

To: CTE Directors and School Administrators

Date: December 10, 2025

Re: 2026-2027 CTE Funding Memo Summary

The **2026-2027 CTE Funding Memo** was approved by the State Board of Education at the December Board meeting. The memo is a collaboration between the Indiana Department of Workforce Development (DWD) and the Career and Technical Education (CTE) team at the Commission for Higher Education.

This document outlines the process utilized to determine updated program categorizations and funding recommendations and the changes in course funding levels from the 2025-2026 Funding Memo. Questions can be shared with CTE@che.in.gov.

Process for Determining Updated Program Categorizations and Funding Recommendations

This year's CTE funding memo marks the first year of utilizing Indiana's Top Jobs data, the new occupational value methodology developed by DWD. Top Jobs officially went into effect on July 1, 2025 following legislation (HEA 1609 – 2023) that required DWD to create a new methodology to replace the previous InDemand Jobs ("Flames") methodology.

Top Jobs data was utilized in creating the [Credentials of Value list for high schools](#) and has begun or will soon be utilized across other policy applications. The new methodology scores each occupation on demand, retention, growth, and earnings. Scores remain on a five-point scale, just as with the previous methodology. Additional information on Top Jobs can be [found here](#).

Scoring CTE pathways involves utilizing the occupational value data and creating an occupational crosswalk that links each pathway to a set of occupations. In addition to moving to the Top Jobs data, updates were made to the CTE Crosswalk process. These include:

- Occupations were matched to pathways based off a skills-matching process conducted in partnership with Lightcast. Skills were identified through the pathway's standards/competencies in the [Next Level Programs of Study Review Document](#) and then matched to occupations through the use of job posting data.
- Consistent business rules were applied to the CTE Occupational Crosswalk around educational attainment. For example, excluding occupations that require more than a bachelor's degree to obtain and those that do not require any training beyond high school.
- Prior to determining a pathway's final score, a weighted average was determined among a pathway's linked occupations to take into consideration job posting data and current statewide employment for each occupation in Indiana's economy.

New Courses

The following courses are newly created secondary CTE courses being added to the funding memo. These courses will also be released in the *CTE Course Titles and Descriptions* this month.

• AI and Data Fundamentals (7490)	High Value
• AI/Machine Learning Capstone (7494)	High Value
• Data Analytics Capstone (7492)	High Value
• Software and Cloud Fundamentals (7488)	High Value

These courses are part of two new CTE programs of study (AI/Machine Learning and Data Analytics) being added in alignment with new postsecondary credentials from Ivy Tech Community College. Additional details will be shared in January for schools interested in adding these course offerings.

Removed Pathway

The Human and Social Services pathway and related courses are being phased out and will not be available in the 2026-2027 school year. Schools have been encouraged to transition towards the Social and Community Services pathway which provides secondary students with more dual credit and credential opportunities. Information on options to transition from the Human Services pathway has been shared in previous communication from the CTE team.

Changes to Course Funding Levels

CTE pathway courses continue to be categorized into three categorizations at the below thresholds:

- 3.5-5.0 = High Value
- 3.0-3.49 = Moderate Value
- 0-2.99 = Less-than-Moderate Value

Per HEA 1001 - 2025, funding levels for several categories changed slightly from the 2025-2026 school year to the 2026-2027 school year. For example, High Value Level 1 courses were funded at \$710 per eligible enrollment in 2025-2026 and will be \$712 in 2026-2027. The updated funding values for each category are included in a table on Page 1 of the 2026-2027 CTE Funding Memo.

Following the process for developing the funding categorizations and funding recommendations described above, a summary of changes to pathway funding levels for the 2026-2027 school year is outlined in the tables below:

Pathway Funding Level Increases	
Less-than-Moderate to High	None
Less-than-Moderate to Moderate	Natural Resources; Digital Design
Moderate to High	Criminal Justice; Energy Technology; Fire and Rescue; Paralegal; Building and Facilities Maintenance; Biotechnology

Pathway Funding Level Decreases	
Moderate to Less than Moderate	Culinary Arts; Nutrition Science; Hospitality Management; Central Service Technician
High to Less than Moderate	None
High to Moderate	Automotive Collision Repair; Aviation Maintenance; Civil Construction; Emergency Medical Services; Exercise Science/Physical Therapy; Heavy Equipment Operator; Social and Community Services; Precision Machining

Additional Changes

- The Preparing for College and Careers course (5394) is newly eligible for funding at the seventh grade level. This course is one of 10 courses that are eligible for funding at the eighth grade level.
- Funding policies have been further clarified within the memo. This includes clarification on the maximum number of funded credits a student can enroll in within a single pathway during one school year.

