

Workforce Education Fund

Annual Report to the Government Operations and Audit Committee

Fiscal Year 2021

**South Dakota Department of Education
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Secretary of Education**

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Workforce Education Fund

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 through the General State Aid to Education formula. 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 (CTE) grants and the one-time education enhancement programs and the status of each.

Secondary Career and Technical Education Grants (Workforce Education Grants)

Overview:

For FY2014 through FY2016, funds of up to \$1.5 million remaining after the LEP adjustment was fully funded were to be used to fund new and existing 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 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 middle and high school 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 CTE 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:

Grants totaling \$5,533,827.81 have been awarded from FY2016 through the end of FY2021. A complete history of school districts and other entities awarded Workforce Education Grants can be found at the end of this report.

A snapshot of typical projects and the impact they make include:

Rapid City Area Schools:

To expand the Rapid City Area Schools (RACS) District's Pathway approach, they requested funding to provide equipment for the Computer Arts and Sciences Academy. The request included sophisticated computer equipment needed for the advanced coursework to be followed in this academy. Specifically, they requested 60 computers to help furnish two advanced computer labs which would allow courses in programming, network systems analytics, cybersecurity, engineering, web design, animation, 3D design,

game app development and more. Ultimately, RACS was able to provide quality equipment and software based on industry standards to advance the students' professional learning.

Harrisburg School District:

To keep up with the increasing demand for a building trades workforce, Harrisburg School District (HSD) used the grant for the construction of a state-of-the-art building facility and learning space. Their new space now allows new courses to be offered through the Architecture and Construction career cluster in addition to the Agriculture, Food, & Natural Resources cluster. This new building and learning space provides on-site training experiences and it offers off-site training with their partner agencies in plumbing, electrical, HVAC, and drywalling. HSD now has the ability to provide its learners the opportunity to be better prepared for success in architecture, construction, building trades, and agriculture which will lead to lifelong skills.

Menno School District:

With the use of the grant, the Menno School District (MSD) was able to build a state-of-the-art Agricultural Lab. Their new building is 3750 square feet which allows a safer environment with the increased space from the previous building. MSD is now able to offer more hands-on learning programs in fields like agricultural structures, agricultural powers and agricultural mechanics. This new opportunity will allow innovation and advanced learning for students to gain the necessary technical skills to fill the workforce needs in their community and throughout South Dakota.

Tea Area School District:

Tea Area School District utilized their grant funds to build an on-site facility to provide their students the opportunity to attend manufacturing, architecture & construction, and Transportation, Distribution & Logistic courses. This new facility allows increased enrollment and minimizes scheduling difficulties. Prior to the facility, Tea Area School District would utilize the Sioux Falls CTE Academy. While this has been a great partnership, it created some limitations. The new facility increased availability for all students to build foundational skills to pursue work-based capstone experiences and the option to participate in dual credit and workforce opportunities in high-demand careers.

Mitchell School District:

In congruence with the Mitchell Career and Technical Education Academy (MCTEA), the Mitchell School District utilized their grant to advance their agriculture program by moving towards precision farming and ag automation and robotics, which include animal science. This move provided a more modern, high quality education in the ag sector with the inclusion of animal husbandry simulations that allows hands-on experience without the safety concerns present with live animals. This project has created more interest in the ag sector and has built more confidence in the MCTEA students who have participated.

As of September 30, 2021, there are six Workforce Education Grants open with a total award amount of and a balance \$ 928,017.35 remaining on the grants. Details of the open grants are in the table on the next page:

School District/Entity	Grant Year	Total Awarded	Balance to Date	Description
Canton School District	2020	\$ 60,000.00	\$ 12,772.60	Erect and maintain a school Greenhouse with the intent to develop tomorrow's South Dakota workforce by introducing and culturing student's interest in career areas such as: agronomy, horticulture, landscape construction, soil science, and natural resources.
Huron School District	2020	\$ 225,000.00	\$ 225,000.00	Expand infrastructure and career development opportunities in the district's CTE programs in order to fulfill regional workforce needs.
Brookings School District	2021	\$ 204,000.00	\$ 204,000.00	Purchase industry-grade robotics and mechatronics equipment to support the manufacturing program.
Edmunds Central School District	2021	\$ 142,453.51	\$ 142,453.51	Create an Agriculture innovation lab and curriculum development.
Mitchell School District	2021	\$ 118,791.24	\$ 118,791.24	Update technology in the automobile technology program.
Rosholt School District	2021	\$ 225,000.00	\$ 225,000.00	Build a CTE facility to house welding and automotive technology programs.
TOTAL		\$ 1,089,480.10	\$ 928,017.35	

*Grant Agreements can be found at www.open.sd.gov

For more information, visit <https://doe.sd.gov/cte/WEG.aspx>

Revenues and Expenditures

The table below shows the revenues and distributions of the WEF as of June 30, 2021:

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Interest & Dividends	\$53,442	\$70,855	\$70,242	\$82,234	\$78,004	\$42,832
Operating Transfers In	\$3,409,043	\$524,773	\$490,000	\$490,000	\$490,000	\$490,000
TOTAL RECEIPTS	\$3,462,485	\$595,628	\$560,242	\$572,234	\$568,004	\$532,832
Grants & Subsidies						
Limited English Proficiency	\$0	\$0	\$0	\$0	\$0	\$0
CTE	\$0	\$1,888,989	\$1,084,041	\$581,381	\$643,473	\$2,174,013
One-Time Education Enhancement S	\$100,765	\$343,958	\$339,632	\$428,624		
One-Time Education Enhancement						
Operating Transfer Out		\$792,729				
TOTAL DISBURSEMENTS	\$100,765	\$3,025,676	\$1,423,674	\$1,010,005	\$643,473	\$2,174,013
NET (Receipts less Disbursements)	\$3,361,721	(\$2,430,047)	(\$863,432)	(\$437,771)	(\$75,470)	(\$1,641,181)
BEGINNING CASH BALANCE	\$2,847,148	\$6,208,869	\$3,778,821	\$2,915,390	\$2,477,619	\$2,402,149
ENDING CASH BALANCE	\$6,208,869	\$3,778,821	\$2,915,390	\$2,477,619	\$2,402,149	\$760,968

School District/Entity	Fiscal Year Grant was Awarded	Grant Agreement Number*	Grant Award End Date	Grant Award Amount	Amount reimbursed in FY 2017	Amount reimbursed in FY 2018	Amount reimbursed in FY 2019	Amount reimbursed in FY 2020	Amount reimbursed YTD FY 2021	Amount Reimbursed YTD FY 2022 (as of 9/30/2021)	Grant Amount Dismissed After Final Grant Payment	Balance Remaining	Comments
Gayville-Volin School District	2016	2016G-526	12/28/2017	\$ 100,000.00	\$ -	\$ 99,995.19	\$ -	\$ -	\$ -	\$ -	\$ 4.81	\$ (0.00)	Expand transportation program facilities
Meade School District	2016	2016G-473	09/01/2017	\$ 28,504.64	\$ -	\$ 27,689.88	\$ -	\$ -	\$ -	\$ -	\$ 814.76	\$ (0.00)	Expand precision machining program
Mitchell School District	2016	2016G-484	09/01/2017	\$ 107,233.00	\$ -	\$ 99,071.82	\$ -	\$ -	\$ -	\$ -	\$ 8,161.18	\$ (0.00)	Upgrade equipment in the information technology, architecture & construction, and health science programs; implement a 1+1 licensed practical nursing program with Mitchell Technical Institute
Rapid City School District	2016	2016G-479	09/01/2017	\$ 43,446.00	\$ -	\$ 35,120.04	\$ -	\$ -	\$ -	\$ -	\$ 8,325.96	\$ -	Upgrade the graphic design program
Webster School District	2016	2016G-482	12/28/2017	\$ 43,000.00	\$ -	\$ 39,691.94	\$ -	\$ -	\$ -	\$ -	\$ 3,308.06	\$ (0.00)	Implement a Project Lead the Way Biomedical Science Program
Grant Year Totals:				\$ 322,183.64	\$ -	\$ 301,568.87	\$ -	\$ -	\$ -	\$ -	\$ 20,614.77	\$ (0.00)	
Aberdeen Development Corporation	2017	2017G-600	11/01/2018	\$ 250,000.00	\$ -	\$ 108,505.42	\$ 140,716.09	\$ -	\$ -	\$ -	\$ 778.49	\$ 0.00	Diesel technology training program
Armour School District	2017	2017G-594	07/31/2018	\$ 17,495.00	\$ -	\$ 17,495.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Update manufacturing equipment and facilities
Belle Fourche School District	2017	2017G-595	11/14/2018	\$ 500,000.00	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Construction of CTE facility to house manufacturing, human services, hospitality & tourism, business management & administration, and agriculture programs

Brookings School District	2017	2017G-604	07/31/2018	\$ 493,500.00	\$ -	\$ -	\$ 314,961.57	\$ -	\$ -	\$ -	\$ 178,538.43	\$ -	Improve agriculture, health science, hospitality & tourism, and information technology program through equipment purchases, teacher training and facilities renovation.
Hitchcock-Tulare School District	2017	2017G-180	09/01/2017	\$ 33,169.00	\$ -	\$ 32,978.58	\$ -	\$ -	\$ -	\$ -	\$ 190.42	\$ (0.00)	Upgrade equipment for ag metals and precision agriculture instruction
Lennox School District	2017	2017G-603	06/30/2018	\$ 41,323.00	\$ -	\$ 41,323.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Create Agri science learning lab with outdoor animal science, horticulture, landscape construction, soil science, and natural resources laboratories
McIntosh School District	2017	2017G-602	07/31/2018	\$ 76,000.00	\$ -	\$ 55,550.00	\$ 20,450.00	\$ -	\$ -	\$ -	\$ -	\$ -	Development of a heavy equipment operator program
Northwestern Area School District	2017	2017G-605	11/01/2018	\$ 74,505.35	\$ -	\$ 14,326.35	\$ 54,797.47	\$ -	\$ -	\$ -	\$ 5,381.53	\$ 0.00	Development of a new agriculture program
Pierre School District	2017	2017G-601	07/31/2018	\$ 244,500.00	\$ -	\$ 219,684.32	\$ 24,815.68	\$ -	\$ -	\$ -	\$ -	\$ (0.00)	Renovate facilities and upgrade equipment for the hospitality & tourism program
Platte-Geddes School District	2017	2017G-599	06/29/2018	\$ 95,000.00	\$ -	\$ 95,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Upgrade the agriculture program facilities
Redfield School District	2017	2017G-440	08/20/2018	\$ 55,575.00	\$ -	\$ -	\$ 34,042.38	\$ -	\$ -	\$ -	\$ 21,532.62	\$ 0.00	Renovate facilities and upgrade equipment for the agriculture program
Sioux Falls Career & Technical Education Academy	2017	2017G-181	12/28/2017	\$ 99,760.00	\$ -	\$ 91,661.28	\$ -	\$ -	\$ -	\$ -	\$ 8,098.72	\$ 0.00	Implement a concurrent credit diesel technology option in the existing transportation program with LATI
Webster School District	2017	2017G-597	11/01/2018	\$ 133,158.00	\$ -	\$ 133,158.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Creation of a new architecture & construction program in partnership with surrounding school

													districts
Yankton School District	2017	2017G-179	11/01/2017	\$ 278,400.00	\$ -	\$ 277,738.04	\$ -	\$ -	\$ -	\$ -	\$ 661.96	\$ 0.00	Expand the internship program with local businesses; develop concurrent credit programs with MTI in transportation, drafting, welding, and information technology; upgrade equipment in the Construction program and Technology, Machines & Society course.
Yankton School District	2017	2017G-593	12/01/2018	\$ 250,000.00	\$ -	\$ -	\$ 249,654.20	\$ -	\$ -	\$ -	\$ 345.80	\$ (0.00)	Development of new agriculture program and expansion of architecture & construction program
Grant Year Totals:				\$ 2,642,385.35	\$ -	\$ 1,587,419.99	\$ 839,437.39	\$ -	\$ -	\$ -	\$ 215,527.97	\$ 0.00	
Estelline School District	2018	2018G-571	12/01/2019	\$ 150,000.00	\$ -	\$ -	\$ 57,370.32	\$ 46,490.35		\$ -	\$ 46,139.33	\$ (0.00)	Implementing a Manned and Unmanned Aviation Systems program in the STEM Cluster
Meade School District	2018	2018G-570	12/01/2019	\$ 22,000.00	\$ -	\$ -	\$ 21,951.22			\$ -	\$ 48.78	\$ (0.00)	Expansion of the Manufacturing Career Cluster at Sturgis Brown HS
Milbank School District	2018	2018G-572	12/01/2019	\$ 44,424.00	\$ -	\$ -	\$ -	\$ 44,423.52		\$ -	\$ 0.48	\$ -	Development of a new STEM Career Cluster
Mitchell Area Development	2018	2018G-577	12/01/2019	\$ 79,984.00	\$ -	\$ -	\$ 79,984.00			\$ -	\$ -	\$ -	Creation of a middle school career exploration program
Mitchell School District	2018	2018G-569	12/01/2019	\$ 46,429.00	\$ -	\$ -	\$ 46,429.00			\$ -	\$ -	\$ -	Expansion of the manufacturing cluster at Mitchell CTE Academy
RTEC, Inc.	2018	2018G-573	12/01/2019	\$ 45,540.00	\$ -	\$ -	\$ 38,869.50	\$ 6,408.00		\$ -	\$ 262.50	\$ -	Enhance skills training in RTEC welding and CNC machining programs with equipment upgrades
Grant Year Totals:				\$ 388,377.00	\$ -	\$ -	\$ 244,604.04	\$ 97,321.87	\$ -	\$ -	\$ 46,451.09	\$ (0.00)	

Dell Rapids School District	2019	2019G-461	11/01/2020	\$ 11,661.34	\$ -	\$ -	\$ -			\$ -	\$ -	\$ 11,661.34	Expand and enhance the manufacturing cluster through a welding technology program.
Deubrook Area School District	2019	2019G-460	11/01/2020	\$ 16,625.00	\$ -	\$ -	\$ -			\$ -	\$ -	\$ 16,625.00	Expansion of AFNR cluster through a new horticulture program.
Harrisburg School District	2019	2019G-459	11/01/2020	\$ 225,000.00	\$ -	\$ -	\$ -	\$ 225,000.00		\$ -	\$ -	\$ -	Expand infrastructure and skills development through the creation of a Homebuilders Academy as part of the architecture and construction cluster.
Menno School District	2019	2019G-456	11/01/2020	\$ 225,000.00	\$ -	\$ -	\$ -		\$ 225,000.00	\$ -	\$ -	\$ -	Building of a new Agricultural Laboratory to expand the AFNR career cluster.
Mitchell School District	2019	2019G-458	11/01/2020	\$ 72,086.48	\$ -	\$ -	\$ -		\$ 63,494.98	\$ -	\$ 8,591.50	\$ -	Provide automation/robotic s skills instruction in Mitchell MS and Mitchell CTE Academy programs.
Rapid City Area School District	2019	2019G-468	11/01/2020	\$ 225,000.00	\$ -	\$ -	\$ -			\$ -	\$ -	\$ 225,000.00	Expansion of the Information Technology and Arts/AV Technology and Communications Clusters through the purchase of equipment for the Computer Arts and Sciences Academy.
Sioux Falls Catholic Schools (O'Gorman)	2019	2019G-462	11/01/2020	\$ 91,028.90	\$ -	\$ -	\$ -	\$ 34,058.76	\$ 14,009.54	\$ -	\$ -	\$ 42,960.60	Expansion of the Architecture and Construction cluster.
Tea Area School District	2019	2019G-457	11/01/2020	\$ 225,000.00	\$ -	\$ -	\$ -	\$ 225,000.00		\$ -	\$ -	\$ -	Construction of a facility to house Manufacturing, Architecture & Construction, and Transportation, Distribution & Logistics Career cluster classrooms.
Grant Year Totals:				\$ 1,091,401.72	\$ -	\$ -	\$ -	\$ 484,058.76	\$ 302,504.52	\$ -	\$ 8,591.50	\$ 296,246.94	

Canton School District	2020	2020G-397	12/01/2021	\$ 60,000.00	\$ -	\$ -	\$ -	\$ -	\$ 47,227.40	\$ -	\$ -	\$ 12,772.60	Erect and maintain a school greenhouse to develop tomorrow's South Dakota workforce by introducing and culturing students' interest in career areas such as: agronomy, horticulture, landscape construction, soil science, and natural resources.
Huron School District	2020	2020G-395	12/01/2022	\$ 225,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,000.00	Expand infrastructure and career development opportunities in the district's CTE programs in order to fulfill regional workforce needs.
McCook School District	2020	2020G-398	12/01/2021	\$ 57,945.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,526.76	\$ 1,418.24	\$ -	Create an Animal Science and Agri Science Learning Lab.
Mitchell School District	2020	2020G-396	12/01/2021	\$ 56,290.35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,243.13	\$ 7,047.22	\$ -	The Agricultural Precision and Automation Project is an initiative designed to advance the congruence of the Mitchell CTE Academy's AFNR program with the realities and needs of the modern ag sector.
Grant Year Totals:				\$ 399,235.35	\$ -	\$ -	\$ -	\$ -	\$ 47,227.40	\$ 105,769.89	\$ 8,465.46	\$ 237,772.60	
Brookings School District	2021	2021G-759	12/01/2022	\$ 204,000.00								\$ 204,000.00	Purchase industry-grade robotics and mechatronics equipment to support the manufacturing program.
Edmunds Central School District	2021	2021G-760	12/01/2022	\$ 142,453.51								\$ 142,453.51	Create an Agriculture innovation lab and curriculum development.
Rosholt School District	2021	2021G-761	12/01/2022	\$ 225,000.00								\$ 225,000.00	Build a CTE facility to house welding and automotive

													technology programs.
Mitchell School District	2021	2021G-762	12/01/2022	\$ 118,791.24								\$ 118,791.24	Update technology in the automobile technology program.
Grant Year Totals:				\$ 690,244.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690,244.75	
Workforce Education Fund Grand Total				\$ 5,533,827.81	\$ -	\$ 1,888,988.86	\$ 1,084,041.43	\$ 581,380.63	\$ 643,473.40	\$ 105,769.89	\$ 302,156.25	\$ 928,017.35	