

**Department of Career and Technical Education
Budget No. 270
Senate Bill No. 2019, House Bill No. 1475**

	FTE Positions	General Fund	Other Funds	Total
2009-11 executive budget (bills as introduced)	28.50	\$26,165,896	\$10,762,882	\$36,928,778
2009-11 legislative appropriations	28.50	25,941,008	10,762,882	36,703,890
Legislative increase (decrease) to executive budget	0.00	(\$224,888)	\$0	(\$224,888)
Legislative increase (decrease) to 2007-09 appropriations	1.00	\$4,117,568	(\$272,750)	\$3,844,818

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2007-09 legislative appropriations	\$21,823,440	\$0	\$21,823,440
2009-11 legislative appropriations	25,941,008	0	25,941,008
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$4,117,568	\$0	\$4,117,568
Percentage increase (decrease) to 2007-09 appropriations	18.9%	N/A	18.9%
2009-11 legislative increase (decrease) to executive budget	(\$224,888)	\$0	(\$224,888)
Percentage increase (decrease) to executive budget	(.9%)	N/A	(.9%)

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Department of Career and Technical Education is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015.

	Major Items			Total
	FTE Positions	General Fund	Other Funds	
The legislative action:				
Removed funding added in the executive budget for state employee salary equity adjustments		(\$48,786)		(\$48,786)
Reduced funding for workforce training from \$3.3 million to \$3 million		(305,000)		(305,000)
Increased funding to continue virtual area centers to provide total funding of \$2.2 million		200,000		200,000

Provided additional funding to increase program reimbursement rates		278,898		278,898
Removed funding added in the executive recommendation for grants to increase the number of career resource coordinators from four to eight		(400,000)		(400,000)
Provided funding in House Bill No. 1475 for additional innovation grants funding. A total of \$120,000 from the general fund is provided for innovation grants.		50,000		50,000
Total	<u>0.00</u>	<u>(\$224,888)</u>	<u>\$0</u>	<u>(\$224,888)</u>

FTE Changes

The 2009-11 biennium appropriation includes funding for 28.5 FTE positions, an increase of 1 FTE position from the 2007-09 biennium authorized level of 27.5 FTE positions. The legislative action did not change the executive recommendation to add 1 FTE career advisor trainer position.

Federal Fiscal Stimulus Funds

Section 3 of Senate Bill No. 2019 authorizes the Department of Career and Technical Education to seek Emergency Commission and Budget Section approval under North Dakota Century Code (NDCC) Chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 for the 2009-11 biennium. Any federal funds received and spent under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

Other Sections in Senate Bill No. 2019

Workforce training - Section 2 provides that the State Board of Higher Education conduct a study before July 1, 2010, of the status of the training activities provided by the four institutions of higher education assigned primary responsibility for workforce training in the state. The study must include:

1. Effectiveness in meeting training needs of business and industry in the respective regions;
2. Responsiveness, results achieved, financial performance, and other performance measures; and
3. Review of an appropriate funding mechanism.

The study must involve representatives of the Legislative Assembly, higher education institutions, career and technical education, the workforce training boards established pursuant to NDCC Chapter 52-08, and other representatives of business and industry. The findings of the study must be reported to the interim Workforce Committee, which shall report the findings and its recommendations, together with any legislation required to implement the recommendations, to the 62nd Legislative Assembly.

Related Legislation

House Bill No. 1475 - This bill provides an appropriation of \$50,000 from the general fund to the Department of Career and Technical Education for additional innovation grants funding for the 2009-11 biennium.