

Workforce Education Fund

Annual Report to the Government Operations and Audit Committee

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South Dakota Department of Education

Matt Flett, CFO

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Overview

In 2013, the South Dakota Legislature passed SB 235, which established the Building South Dakota (BSD) Fund. According to the bill, each year 30% of the BSD fund is to be transferred to the Workforce Education Fund (WEF). Initially, WEF dollars were to be used for three purposes: to cover the State's share of the Limited English Proficiency (LEP) adjustment in the State Aid to General Education Funding formula for fiscal years 2014 through 2016; to provide secondary career and technical education grants; and to provide additional one-time funding to school districts.

Over the years, those purposes have been modified by the Legislature. The State's share of the LEP adjustment is now covered with general funds. The one-time funding to school districts was changed to provide for one-time education enhancement programs. And, in 2018, the Legislature passed SB 81, which limited the fund to providing grants for new and existing secondary career and technical education programs.

This report provides information regarding the secondary career and technical education grants and the one-time education enhancement programs and the status of each.

Secondary Career and Technical Education Grants (Workforce Education Grants)

Overview:

For FY 2014 through 2016, funds of up to \$1.5 million remaining after the LEP adjustment was fully funded were to be used to fund new and existing secondary career and technical education (CTE) programs. The fund was first able to reach this benchmark during FY2016. During the 2016 legislative session, this amount was increased to \$2.5 million beginning in FY2017. A provision was added that allowed up to \$250,000 to be distributed to private, nonprofit entities that specialize in career and technical education. The grants are known as the Workforce Education Grants.

The Workforce Education Grants provide school districts and private, nonprofit entities in South Dakota the opportunity to make transformative change in CTE programs. High quality CTE programs give students the knowledge, skills and experiences to be well prepared for postsecondary education and the workforce. Partnerships among secondary education, postsecondary education, and business and industry lay the foundation for modern CTE programs. These grants will efficiently increase the number of students with access to high quality CTE programs in the state.

Who is Eligible:

Eligible applicants are Local Education Agencies (LEAs) and private, nonprofit entities with projects designed to serve 7th – 12th grade students. Entities that are awarded grants will serve as fiscal agents

through the completion of their projects. All applications must demonstrate commitment by all grant partners to the grant project and its sustainability following the conclusion of the grant.

Proposed projects must meet the following criteria:

1. Build, reform or enhance an approved secondary CTE program;
2. Align to high-skill, high-demand, and high-wage careers and postsecondary education programs in South Dakota; and
3. Demonstrate the ability to complete the project.

Proposed projects must fall within one or more of the following categories:

1. Evaluation for alignment to postsecondary education and workforce demands;
2. Development of career pathways or programs of study;
3. Development of career guidance or work-based learning programs;
4. Educator training;
5. Facilities;
6. Equipment; or
7. Instructional materials.

The Workforce Education Grants are awarded through a competitive submission and review process. As such, grant teams are expected to make significant and meaningful improvements to CTE programs; applications should not be one-off projects for small equipment purchases, student transportation, or similar activities. Projects should be completed within 18 months, and a one-to-one match is required.

Priority is given to projects that demonstrate one or more of the following characteristics and meet the requirements outlined in SD Administrative Rule 24:10:47.

- A project evaluating local career and technical education systems for the purposes of redesigning approved secondary CTE programs;
- An innovative project demonstrating alignment to postsecondary education and South Dakota workforce needs and including work-based learning, dual or concurrent credit courses and any applicable CTSO;
- A project which includes collaboration between multiple secondary schools;
- A project demonstrating partnerships with postsecondary education and business or industry;
- A project including industry-grade practices, equipment, and student certifications;
- A project integrating academic content, work-readiness skills, and entrepreneurship education;
- A project increasing access to and support for approved secondary CTE programs in rural areas;
- A project including plans for sustainability;
- A project which supports the retention of highly effective teachers, career counselors, and administrators for approved secondary CTE programs.

Grants Awarded:

To date, \$4,900,000 in funding has been made available for distribution through Workforce Education Grants.

- \$1,500,000 at the end of FY2016
- \$2,500,000 at the end of FY2017
- \$900,000 at the end of FY2018

Grants in the amount of \$3,352,945.99 have been awarded to the following:

School District/Entity	Grant Year	Total Awarded	Balance to Date	Description
Aberdeen Development Corporation	2017	\$ 250,000.00	\$ 141,494.58	Diesel technology training program
Armour School District	2017	\$ 17,495.00	\$ -	Update manufacturing equipment and facilities
Belle Fourche School District	2017	\$ 500,000.00	\$ -	Construction of CTE facility to house manufacturing, human services, hospitality & tourism, business management & administration, and agriculture programs
Brookings School District	2017	\$ 493,500.00	\$ 493,500.00	Improve agriculture, health science, hospitality & tourism, and information technology program through equipment purchases, teacher training and facilities renovation
Estelline School District	2018	\$ 150,000.00	\$ 150,000.00	Implementing a Manned and Unmanned Aviation Systems program in the STEM Career Cluster
Gayville-Volin School District	2016	\$ 100,000.00	\$ -	Expand transportation program facilities
Hitchcock-Tulare School District	2017	\$ 33,169.00	\$ -	Upgrade equipment for ag metals and precision agriculture instruction
Lennox School District	2017	\$ 41,323.00	\$ -	Create agriscience learning lab with outdoor animal science, horticulture, landscape construction, soil science, and natural resources laboratories
McIntosh School District	2017	\$ 76,000.00	\$ -	Development of a heavy equipment operator program
Meade School District	2016	\$ 28,504.64	\$ -	Expand precision machining program
Meade School District	2018	\$ 22,000.00	\$ 22,000.00	Expansion of the Manufacturing Career Cluster at Sturgis Brown High School
Milbank School District	2018	\$ 44,424.00	\$ 44,424.00	Development of a new STEM Career Cluster
Mitchell Area Development	2018	\$ 79,984.00	\$ 79,984.00	Creation of a middle school career exploration program
Mitchell School District	2016	\$ 107,233.00	\$ -	Upgrade equipment in the information technology, architecture & construction, and health science programs; implement a 1+1 licensed practical nursing program with Mitchell Technical Institute
Mitchell School District	2018	\$ 46,429.00	\$ 46,429.00	Expansion of the manufacturing career cluster at the Mitchell Career and Technical Education Academy
Northwestern Area School District	2017	\$ 74,505.35	\$ 60,179.00	Development of a new agriculture program
Pierre School District	2017	\$ 244,500.00	\$ 24,815.68	Renovate facilities and upgrade equipment for the hospitality & tourism program
Platte-Geddes School District	2017	\$ 95,000.00	\$ -	Upgrade the agriculture program facilities
Rapid City School District	2016	\$ 43,446.00	\$ -	Upgrade the graphic design program
Redfield School District	2017	\$ 55,575.00	\$ 55,575.00	Renovate facilities and upgrade equipment for the agriculture program
RTEC, Inc.	2018	\$ 45,540.00	\$ 45,540.00	Enhance skills training in RTEC welding and CNC machining programs with equipment upgrades
Sioux Falls Career & Technical Education Academy	2017	\$ 99,760.00	\$ -	Implement a concurrent credit diesel technology option in the existing transportation program with Lake Area Technical Institute
Webster School District	2016	\$ 43,000.00	\$ -	Implement a Project Lead the Way Biomedical Science Program
Webster School District	2017	\$ 133,158.00	\$ -	Creation of a new architecture & construction program in partnership with surrounding school districts
Yankton School District	2017	\$ 278,400.00	\$ -	Expand the internship program with local businesses; develop concurrent credit programs with Mitchell Technical Institute in transportation, drafting, welding, and information technology; upgrade equipment in the Construction program and Technology, Machines & Society course.
Yankton School District	2017	\$ 250,000.00	\$ 250,000.00	Development of new agriculture program and expansion of architecture & construction program
TOTAL		\$ 3,352,945.99	\$ 1,413,941.26	

For more information, visit <http://doe.sd.gov/octe/weg.aspx>

One-Time Education Enhancement Programs

When SB 235 was passed, any amount remaining in the fund over \$1 million after the LEP adjustment and Workforce Education Grants were distributed was directed to be used to provide additional one-time funding to school districts based on the ratio of each district's fall enrollment to the total state aid fall enrollment. This language was amended in SB 132 during the 2016 legislative session to direct the one-time funding to be used by the Department of Education to implement one-time education enhancements that are defined annually and approved by the South Dakota Legislature. Another bill passed during the 2016 session, SB 9, appropriated \$2,200,000 from the Workforce Education Fund to be used to fund the Native American Achievement Schools grant program and the paraprofessional tuition assistance scholarship program described below.

With the passage of HB 1044 in the 2018 Session, \$792,729 was transferred from the WEF into the general fund prior to the end of the 2018 fiscal year. This amount consisted primarily of dollars forfeited when one of the Native American Achievement School grantees left the program.

South Dakota School of Mines & Technology Summer Math

During the 2016 legislative session, SB92 appropriated \$250,000 from the Workforce Education Fund to the South Dakota School of Mines and Technology to continue the summer math pilot program.

Paraprofessional Tuition Assistance Scholarship Program:

Approximately \$430,000 of the funding appropriated in SB 9 of 2016 has been set aside to provide tuition assistance for paraprofessionals working in public school districts with large Native American student populations that demonstrated academic need. The program, which was launched in the fall of 2016, supports these paraprofessionals who are pursuing teaching degrees.

As of the start of the 2018-19 school year, one candidate has graduated from the program, and there are 10 remaining active participants. Nine of the 10 are pursuing elementary education preparation and one is in early childhood/special education. Three of the 10 participants are on track to graduate in 2018, and two in the spring of 2019. The remaining five students are expected to complete the program during the 2019-20 school year. Program participants represent the following high-need school districts: Dupree, Kadoka, Oglala Lakota County, Rapid City, Smeeth and White River.

Coursework is delivered through a combination of online and field-based experiences, except for the one-year hybrid of methods and student teaching semester. Course seminars are typically offered on the weekends, in order to accommodate schedules. Black Hills State University is committed to providing access to courses; for example, a special topic project-based course was offered online to the six candidates who needed the K-8 Art Methods class.

Moving forward, there has been great improvement regarding digital access in remote areas. The unique design, online and weekend classes, and electronic advising, give the scholarship candidates the opportunity to complete the degree and become qualified and certified teachers.

As of August 31, 2018, \$122,763.85 has been expended for this program. In August 2018, each candidate's transcript was reviewed to make sure they are still complying with the grant's requirements, including verification of employment.

Native American Achievement Schools Grants:

The remaining amount of the appropriation in SB 9, \$1,770,000, was granted to fund three projects through the Native American Achievement Schools grant program. The purpose of the grant program is to fund the establishment of up to three Native American Achievement Schools aimed at improving academic outcomes for Native American students. Funding is available on a one-time basis, and grant proposals must prove sustainability beyond the initial investment. Funds are awarded to support the cost of a fellow to lead the implementation of the proposal, including required training and travel for the fellow; training and travel costs for other personnel directly working to implement the proposal's activities and outcomes; and purchases of services, materials, supplies and equipment related to the proposal's activities and outcomes. Native American Achievement Schools are expected to be fully operational for the start of the 2019-20 school year.

Grant recipients are expected to commit to increasing student success by: building cultural identities of all students; encouraging academic perseverance; supporting the development of the whole child; and encouraging student leadership skills. This commitment to student success is demonstrated by incorporating one or more of the following priorities into the plan for operating a Native American Achievement School:

- Offering programming designed to lead to postsecondary readiness and work readiness;
- Supporting the recruitment and retention of highly effective teachers and administrators;
- Demonstrating commitment to implementation of the Oceti Sakowin Essential Understandings and Standards across the curriculum;
- Demonstrating a commitment to implementation of courses offering instruction in Dakota, Lakota or Nakota languages;
- Maintaining a school environment that cultivates diversity of the student population and promotes a sense of belonging;
- Forming partnerships with community organizations or governmental entities;
- Planning for sustainability.

The following districts are recipients of the Native American Achievement School grants. Each grant is a three-year grant with a total funding amount of \$590,000 for each school. As of August 31, 2018, a total of \$321,958.63 has been paid out for these grants. As noted in last year's report, as of Sept. 26, 2017, the Smee School District is no longer part of the program.

Grantee	Awarded	Payments	Released	Balance
Smee School District - Wakpala High School	\$ 590,000.00	\$ 24,241.51	\$ (565,758.49)	\$ -
Todd County School District - Todd County Middle School	\$ 590,000.00	\$ 148,040.75	\$ -	\$ 441,959.25
Todd County School District - He Dog Elementary School	\$ 590,000.00	\$ 149,676.37	\$ -	\$ 440,323.63
TOTAL	\$ 1,770,000.00	\$ 321,958.63	\$ (565,758.49)	\$ 882,282.88

Todd County Middle School is well into its implementation plan, under the leadership of its fellow. The following are highlights as a result of the grant:

- The school is integrating the Oceti Sakowin Essential Understandings and Standards across content areas.
- As of the start of 2018-19 school year, there are six sections of students (about 21 per section) taking Lakota Language for the first quarter. This offering will repeat each quarter.
- The fellow has begun classroom observations using the "Indigenizing Our Classrooms" Innovation Configuration Map.
- The school hosted a Summer Leadership and Culture Excursion to sacred sites with separate curricula for boys and girls.

He Dog Elementary School is behind the middle school in terms of implementation, due to a late start finding a fellow and then a change in the fellow. As of the start of the 2018-19 school year, a new fellow is on board at He Dog. Highlights from He Dog's implementation include:

- The school hosted a Summer Culture Camp for students to explore culture, identity and wellness topics.
- The new fellow presented the "Indigenizing Our Classrooms" Innovation Configuration Map to staff and has established a calendar for classroom observation.
- The school has begun using Swivl cameras to support instructional coaching, peer coaching and collection of best practice videos.
- As of September 2018, teachers are integrating Lakota vocabulary aligned to their content areas in all classes.

Fellows and school administrators at both schools have access to and receive support from the NACA Inspired School Network (NISN), based in Albuquerque, NM. As of August 2017, the Network has positioned a Director of Education for the Oceti Sakowin in South Dakota, specifically to assist with the change efforts being under taken as required by the grant.

Revenues and Expenditures

The table below shows the revenues and distributions of the Workforce Education Fund as of June 30, 2018.

	ACTUAL FY2013	ACTUAL FY2014	ACTUAL FY2015	ACTUAL FY2016	ACTUAL FY2017	ACTUAL FY2018	PROJECTED FY2019
Interest & Dividends		\$4,025	\$11,269	\$30,037	\$53,442	\$70,855	\$70,242
Operating Transfers In	\$2,100,000	\$2,771	\$3,017,826	\$3,317,106	\$3,409,043	\$524,773	\$490,000
TOTAL RECEIPTS	\$2,100,000	\$6,796	\$3,029,094	\$3,347,142	\$3,462,485	\$595,628	\$560,242
Grants & Subsidies							
Limited English Proficiency		\$2,100,000	\$1,638,552	\$1,529,984	\$0	\$0	\$0
CTE			\$0	\$117,349	\$0	\$1,888,989	\$2,559,391
One-Time Education Enhancement Special			\$0	\$0	\$100,765	\$343,958	\$1,189,519
Operating Transfer Out			\$0	\$250,000	\$0	\$792,729	\$0
TOTAL DISBURSEMENTS	\$0	\$2,100,000	\$1,638,552	\$1,897,333	\$100,765	\$3,025,676	\$3,748,910
NET (Receipts less Disbursements)	\$2,100,000	(\$2,093,204)	\$1,390,542	\$1,449,809	\$3,361,721	(\$2,430,047)	(\$3,188,669)
BEGINNING CASH BALANCE	\$0	\$2,100,000	\$6,796	\$1,397,339	\$2,847,148	\$6,208,869	\$3,778,821
ENDING CASH BALANCE	\$2,100,000	\$6,796	\$1,397,339	\$2,847,148	\$6,208,869	\$3,778,821	\$590,153