community.

The eight technical colleges are funded primarily through state allocations — \$104,865,600 in

the FY21 budget, with lump sum allocations to each institution based on its annual budget request.<sup>13</sup> Any changes to an institution's budget (such as adding a new facility or new high-cost



programming) must be appropriated by the state Legislature. The technical colleges also receive supplemental performance-based funding calculated through a weighted formula that incorporates certificate program graduates, occupational training, secondary enrollment, positive placement rates and efficiency of program completion; this funding totaled \$720,089 systemwide in FY19. Federal funding from the Strengthening Career and Technical Education for the 21st Century Act and the Workforce Innovation and Opportunity Act is also provided to each technical college, though this funding is only a limited portion of an institution's budget. Each institution also collects nominal tuition from its postsecondary students (approximately \$2.00 per membership hour, approved by the Utah Board of Higher Education), while secondary students do not pay tuition to attend CTE courses.<sup>14</sup> Different tuition rates sometimes exist on a per-program basis for a particular program or to attract more participants.

Technical colleges are open access and have multiple entry and exit points, so learners have ample opportunity to attend and complete programming in a flexible and personal way. Because the colleges are accredited by the Council on Occupational Education, they are eligible for federal financial aid including Pell Grants, authorized under Title IV of the Higher Education



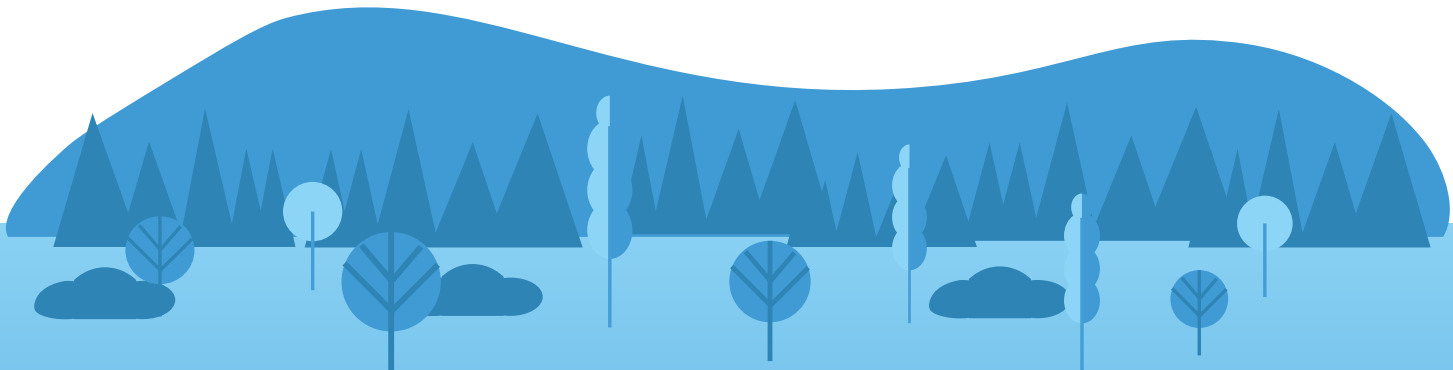
**Technical colleges are open access and have multiple entry and exit points.**



Act.<sup>15</sup> The technical colleges do not provide loans. Between the federal financial aid, the low tuition rates and the shorter credential programs, technical colleges are an affordable option for adult learners seeking to gain skills, competencies and credentials. Need-based scholarships are also available directly from the state. The low cost of tuition often negates the need for this support, as the vast majority of technical college students, upwards of 99 percent at some institutions, graduate debt free.

## ROLE IN POSTSECONDARY ATTAINMENT

In 2013, Governor Gary Herbert launched the On PACE To 66% by 2020 initiative, which provided legislative recommendations to achieve a goal of 66 percent of working-age Utahns receiving a postsecondary degree or credential by 2020.<sup>16</sup> While this goal was amended by what was then the State Board of Regents to push the end date back to 2025, this ambitious aim is still one in which technical colleges play a vital role. Utah has a postsecondary attainment level of 56.4 percent, with 10.4 percentage points made up by short-term credential attainment. This percentage is higher than the national average of 51.3 percent.<sup>17</sup> As of FY19, the UTech system continued its trend of increasing total membership hours over time, with growth driven primarily by a 6.9 percent increase in postsecondary learners over FY18.<sup>18</sup> UTech also boasted a composite completion rate (number of completers divided by total participants) of 80 percent and a composite placement rate (number of completers employed in a related field, enlisted in military service, or enrolled in another postsecondary program) of 88 percent in FY19. This trend of strong outcomes is expected to continue with the shift from UTech to a unified higher education system as students increasingly see a technical education as equal to or on par with education from a four-year institution.



## MOST AWARDED CERTIFICATES OF FYF 2019

### Adult Students

Program	Graduates
Nursing Assistant and Patient Care Assistant/Aide	708
Cosmetology/Cosmetologist, General	308
Medical/Clinical Assistant	290
Truck & Bus Driver/Commercial Vehicle Operator	272
Licensed Practical/Vocational Nurse Training	253
Phlebotomy Technician/Phlebotomist	231
Welding Technology/Welder	229
Pharmacy Technician/Assistant	191
Emergency Care Attendant (EMT Ambulance)	167
Electrician	154

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### ROLE IN ECONOMIC DEVELOPMENT

Utah's technical colleges demonstrate a strong return on investment, serving as major drivers of the state's economic development strategy. The state Legislature appropriated approximately \$100 million dedicated to technical colleges in FY20. This level of investment directly contributes to a growth in Utah wages of an estimated \$68 million annually.<sup>19</sup> The state sees its return in tax revenue on a single year's investment over approximately 12 years. Compounded annually for all graduates added to the labor force over that period, the return for legislators is clear. Learners are also seeing a similar return. In a study of Utah's credential earners one year post-credential, data show an average wage increase of \$12,412. Considering that the vast majority of technical college attendees graduate debt free, the return is clear.

Employers serve as members of a technical college's board of trustees or serve on business

advisory councils for each program, so there is a strong and invested partnership between the employers and their local technical college. The state's program approval process allows technical colleges to nimbly respond to the needs of employers, as all programs of study must align with the state's workforce needs to continue accreditation. Finally, technical colleges provide incumbent worker training through a statewide program called Custom Fit. The Custom Fit program is state subsidized, with the employer covering at least 50 percent of the training costs and the technical college providing the training itself, with no cost to the trainee. Each technical college has a Custom Fit director, which allows the institution to be responsive to the specific needs of that locality or of a particular employer in a given community. In FY19, 19,000 trainees participated in more than 316,000 hours of training.<sup>20</sup>

## Secondary Students

Program	Graduates
Nursing Assistant and Patient Care Assistant/Aide	875
Cosmetology/Cosmetologist, General	137
Medical/Clinical Assistant	99
Truck & Bus Driver/Commercial Vehicle Operator	84
Licensed Practical/Vocational Nurse Training	64
Phlebotomy Technician/Phlebotomist	56
Welding Technology/Welder	44
Pharmacy Technician/Assistant	41
Emergency Care Attendant (EMT Ambulance)	36
Electrician	24

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## CONCLUSION

The robust and active history of legislation surrounding Utah’s technical colleges illustrates a desire to find a postsecondary system that serves all learners equitably through low-cost, high-quality programming that meets workforce needs. The combined system of higher education, with its provisions for attending to the unique needs of both technical and academic education, values technical education at technical colleges on par with academic education at other postsecondary institutions, elevating the role that CTE can play in postsecondary attainment and economic development.



## Acknowledgements

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## Endnotes

- 1 <https://www.luminafoundation.org/stronger-nation/report/2020/#nation>
- 2 For the purposes of this report, the term “postsecondary learners” includes adult learners.
- 3 This case study focuses on the technical college system in Utah, but these are not the only set of ATCs in Utah; other technical centers, which primarily are secondary-only institutions, exist within the boundaries of a few of the larger school districts. They are governed by that local district and do not have separate governance structures. Every secondary institution in the state must offer some level of CTE programming; without this secondary programming, technical colleges would be structured quite differently. To prevent duplication of programming, postsecondary CTE in some regions is delivered by a community college, though because CTE delivery is not the institution’s primary purpose, community colleges are excluded from this report.
- 4 <https://council.org/achieving-accreditation/>
- 5 <http://www.ucats.org/legislation/HB%201003%20Enrolled%20copy.pdf>
- 6 <https://le.utah.gov/~2009/bills/static/HB0015.html>
- 7 [https://ushe.edu/wp-content/uploads/pdf/reports/issue\\_brief/2020/2020\\_New\\_Combined\\_System.pdf](https://ushe.edu/wp-content/uploads/pdf/reports/issue_brief/2020/2020_New_Combined_System.pdf)
- 8 <https://le.utah.gov/~2017/bills/static/sb0238.html>
- 9 <https://le.utah.gov/~2018/bills/static/HB0300.html>
- 10 <https://le.utah.gov/interim/2019/pdf/00005026.pdf>
- 11 [https://ushe.edu/wp-content/uploads/pdf/agendas/20191115/TAB\\_D\\_2019-11-15.pdf](https://ushe.edu/wp-content/uploads/pdf/agendas/20191115/TAB_D_2019-11-15.pdf)
- 12 <https://le.utah.gov/~2020/bills/static/SB0111.html>
- 13 <https://le.utah.gov/interim/2020/pdf/00003735.pdf>
- 14 Utah uses the term “membership hours” to refer to seat time, not credit hours. One membership hour equates to 60 minutes of scheduled instruction per student.
- 15 <https://fas.org/sgp/crs/misc/R43159.pdf>
- 16 <https://digitallibrary.utah.gov/awweb/awarchive?type=file&item=60954>
- 17 <https://www.luminafoundation.org/stronger-nation/report/2020/#state/UT>
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