

**DEPARTMENT OF CAREER EDUCATION (ADCE)
AND PUBLIC SCHOOL FUND (0590)
2011 - 2013 BIENNIUM**

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The mission of the Arkansas Department of Career Education(ADCE) is to provide leadership and contribute resources to serve the diverse and changing workforce training needs of the youth and adults of Arkansas.

The Department is responsible for administering public secondary and postsecondary vocational, technical and adult education programs, Arkansas Rehabilitation Services, and the Arkansas State Approving Agency for Veterans Training. The Department of Career Education is under the authority of the State Board of Career Education.

TOTAL APPROPRIATION

DEPARTMENT:

The total appropriation is \$37,561,462 for FY2012 and \$36,557,929 for FY2013 exclusive of the Department of Workforce Education Public School Fund Account Appropriations.

PUBLIC SCHOOL FUND:

The total appropriation for the Arkansas Department of Career Education payable from the Public School Fund is \$44,258,764 for FY2012 and \$44,259,617 for FY2013.

FUNDING SOURCES

Department:

The appropriations for the Department of Career Education are funded by a variety of sources including general revenue, special revenue, Educational Excellence Trust Fund, federal funds, fund balances, and loan repayments and transfers from other agencies.

PUBLIC SCHOOL FUND:

The appropriations for the ADWE - Public School Fund Account are funded by general revenue allocations through the Revenue Stabilization Law, the Educational Excellence Trust Fund and Fund Balances.

II) SIGNIFICANT CHANGES

DEPARTMENT:

VO-TECH ADMINISTRATION - OPERATIONS (APPROPRIATION 640)

This appropriation provides the majority of the general revenue support for the operations of the Department, and is funded by general revenue and the Educational Excellence Trust Fund. Provides a total appropriation of \$6,579,490 for FY2012 and \$6,591,125 for FY2013 which includes the following increase:

Regular Salaries and Matching - Provides an increase of \$117,663 for FY2012 and \$174,298 for FY2013 to provide a cost of living adjustment.

Operating Expenses - Provides an appropriation increase of \$196,000 for FY2012 and \$151,000 for FY2013 which includes \$151,000 each year for increased rent due to the proposed move of the Department of Career Education and Arkansas Rehabilitation Services to the same location, and \$45,000 in FY2012 only for moving costs.

Note: The general revenue base level was increased \$291,523 over the FY2011 budgeted level to provide funding for 6 positions required to address federal audit findings in the Adult Education Program.

FEDERAL VOCATIONAL EDUCATION - OPERATIONS (APPROPRIATION 641)

This appropriation is the federal counterpart to the general revenue appropriation described above (App 640), and provides federally funded administrative support to the Department. Provides a total appropriation of \$21,484,923 for FY2012 and \$20,457,904 for FY2013 and includes the following changes:

Regular Salaries and Matching - Provides an increase of \$39,135 for FY2012 and \$62,116 for FY2013 to provide a cost of living adjustment.

Operating Expenses - Provides an increase of \$2,180,000 for FY2012 and \$1,130,000 for FY2013 for the Arkansas Works Program which seeks to coordinate education, training and economic development in Arkansas communities.

Vocational Education Grants - Provides an increase of \$3,391,500 each year for the Arkansas Works Program.

ADULT BASIC EDUCATION (APPROPRIATION 644)

This appropriation provides for the state funded administration of the Adult Education Program. Provides an appropriation of \$517,808 for FY2012 and \$523,527 for FY2013 which includes an increase of \$15,678 for FY2012 and \$21,397 for FY2013 for salaries and matching for a cost of living adjustment.

FEDERAL ADULT BASIC EDUCATION (APPROPRIATION 645)

This appropriation provides for the administration of the Adult Education Program and grants to Adult Education Providers. Provides an appropriation of \$7,486,815 for FY2012 and \$7,488,034 for FY2013 with the following increases:

Regular Salaries and Matching - Provides an increase of \$7,245 for FY2012 and \$8,464 for FY2013 to provide a cost of living adjustment.

Conference Fees and Travel - Provides an increase of \$17,500 each year to allow Adult Education staff to attend National Adult Education Conference and Training.

FEDERAL VETERANS APPROVING AGENCY (APPROPRIATION 649)

This appropriation provides for the program that approves courses before an eligible veteran, service person or eligible dependent can receive educational benefits. Provides an appropriation is \$290,912 for FY2012 and \$295,825 for FY2013 which is an increase of \$9,641 for FY2012 and \$14,554 for FY2013 for salaries and matching to provide a cost of living adjustment.

CONSTRUCTION CRAFT (APPROPRIATION 755)

This appropriation provides grants for construction craft training programs and is funded by special revenues from a surcharge on building permits. Provides an appropriation of \$883,185 each year which includes an increase of \$900 each year for salaries and matching to provide a cost of living adjustment.

LAW ENFORCEMENT SAFETY OFFICE (LESO) (APPROPRIATION 82V)

This appropriation provides for the cost of administering the program in which the Department assists local enforcement agencies (LEAs) to secure surplus military equipment. This appropriation was approved by the Arkansas Legislative Council for FY2010 and FY2011 through the Cash Fund Holding Account appropriation and continues at \$15,000 each year of the 2011-13 biennium.

PUBLIC SCHOOL FUND:

The total appropriation for the Arkansas Department of Career Education payable from the Public School Fund is \$44,258,764 for FY2012 and \$44,259,617 for FY2013 which is an increase of \$1,721 for FY2012 and \$2,574 for FY2013 for the Governor's Commission on Adult Literacy (Appropriation 427) to provide for salaries and matching costs of a cost of living adjustment.

III) ADDITIONAL POSITIONS

DEPARTMENT:

Total Positions for 2011-13 Biennium: 92

Total Budgeted Positions for FY 2010-11: 92

Increase / (Decrease): (0)

Provides title changes to properly reflect the change in the Department's name from Department of Workforce Education to the Department of Career Education, and 3 reclassifications.

PUBLIC SCHOOL FUND:

Total Positions for 2011-13 Biennium: 1

Total Budgeted Positions for FY 2010-11: 1

Increase / (Decrease): (0)

IV) SPECIAL LANGUAGE

FEDERAL MATCHING: Authorizes the Public School Fund appropriated funds for Adult Basic & General Education, Coordinated Career Education Services, Vocational Center Aid and Vocational Start-Up Grants and Aid to be used to match any available federal funds in order to provide the maximum amount of money possible for the programs.

VOCATIONAL START-UP: Requires the funds and appropriation provided for the Vocational Start-Up appropriation to be allocated in accordance with rules and regulations established by the State Board of Career Education undergoing a prior review by the Rules and Regulations Subcommittee of the Legislative Council or Joint Budget Committee.

EDUCATIONAL TRAINING/RETRAINING: Requires \$300,000 of the funds and appropriation authorized for Adult Basic and General Education, be made available to eligible entities approved by the State Board of Career Education to expand the education, training and re-training opportunities which are needed due to changing technology. In the event the official revenue forecast or the available carryover balance does not provide for full funding of the Adult Basic/General Adult Education appropriation, the language authorizes a proportional reduction to the \$300,000 requirement.

ADULT EDUCATION DISTRIBUTION: Establishes a fund distribution priority for those Adult Education administrative units that are determined to be operating efficient and effective adult education programs under criteria established by the Board of Career Education. These criteria shall be established in rules and regulations promulgated by the State Board of Career Education, and shall include relative administrative efficiency in the counties served and achievement of federal performance indicators. Requires unallocated funds to be redistributed based upon needs as determined by the State Board of Career Education.

TRANSFER OF FUNDS-PROMOTIONAL ITEMS: Requires the Chief Fiscal Officer of the State to establish a special line item to be used in the acquisition of promotional items upon request by the ADCE. It further requires ADCE to obtain State Board of Career Education approval and Arkansas Legislative Council or Joint Budget Committee prior approval when they want to transfer monies from their operating expense appropriation to their Promotional Items line item. Classifies the legislative prior review and approval language as non-severable language, and if the prior review and approval is ruled unconstitutional then the entire section is void.

DELETES THE FOLLOWING LANGUAGE:

FUNDING ALLOCATION PROVISION - ADULT EDUCATION: Provides that any general revenue funding allocated from Revenue Stabilization Law allocations above \$32,443,233 shall be distributed equally among all Arkansas adult education programs.

Revised April 2011