

# Career and Technical Education Finance Presentation

Prepared For  
AASBO Annual Conference

September 21, 2022



## CTE Funding Sources



### Carl D. Perkins (Basic Grant)

Federal funds received annually by each LEA based on a federal formula. Funds dispersed by LEA to CTE programs for program improvement and expansion (NOT program maintenance - consumables).

### CTE Operations & Maintenance

State legislative funds provided for teachers to be used for consumable materials and supplies. May be used for materials, supplies, textbooks, or anything related to CTE student instruction. Varies annually based on the number of teachers in the state. With SDE approval, O & M may be pooled by several teachers to buy a large item related to student needs.



### Local Education Required Maintenance

Local funds required by AL Code §300 plus \$3 per student based on last year's reported rolls. May be used for supplies, books, equipment maintenance, equipment. 290-6-1.08 Code of AL



## Carl D. Perkins-Basic Grant Federal Funds

- FY 2022 Perkins Allocation - \$23.2M
- Expands Commitment to Equity
  - promote equity in CTE through data analysis, **funding**, technical assistance, professional development and regular engagement of stakeholders representing learners with special population status
- Opens Access to Middle Grades (5-8)
- Allowable Expenses & Non-Allowable Expenses Using Perkins Funds





## Perkins Funding

As specified in the Act, Perkins V Title I funds allocated to the state are distributed among three categories:

**85 percent** – those provided to eligible recipients through formula-based distribution.

**10 percent** – those used for state leadership activities.

**5 percent** – those used for state level administration of the grant.

In the Alabama State Plan, sub-recipients are local LEAs that serve CTE programs at the secondary and postsecondary levels. These sub-recipients receive the 85 percent formula-based allocations.

The funds allocated to the formula-based distribution category are split between secondary and postsecondary eligible recipients as described in the State Plan. All funds that are not used in the fiscal year awarded are recaptured and reallocated through the formula.

### Formula Distribution

Eighty-five percent of the Perkins state allocation flows to the Alabama LEAs by formula distribution. This 85 percent is further subdivided into the basic allocation (90 percent of the 85 percent) and the Reserve (10 percent of the 85 percent). Under Perkins V law, states can increase Reserve funds up to 15 percent of the basic allocation. *Note: states determine whether reserve funds are awarded and at what level.*



# LEAs Basic Allocation



Calculations for the Basic Grant are based on specific attributes of the secondary and postsecondary constituents. While the dates of gathered data will change to utilize the most recent information, the basic formula remains constant. Alabama distributes 70% of the 85% to Secondary recipients and 30% to Post-Secondary recipients.

## Secondary Formula (Sec 131)

The secondary formula is based 30% on population and 70% poverty. Thirty percent of the secondary allocation is based on the following:

**District population** of individuals aged 5-17 compared to  
**State population** of individuals aged 5 -17

Seventy percent of the secondary allocation is based on the following:

**District population** of individuals aged 5-17 in poverty compared to  
**State population** of individuals aged 5-17 in poverty

Results for each district are multiplied by the total secondary formula amount for Alabama from the Office of Career, Technical, and Adult Education (OCTAE) allocation. The secondary LEA formula equals the sum of the amounts calculated for each district member in the LEA.

## Fiscal Year 2021

	Amount	Percent
<b>Total Perkins V Grant Award</b>	\$22,550,695	
<b>State Administration</b>	\$1,127,534	5% of Total Grant Award
<b>State Leadership</b>	\$2,255,069	10% of Total Grant Award
Individuals in State Institutions	\$20,000	0.09% of Total Grant Award
Correctional Institutions	\$0	
Juvenile Justice Facilities	\$20,000	
Institutions That Serve Individuals with Disabilities	\$0	
Non-Traditional Training and Employment	\$60,000	
Special Populations Recruitment	\$22,551	
<b>Local Formula Distribution</b>	\$19,168,091	85% of Total Grant Award
Reserve	\$1,916,810	10% of Local Formula Distribution
Allocation to Eligible Recipients	\$17,251,282	90% of Local Formula Distribution
Secondary Recipients	\$12,075,897	70% of Allocation to Eligible Recipients
Postsecondary Recipients	\$5,175,385	30% of Allocation to Eligible Recipients





# Monitoring

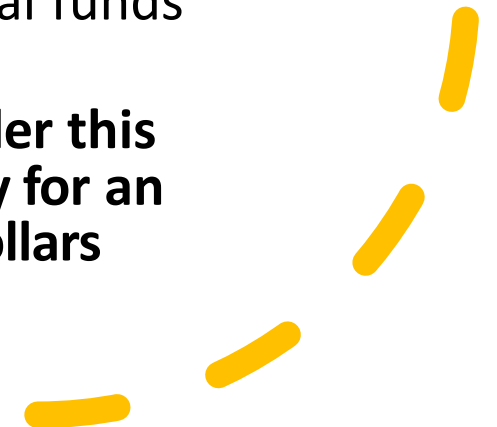


- CTE will follow the Federal Programs monitoring schedule to monitor the utilization of Perkins V funding. Furthermore, TAPE will serve as the evaluation tool required by law to evaluate how activities carried out improves the CTE program.
- CTE Directors, LEA Superintendents and CSFOs are responsible for ensuring all Perkins V expenditures adhere to the following items:
  1. The funding is for the purpose of development, implementation, refinement, or support of an approved CTE program or Program of Study.
  2. Funding is allocable according to the Perkins V Act.
  3. There is no supplanting. You cannot use federal funds to pay for equipment, staff, programs, or materials that would otherwise be paid for with state or local funds. In other words, the expenditure was not previously funded with local funding **OR is not a state mandate.**
  4. The expenditure is reasonable and necessary for the plan's execution.

# Supplanting



- Supplement versus supplant is a frequent question. Section 211(a) of Perkins V clearly states: “SUPPLEMENT NOT SUPPLANT—Funds made available under this Act for career and technical education activities shall supplement, and shall not supplant, non-federal funds expended to carry out career and technical education activities. “Perkins funds shall supplement, not supplant (replace), non- federal funds expended for CTE. If an activity is, or has been, supported by non-federal funds, Perkins funds may not be used to support that activity unless there is overwhelming evidence that the activity would be terminated if federal funds were not available.
- **Seek state advice before proceeding under this exception. If the LEA would normally pay for an item, service, or activity, then Perkins dollars should not be used.**







My career tech center has an automotive program. Can we buy this?

# Make Wise Purchases



- **Allowable and Unallowable Uses of Funds**

- **How can we spend our Perkins funding?**

RESOURCE: The Alabama CTE Perkins Operational Handbook - <https://alabamactso.org/wp-content/uploads/2020/07/Alabama-Perkins-V-Handbook-2020.pdf>

eGAP  
Related  
Documents

- Approved New Programs
- Program Conversions
- Closed Programs
- Capital Equipment



# Acquisition of Capitalized Equipment



## ACQUISITION OF CAPITALIZED EQUIPMENT

List only **capitalized\*** equipment proposing to be purchased from Perkins IV funds. This form must reflect the **exact** total amount included in the LEAs system-wide budget for capitalized equipment to be purchased with these funds.

Description of Items	Function/Program Object Code	Number of Items	Unit Cost	Total Cost	School Name Program/Teachers

TOTAL \_\_\_\_\_

\*Capitalized equipment purchases should meet the following criteria:

- Retains its original shape and appearance with use.
- Under normal conditions is expected to serve its intended purpose for longer than one year.
- Is non-expendable; that is, if the item is damaged or some of its parts are worn, it is more feasible to repair the item than replace it.
- Has a **unit cost of \$5,000.00** or more.

**Non-capitalized equipment**, which has a different accounting code, will be those items that cost less than \$5,000.00, but still meet the definition of equipment. These will **not** be listed on this form.

# Overarching Considerations

- The expenditure must be reasonable and necessary.
- The expenditure must be on the LEAs Comprehensive Local Needs Assessment (CLNA).
- The expenditure must be on the allowable usage list.
- The expenditure must be in eGAP coded correctly.

When in doubt, please ASK.



# Operations & Maintenance

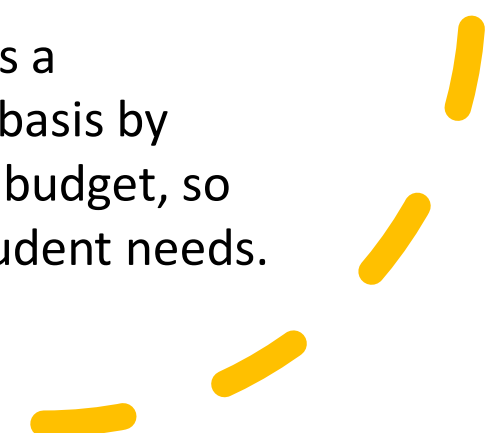


## State Funds

All Operations and Maintenance funding amounts are based upon the number of teachers your system coded CTE in LEAPs for the preceding school year. JROTC teachers belong to and are coded to CTE in LEAPs and receive the O & M allocation for their use.

Funds are intended to provide the consumable materials for which federal dollars cannot be used, such as materials and supplies, textbooks, or **anything related to CTE student instruction.**

Approval to spend O & M on a large item (such as a greenhouse) will be approved on a case-by-case basis by Dawn Morrison. O & M is now a line item in the budget, so please ensure that the funds are dedicated to student needs.



FY 2021 Career Tech O and M Allocation

<u>BudgetYear</u>	<u>SysCode</u>	<u>Systemname</u>	<u>CareerTechOaM</u>
2021	001	Autauga County	\$ 47,886.00
2021	002	Baldwin County	\$ 175,586.00
2021	003	Barbour County	\$ 7,981.00
2021	004	Bibb County	\$ 27,934.00
2021	005	Blount County	\$ 50,980.00
2021	006	Bullock County	\$ 11,972.00
2021	007	Butler County	\$ 19,953.00
2021	008	Calhoun County	\$ 63,850.00
2021	009	Chambers County	\$ 28,433.00
2021	010	Cherokee County	\$ 41,901.00
2021	011	Chilton County	\$ 67,242.00
2021	012	Choctaw County	\$ 17,958.00
2021	013	Clarke County	\$ 17,958.00
2021	014	Clay County	\$ 12,930.00
2021	015	Cleburne County	\$ 23,944.00
2021	016	Coffee County	\$ 13,688.00
2021	017	Colbert County	\$ 21,948.00
2021	018	Conecuh County	\$ 11,114.00
2021	019	Coosa County	\$ 7,981.00
2021	020	Covington County	\$ 15,962.00
2021	021	Crenshaw County	\$ 22,747.00
2021	022	Cullman County	\$ 57,864.00
2021	023	Dale County	\$ 17,958.00
2021	024	Dallas County	\$ 22,248.00
2021	025	DeKalb County	\$ 67,840.00
2021	026	Elmore County	\$ 65,845.00
2021	027	Escambia County	\$ 45,892.00
2021	028	Etowah County	\$ 59,899.00
2021	029	Fayette County	\$ 17,958.00
2021	030	Franklin County	\$ 31,925.00
2021	031	Geneva County	\$ 19,953.00
2021	032	Greene County	\$ 7,981.00
2021	033	Hale County	\$ 11,972.00
2021	034	Henry County	\$ 23,944.00
2021	035	Houston County	\$ 50,641.00
2021	036	Jackson County	\$ 45,892.00
2021	037	Jefferson County	\$ 280,341.00
2021	038	Lamar County	\$ 20,951.00
2021	039	Lauderdale County	\$ 66,843.00
2021	040	Lawrence County	\$ 37,911.00
2021	041	Lee County	\$ 61,855.00
2021	042	Limestone County	\$ 72,310.00
2021	043	Lowndes County	\$ 17,958.00
2021	044	Macon County	\$ 18,357.00

# Sample Operations & Maintenance Allocations




# Local Maintenance Funds



## LEA Funds: \$300 & \$3.00\*

- Funds provided to CTE Programs by the Local Board as required by state code
- Counts towards local Maintenance of Effort for CTE

\*\$300 per teacher +  
\$3.00 per student in each class based upon the previous year's 40  
day enrollment count





Author: Dr. Joseph B. Morton

Statutory Authority: Code of Ala. 1975, §16-37-3.

History: Recodified Code of Ala. 1975. Repealed and Replaced: Filed September 19, 1997; effective October 24, 1997. Repealed and Adopted New, December 8, 2005, effective January 12, 2006.

#### **290-6-1-.08 Financial Support.**

##### **(1) Instructional-Related Expenses.**

(a) CTE programs shall be provided financial support toward instructional supplies and materials, equipment, CTSO activities, professional development, business/industry awareness, cooperative education coordination, and other program-related activities.

(b) All CTE programs shall be provided local financial support to emulate prevailing business and industry standards that fulfill the career cluster requirements in an amount of not less than \$300 per teacher, plus not less than \$3 per student based upon previous year 40-day enrollment count. These local maintenance funds shall be in addition to the amounts otherwise allocated by the state legislature.

(c) A written budget shall be developed for each CTE program.

##### **(2) Use of CTE Funds**

(a) Federal and State funds shall be used to support CTE personnel, instructional activities, administrative activities, or other CTE purposes.

(b) CTE personnel shall participate in routine school activities and special projects expected of all other professional personnel.

(c) Equipment purchased with CTE funds shall only be used for CTE activities.

(d) Maintenance of Effort (MOE) shall be provided as required by state and federal regulations.

Author: Dr. Joseph B. Morton

Statutory Authority: Code of Ala. 1975, §16-37-5.

History: Repealed and Replaced: Filed September 19, 1997; effective October 24, 1997. Amended: Filed May 20, 1998; effective June 24, 1998. Repealed and Adopted New, December 8, 2005, effective January 12, 2006.

#### **290-6-1-.09 Records.**

Each teacher shall maintain a file for each student according to specifications described in the *MOA Manual*.

Author: Dr. Joseph B. Morton

Statutory Authority: Code of Ala. 1975, §16-37-7.

History: Recodified Code of Ala. 1975. Repealed and Replaced: Filed September 19, 1997; effective October 24, 1997. Repealed and Adopted New, December 8, 2005, effective January 12, 2006.



AAC

CTE  
Financial  
Support

Author: Dr. Joseph B. Morton

Statutory Authority: Code of Ala. 1975, §16-37-7.

History: Recodified Code of Ala. 1975. Repealed and Replaced: Filed September 19, 1997; effective October 24, 1997. Repealed and Adopted New, December 8, 2005, effective January 12, 2006.



State Department of Education

FY2018 Foundation Program

Final FY2018

001 Autauga County	FY 2018		FY 2017		Change
System ADM	9,260.60		9,566.80		-306.20
<b>Foundation Program Units</b>					
Teachers	529.56		546.08		-16.52
Principals	12.00		12.00		0.00
Assistant Principals	13.50		14.00		-0.50
Counselors	17.50		18.00		-0.50
Librarians	13.00		14.00		-1.00
Career Tech Directors	2.00		2.00		0.00
Career Tech Counselors	1.00		1.00		0.00
<b>Total Units</b>	<b>588.56</b>		<b>607.08</b>		<b>-18.52</b>
<b>Foundation Program (State and Local Funds)</b>					
Salaries	29,472,755		30,324,332		-851,577
Fringe Benefits	11,796,343		12,082,611		-286,268
Other Current Expense (\$17,533 /unit)	10,318,948	(\$17,021 /unit)	10,333,324		-14,376
<b>Classroom Instructional Support</b>					
Student Materials (\$421.514/unit)	248,087	(\$405.4534/unit)	246,142		1,945
Technology (\$211.51301/unit)	124,489	(\$169.34348/unit)	102,805		21,684
Library Enhancement (\$30.4396/unit)	17,916	(\$21.2621/unit)	12,908		5,008
Professional Development (\$77.5519/unit)	45,645	(\$63.78568/unit)	38,722		6,923
Common Purchase (\$0/unit)	0	(\$0/unit)	0		0
Textbooks (\$54.51776/adm)	504,867	(\$54.07313/adm)	517,306		-12,439
<b>Total Foundation Program</b>	<b>52,529,050</b>		<b>53,619,428</b>		<b>-1,129,100</b>



Sample

Foundation Program





<b>State Funds</b>				
Foundation Program ETF	45,966,530		47,255,770	-1,289,240
School Nurses Program	343,277		352,201	-8,924
Salaries - 1% per Act 97-238	0		0	0
Technology Coordinator	42,710		35,412	7,298
<b>Transportation</b>				
Transportation Operations	4,593,847		4,541,982	51,865
Fleet Renewal (\$6,344 /bus)	647,045	(\$6,382 /bus)	631,818	15,227
Current Units	0		0	0
Capital Purchase	2,324,472		2,353,063	-28,591
At Risk	229,958		231,872	-1,914
Career Tech O and M	44,947		45,260	-313
<b>Total State Funds</b>	<b>54,192,786</b>		<b>55,447,378</b>	<b>-1,254,592</b>
<b>Local Funds</b>				
Foundation Program (10 Mills)	6,562,520	(10 Mills)	6,402,380	160,140
Capital Purchase (0.868535 Mills)	571,064	(0.928156 Mills)	594,926	-23,862
<b>Total Local Funds</b>	<b>7,133,584</b>		<b>6,997,306</b>	<b>136,278</b>
<i>Monthly Allocation = (Foundation Program - EPT, School Nurse, High Hopes, 1% Salaries, Tech Coord, Transportation, At-Risk, and Preschool)</i>				
11 months	4,318,613		4,420,754	-102,141
12th month	4,318,624		4,420,761	-102,137

Sample

Foundation Program

Career Tech O&M





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# Alabama's Career Clusters



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Corrections & Security**

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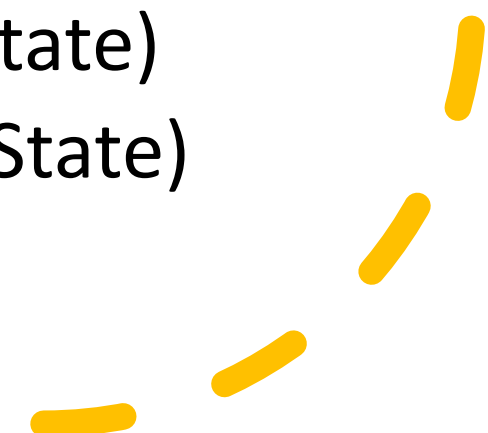
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**Information Technology**



# Career Tech Initiatives



- Career Coaches (State)
  - Career Tech CTE Director / Counselor (State)
  - Guidance & Counseling (State)
  - JAG (State)
  - Technology Centers That Work (State)
  - Simulated Workplace (Federal)
  - Middle Grades Expansion (State)
  - Academy of Craft Training (State)
  - Credentialing (Federal)
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QUESTIONS?







Learning that works for Alabama

**CTE**<sup>TM</sup>

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Workforce Development

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