

**DEPARTMENT OF CAREER EDUCATION (ADCE)
AND PUBLIC SCHOOL FUND (0590)
FISCAL YEAR 2015**

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 serves as 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 BUDGET

DEPARTMENT:

The total budget is \$38,898,617 for FY2015 exclusive of the Department of Career Education Public School Fund Account Appropriations.

PUBLIC SCHOOL FUND:

The total budget for the Arkansas Department of Career Education payable from the Public School Fund is \$46,430,061 for FY2015.

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, cash funds, fund balances, and loan repayments.

PUBLIC SCHOOL FUND:

The appropriations for the Department of Career Education - 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:

VOCATIONAL, TECHNICAL AND ADULT EDUCATION - 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 \$6,743,677 for FY2015 with the following significant change:

Operating Expenses - Decrease of \$45,000 from FY2014, due to the \$45,000 being required only for FY2014 for moving expenses to co-locate the Department's 3 Divisions: Career and Technical, Adult Education, and Rehabilitation Services.

FEDERAL EQUIPMENT AND TRAINING-OPERATIONS (APPROPRIATION 647)

This appropriation is used for inventory control and is funded from M&R proceeds derived from the sale of equipment purchased with federal funds. The appropriation is \$16,700 for FY2014 and \$14,800 for FY2015 which is an increase of \$10,700 for FY2014 and \$8,800 for FY2015 for the purchase of supplies.

CAREER COACHES GRANT (APPROPRIATION 96V)

This appropriation is used to support the Arkansas Works program and specifically 3 Career Coaches in Pulaski County schools with high dropout rates and is funded by a Winthrop Rockefeller Foundation Grant. This appropriation was originally established by a Miscellaneous Federal Grant request approved by the Arkansas Legislative Council during the 2011-13 biennium and is \$60,000 for FY2015 which is \$100,000 less than FY2014 due to the amount of remaining grant funds declining year to year. The Department

expects to completely expend the remaining grant funds in FY2015.

PUBLIC SCHOOL FUND:

The following appropriations are continuing at the FY2014 appropriated level in FY2015:

<u>Appropriation</u>	<u>Amount</u>
Vocational Center Aid	\$ 20,436,383
Vocational Start-Up Grants	2,370,000
Gov. Cmsn on Adult Literacy	773,676
Adult Basic & Gen. Education	19,860,569
Coordinated Career Educ. Svcs	1,119,433
GED Test Costs	1,870,000

III) ADDITIONAL POSITIONS

DEPARTMENT:

Total Positions FY2015: 92
Total Positions FY2014: 92
Increase/(Decrease): 0

PUBLIC SCHOOL FUND:

Total Positions FY2015: 1
Total Positions FY2014: 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 after 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.

SECONDARY TECHNICAL CENTER AID PROVISIONS: Provides that Secondary Technical Center (STC) aid shall be calculated and distributed based upon STCs' FTE count and not on the percentage of total enrolment from any one sending school.

October 2013