

Career and Technical Education (CTE) Reporting and Spending

April 26, 2023

Michigan School Business Officials

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Saginaw ISD

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Gratiot-Isabella RESD

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Michigan Department of Education

Funding Sources For CTE*

- Federal Carl D. Perkins
- Foundation Allowance
- CTE Categorical State School Aid
 - 61a(1)
 - 61b, 61b(8)
 - 61c
 - 61i
- 61d
- CTE Millage

*Presentation will provide high level overview

State School Aid Section 61i

- Part of the Future Proud Michigan Educator (Future PME) initiative
 - \$10 Million
 - Eligibility: Intermediate School Districts (ISD) that employ or pledge to employ at least one CTE teacher
- Contact Candace Vinson with questions regarding section 61i

VinsonC@Michigan.gov

517-281-7009

Carl D. Perkins

- Federal funds
- Distributed by formula to consortia (Perkins regions)
- Regions apply for funds annually
- Expenditures reported through Cash Management System (CMS)
- Support Region-wide CTE activities

Foundation Allowance

- Section 61a(1) funds not intended to cover full cost of operating a CTE program
- Districts are expected to support CTE instruction with Foundation Allowance
 - Section 61a(1) requires that districts expend other funds on CTE programs to qualify for 61a(1) CTE “Added Cost” funds

State School Aid Section 61a(1)

- Purpose:
 - To reimburse districts for secondary level career and technical education programs on an added cost basis
 - Because of how the legislation is written, districts must demonstrate that they had “added costs”
 - Districts **SHOULD** be expending funds to ensure that their CTE programs are high quality

State School Aid Section 61a(1)

- Allocation of added cost funds shall be prioritized based on—
 - the capital and program expenditures needed to operate the CTE programs provided;
 - the number of pupils enrolled;
 - the advancement of pupils through the instructional program;
 - the existence of an articulation agreement;
 - the program rank in student placement, job openings, and wages;
 - the length of the training period provided; and
 - shall not exceed 75% of the added cost of any program.

Section 61a(1)

- 60% of funds distributed by funding formula based on program rank
- 40% of funds distributed based on local prioritization of programs

Formula for the 60% Funds

Fraction of Funds allocated to each PSN

$$= [E(a) + P(p) + N(b) + C(c)] * M * R$$

- E= # enrollees; a = enrollee weight
- P= # participants; p = participant weight
- N= # concentrators; b = concentrator weight
- C= # Concentrators+; c = Concentrators+ weight
- M = Program Cost Factor
- R = Rank List Factor

Information Needed To Calculate Approximate 60% Allocation

- Numbers of enrollees, concentrators, completers by Program Serial Number (PSN)
- Program Cost Factor for CIP Code
- Rank List Factor for CIP Code
- Available 60% Funding
- Estimate of state total enrollees, participants, concentrators, and concentrators+ by CIP Code

State School Aid Section 61a(1)

- “Added Cost” – Required Expenditures
 - Non-CTE cost: assumed to be $\frac{1}{8}$ Foundation Allowance per student
 - 61a(1) funds received * 1.334
 - Ensures that 61a(1) funds received do not exceed 75% of the added cost

Required Components of a High Quality CTE Program

1. Integration of academic and technical skills
2. Laboratory hands-on learning to develop skills
3. Work-based learning (WBL)
4. Student leadership opportunities

State School Aid Section 61a(1)

90% Allowable Program Improvement Expenditures:

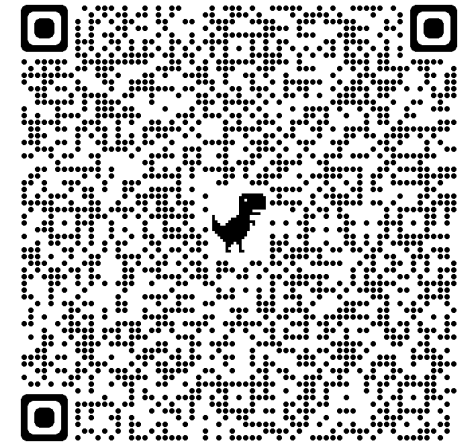
- Instruction: Local Travel • Equipment Rental and Maintenance • Supplies, Materials
- Support Services: Career Guidance--Pupil • Student Organizations • Career Placement and Follow-up Survey • Professional and Curriculum Development--Improvement of Instruction
- Planning, Research, Evaluation and Marketing--Central Services

State School Aid Section 61a(1)

90% Allowable Program Improvement Expenditures cont'd:

- Advisory Committees--Community Services, Other
- Equipment • Equipment Instruction--Capital Outlay • Equipment Support--Capital Outlay

*See [Added Cost Guide](#) for more information



State School Aid Section 61a(1)


- 90% must be expended in Program Improvement categories:
 - Excludes (examples)
 - Teacher salaries and benefits
 - Administrator salaries and benefits
 - Postsecondary tuition, books, fees
 - Operations and maintenance



Expenditure Guidance

Not secure | support.cteis.com/Data-Entry/Expenditures

Inside Michigan Maxine Scanner Microsoft Whiteboa... Bill Scanner Microsoft Forms RTW Supervisor



EXPENDITURES

Expenditures


Each documentation set consists of a Guide, a PowerPoint Presenta

Expenditures 61b Mon

Expenditures Documentation

- Expenditures Guide
- Expenditures PowerPoint
- Expenditures Training Videos
- Expenditures Review Guide for Fiscal Agent
- Expenditures Review Guide for CEPD
- Expenditures FAQ
- 4033 Expenditures Guidance and List of Function and Object Codes
- 4033 Expenditures Guidance 2022 - Appendix (updated 8-25-2022)
- Expenditures Submission Process Update 2022

Expenditures Imports

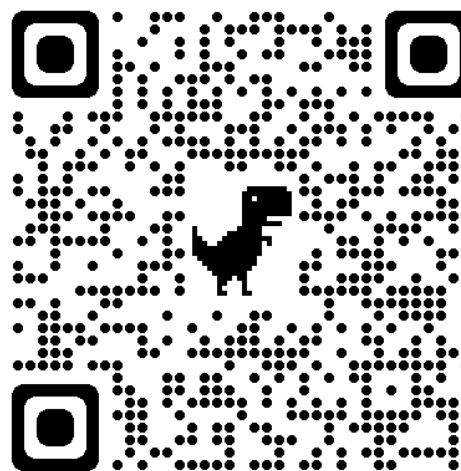


CTE Expenditure Guidance

Appendix to 4033 Expenditure Report Guidance (Updated 2-22-2022)

Category	Examples	*Function Code	Function Description	*Object Code	*Object Description	Reportable CTE Expenditure	Allowable Use 61a1 Funds	Program Improvement
PURCHASES	•Conference Registration for CTE Teacher	221	Improvement of Instruction	3220	Workshops and Conferences	Yes	Yes	Yes
	•Guest Speaker	221	Improvement of Instruction	3110	Instructional Services (Non-Payroll)	Yes	Yes	Yes
	•Field Trip for CTE Health Students	271	Pupil Transportation Services	3310	Client/Pupil Transportation by Contract Carrier	Yes	Yes	Yes
	•Field Trip for CTE Health Students	127	CTE Instruction	7910	Miscellaneous Expenditures	Yes	Yes	Yes
	•Technical Skill Assessment Contracted Services	227	Student Assessment	3160	Purchased Services-Mgmt Information Services	Yes	Yes	Yes
	•Dues and Fees	221	Improvement of Instruction	7410	Dues and Fees for Professional Memberships	Yes	Yes	Yes
	•Home Builder Assn Membership for CTE students							
	•Permits required for CTE instruction	127	CTE Instruction	5990	Miscellaneous Supplies & Materials	Yes	Yes	Yes
	•Building Permit for Construction Trades •Surveying Fees •Architect Fees							

- Find CTE Expenditure Guidance on the CTEIS Knowledgebase



NOT an Allowable Use of 61a(1) (Examples)*

*See 4033 Guidance for Details

- Superintendent salaries and benefits
 - Superintendent staff salaries and benefits
- Board of Education activities
- Portion of postsecondary tuition, books,
under some circumstances

NOT an Allowable Use of 61a(1) (Examples)*

*See 4033 Guidance for Details cont'd

- Rental of instructional space
- Desk and chair workstations for state-approved CTE programs
- Dust collection system for CTE program
- Installation of ventilation for CTE program
- Purchase or construction or remodel of buildings specific and integral to CTE instruction (e.g., greenhouses)

NOT an Allowable Use of 61a(1) (Examples)*

***See 4033 Guidance for Details**

- Carpet and painting
- Acquisition and rental of real property, construction of buildings, maintenance, repair, and replacement of buildings, lands, and associated constructions equipment and building supplies

Common Causes of 61a(1) Negative Adjustments

- Failure to expend 90% of 61a(1) funds in Program Improvement
- Failure to expend enough local funds on CTE programs
- Failure to spend all 61a(1) funds received

Common Causes of 61a(1) Negative Adjustments

Michigan Department of Education - OCTE CTEIS Report
4033 Fiscal Agency Wide Worksheet Report for 2019-2020

St. Clair County RESA

Fiscal Agency Worksheet	
Section 61a1 Funds Received:	\$515,249.56
Fiscal Agency Portion of the "Added Cost" of CTE (\$61a1 funds x 1.33333):	\$686,999.41
Non-CTE Cost:(Foundation Allowance/8):	\$738,984.00
Foundation Allowance/8	\$1,014.00
Number of Students Enrolled in Reimbursed CTE Programs:	751
Total Required Expenditures (minimum):	\$1,425,983.41

Fiscal Agency Wide Totals	
Total Fiscal Agency Expenditures:	\$0.00
% of Minimum Required Expenditures:	0.00 %
Your total expenditures have NOT met the minimum required	
Total Sect 61a1 Program Improvement Expenditures:	\$0.00
% of Sect 61a1 Funds spent on Program Improvement:	0.00 %
Total Section 61a1 Funds expended in Program Improvement object codes, did NOT meet 90% of Section 61a funds received by your fiscal agency.	

Expenditure List

Common Causes of 61a(1) Negative Adjustments

Michigan Department of Education - OCTE CTEIS Report
4033 Fiscal Agency Wide Worksheet Report for 2019-2020

St. Clair County RESA

Fiscal Agency Worksheet	
Section 61a1 Funds Received:	\$515,249.56
Fiscal Agency Portion of the "Added Cost" of CTE (\$61a1 funds x 1.33333):	\$686,999.41
Non-CTE Cost:(Foundation Allowance/8):	\$761,514.00
Foundation Allowance/8	\$1,014.00
Number of Students Enrolled in Reimbursed CTE Programs:	751
Total Required Expenditures (minimum):	\$1,448,513.41

Fiscal Agency Wide Totals	
Total Fiscal Agency Expenditures:	\$6,696,547.13
% of Minimum Required Expenditures:	462.30 %
Your total expenditures have met the minimum required.	
Total Sect 61a1 Program Improvement Expenditures:	\$506,980.82
% of Sect 61a1 Funds spent on Program Improvement:	98.40 %
Total Section 61a1 Funds expended in Program Improvement object codes, met or exceeded 90% of Section 61a funds received by your fiscal agency.	

Tool to Estimate Total Required Expenditures

Worksheet to Estimate the Total Required Expenditures for CTE Programs in the 2022-23 Year

* <u>Enter</u> Section 61a1 Total Funds (Added Cost) Received in 2022-23 (See November 2022 State Aid)	\$1,000.00	←
Adjustment to meet 100% (4/3 x Added Cost)	1,333.30	
** <u>Enter</u> Fiscal Agency Estimated Total CTE Students for 2022-23	100	←
Non-CTE Costs (1/8 Foundation Allowance) per Student	\$1,144.00	
Non-CTE Costs Required -- Estimated Enrollment (Cell C7) x (Cell C8)	\$114,400.00	
Total Required Expenditures	\$115,733.30	

*Fiscal Agency Total Section 61a1 Funds reflected on [November 2022 State Aid Status Report](https://mdoe.state.mi.us/samspublic/report#/)
[https://mdoe.state.mi.us/samspublic/report#/
/](https://mdoe.state.mi.us/samspublic/report#/)

**2022-23 Fiscal Agency Total Unduplicated CTE Enrollment (Estimate)

**Contact Your CEPD
Administrator for Information**



State School Aid Section 61b

- For CTE Early Middle College (EMC) and CTE Dual Enrollment
- May be generated by same programs that generated Section 61a(1) funds
- May only be expended on eligible CTE EMC and CTE Dual Enrollment programs

State School Aid Section 61b

SECTION 61b TOP 5 CAREER CLUSTERS & ELIGIBLE CIP CODES

2020-2024

NOTE: The Clusters and Classification of Instructional Program (CIP) codes below are based on the revised strategic plans done by prosperity regions and approved by MDE - OCTE in December of 2019. Due to Section 61b legislative changes for the 2020-2021 school year, the strategic plans are to be completed by CEPD. In October of 2020, all CEPDs signed off that they would keep the clusters selected by their prosperity region in 2019 until the four-year strategic planning cycle in 2024.

TOP 5 CAREER CLUSTERS AND CIP CODES

HEALTH SCIENCE (8)

- 26.0102 Biotechnology Medical Services
- 51.0000 Health Sciences/Allied Health/health Sciences, General
- 51.0707 Health Information/Medical Records Technology/Technician
- 51.1000 Clinical/Medical Laboratory Science/Research and Allied Professions

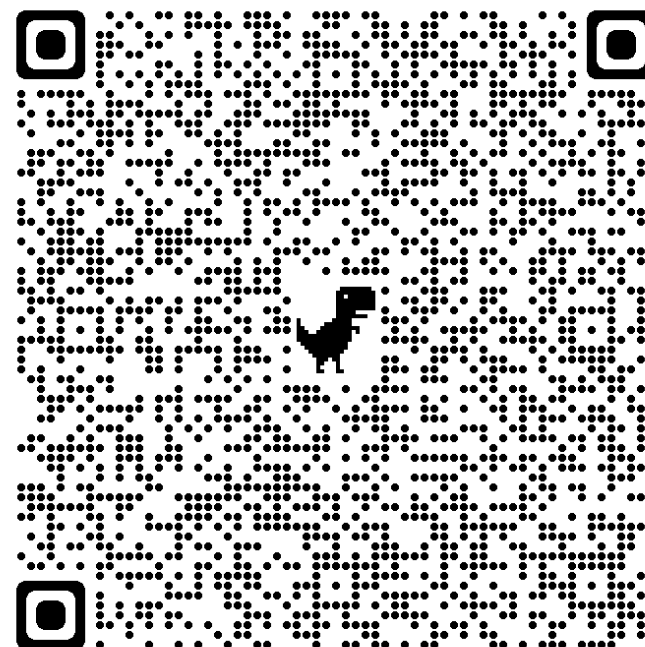
MANUFACTURING (7)

- 47.0101 Electrical/Electronics Equipment Installation and Repair General
- 48.0501 Machine Tool Technology/Machinist
- 48.0508 Welding, Brazing and Soldering
- 48.0701 Woodworking General

BUSINESS, MANAGEMENT & ADMINISTRATION (5)

- 52.0299 Business Administration Management and Operations

ARCHITECTURE & CONSTRUCTION (5)



See [61b Top 5 Career Clusters](#)

See [61b CTE EMC and CTE Dual Enrollment Tool Kit](#)

State School Aid Section 61b

- Reporting of expenditures:
 - The November following the year the funds were received
 - Allowable for carryover expending in following year
- Report expenditures in the Career and Technical Education Information System (CTEIS) in November on the 4033 Report

State School Aid Section 61c

- Equipment Grant Distributes products and services to Career Education Planning Districts (CEPDs) for state-approved CTE programs throughout Michigan
- \$7,500,000

State School Aid Section 61c

- Eligibility:
 - At least 50% of the area served by a Career Education Planning District (CEPD) must be located in an ISD that did not levy a vocational education millage in 2022
- Requires an application
- Direct questions to Lee Greenacre
GreenacreL@Michigan.gov
517-281-3030

State School Aid Section 61d

- Purpose: increase number of Michigan residents with high quality degrees or credentials and to increase the number of pupils who are college- and career-ready upon high school graduation
- Distributed to Primary Education Providing Entity (PEPE)
 - 50% to ISD if student attended CTE program operated by an ISD
- Unrestricted funds

CTE Millage Funds

Expend funds for operation of CTE programs and associated costs:

- Instructional, support, administration
- Information and awareness activities
- Acquisition and rental of real property, building construction, maintenance, repair, replacement of buildings, land
- Equipment, supplies
- See [Section 380.684 of revised school code](#)

Uses of CTEIS 4033 Reporting CTE Expenditure Data

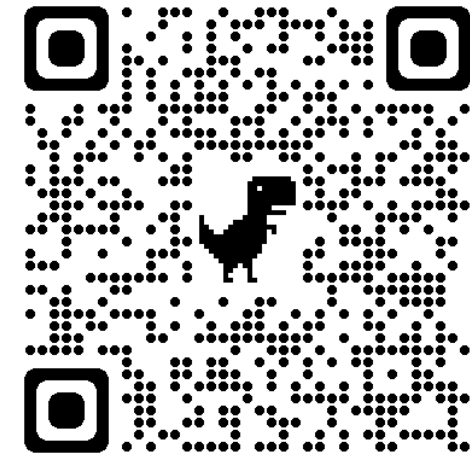
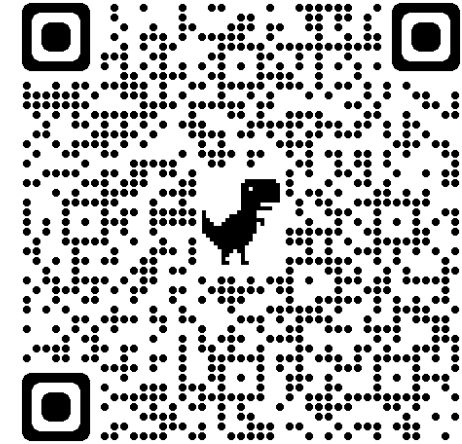
- Program cost factors for 61a(1) and 61b
 - Based on the relative cost of each CTE program statewide
- Monitor compliance with the 61a(1) legislation and Administrative Rule

Report ALL CTE Expenditures (4033)

- Important for:
 - Accurately determining the statewide cost of CTE programs
 - Avoiding negative adjustments

Resources

- Michigan School Accounting Manual Appendix – Definitions of Account Codes
- Resources for completing the 4033 CTE Expenditures Report in CTEIS



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