Vocational education is a key to the education of the future, as the schools absorb more responsibility for preparing students to enter a rapidly expanding job market. Although there are great visions for the future of vocational education, there must be concern for daily details of financial management, personnel motivation, and administrative planning. The Carl D. Perkins Vocational Education Act is being implemented. The U.S. Department of Education is providing assistance in its implementation through the ADVOCNET electronic mail network in lieu of expensive travel. In the implementation of the Act, there are five key areas for regulations: (1) vocational education improvement, innovation, and expansion programs; (2) excess costs requirements for funding handicapped and disadvantaged student programs; (3) state administration--7 percent allocation; (4) expenditure formulas for programs for limited-English-speaking persons; and (5) Title III Consumer and Homemaking Education and Guidance and Counseling programs. Another key concern is the Federal budget. Some priorities for discretionary projects funding include bilingual vocational education, programs for Indians and Hawaiians, the correctional education program, the National Center for Research in Vocational Education, and the Curriculum Coordination Center. The key to all of these activities is industry-education partnerships. This is a time of great opportunity for education, time to go forward with not only the three R's but also the three C's--content, character, and choice. (KC)
I. INTRODUCTION

I bring you greetings from Secretary William Bennett and all of us in the U.S. Department of Education. These are exciting and challenging times for all of us in education, particularly in vocational education.

The U.S. Congress again recognized the continuing importance of vocational education when the Carl D. Perkins Vocational Education Act was passed. And the President reinforced it when he signed the bill into law.

The Vocational Education Policy statement in the Perkins Act says that "effective vocational education programs are essential to our future as a free and democratic society..."

How many disciplines can claim that importance—"essential to our future as a free and democratic society..."?

What lies ahead for our students and our field, and how can we seize this moment to have an impact on the future?
According to a report, "Schools of the Future" presented to the American Association of School Administrators at its recent meeting in Dallas, "Vocational Education will have to be strengthened..." The report said that "A major responsibility of schools in the future will be to prepare students to enter a rapidly changing job market..." This means that vocational education will be in constant demand. That ensures that there is a long life ahead of it, but it means that we have to improve our programs just as rapidly to adapt to changing needs. Great opportunities await us!

II. STATUS REPORT

We have visions for the future of vocational education, but we must also be concerned about the practical, day-to-day details of financial management, motivating personnel, and administrative planning. OVAE has been in touch with the States on an on-going basis regarding State plans and Certification of State Councils.
To date, 43 Certifications of Appointment of the State Councils for Vocational Education have been received and accepted. Three more have been received and are being reviewed.

We have tried to provide the most effective and useful technical assistance for the implementation of the new Act. Last fall we established REGNET, an electronic mail service, so that answers to questions on the regulations and information dissemination could be handled expeditiously. We feel this service has been effective in creating an ongoing dialogue between us.

In December we held two regional workshops, and our review of the new three-year State plans in May and June will provide an opportunity for Department staff to provide further assistance.

We will continue to use electronic communication to its fullest capability as a substitute for expensive travel. In that regard, we are pleased that 41 States have joined ADVUCNET. We hope all States will. We also plan to combine a very limited amount of monitoring with technical assistance this first year of putting the Act into practice. I say "limited," because we have absorbed a substantial reduction in travel funds.
III. OVERVIEW OF KEY REGULATORY ISSUES

Before I touch on the key regulatory issues, I would like to thank Dr. Buzzell, Dr. Cornelsen, Dr. Hjelm, and Mr. Delker for their work on developing the regulations. At this point the regulations are still in the review process, and thus not completely finalized. Not surprisingly, the proposed regulations to the Perkins Act generated enormous input from the States. In general, I believe that most adverse reactions focus on the Act itself, rather than the regulations. I say this because many of the comments we received sought to change the Act through the regulation process, by adding to or deleting from language in the NPRM. In other instances, ambiguities in the language of the Act sparked comments and questions. Our responses to comments will be published with the final regulations in mid-June and will provide explanation, while avoiding unnecessary prescription in the regulations.

In identifying the key regulatory issues which resulted from these concerns with the Act, I would focus on five areas:

1. VOCATIONAL EDUCATION IMPROVEMENT, INNOVATION, AND EXPANSION PROGRAMS—
Many state and local agencies objected to the requirement that the Title II, Part B funds be used only for expanding and improving, but not for maintaining, programs. This is a statutory requirement that cannot be changed through regulations. However, the final regulations will reflect the intent of the Act that some activities, by their very nature, improve the quality of vocational education such as preservice and inservice teacher training.

2. “Excess Costs” requirement for funding handicapped and disadvantaged programs

A number of States were concerned about the adverse effects of the requirement that Federal fund use be limited to 50 percent of the supplemental or additional cost of services and activities. Again, this is a statutory requirement.

3. State Administration — 7 percent allocation

The Act allows States to allocate up to 7 percent of Title II funds for administration, but requires 57 percent be allocated to Part A, and 43 percent to Part B. It also requires State agencies to provide management services, supervision, and technical assistance for programs serving the handicapped and
disadvantaged. Our "7 percent solution" is to allow the States to first extract the 7 percent from the entire Title II allotment, and then apply the 57/43 split to the remaining funds.

4. **Limited English Proficiency (LEP) expenditure formula** Read literally, the Act sets forth a minimum expenditure requirement for LEP individuals which might result in absurdly small expenditures. In the formula, the Act refers to "population of the State," a phrase we have interpreted to mean "numbers of LEP individuals served state-wide." The Secretary recognizes that the situation is still less than equitable, and has proposed a technical amendment to rectify the situation.

5. **Title III Consumer and Homemaking Education and Guidance and Counseling Programs** The Act specifies a 6 percent cap on State "leadership" activities that are a form of direct technical assistance. This requirement conflicts with the conferees' colloquy in which the cap is intended for State administrative costs rather than leadership. Since the colloquy conflicts with the actual wording of the statute, the regulations reflect the Act. The Secretary has proposed a technical
IV. BUDGET AND APPROPRIATION ISSUES

The new legislation and the administration's priorities have brought key budget and appropriations issues to light. The 1986 budget for the Department of Education reflects the President's goals of helping to provide services to those most in need while responding to the necessity of controlling Federal spending and reducing the Federal deficit. The budget strategy is called "Freeze-Plus," because the plan would freeze the budget at 1985 levels, plus make program policy changes that will reduce Federal government spending and improve program operations.

The budget proposals that reflect this policy in the Department of Education, including the Office of Vocational and Adult Education include:
FREEZING MOST LARGE PROGRAMS THAT PROVIDE GRANTS TO STATES AT THE 1985 APPROPRIATED LEVEL;

CARRYING OUT SEVERAL GOVERNMENT-WIDE COST SAVING INITIATIVES WHICH INCLUDE

- REDUCING ADMINISTRATIVE SERVICES BY 10% IN 1986;

- CUTTING FEDERAL PAY BY 5%, EFFECTIVE JAN. 1, 1986;

- REDUCING FEDERAL PERSONNEL 8.9% BY THE END OF FY 1986. SINCE 1980 THE DEPARTMENT OF EDUCATION HAS BEEN REDUCED BY 35%, WHILE OVAE HAS BEEN REDUCED BY 40%.

SPECIFIC BUDGET PROPOSALS REGARDING ADULT AND VOCATIONAL EDUCATION ARE AS FOLLOWS:

- THE 1986 BUDGET REQUEST FREEZES ADULT EDUCATION FUNDING AT THE 1985 APPROPRIATION LEVEL OF $100 MILLION. IT HAS BEEN NOTED THAT IN RECENT YEARS, NON-FEDERAL CONTRIBUTIONS TO ADULT EDUCATION HAVE INCREASED SIGNIFICANTLY. THE NON-FEDERAL SHARE OF SPENDING ON ADULT BASIC EDUCATION HAS INCREASED TO 56 PERCENT. IT IS ANTICIPATED THAT ADDITIONAL GROWTH IN STATE AND LOCAL CONTRIBUTIONS WILL OFFSET ANY COST INCREASES CAUSED BY INFLATION.
The request freezes funding for Vocational Education for 1986 at the 1985 appropriation level of $738 million. In addition, we have frozen funding for the Bilingual Vocational Training Program at $3.7 million.

The budget request also proposes that funds provided under Title III for Consumer and Homemaker Education, be transferred into the Basic Grants program. This will give States greater flexibility to target funds to the areas of greatest need. I would like to point out that this is National Consumers’ Week, and I commend Virginia Knauer for her work and the work of her colleagues.

The request freezes total funding for National Programs at the 1985 level, but proposes to shift $243 thousand from the National Occupational Information Coordinating Committee to research.

The 1986 Research funding level will support the congressionally mandated NIE assessment of vocational education ($1.2 million), as well as curriculum coordination centers, special research projects, and the National Center for Research in Vocational Education.
V. DISCRETIONARY PROJECTS AND INITIATIVES

Level funding for FY 1986 discretionary projects and initiatives under national programs has been requested. Some of the priorities include:

- Bilingual Vocational Education

- Programs for Indian Tribes and Native Hawaiians

- The Correctional Education Program

- National Center for Research in Vocational Education

- Curriculum Coordination Center

Reauthorized under the Perkins Act, bilingual vocational education discretionary funds are now administered by OVAE. This includes:

1. Bilingual vocational training services;
2. BILINGUAL VOCATIONAL INSTRUCTOR TRAINING; AND

3. DEVELOPMENT OF INSTRUCTIONAL MATERIAL.

One of our primary objectives in administering this program is to bring it closer to the State program activity. We are attempting to establish continuity in discretionary funding to increase stability and develop consistent standards. As you may remember, I sent a letter to each of you requesting your input and the identification of a contact person. Your response is much appreciated. To date, 34 States have designated a bilingual vocational education contact person.

$7.6 million of funding is also provided for vocational education training for Indian tribes and tribal organizations through the grant award process. From the over 300 eligible recipients, we have received 78 applications of which 30 have been funded. This program is designed to support vocational education on or near reservations, and increased emphasis continues to be given to coordination with the private sector and tribal economic development. New initiatives are also being taken to fund programs for Native Hawaiians to reflect the emphasis given them in the Perkins Act. $1.7 million will be used for these programs this year.
The Correctional Education Program (which represents a 1% set aside of funds authorized by the Perkins Act) was specifically structured to assist state and local jurisdictions to develop, expand, and improve their delivery system for compensatory, vocational, academic, and other educational programs for juvenile and adult offenders. This program was placed in the Office of Vocational and Adult Education, because the Vocational Education Act and the Adult Education Act are two of the federal laws to which states most often look for assistance with correctional education programs.

A network of State Directors of Correctional Education has been developed. We hope you will be active participants, because it provides the opportunity for the exchange of knowledge and information on programs, procedures, and funding resources.

The National Center for Research in Vocational Education—on whose Advisory Committee Wilma Ludwig serves—received a contract in January for the third year of a five-year funding cycle. Current projects include "Analysis of Students' Basic Skills Performance in Selected Instructional Delivery Systems," "Placement and Follow-through of Special Populations," and "Evaluation Implications of the New Legislation." Under the Perkins Act, we will be shifting to an annual
GRANT ARRANGEMENT FOR FUNDING WHICH WILL GIVE THE CENTER MORE FLEXIBILITY IN DETERMINING RESEARCH PRIORITIES TO MEET CURRENT NEEDS. THERE WILL BE A MID-CONTRACT REVIEW JUNE 3 - 10.

THE NATIONAL NETWORK FOR CURRICULUM COORDINATION IN VOCATIONAL TECHNICAL EDUCATION IS FUNCTIONING EXTREMELY WELL. THE SIX CENTERS IN THEIR LATEST ANNUAL EVALUATION REPORT HAVE DOCUMENTED A SAVINGS OF $8.3 MILLION BY SHARING CURRICULUM THROUGH THE NETWORK.

VI. OFFICE-WIDE INITIATIVES

IN ADDITION TO THESE DISCRETIONARY PROJECTS, WE ARE CONTINUING OUR ACTIVITIES IN THE AREAS OF: ENTREPRENEURSHIP, RURAL EDUCATION, COMMUNITY-BASED ORGANIZATIONS, AND VOCATIONAL INSTRUCTIONAL PROGRAM (VIP) ADVISORY COMMITTEES. WE HAVE ALSO BEGUN WORK ON STUDIES IN THE AREAS OF: VOCATIONAL AGRICULTURE, COORDINATION OF BASIC SKILLS, AND LITERACY TRAINING WITH JTPA. WE THINK THE KEY TO ALL OF THESE PROJECTS IS INDUSTRY-EDUCATION PARTNERSHIPS.

WE ARE VERY EXCITED ABOUT A NEW PROJECT ON VOCATIONAL AGRICULTURE, JOINTLY FUNDED BY THE DEPARTMENTS OF EDUCATION AND AGRICULTURE, AND BEING CONDUCTED BY THE
NATIONAL ACADEMY OF SCIENCES. THE STUDY WILL CRITICALLY EXAMINE AGRICULTURAL EDUCATION IN SECONDARY SCHOOLS. THE PROJECT WILL ASSESS THE RELATIONSHIP OF AGRICULTURAL EDUCATION TO THE MAINTENANCE AND IMPROVEMENT OF U.S. AGRICULTURAL PRODUCTIVITY AND ECONOMIC COMPETITIVENESS HERE AND ABROAD. RECOMMENDATIONS WILL BE MADE REGARDING THE GOALS FOR INSTRUCTION IN AGRICULTURE, THE SKILLS WHICH SHOULD BE STRESSED IN CURRICULUM FOR DIFFERENT GROUPS OF STUDENTS, AND POLICY CHANGES NEEDED AT THE LOCAL, STATE, AND NATIONAL LEVELS.

INTERACTION WITH THE VOCATIONAL EDUCATION COMMUNITY DURING THE STUDY AND THE DISSEMINATION OF THE RESULTS WHEN THE STUDY IS COMPLETED WILL ASSURE THAT PROJECT RECOMMENDATIONS WILL HAVE THE MAXIMUM IMPACT ON FUTURE AGRICULTURE EDUCATION PROGRAMS.

WE ARE VERY SUPPORTIVE OF JOINT VENTURES, PARTICULARLY WITH COMMUNITY-BASED ORGANIZATIONS. WITH THE PERKINS ACT, WE ENVISION COMMUNITY-BASED ORGANIZATION/VOCATIONAL EDUCATION COLLABORATIVE EFFORTS DESIGNED TO PROVIDE GREATER OPPORTUNITIES FOR DISADVANTAGED YOUTH IN DEPRESSED URBAN AREAS.
A Request for Proposal was recently published in the Commerce Business Daily. The review process is now underway, and we will let you know when the contractor has been selected.

The fact that many American workers and students served by vocational education are deficient in basic skills is another area of grave concern. Statistics show that the number of functionally illiterate people in the United States grew from 23 million to 27 million between 1975 and 1980. Our goal is to achieve 100% functional literacy. Not only are competencies in reading, writing and arithmetic lacking, but there are also deficiencies in speaking, listening, reasoning, and problem solving. The new vocational education legislation permits wider use of vocational education money for basic skills training.

To emphasize private sector/education partnerships we will continue the National Conference on Private Sector Involvement with Vocational Education. The first conference in October 1984 provided leadership and resources to benefit Vocational Instructional Program Advisory Committees (VIP) in the States. The Department plans to award a 12-month contract to plan and conduct a follow-up conference. This conference will provide leadership and resources to benefit the State Technical
Committees established as a result of the passage of the Perkins Act and to establish more effective linkages with VIP Advisory Committees. Presidential Citations for Excellence will again be presented.

There is much opportunity for greater collaboration at the national level through the Education/Labor Apprenticeship Plan. One of the most significant of the 14 references to apprenticeship in the Perkins Act is that which requires the Secretaries of Labor and Education to develop and implement a plan which will result in greater coordination between vocational education programs and apprenticeship training programs.

We have had several meetings with the Labor Department's Bureau of Apprenticeship Training. As a result of these meetings - the Secretaries of Labor and Education will sign a cooperative agreement which will outline the responsibilities of both agencies in implementing an agreed upon plan. This agreement will demonstrate the commitment to cooperate at the national level.
-The Federal government encourages cooperation and coordination; the ultimate responsibility rests with the States and local program operators.

-An advisory committee will be formed which will represent all of the interested parties, including State and local Directors of Vocational Education.

We are forming this advisory committee now and will soon convene to review the background regarding the law and the preliminary work of the Federal partners. Appropriate advice from this committee will assist us in completing a realistic Education/Labor apprenticeship plan. The final document must be forwarded to Congress no later than October 19, 1985.

Perhaps one of the most exciting and productive roles we have is acting as advisors to the Vocational Student Organizations. It is a wonderful way for those who are professionals in the Federal government to maintain contact with the educators and students who are directly affected by the legislation and our work.

Vocational student organizations, as an integral part of the total instructional program, significantly help secondary and postsecondary students develop career
competencies and leadership skills. They also promote civic responsibility, appreciation of the American free enterprise system, character, values, and the importance of the American family.

Vocational student organizations bring a great public relations benefit to the program. They aid schools in recruiting and help involve the community in activities that extend beyond the school boundaries to parents, family, employers, and community organizations.

In addition to the nine groups now recognized by the Department, we plan to grant official recognition to a tenth organization: The Young Farmers Association, comprised of young adults engaged in farming operations.

I would like to take this opportunity to urge each of you to review the vocational student organization needs in your State and take action to strengthen existing student organizations and establish new organizations to provide opportunities for vocational education students.

I would also like to cite the Secretary’s Awards for Outstanding Vocational Education Programs which will be given again this year. We are excited about these
AWARDS, because they recognize the exemplary accomplishments of vocational education students and their instructors. The Federal panel that will make the selections is composed of a State Director of Vocational Education, a Local Director of Vocational Education, a private sector representative, and Jack Struck is a member of this panel.

VII. CLOSING

I want to reiterate: This is a time of great opportunity, particularly in the light of President Reagan's long time support for vocational education.

I'd like to conclude by commenting on what Secretary Bennett has called a "new trilogy of ideas." In a recent address before the National Press Club, the Secretary said, we "must now supplement the three R's" with what he calls the three C's—content, character, and choice.

What can we in vocational education do to implement Secretary Bennett's three C's? Let's look at content.
As Secretary Bennett has said, "The conversation about excellence in American education is well under way." Vocational education has been a part of that conversation. A number of reports on vocational education -- The National Academy of Sciences' study, Education for Tomorrow's Jobs, the National Center's study, The Unfinished Agenda -- have provoked nationwide discussion about the ways we can improve the quality of vocational education in America. There has been some concern in the vocational education community that needed reforms in academic education have, or will have adverse consequences for vocational education--this is certainly not true. All educators must wrestle with the question, what should be included in the curriculum that will encourage each student to reach his or her full potential, personally and professionally?

First, we must be concerned with making students want to learn, we must be concerned with motivation. Secretary Bennett has said, "Good teachers can and will vary the pedagogy... but they will also retain the substance." Good vocational education does not lose the substance--it varies the pedagogy, accounting for the particular aptitudes, skills, and learning styles of each student. Vocational educators do not argue against the student's need to know about science, geography, history, literature. Good vocational
EDUCATION IS NOT A SUBSTITUTE FOR BASIC EDUCATION. IT BUILDS UPON IT. AND ITS FOCUS CANNOT BE NARROWED TO JOB PREPARATION ONLY. WE MUST BE CONCERNED WITH TEACHING STUDENTS "HOW TO LEARN" AND HELPING THEM REALIZE THAT PERSONAL AND PROFESSIONAL PREPARATION AND ATTAINMENT IS A LIFELONG PROCESS THAT DOESN'T STOP WHEN ONE IS GRANTED A CERTIFICATE OR DIPLOMA.

JOB PREPARATION IS ONLY ONE PART OF VOCATIONAL EDUCATION, BUT IT IS AN IMPORTANT PART, AND WE ARE REMISS IF WE DO NOT HELP PREPARE OUR STUDENTS FOR THE JOBS OF TOMORROW. WE MUST CONSTANTLY ENSURE THAT THE CONTENT OF OUR CURRICULUM REFLECTS THE CHANGES IN TECHNOLOGY.

ON CHARACTER, I HAVE SAID BEFORE THAT ANY EXAMINATION OF OUR SCHOOLS MUST NOT BE DONE IN A VACUUM. TO ME, ONE OF VOCATIONAL EDUCATION'S FINEST CONTRIBUTIONS TO A STUDENT'S DEVELOPMENT IS THE DEVELOPMENT OF "CHARACTER" -- AN UNDERSTANDING OF BOTH THE RIGHTS AND RESPONSIBILITIES OF CITIZENSHIP AND THE VALUE OF WORK. WE IN VOCATIONAL EDUCATION KNOW THAT VOCATIONAL STUDENT GROUPS ARE AN INTEGRAL PART OF THE VOCATIONAL EDUCATION PROGRAM, AND THAT THOSE GROUPS PLAY A MAJOR ROLE IN DEVELOPING LEADERSHIP QUALITIES AND A SENSE OF COMMUNITY SERVICE.
Through vocational education experiences, students should learn about the work ethic--to give a full day's work for a full day's pay.

Vocational education students learn not only by example, but by hands-on experience.

About choice. Vocational education is not, I repeat, is not, a substitute for basic education. It is an alternative to academic education, that is, and must be held to the same high standards of a rigorous academic education. Good vocational education offers students a choice. At the secondary level it can prepare them to enter the world of work upon graduation or for further education at the postsecondary level. As Secretary Bennett has said, "choice is the key that will open the door to a better education for all our children."

You have heard me quote before from The National Academy of Sciences study, Education for Tomorrow's Jobs, and it bears repeating here. "We would like to see vocational education become an equal partner with college-preparatory education in the education system as a whole. The most effective vocational programs are
DESERVING OF THAT RESPECT NOW, AND WE WOULD LIKE TO SEE ALL PROGRAMS RAISED TO THAT LEVEL OF QUALITY AND ESTEEM.

WE CAN ONLY MAKE A SMALL CONTRIBUTION AT THE NATIONAL LEVEL, AS YOU CAN SEE FROM MY BRIEF REVIEW OF OUR INITIATIVES AND RESPONSIBILITIES. YOU ARE THE ONES WHO HAVE THE POWER AND RESPONSIBILITY OF ASSURING QUALITY VOCATIONAL EDUCATION PROGRAMS. YOU ARE THE ONES WHO CAN INFLUENCE THE PRIORITIES OUR NEW SECRETARY HAS STATED: CONTENT, CHOICE, CHARACTER.

GOD BLESS YOU ALL IN YOUR GREAT CALLING AS LEADERS OF VOCATIONAL EDUCATION.