

**DEPARTMENT OF CAREER EDUCATION (ADCE)
AND PUBLIC SCHOOL FUND (0590)
FISCAL YEAR 2016
As Enacted by Act 923 of 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 APPROPRIATION

DEPARTMENT :

The total appropriation \$70,923,777 exclusive of the Department of Career 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 \$47,421,697.

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) CHANGE LEVEL REQUESTS

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. The annual maximum fund transfer of \$150,000 from the Motor Vehicle Commission authorized originally for Motor Vehicle Education and Training in FY2008 and continued through the 2011-13 biennium is not continued due to the elimination of special language authorizing the fund transfer in Act 36 of 2013. Provides a total appropriation of \$6,670,869 which includes the following change:

Extra Help and Matching - Increase of \$10,796 to temporarily fill administrative vacant positions.

FEDERAL VOCATIONAL, TECHNICAL & ADULT EDUCATION - OPERATIONS (APPROPRIATION 641)

This appropriation is the federal counterpart to the general revenue appropriation described above (Appro. 640), and provides federally funded administrative support to the Department. Provides a total appropriation of \$19,591,984 and includes the following changes:

Regular Salaries and Matching - Increase of \$208,936 for four (4) new positions: two (2) ACE Program Advisors, one (1) ACE Program Coordinator and one (1) Administrative Analyst to manage financial requirements, provide technical assistance and manage the logistics of local, state and national projects and conferences and perform other administrative duties.

Extra Help and Matching - Increase of \$10,796.

LAW ENFORCEMENT SAFETY OFFICE - LESO (APPROPRIATION 82V)

This appropriation is used to assist local law enforcement agencies in acquiring federal property to assist them in performing their missions and is funded by fees on each property transaction. The appropriation is \$75,000 and includes the following change:

LESO - Increase of \$60,000 to allow for transportation of federal vehicles and heavy equipment to law enforcement agencies in the State.

CAREER COACHES GRANT (APPROPRIATION 96V)

This appropriation is used to support Career Coaches in schools identified with high dropout rates and is funded with a grant from the Winthrop Rockefeller Foundation. This appropriation was originally established by a Miscellaneous Federal Grant request approved by the Arkansas Legislative Council during the 2011-13 biennium. The appropriation is \$20,000 which includes the following change:

Grants and Aid - reduction of \$40,000 to match available funding.

AR WORKS - SCHOOL DISTRICTS (APPROPRIATION F48)

This appropriation is used to reimburse participating two-year colleges and cooperative education centers for costs associated with travel, training, supplies and services. This appropriation is funded by districts who submit a portion of their funding to the Department for career coach positions in the Arkansas Works Initiative program that serve middle and high schools in 21 counties and the Little Rock school district. The appropriation is \$1,537,500 and includes the following change:

Grants and Aid - increase of \$1,537,500 for reimbursements.

NEW APPROPRIATION **OFFICE OF SKILLS DEVELOPMENT**

This appropriation will be used to support the operations of the Office of Skills Development within the Department of Career Education. Providing appropriation of \$32,526,669 from the newly created Skills Development Fund, this appropriation will support the following programs: Industry Training, Workforce Development Grants, Workforce Improvement Grants, Career Coaches Expenses and Industry Certification Testing.

PUBLIC SCHOOL FUND:

GOVERNOR'S COMMISSION ON ADULT LITERACY (APPROPRIATION 427)

This appropriation is used to support the operations of the Commission and disburse grants to literacy councils and the Recognition Program. This appropriation is funded from general revenue of \$793,688, which includes the following change:

Grants and Aid - increase of \$25,000 for grants to literacy councils.

III) ADDITIONAL POSITIONS (Total FY2015 Authorized Positions: 93)

DEPARTMENT:

Total Authorized Positions FY2016: 96

Total Base Level Positions FY2015: 93

Increase / (Decrease) over Base Level: 3

Added: (1) Director of Office of Skills Development (N910), (1) Human Resources Specialist (C113), (1) Career Coach-AR Works (C122); **Deleted:** (1) Administrative Specialist II (C109)

PUBLIC SCHOOL FUND:

Total Positions FY2016: 2

Total Budgeted Positions FY2015: 2

Increase / (Decrease) over Base Level: 0

Extra Help Positions FY2016: 73 (Total FY2015 Authorized Extra Help: 73)

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.

LANGUAGE TO BE DELETED **SECONDARY TECHNICAL CENTER AID PROVISIONS:** Provides that Secondary Technical Center (STC) aid shall be calculated and distributed based upon STCs' FTE count, which prevents the implementation of recently promulgated rules that limit funding to STCs that have greater than 60% of their students coming from one high school to 60% of their FTE count. This provision was also made effective immediately upon passage and approval of the bill.

NEW LANGUAGE **CODE AMENDMENT:** Amends Arkansas Code 6-51-904 to add that the appointment of a president of a technical institute or director of a comprehensive lifelong learning center from candidates certified by the State Board of Career Education, must be approved by the Governor.

Revised: April 2015