Department of Career and Technical Education
Budget No. 270
House Bill No. 1019

	FTE Positions	General Fund	Other Funds	Total
2019-21 legislative appropriation	52.30	$40,064,988	$14,703,121	$54,768,109
2017-19 legislative appropriation	24.50	29,556,283	12,093,666	41,649,949
2019-21 appropriation increase (decrease) to 2017-19 appropriation	27.80	$10,508,705	$2,609,455	$13,118,160

Item Description	Status/Result
FTE position changes - The Legislative Assembly approved 52.30 FTE positions for CTE for the 2019-21 biennium, an increase of 27.80 FTE positions from the 2017-19 biennium authorized level of 24.50. The Legislative Assembly removed 1 FTE assistant program supervisor position and added 28.80 FTE CDE positions as a result of the transfer of CDE from ITD.	The assistant program supervisor position was removed. See the **Center for Distance Education** section below for additional information on FTE position changes.
Center for Distance Education - The Legislative Assembly approved the transfer of CDE from the Educational Technology Council in ITD to CTE as follows:	Through March 2020, all CDE information and resources have been transitioned from ITD to CTE, including payroll, issuing new payment cards for CDE credit card holders, and issuing CDE staff new identification cards. The department is working to align CDE's employee handbook and performance evaluations with CTE's policies. The Department of Career and Technical Education and CDE are collaborating to ensure CDE career and technical education courses are consistent with courses offered by CTE. The Center for Distance Education is exploring options to provide online dual-credit general education courses, courses for early childhood education providers, and a prekindergarten through second grade reading academy. Both organizations have explored opportunities with DPI and the University System. The CDE director retired in April 2019. In September 2019, the interim CDE director was hired as the new CDE director.
Center for Distance Education new enrollments and fee structure - In Section 3 of House Bill No. 1019 (2019) the Legislative Assembly provided of the $6,301,188 general fund appropriation for CDE, $102,759 may only be used for new enrollments during the 2019-21 biennium. The section also includes legislative intent that CDE develop a fee structure during the 2019-20 interim to become self-sustaining beginning in the 2021-23 biennium.	Through March 2020, CDE enrollments have totaled 5,694 during the 2019-20 school year, which includes new and returning students. The Center for Distance Education estimates 10,800 total enrollments during the 2019-21 biennium, compared to 10,560 enrollments during the 2017-19 biennium and 10,444 enrollments during the 2015-17 biennium. Regarding a self-sustaining fee structure, CTE and CDE have developed multiple fee structure options to provide to the State Board for Career and Technical Education to approve prior to reporting to the Appropriations Committees of the 2021 Legislative Assembly.

Center for Distance Education	FTE	General Fund	Other Funds	Total
2019-21 Biennium - CTE				
Salaries and wages	28.80	$5,978,429	$0	$5,978,429
Operating expenses		322,759	3,050,000	3,372,759
Subtotal	28.80	$6,301,188	$3,050,000	$9,351,188
2017-19 Biennium - ITD				
Salaries and wages	29.80	$5,808,366	$0	$5,808,366
Operating expenses		220,750	3,050,000	3,270,750
Subtotal	29.80	$6,029,116	$3,050,000	$9,079,116
Change from 2017-19 Biennium to 2019-21 Biennium				
Salaries and wages	(1.00)	$170,063	$0	$170,063
Operating expenses		102,009	0	102,009
Total increase (decrease)	(1.00)	$272,072	$0	$272,072

School districts and area centers - The total general fund appropriation for career and technical education grants to school districts and area centers for the 2019-21 biennium is $24,887,780, including $300,000 for the Marketplace for Kids program (See the **Marketplace for Kids** section below). Of this amount, $3,733,167, or 15 percent must be included when calculating the required reserve in the foundation aid stabilization fund during the 2021-23 biennium.

During the November 2016 general election, Constitutional Measure No. 2 was approved by North Dakota voters, amending Section 24 of Article X of the Constitution of North Dakota to allow the Legislative Assembly to use any excess principal balance of the foundation aid stabilization fund for education-related purposes whenever the balance exceeds 15 percent of the general fund appropriation for state aid to school districts for the most recently completed biennium.

The Legislative Assembly, in Senate Bill No. 2272 (2017) and House Bill No. 1155 (2017), amended Section 54-44.1-12 to provide any reductions to the general fund appropriations to CTE for grants to school districts due to an allotment are also to be offset by funding from the foundation aid stabilization fund. Senate Bill No. 2272 also created Section 54-27-30 to define state school aid as general fund appropriations for state school aid, transportation aid, and special education aid in DPI as well as general fund appropriations for career and technical education grants to school districts and area centers in CTE.

Through March 2020, CTE has awarded $2,795,971 of secondary grants to school districts and area centers. The department anticipates awarding approximately 50 percent of the grant funding during the 1st year of the biennium and all of the grant funding by the end of the 2019-21 biennium.

Marketplace for Kids - In House Bill No. 1019, the Legislative Assembly appropriated $300,000 from the general fund for the Marketplace for Kids program. The program is designed to allow students to learn about innovation, problem solving, and creativity while allowing them to share innovative ideas.

Through March 2020, CTE has spent $75,660 of the Marketplace for Kids appropriation. Due to the COVID-19 pandemic, multiple Marketplace for Kids events have been canceled. As a result, it is unknown how much of the $300,000 appropriation will be spent during the 2019-21 biennium.

New and expanding programs -

The State Board for Career and Technical Education has approved 20 new and 19 expanding programs for the 2019-20 school year, including business education, career development, marketing, agriculture, IT, aviation, engineering, and health sciences. The department estimates $789,306 will be spent during fiscal year 2020. Requests for fiscal year 2021 new and expanding programs funding were expected to be similar to fiscal year 2020, but due to the COVID-19 pandemic, it is unknown how many requests for funding CTE will receive and how much will be spent in the 2nd year of the biennium.

Workforce training grants - In House Bill No. 1019, the Legislative Assembly appropriated $2 million from the general fund to CTE for grants to the institutions of higher education assigned primary responsibility for workforce training in the state.

Through March 2020, CTE has provided $844,450 of grants to four institutions of higher education. The department anticipates awarding the entire $2 million appropriation by the end of the biennium and has allocated the funding as follows:

Training Region	Total
Northwest - WSC	$408,560
Northeast - LRSC	311,100
Southeast - NDSCS	770,960

Southwest - BSC	509,380
Total	$2,000,000

Autism spectrum disorder technology grant - Section 61 of House Bill No. 1013 (2013) required DPI to transfer up to $250,000 of any funding remaining in DPI's grants - school aid line item after the Superintendent of Public Instruction complied with all statutory payment obligations imposed for the 2011-13 biennium, to CTE during the 2013-15 biennium. The Department of Career and Technical Education was required to use the funding to provide a grant to an institution implementing a certificate program that prepares individuals with autism spectrum disorder for employment in the technology sector. The amount of the grant was required to be determined by multiplying the per student payment rate by the number of students that completed the program, up to a maximum of 30 students.

In Section 31 of Senate Bill No. 2031 (2015), the Legislative Assembly authorized CTE to continue funding for autism spectrum disorder technology grants from the 2013-15 biennium into the 2015-17 biennium.

Unobligated state school aid remaining as of June 30, 2013, totaled $7.1 million, resulting in DPI transferring $250,000 to CTE during the 2013-15 biennium. The Department of Career and Technical Education distributed $118,196 of autism spectrum disorder technology grants to the Anne Carlsen Center during the 2013-15 biennium.

The Department of Career and Technical Education continued $131,804 of funding for autism spectrum disorder technology grants into the 2015-17 biennium. Of this amount, CTE distributed $45,460 to the Anne Carlsen Center, resulting in $86,344 unspent at the end of the 2015-17 biennium.

During the 2017-19 biennium, CTE distributed an additional $54,552 to the Anne Carlsen Center.

In January 2020, CTE transferred the remaining $31,792 to the state tuition fund.