

**Center for Distance Education
Budget No. 204
Senate Bill No. 2013**

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriation	30.80	\$6,797,980	\$4,550,000	\$11,347,980 ¹
2021-23 legislative appropriation ²	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>
2023-25 appropriation increase (decrease) to 2021-23 appropriation	30.80	\$6,797,980	\$4,550,000	\$11,347,980

¹This amount does not include any transfers of appropriation authority from the Office of Management and Budget (OMB) funding pools for targeted market equity adjustments, retirement contribution increases, or new and vacant FTE positions.

²The 2021-23 legislative appropriation for the Center for Distance Education (CDE) is included in the 2021-23 legislative appropriation for the Department of Career and Technical Education (Senate Bill No. 2019 (2021)).

Item Description

Full-time equivalent changes - The Legislative Assembly approved 30.80 FTE positions for CDE for the 2023-25 biennium, an increase of 2 FTE positions from the 2021-23 biennium. The Legislative Assembly added 1 FTE elementary teacher position and 1 FTE information technology position.

Targeted market equity - The Legislative Assembly appropriated \$82.5 million, including \$45.1 million from the general fund and \$37.4 million from other funds, to OMB for a targeted market equity pool to be distributed to state agencies.

New and vacant FTE funding pool - The Legislative Assembly reduced the 2023-25 biennium general fund appropriation authority for CDE by \$485,655 for the new and vacant FTE funding pool. The reduction included \$321,000 for new FTE positions and \$164,655 for estimated vacant position salary savings.

Cybersecurity instruction - The Legislative Assembly, in House Bill No. 1398 (2023), required the Department of Public Instruction to provide grants to school districts, nonpublic schools, area career and technology centers, Job Service North Dakota workforce centers, public libraries, and adult education centers for computer operations and cybersecurity courses for adults. A fiscal note prepared by the department indicated funding from the federal Elementary and Secondary School Emergency Education Relief (ESSER) Fund would be used to implement virtual computer science and cybersecurity courses and to provide grants for adult learning.

Status/Result

The Center for Distance Education filled the elementary teacher position in July 2023 and the information technology position in September 2023.

Targeted market equity increases for CDE were included in the OMB allocation to the Department of Career and Technical Education. The department transferred \$255,704 of general fund authority to CDE for targeted market equity increases. Equity increases were provided to 24 FTE positions and 44 adjunct positions.

The Center for Distance Education has received \$397,268 of general fund authority from the new and vacant FTE funding pool to fill the new FTE teacher II and technical support analyst I positions and to fill a vacant tech support specialist III position. Through January 2024, CDE had estimated vacant FTE position savings of \$43,787. The center used \$36,023 of the savings for other purposes, including accrued leave payouts, reclassifications, and extra overtime funding. Vacancies at CDE have ranged from 1 to 3 FTE positions with an average monthly vacancy rate of 1.29 FTE positions.

The Department of Public Instruction allocated \$600,000 of funding from the ESSER Fund to CDE for cybersecurity training, including course development. The federal funds must be obligated by September 30, 2024. Through March 2024, CDE has spent \$33,602. The center anticipates approximately \$200,000 of the funding may not be utilized.

Virtual instruction - The Legislative Assembly, in House Bill No. 1376 (2023), required a CDE student's school district of residence to pay fees as may be prescribed by the State Board for Career and Technical Education and provides a resident school district may not deny open enrollment to an approved virtual school.

The virtual school choice legislation has resulted in a significant increase in CDE enrollments. Enrollments for the period from July 1, 2023, through April 18, 2024, exceed enrollments for the same prior period by 3,793 courses or 49 percent. This increase in enrollment has resulted in the need for more adjunct positions, equipment, curriculum, and technology licensing fees. If enrollments continue at this level during the 2nd year of the biennium, CDE estimates special fund revenue could total \$5.68 million, \$1.13 million more than the \$4.55 million the center was authorized to spend. The center has indicated a deficiency appropriation may be requested from the 69th Legislative Assembly to use additional special funds to pay for the added cost of increased enrollments.