Proposed Rulemaking

Title

Promulgated by:
Department of Education
Division of Higher Education

Title 6. Education

Chapter IV. Division of Higher Education, Department of Education

Subchapter A. Generally

Part 377. Professional Skills Training Funding Model

Subpart 1. Generally

6 CAR § 377-101. Definitions.

As used in this part:

(1) "Apprenticeship" means a learning approach that enables an individual to become a qualified professional in a skilled occupation through training that consists of on-the-job training with job related, off-the-job, instruction;

(2) "Approved institution" means an institution of higher education, that is a state-supported two-year or four-year institution of higher education, approved by the Division of Higher Education to offer and receive funding for professional skills training;

(3) "Arkansas Higher Education Information System (AHEIS)" means the database maintained by the Division of Higher Education in accordance with Arkansas Code § 6-90-901 et seq. containing student data files that the division and institutions of higher education in Arkansas are required to collect under §§ 6-85-214, 6-85-216, and 6-85-217, other state law, and federal law;

(4) "Certificate of completion" means a credential that acknowledges completion of an assignment, training, or activity;

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(5) “Certification” means the time-limited, revocable, renewable credential awarded by an authoritative body for demonstrating the knowledge, skills, and abilities to perform specific tasks or an occupation;

(6) “CIP Code” means the Classification of Instructional Programs (CIP) code which is a six-digit number developed by the U.S. Department of Education's National Center for Education Statistics that serves as the national taxonomic standard for accurately tracking, classifying, and reporting academic programs and field-of-study data;

(7)(A) “High-wage or high-demand” means a training program that prepares individuals for occupations identified as high-wage, high-demand, or both, at the state or regional level based on the Department of Commerce’s most recently published occupation ratings.

(B) The rating methodology uses labor market measures of demand, growth, retention, and earnings to assign occupations a rating from one (1) to five (5) stars.

(C) To qualify, the program’s CIP code shall align with one (1) or more Standard Occupational Classification (SOC) codes that meet one of the following criteria:

(i) The occupation is assigned a rating of three (3) or more stars; or

(ii) The occupation is assigned a rating of two (2) stars and has a demand score greater than sixty (60);

(8) “Journeyman Certificate” means a credential awarded at the Journeyman level for successful completion of an apprenticeship program in industry trades and professions;

(9) “Master Trade Certificate” means a credential awarded at the Master level for demonstration of the highest level of skills and performance in industry trades and professions;

(10)(A) “Micro-credential” means a credential that addresses a subset of field-specific knowledge, skills, or competencies;

(B) Courses leading to completion are generally offered in shorter or more flexible time spans and tend to be more narrowly focused.

(11) “Non-credit postsecondary coursework” means coursework that may include without limitation the following:

(A) Apprenticeships;

(B) Customized training;

(C) Lecture-based instruction;

(D) Workshops; or

(E) Workforce-related learning experiences;

(12) “Pre-apprenticeship certificate” means a credential awarded to indicate readiness for an apprentice-level program;

(13) “Professional certificate” means a credential awarded for demonstrating competencies in a profession or particular occupational field, including job readiness and skills validation;

(14) “Professional skills training” means non-credit postsecondary coursework that develops or enhances occupational, technical, and durable skills of individuals who are employed, unemployed, or underemployed to:

(A) Meet the needs of employers; and

(B) Increase individual opportunity in the labor market; and

(15) “Stackable pathway” means flexible educational and career coursework to earn smaller, job-ready certificates or technical credentials that "stack" together toward higher-level degrees or advanced employment.

6 CAR § 377-102. Eligibility.

(a) Institutions of higher education that are seeking eligibility for funding under the Professional Skills Training Funding Model pursuant to this part, shall begin collecting data as described in § 377-103 of this part.

(b) Beginning with the 2027 – 2028 academic year, approved institutions may be eligible to receive funding for professional skills training coursework offered to students if the coursework:

(1) Is considered professional skills training as defined in § 377-101(14) of this part;

(2) Meets a minimum duration of four (4) clock hours; and

(3) Is successfully completed by one (1) or more students.

6 CAR § 377-103. Reporting requirements.

(a) Approved institutions participating in the Professional Skills Training Funding Model shall submit student- and course-level data in the format and manner prescribed by the Division of Higher Education and published annually in the AHEIS Professional Skills Training (PST) Data Manual.

(b) Approved institutions shall report all data necessary for the administration and calculation of funding under the Professional Skills Training Funding Model, including without limitation:

(1) Student identifiers;

(2) Student demographics;

(3) Student course completion status;

(4) Course clock hours;

(5) CIP Code;

(6) Course completion type;

(7) Course instructional delivery modality;

(8) Course credit articulation status;

(9) Course stackability status; and

(10) Any other data as determined by the division.

(c) Reporting shall comply with the AHEIS deadlines specified by the division in the AHEIS calendar found on the division's website.

(d) Failure to comply with the reporting requirements defined in this section may result in an institution becoming ineligible to receive funding for Professional Skills Training.

6 CAR § 377-104. Funding methodology.

(a)(1) The Division of Higher Education shall distribute funds as available to approved institutions after January 1 of each fiscal year following the submission, validation, and certification of annual professional skills training activity data.

(2) Failure of institutions to comply with reporting deadlines under subdivision (a)(1) of this section may result in an institution becoming ineligible to receive funding for Professional Skills Training.

(b) Funding shall be distributed on a pro-rata basis according to each approved institution's share of weighted professional skills training student completions reported to the division during the applicable reporting period.

(c) Funding shall be distributed in arrears based upon prior-year performance.

(d) Each successful course completion shall generate base points equal to the total clock hours completed.

(e) Additional weighted points may be earned through the following criteria:

(1) For baseline points assigned, course completion meeting the minimum four (4) clock hours will be calculated by the sum of the applicable student clock hours completed to receive a completion value of one (1); and

(2) Multipliers based on assigned baseline points may be calculated as follows:

(A) Select one of the following two (2):

(i) If the course completion is in a regional or state high-wage or high-demand occupation, the sum of applicable student clock hours completed will receive a multiplier of two (2); or

(ii) If the course completion is not a regional or state high-wage or high-demand occupation, the sum of applicable student clock hours completed will receive a multiplier of one (1);

(B) Select the highest value multiplier of the following three (3):

(i) If a certification or professional certification, the sum of applicable student clock hours completed will receive a multiplier of one and twenty-five hundredths (1.25);

(ii) If an apprenticeship, journeyman, or master trade certification, the sum of applicable student clock hours completed will receive a multiplier of one and ten hundredths (1.10); or

(iii) If a certificate of completion, micro-credential, or pre-apprenticeship certificate, the sum of applicable student clock hours completed will receive a multiplier of one (1);

(C) Select one (1) of the following four (4):

(i) If a standard in-person course, the sum of applicable student clock hours completed will receive a multiplier of one (1);

(ii) If a hybrid course offered online and in-person, the sum of applicable student clock hours completed will receive a multiplier of seventy-five hundredths (0.75);

(iii) If a fully online course and developed by the approved institution, the sum of applicable student clock hours completed will receive a multiplier of fifty hundredths (0.50); or

(iv) If a fully online course and developed by a third-party provider, the sum of applicable student clock hours completed will receive a multiplier of twenty-five hundredths (0.25); and

(D) Select one (1) of the following two (2):

(i) If the course completion articulates to credit at either the approved institution, a different approved institution, or both, or is stackable or part of a stackable pathway of courses, the sum of applicable student clock hours completed will receive a multiplier of one and twenty-five hundredths (1.25); or

(ii) If the course completion does not articulate to credit, or is not stackable, or is not part of a stackable pathway of courses, the sum of applicable student clock hours completed will receive a multiplier of one (1).

6 CAR § 377-105. Division responsibilities.

(a) The Division of Higher Education shall:

(1)(A) Review data submitted by approved institutions no later than December 31 of the reporting year;

(B) The submitted data shall be reviewed for consistency and accuracy by the division.

(C) The division may request additional documentation from approved institutions if it finds inconsistencies or errors within the reported data;

(2) Validate submitted data by verifying that the information reported for each course and completion aligns with the subject matter of the associated CIP code;

(3) Certify the approved institution's submitted data for use in the funding formula following the completion of the final review by the division; and

(4) Review the effectiveness of the professional skills training funding model every five (5) years, or more frequently, to ensure the funding model continues to respond to the needs and priorities of this state.

Appendix A:

Department of Commerce Occupation Ratings: https://www.discover.arkansas.gov/Dashboards/Occupation-Rating

AHEIS Calendar: https://adhe.edu/institutions/arkansas-higher-education-information-system-aheis-reporting-calendar

Funding methodology – Additional weighted points that may be earned:

Baseline Points Assigned		
Criteria	**Calculation**	**Completion Value**
Course completion >= 4 clock hours	Sum of Applicable Student Clock Hours Completed	1.00
Multipliers based on Assigned Baseline Points		
Criteria	**Calculation**	**Multiplier**
Select one of the following two:		
Regional or State High-Wage or High-Demand	Sum of Applicable Student Clock Hours Completed	2.00
NOT Regional or State High-Wage or High-Demand	Sum of Applicable Student Clock Hours Completed	1.00
Select one of the following three:		
Certification/Professional Certificate	Sum of Applicable Student Clock Hours Completed	1.25
Apprenticeship/ Journeyman/Master Trade Certificate	Sum of Applicable Student Clock Hours Completed	1.10
Certificate of Completion/Micro-credential/ Pre-Apprenticeship Certificate	Sum of Applicable Student Clock Hours Completed	1.00
Select one of the following four:		
Standard In-Person	Sum of Applicable Student Clock Hours Completed	1.00
Hybrid (Online + In-Person)	Sum of Applicable Student Clock Hours Completed	0.75
Fully Online (Institution-Developed)	Sum of Applicable Student Clock Hours Completed	0.50
Fully Online (Third Party Provider)	Sum of Applicable Student Clock Hours Completed	0.25
Select one of the following two:		
Articulates to Credit or Stackable	Sum of Applicable Student Clock Hours Completed	1.25
Does NOT Articulates to Credit and Is NOT Stackable	Sum of Applicable Student Clock Hours Completed	1.00
Distribution: Prorated based on % of total institutional points to statewide total points		