

IACCT

IOWA ASSOCIATION of COMMUNITY COLLEGE TRUSTEES

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Area I
Northeast Iowa
Community College

Area II
North Iowa Area
Community College

Area III
Iowa Lakes
Community College

Area IV
Northwest Iowa
Community College

Area V
Iowa Central
Community College

Area VI
Iowa Valley
Community College
District

Area VII
Hawkeye
Community College

Area IX
Eastern Iowa
Community College
District

Area X
Kirkwood
Community College

Area XI
Des Moines Area
Community College

Area XII
Western Iowa Tech
Community College

Area XIII
Iowa Western
Community College

Area XIV
Southwestern
Community College

Area XV
Indian Hills
Community College

Area XVI
Southeastern
Community College

MEMORANDUM

DATE: February 20, 2007

TO: Joint Transportation, Capitals, and Infrastructure
Appropriations Subcommittee

Representative Dennis Cohoon, House Chair
Senator Matt McCoy, Senate Chair

House Members

Representative Nathan Reichert
Representative Dan Huseman
Representative Chuck Gipp
Representative Jim Lykam
Representative Brian Quirk
Representative Henry Rahons
Representative Paul Shomshor
Representative Matt Windschitl

Senate Members

Senator Steve Warnstadt
Senator John Putney
Senator Daryl Beall
Senator Larry McKibben

FROM: Gene Gardner, Executive Director
Iowa Association of Community College Trustees

SUBJECT: Background Information on the Accelerated Career Education
Program (ACE)

The ACE Program as we know it began with the 2000 Fiscal Year. Since that time, 102 new technical programs and/or additional sections of existing programs have been established. In the paragraphs that follow is information that we believe underscores the importance of the ACE Program.

Why is the ACE program important?

- One of the most important skilled worker training programs that exists in Iowa is the ACE program, which allows Iowa based companies in need of skilled workers to replace retiring employees to partner with community colleges on a specialized training program.
- **ACE is one of the few programs that employers currently based in Iowa can access to get assistance in training the next generation of workers.**
- This program is growing in importance because of the crisis Iowa is facing and will continue to face over the next several years as skilled workers retire from their jobs and leave the workforce—ACE helps train the next generation of skilled workers.
- **It is estimated that Iowa will need to over 150,000 new skilled workers by the year 2012.** The ACE program, along with the other skilled worker training programs that community colleges have developed to meet the needs of their community, will play a vital role in generating this next generation of skilled workers. In order to enhance our state's ability to train these workers, it is estimated that the state will need to invest a minimum of \$40 to \$60 million in community college training programs over the next several years.

How does ACE work?

- Participating businesses enter into agreements with a community college to sponsor a certain number of seats in a training program. Businesses pay colleges to offset up to 20% of the college's costs for offering the program. Businesses can receive tax credits out of withholding tax paid by new workers.
- Community colleges have also received financial assistance from the Transportation, Capitals and Infrastructure budget subcommittee to pay for new or remodeled buildings to house these programs.
 - Infrastructure funding levels:
 - FY 2002 and FY 2003--\$2.5 million each year
 - FY 2004, FY 2005, FY 2006, FY 2007--\$5.5 million each year

How have community colleges used these dollars to train skilled workers?

- A. Attached is a comprehensive list of how each community college has used these dollars since the program was first created.
- B. Additionally, attached is greater detail on how Southeastern Community College and Des Moines Area Community College have used this money for skilled worker training.

ACE/PIAP Allocation Log		Balance	Drawn	Undrawn Award	
Program	Contract #	Award Amount	Appropriation	Balance	Undrawn Award
FY 00 Allocation		\$34,298,959.00	\$34,832,319.82	\$533,360.82	\$9,761,352.46
Information Technology Program	00-ACE-13 (niace)	\$200,000.00	\$7,500,000.00	\$7,300,000.00	\$0.00 C
Dairy Management/Operation Program	00-ACE-02 (niac)	\$400,000.00	\$6,900,000.00	\$6,900,000.00	\$0.00 C
Iowa Bioprocess Training Program	00-ACE-07 (ihcc)	\$300,000.00	\$6,600,000.00	\$6,600,000.00	\$0.00 C
Business & Organizational Leadership Program	00-ACE-09 (secc)	\$200,000.00	\$6,400,000.00	\$6,400,000.00	\$0.00 C
Residential/Commercial Carpentry Program	00-ACE-11 (iccc)	\$350,000.00	\$6,050,000.00	\$6,050,000.00	\$0.00 C
IT/Transportation/Industrial Maint Program	00-ACE-14 (wit)	\$525,000.00	\$5,525,000.00	\$5,525,000.00	\$0.00 C
General Machining	00-ACE-03 (ncc)	\$200,000.00	\$5,325,000.00	\$5,325,000.00	\$0.00 C
Building Trades Program	00-ACE-15 (twcc)	\$200,000.00	\$5,125,000.00	\$5,125,000.00	\$0.00 C
Information Technology Program	00-ACE-01 (kcc)	\$1,500,000.00	\$3,625,000.00	\$3,625,000.00	\$1,084,500.00 C
Information Technology Program	00-ACE-06 (dmacc)	\$1,500,000.00	\$2,125,000.00	\$2,125,000.00	\$0.00 C
Advanced Mfg Program	00-ACE-05 (eicc)	\$1,200,000.00	\$925,000.00	\$925,000.00	\$0.00 C
Industrial Maint Tech	00-ACE-08 (ivcc)	\$200,000.00	\$725,000.00	\$725,000.00	\$0.00 C
Agricultural Chemical	00-ACE-10 (swcc)	\$200,000.00	\$525,000.00	\$525,000.00	\$0.00 C
Automotive Technology Program	00-ACE-12 (hcc)	\$325,000.00	\$200,000.00	\$200,000.00	\$0.00 C
Welding Tech Lab	00-ACE-04 (lcc)	\$200,000.00	\$0.00	\$200,000.00	\$0.00 C
Unused Awarded Funds			\$415,500.00	\$415,500.00	
FY 01 Allocation			\$5,300,000.00	\$5,715,500.00	
Technology Studies/Mfg Tech Program	01-ACE-02 (etcc)	\$500,000.00	\$500,000.00	\$500,000.00	\$0.00 C
Information Technology Program	01-ACE-03 (hcc)	\$345,000.00	\$4,870,500.00	\$4,870,500.00	\$0.00 C
Industrial Maintenance Tech Program	01-ACE-04 (iecc)	\$400,000.00	\$4,470,500.00	\$4,470,500.00	\$0.00 C
Industrial & Mfg Tech Program	01-ACE-05 (ilcc)	\$500,000.00	\$3,970,500.00	\$3,970,500.00	\$0.00 C
Dietetic Technician Program	01-ACE-06 (ivcc)	\$353,333.00	\$3,617,167.00	\$3,617,167.00	\$0.00 C
Information Technology Program	01-ACE-07 (niacc)	\$353,333.00	\$3,263,834.00	\$3,263,834.00	\$0.00 C
Associate Degree Nursing Program	01-ACE-08 (nice)	\$353,333.00	\$2,910,501.00	\$2,910,501.00	\$0.00 C
Electrical/Electronic Program	01-ACE-09 (ncc)	\$400,000.00	\$2,510,501.00	\$2,510,501.00	\$0.00 C
CNC Operator/Programmer & CAM Programmer	01-ACE-10 (secc)	\$300,000.00	\$2,210,501.00	\$2,210,501.00	\$0.00 C
Manufacturing Technology Program	01-ACE-11 (swcc)	\$400,000.00	\$1,810,501.00	\$1,810,501.00	\$0.00 C
Automotive Technology Program	01-ACE-12 (kcc)	\$270,000.00	\$1,540,501.00	\$1,540,501.00	\$0.00 C
Diesel Truck Technology Program	01-ACE-13 (kcc)	\$183,333.00	\$1,357,168.00	\$1,357,168.00	\$225,180.00
Aviation Maintenance Training Program	01-ACE-14 (ivcc)	\$488,335.00	\$868,833.00	\$868,833.00	\$165,000.00
Integrated Manufacturing Program	01-ACE-15 (nice)	\$100,000.00	\$768,833.00	\$768,833.00	\$1.00 C
Information Technology Program	01-ACE-16 (dmacc)	\$296,833.00	\$472,000.00	\$472,000.00	\$0.00
Civil Engineering Technology Program	01-ACE-17 (dmacc)	\$56,500.00	\$415,500.00	\$415,500.00	\$0.00
Unused Awarded Funds			\$1.00	\$415,501.00	
FY 02 Allocation			\$2,500,000.00	\$2,915,501.00	

ACE Programming

Infrastructure/15 Comm. Colleges

Year	Number of Programs	Dollars Allocated	DMACC Awarded	New Target Programs	Increased Capacity
2001	4	--	\$1,500,000 West	*Telecommunications Information Technology	35 150
2002	7	\$166,000	\$296,833 West \$56,500 Boone	*New West Campus *Landsurveying/ Civil Eng	70
2003	7	\$166,000	\$291,837 Auto/Ankeny	*New Chrysler Program	30
2004	7	\$166,000	\$192,307 Hth-15/Ank	*Expanded Health Program	40
2005	10	\$366,666	\$366,666 Culinary	*Expanded Culinary Program	60
<u>New 5 year cycle</u>					
2006	10	\$366,666	\$366,666 Story County	*Expanded Health Program	30
2007	10	\$366,666	\$421,000 Newton	*Expanded Health Program	40
2008	10	\$366,666			
2009	10	\$366,666			
2010	10	\$366,666			

[Years 2008 – 2010 planned for Health Facility to expand health offerings by in excess of 30% enrollment growth].

New/Expanded Programs Created By ACE and tied to Infrastructure-(Business Partners)

Agri-Business (10)

(Davis Equipment and Van Wall Group Inc., John Deere)

****Automotive-Expanded/Chrysler Automotive Program-New (229)***

(Betts, Bob Brown, Dewey, Gene Gabus, George White, Holmes, Jensen Chev., Karl Chev., Watters, DM Chrysler, Dewey, Wittrock, Wes Finch, Granger Motors, Pat Clemons, Devore)

Caterpillar Diesel Program-New (45)

(Ziegler Caterpillar)

****Civil Engineering Technology-New (74)***

(Bolton & Menk, CH2M Hill, DM Asphalt and Paving, Geotechnical, DOT, Shive Hattery, Stanely)

Criminal Justice-Expanded (84)

(Polk County)

****Culinary Arts Program-Expansion (100)***

(Holiday Inn, Embassy Suites, DM Golf and Country, Embassy Club)

****Health Programs-Urban-New, Ankeny-Expanded, Carroll-New, Newton-New, Ames-New (333)***

(Central Iowa Health, Mary Greeley Hospital, Pella Regional, Skiff Medical, Knoxville Hospital)

John Deere Advanced Manufacturing-New {Complete}

(John Deere-Ankeny Works)

****Landsurveying Technology-New (15)***

(Bolton & Menk, CH2M Hill, DM Asphalt and Paving, Geotechnical, DOT, Shive Hattery, Stanely)

Mortuary Science Program-New (45)

(Hamilton's Funeral Home, Soderstrum Funeral Home, Iles Funeral Home)

****Telecommunications-New-(64) and Information Technology-Contracts ended.***

(Iowa Telecom, Allied, ABC Virtual, ADP, Hy-Vee, Searbury Smith, Maytag, Principal, Ruan)

() represents increased enrollments

* Projects funded by ACE infrastructure funds.