

California Department of Education

Executive Office

SBE-00# (REV. 11/2017)

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# California State Board of Education January 2021 AgendaItem #07

## Subject

Approval of the Fiscal Year 2020–21 Career Technical Education Incentive Grant Allocations, Including the Allocation Formula; Specific Funding Amounts and Number of Grant Awards; Purposes for Grant Fund Use; and Allowable and Non-Allowable Expenditures.

## Type of Action

Action, Information

## Summary of the Issue(s)

California *Education Code* (*EC*) Section 53076 requires that the California Department of Education (CDE), in collaboration with the Executive Director of the State Board of Education (SBE), determine and make public at a regularly scheduled meeting of the SBE, the allocation formula used to allocate grant awards for the Career Technical Education Incentive Grant (CTEIG). In addition to the formula used for this competitive grant, the CDE must present preliminary grant award amounts; the number of grants to be awarded; the purposes for which grant funds may be used; and allowable and non-allowable expenditures.

The total amount of CTEIG funds available for allocation to school districts is $150 million for the Fiscal Year (FY) 2020–21.

**Recommendation**

The CDE recommends that the SBE review and approve the following:

* Proposed CTEIG Allocation Formula (Attachment 1)
* Specific Proposed Funding Amounts and Number of Grant Awards (Attachment 2)
* Purposes for which grant funds may be used/minimum eligibility standards
* Allowable and non-allowable expenditures

## Brief History of Key Issues

The Budget Act of 2015 established the CTEIG as one-time funding administered by the CDE, with the purpose of encouraging and maintaining the delivery of career technical education (CTE) programs during transition to full implementation of the Local Control Funding Formula for local educational agencies (LEAs). *EC* Section 53070 appropriated specified amounts for the CTEIG for the General Fund for the 2015–16, 2016–17, and 2017–18 FYs, and provided minimum eligibility standards for grant applicants.

The Budget Act of 2018 (Assembly Bill [AB] 1808) amended the *EC* sections
53070–53076.4, and established the CTEIG as an annual state-funded program with the goal of providing pupils in kindergarten and grades one through twelve, inclusive, with the knowledge and skills necessary to transition to employment and postsecondary education. The purpose of this program is to encourage and maintain the delivery of high-quality CTE programs.

AB 1808 specifies that, upon appropriation by the Legislature, $150 million shall be made available for the program to the department for the 2018–19 FY and each FY thereafter, and requires a grant applicant to demonstrate a proportional 2:1 match.

In addition to the CTEIG program, AB 1808 created and appropriated $150 million annually to the California Community Colleges Chancellor’s Office (CCCCO) to administer the Kindergarten through Grade Twelve Strong Workforce Program (K–12 SWP). An additional $13.5 million was appropriated to the CCCCO to establish K–12 Workforce Pathway Coordinators and K–14 Technical Assistance Providers to provide technical assistance and support to LEAs for both the CTEIG and K–12 SWP state initiatives.

The 2020–21 funding cycle is the third year of ongoing funds, and there is not a cap on the number of LEAs that can apply or the amount that each LEA may request. LEAs are required to apply for this grant annually and must meet a 2:1 funding match requirement. The number of applicants has remained steady. The funding amount requested by LEAs for the 2020–21 funding cycle is $310,833,310. All applicants may not be eligible to be funded, and due to demand, applicants who satisfy the eligibility and funding requirements may not be funded in full.

*EC* Section 53073 provides discretion based on a determination by the State Superintendent of Public Instruction (SSPI), in collaboration with the Executive Director of the SBE, that in order for a CTEIG applicant to be eligible for a renewal grant, the applicant must meet the minimum eligibility standards and be evaluated based on data metrics, as specified in *EC* Section 53071(c)(11). The CDE Career and College Transition Division has worked with the California Longitudinal Pupil Achievement Data System (CALPADS) Office to ensure that the data metrics specified in current legislation will be reported and collected in CALPADS for the FY 2019–20 program and moving forward. The CDE had recommended to the California Workforce Pathways Joint Advisory Committee (CWPJAC), a phased approach for collecting data metrics for future years, as specified in statute. This recommendation was approved by the CWPJAC at their November 20, 2020, meeting and the agenda item can be found on the CWPJAC November 2020 Agenda web page at <https://www.cde.ca.gov/ci/ct/gi/agendanov2020.asp>.

**Proposed Allocation Formula**

The proposed allocation formula is presented as Attachment 1.

### Specific Funding Amounts and Number of Grant Awards

*EC* Section 53070(d) requires that 4 percent ($6 million) is designated for applicants with an Average Daily Attendance (ADA) of less than or equal to 140; 8 percent ($12 million) is designated for applicants with an ADA of more than 140 and less than or equal to 550; and 88 percent ($132 million) is designated for applicants with an ADA of more than 550, unless otherwise determined by the SSPI in collaboration with the Executive Director of the SBE. This statute also specifies that the ADA is calculated from the second principal apportionment for the previous fiscal year for pupils in grades seven to twelve, inclusive. As there are no specific data metrics defined for grades seven through eight, the CDE currently uses the high school metrics and considers grades seven through eight included within the high school pathways.

A total of 389 applications were submitted for FY 2020–21, as compared to 378 for FY 2019–20, requesting over $310 million in funding. Three standards were used to evaluate applications per *EC* sections 53071 and 53073:

* A self-evaluation of high-quality CTE programs proposed to be funded,
* An evaluation of the application’s narrative including a budget narrative and three-year budget plan, and
* The relationship between the grant proposal and goals, actions, and services in the LEA’s adopted Local Control and Accountability Plan.

All applicants were reviewed and evaluated by a team of scorers using criteria set forth in the rubric and provided in the Request for Applications (RFA), which can be found on the CTEIG 2020–21 RFA web page at <https://www.cde.ca.gov/fg/fo/r17/cteig20rfa.asp>.

Of the 389 total applications requesting funding in FY 2020–21, 324 had applied in the previous year, as compared to 288 who had applied for a renewal last year, for an increase of 36 applications. The CDE reviewed the applications for alignment with the elements set forth in *EC* Section 53071(c)(1)(10), and verified that some LEAs submitting a renewal application had submitted the data as required by *EC* Section 53071(c)(11). However, because some of the data metrics required in statute require follow-up data for program participants, data for the FY 2018–19 program participants was collected in the spring of 2020. An example of follow-up data within the metrics collected is the following question: Are you enrolled in one of the following educational training programs (i.e., Four-year college/university; Community College; Vocational or Technical School; etc.)?. Given COVID-19, not all 2019–20 CTEIG grantees were able to collect or provide the data on their program participants.

In addition, data for the FY 2018–19 program participants was collected by way of a survey and CALPADS, and was shared with the CWPJAC in the fall of 2020. The data provided can be found on the CWPJAC September 2020 Agenda web page at <https://www.cde.ca.gov/ci/ct/gi/agendasept2020.asp>, see Item 02 and Item 02 Slides. The CDE staff will collect data for FY 2019–20 program participants using the annual CTE data collection process, which requires LEAs to report and certify their data in CALPADS as part of the CALPADS Fall 2 submission process, by March 5, 2020. Previous data collection was done partly through survey and partly through CALPADS. With all data now collected in CALPADS, this will provide a more comprehensive data set to review prior to awarding future funds. This data will be considered the base year data. Starting with FY 2021–22 funding cycle, the CDE will be able to review two years of data to evaluate the efficacy of the LEAs’ program and whether different or additional data is needed for this purpose in order for the Superintendent and the SBE to determine whether a renewal grant is eligible for funding based on required data metrics.

Of the 389 applications received, 32 were new applicants. Of the 389 applications, 32 applications were considered incomplete, so a total of 357 applications were read and scored. Of those 357 applications, 16 were not considered for funding as they did not meet the minimum requirements to be funded because they did not meet the minimum cut score for one or more sections. The CDE recommends the SBE approve a total of 341 grants to be awarded for FY 2020–21. Of the 341 awardees, 10 are new. The specific preliminary funding amount for each grantee is presented in Attachment 2, as well as the total number of proposed grant awards by small, medium, and large funding categories based on ADA levels.

### Minimum Eligibility Standards

*EC* Section 53071(c) specifies that an eligible applicant meet the following minimum eligibility standards in order to receive funding:

1. Offers high quality curriculum and instruction aligned with the California Career Technical Education Model Curriculum Standards, including, but not limited to, providing a coherent sequence of CTE courses that enable pupils to transition to postsecondary education programs that lead to a career pathway or attain employment upon graduation from high school;
2. Provides pupils with quality career exploration and guidance;
3. Provides pupil support services, including counseling and leadership development;
4. Provides for system alignment, coherence, and articulation, including ongoing and structural regional or local partnerships with postsecondary educational institutions, documented through formal written agreements;
5. Forms ongoing and meaningful industry and labor partnerships, evidenced by written agreements and through participation on advisory committees and collaboration with business and labor organizations to provide opportunities for pupils to gain access to pre-apprenticeships, internships, industry certifications, and work-based learning opportunities as well as opportunities for industry to provide input to the CTE programs and curriculum;
6. Provides opportunities for pupils to participate in after school, extended day, and out-of-school internships, competitions, leadership development opportunities, career and technical student organizations, and other work-based learning opportunities;
7. Reflects regional or local labor market demands, and focuses on current or emerging high-skill, high-wage, or high-demand occupations, and is informed by the regional plan of the local Strong Workforce Program Consortium;
8. Leads to an industry-recognized credential or certificate, or appropriate postsecondary education or training, employment, or a postsecondary degree;
9. Is staffed by skilled teachers or faculty; and provides professional development opportunities for teachers or faculty members;
10. Provides opportunities for pupils who are individuals with exceptional needs to participate in all programs; and
11. Reports data to the SSPI no later than November 1 of each FY, as a program participation requirement, to allow for an evaluation of the program.

### Allowable and Non-allowable Expenditures

1. Allowable Activities and Costs - Funds provided under the CTEIG grant may be used for, but are not limited to, the following:
	1. Purchase and/or develop evidence-based, standards-based curriculum and instructional materials that focus on career technical pathway courses through a collaborative effort with secondary, postsecondary, and industry. This could include the development of updated or new career technical pathway courses, articulated and dual credit courses, curriculum to support leadership and work-based learning, and/or the development of curriculum and activities that lead to industry-recognized certifications or credentials;
	2. CTE Professional Development to enhance teaching and learning;
	3. Training and planning meetings between district CTE Advisory Committee personnel, including counselors, parents, college faculty, and business leaders, to support program sustainability and build local and regional awareness on the benefits of having such programs;
	4. Purchase of CTE equipment and materials needed to maintain industry standards;
	5. Transportation and other expenses that enable CTE leadership and work-based learning activities, including after-school, extended day, and out-of-school opportunities;
	6. Food and refreshments for CTE conference travel, student field trips and special events, and working CTE Advisory Committee and partnership meetings;
	7. Pupil support services;
	8. Facility repair for use of CTE program specific course equipment for industry skills attainment; and
	9. Purchase or rent vehicles exclusively for CTE use and available for use by all CTE programs. Capital outlay requests for vehicle purchases must be submitted to the regional CDE Consultant for review and approval.
2. Non-allowable Activities and Costs-Funds provided under the CTEIG grant may not be used to:
	1. Supplant existing funding or efforts, including costs otherwise necessary to operate a school or program without this grant.
	2. Acquire or utilize CTE equipment for administrative or personal use.
	3. Purchase furniture (e.g., bookcases, chairs, desks, file cabinets, tables).
	4. Purchase or remodel facilities unless directly related to accessibility to CTE pathways, instruction or services for students with disabilities.
	5. Travel outside of the United States or to banned states, as specified by state travel rules. Note: State law restricts the use of state general funds to pay for travel costs to states that have laws that discriminate based on sexual orientation, gender identity, and gender expression.

## Summary of Previous SBE Discussion and Action

**March 2020:** The SBE approved the allocation formula, funding allocations and number of grant awards, purposes for which the CTEIG funds may be used, and allowable and non-allowable expenditures, for the FY 2019–20 (Item 3), located on the SBE Agenda for March 2020 web page at <https://www.cde.ca.gov/be/ag/ag/yr20/agenda202003.asp>.

**February 2020:** A memo was sent to the SBE to explain the CTEIG allocation methodology. This memo is located on the SBE February 2020 Information Memoranda web page at <https://www.cde.ca.gov/be/pn/im/infomemofeb2020.asp>.

**May 2019:** The SBE approved the Specific Proposed CTEIG Awards, including a proposed increase of $816,288 to the Large C Category for the FY 2018–19 (Item 14), located on the SBE Agenda for May 2019 web page at <https://www.cde.ca.gov/be/ag/ag/yr19/agenda201905.asp>.

**March 2019:** The SBE approved the allocation formula, preliminary funding allocations and number of grant awards, purposes for which the CTEIG funds may be used, and allowable and non-allowable expenditures, for the FY 2018–19 (Item 4), located on the SBE Agenda for March 2019 web page at <https://www.cde.ca.gov/be/ag/ag/yr19/agenda201903.asp>.

**September 2018:** The CDE provided an update of initiatives to provide ongoing funding to create, expand, and improve CTE programs throughout the State of California (Item 10), located on the SBE Agenda for September 2018 web page at <https://www.cde.ca.gov/be/ag/ag/yr18/agenda201809.asp>.

**March 2018:** The SBE approved the CTEIG Grantee List (Item 11) for the FY 2017–18, located on the SBE Meeting for March 2018 web page at <https://www.cde.ca.gov/be/ag/ag/main201803.asp>.

**March 2016:** The SBE approved the CTEIG Grantee List (Item 5) for the FY 2016–17, located on the SBE Agenda for March 2016 web page at <https://www.cde.ca.gov/be/ag/ag/yr16/agenda201603.asp>.

**January 2016:** The SBE approved the CTEIG list of grantees (Item 13), for the FY 2015–16, located on the SBE Agenda for January 2016 web page at <https://www.cde.ca.gov/be/ag/ag/yr16/agenda201601.asp>.

**December 2015:** The CDE provided an information memorandum regarding the implementation of the California CTEIG administered by the Career and College Transition Division, located on the SBE December 2015 Information Memoranda web page at <https://www.cde.ca.gov/be/pn/im/infomemodec2015.asp>.

## **Fiscal Analysis (as appropriate)**

Funds for the CTEIG are appropriated to the CDE from the General Fund for the amount of $150 million in the 2020–21 FY. The $150 million will be made available to the CDE each FY thereafter, upon appropriation by the Legislature in the annual Budget Act or another statute.

## Attachment(s)

* Attachment 1: Proposed Career Technical Education Incentive Grant Allocation Formula (8 pages)
* Attachment 2: Career Technical Education Incentive Grant Specific Proposed Funding Amounts and Number of Grant Awards (11 pages)
* Attachment 3: California *Education Code* sections 53070–53076.4 (9 pages)