

# CTE Funding Working Group

*Final Proposal*

Career and Technical Education  
Funding Working Group



**RIDE** Rhode Island  
Department  
of Education

Version: February 13, 2018

# Summary

Based on the recommendations made by the CTE Funding Working Group (CTEFWG) and the CTE Board of Trustees (CTEBOT), the Rhode Island Department of Education (RIDE) has developed the following funding proposal to govern the allocation of state and local funding to support career and technical education. The purpose of this proposal is fulfill RIDE’s responsibilities as established by the K-12 Council’s regulations on CTE to “Establish and manage a funding methodology for Career and Technical Education consistent with applicable state statutes and these Regulations that is designed to support the reasonable and necessary costs for the administration and implementation of RIDE-approved career preparation programs.”

The proposal will take effect on July 1, 2018 and will be phased in over a three-year period, starting with newly enrolled students in CTE programs who begin attending after July 1, 2018. Receiving districts with enrolled students in CTE prior to June 30, 2018 will be eligible bill sending districts for those students using the receiving district’s prior methodology.

## Guiding Design Principles

The CTEFWG identified five design principles to guide the process on how to best fund career and technical education in Rhode Island. The design principles:

- **Provide equity.** There should be one funding formula that is used for schools and districts to bill for career and technical education.
- **Support the full cost of career and technical education.** The formula should acknowledge the unique costs related to the high cost of CTE including, but not limited to, equipment and serving as a state CTE center.
- **Braid state and federal funds that support CTE.** The formula should consider the allocation of other resources, but not double-count costs already accounted for through other funding sources.
- **Be responsive to the needs of industry.** The formula must be nimble enough to allow schools and districts to respond ever-evolving needs of Rhode Island’s employers.
- **Provide clarity to all stakeholders.** The formula must be publicly accessible and easily understandable by all audiences. Additionally, there must be a transparent process with annual deadlines for potential updates to the formula that supports fiscal planning with school committees and town councils.

# Proposal

Effective July 1, 2018, RIDE is proposing a new approach to fund CTE with state and local fund. The proposal will be phased in over a three-year period. Students attending prior to June 30, 2018, will be eligible to be billed under the methodology used by their receiving districts when they first attended the program.

As always, LEAs have the opportunity to enter into local or regional agreements to support expenses related CTE, as well as enrollment processes for students between districts. RIDE encourages the development of such agreements. The purpose of this proposal is not to usurp the decisions of local leaders but instead to provide a de facto common comparability in funding for all RIDE-approved CTE programs for LEAs that cannot come to agreement. This methodology fully aligns to the funding methodology and process by Davies, the Met and Rhode Island's charter schools. This proposal will make sure that the education of children are funded at the same level of financial support despite the governance structure of the school they choose to attend.

RIDE has and will continue to approach this proposal with full humility. CTE is growing and is a bright spot in our educational system. RIDE knows that we at the state level have the ability to create challenges and obstacles through this proposal that do not currently exist that could potentially slow the progress of this important work. We want to avoid this at all costs. It is our intent to review the funding methodology and contents of this proposal regularly to make sure we have not created new challenges to advance the important goal of increasing career education outcomes for our children. Additionally, RIDE recognizes that the best leadership is the leadership that happens closest to children by leaders in schools and communities. As such, RIDE will not stand in the way of any local agreement that LEAs and local leaders feel are in their best interests related to supporting the education of children attending RIDE-approved CTE programs.

**In lieu of a mutually developed local agreement, RIDE-approved CTE programs (receiving districts) shall use the following process to bill the district of residence (sending districts) for enrolling out of district student CTE programs:**

## 1. Local Per Pupil Aid

Receiving districts will be eligible to bill sending districts for local aid in accordance to the process and amounts established for local aid as described in the Education Equity and Property Tax Relief Act established in Rhode Island General Law 16-7.2-5. As is permitted by the Met and Davies and charter schools, the amount of local per pupil aid for sending districts will also take into account a reduction of the greater of 7% in the local aid contribution or the per-pupil value of the district's unique or fixed costs, as described in 16-7.2-5(c).

In the case that a sending district has a state and local state per pupil share 25% higher than the state average, the receiving district will bill an amount not to exceed 125% of the average of the state and local share.

State and Local Aid amounts by community are included in [Attachment A](#).

## 2. State Per Pupil Aid

Receiving districts will be eligible to bill sending districts for state aid. The state aid amount will be established by methodology outlined in the Education Equity and Property Tax Relief Act established in Rhode Island General Law 16-7.2-5. Unlike the Met, Davies or charter schools the sending district receives the state per pupil for the student. As such, the receiving district will be eligible to bill the sending district quarterly for the state per pupil aid amount. This includes student success factor funding if applicable.

RIDE will explore opportunities to transition the enrollment of out of district CTE students to a receiving district's average daily membership. For FY19 the receiving district will need to bill the sending district for the state share of the per pupil aid amount.

State and Local Aid amounts by community are included in [Attachment A](#).

Implementation Date: July 1, 2018. Students who began attending CTE prior to June 30, 2018 will continue to be funded under the previously existing methodology until June 30, 2021.

## 3. CTE Categorical – High Cost

RIDE will establish cost benchmarks for all approved programs to account for the increased marginal cost of providing high-quality CTE. CTE program cost benchmarks will align to the CTE high cost categorical. In future years, cost benchmarks will be approved by the CTE Board of Trustees and published by November 1 for the upcoming school year. The methodology will be determined by reviewing the most recent year of submitted Uniform Chart of Accounts (UCOA) expenses and labor market information for the upcoming school year. Districts will be ineligible to bill for the marginal cost of programming that is not aligned to priority sectors that lead to high-skill high-growth careers, as determined by the Governor's Workforce Board. As such, programs aligned to high-skill high-demand programs will receive prioritized funding increases than other programs to support Rhode Island's children in graduating prepared for family sustaining career success and to make sure we meet the evolving needs of employers. RIDE reserves the right to prorate funding to programs depending on the amount of funding allocated to support the CTE Categorical.

Proposed cost benchmarks for FY19 are included in [Attachment B](#).

Additionally, LEAs will only receive one cost categorical award per child if the child is enrolled in multiple career and technical education programs.

Implementation Date: July 1, 2018

## 4. CTE Categorical - Program Equipment Fund

RIDE will dedicate an annual amount of funding no less than \$1M per year from the CTE categorical, depending on the amount of funding to support the CTE Categorical, to create the Program Equipment Fund to support equipment costs related to providing CTE programs that prepare students for high-skill high-

demand careers. All eligible center-based program proposals will have priority over comprehensive high school based programs to access this fund.

The CTEBOT will develop the criteria to create an investment schedule for the Program Equipment Fund. The schedule will be based off the best practices of industry. The schedule will be reviewed and approved by the CTEBOT annually before funds are allocated.

Implementation Date: July 1, 2018

## 5. Innovative Program Development/New Program Development

RIDE will dedicate funding from the CTE categorical to support the creation of new CTE programs that support students in entering high-skill high-demand careers. RIDE will only invest funding in program development after the High Cost Categorical and the Program Equipment Fund have been satisfied based upon the amount of CTE High Cost Categorical funding allocated.

Implementation Date: July 1, 2018

## 6. Housing Aid for CTE Centers

To affirm Rhode Island's commitment to state created CTE, RIDE is proposing to introduce a permanent 4% weight to the housing aid formula for CTE centers. When CTE centers were transitioned from state-control to local-control the General Assembly provided a 4% weight to the housing aid formula for CTE centers for two years after the transfer. Due to downturns in the economy and the moratorium on housing aid no CTE centers took advantage of this opportunity.

This change will require legislation from the General Assembly.

All schools listed in the aforementioned ten state career and technical centers would be eligible to receive an increase in housing aid reimbursement.

Implementation Date: Upon enactment from the General Assembly

## 7. Perkins Federal Funds

Each year Perkins federal funds provide more than \$4M to Rhode Island's schools and districts. As such, it is a valuable source of funds to support CTE and should not be viewed in isolation of state resources.

RIDE is proposing no changes to the distribution of Perkins funding at this time.

RIDE will take additional steps to make sure all LEAs are aware of the opportunity provided through Perkins funds by requiring CTE centers to publish all deadlines and deliverables associated with Perkins funding on the RIDE website for the school year starting on July 1, 2019, with several centers piloting the process for July 1, 2018. RIDE will support CTE Centers in aligning timelines to district planning cycles.

RIDE will require that districts that forgo Perkins funding sign an assurance from their superintendent and school committee chair that they are forgoing the ability to receive Perkins funds for the upcoming school year.

In the event that Perkins is reauthorized by the federal government current processes may change how RIDE administers the grant and its associated requirements.

Implementation Date: Pilot for July 1, 2018 July 1, 2019

## 8. Transportation

RIDE is proposing no changes to how sending and receiving districts allocate costs related to school transportation. RIDE recognizes that transportation is an integral factor to regional partnerships developed to support CTE and to support students in taking advantage of high quality CTE programs.

As such, RIDE will develop a working group to review transportation and its impact on providing students access to high quality career and technical education programs. This will include a review of the connection between CTE regions and transportation regions, how statewide transportation contracts can support work-based learning and increase student participation in high quality career and technical education program. The working group will begin meeting in June 2018 and will make recommendations in the fall of 2018.

Implementation Date: June 1, 2018 – working group convenes, July 1, 2019 – potential start of working group recommendations.

## 9. Sharing Best Practices

RIDE will work with the CTEBOT and CTE Directors to develop guidance related to best practices and model processes for enrolling out-of-district CTE students. The goal of the guidance is to provide clear and consistent processes to support students and families who seek enrollment in RIDE approved CTE programs.

Implementation Date: Immediately

# Definitions

## Receiving District

A district that enrolls a student into a RIDE-approved CTE program. The receiving district will be responsible for educating the student in question.

## Sending District

A district that has a student of residence in the geographic boundaries of that district enroll in a RIDE-approved CTE program. The sending district will be responsible for costs associated with the enrolling in a RIDE-approved CTE program for the student in question.

# Attachment A

CTE Tuition workbook using data used for FY 2018 funding formula	PK-12 RADM (March 2017 Data adjusted for 17-18 PSOC growth)	FRPL RADM (March 2017 Data adjusted for 17-18 PSOC growth)	Quadratic Mean	State \$: non-FRPL	State \$: FRPL	Local \$ (FY18)	Combined State + Local Tuition per-pupil	Success Factor Combined State + Local Tuition per-pupil
<b>Districts:</b>								
BARRINGTON	3,355	169	16.4%	\$1,545	\$2,163	\$11,849	\$13,394	\$14,012
BURRILLVILLE	2,321	745	51.3%	\$4,835	\$6,769	\$6,609	\$11,444	\$13,378
CHARLESTOWN	862	188	17.5%	\$1,646	\$2,304	\$11,109	\$12,755	\$13,413
COVENTRY	4,619	1,362	45.9%	\$4,328	\$6,059	\$8,618	\$12,946	\$14,677
CRANSTON	10,185	4,187	54.3%	\$5,112	\$7,157	\$8,397	\$13,509	\$15,554
CUMBERLAND	4,503	955	44.2%	\$4,162	\$5,827	\$7,679	\$11,841	\$13,506
EAST GREENWICH	2,477	170	12.3%	\$1,160	\$1,624	\$12,870	\$14,030	\$14,494
EAST PROVIDENCE	5,214	2,676	58.6%	\$5,522	\$7,731	\$7,611	\$13,133	\$15,342
FOSTER	266	57	35.9%	\$3,379	\$4,731	\$10,776	\$14,155	\$15,507
GLOCESTER	545	80	39.6%	\$3,732	\$5,225	\$10,735	\$14,467	\$15,960
HOPKINTON	1,116	255	45.3%	\$4,265	\$5,971	\$11,109	\$15,374	\$17,080
JAMESTOWN	629	59	7.3%	\$686	\$960	\$15,033	\$15,719	\$15,993
JOHNSTON	3,218	1,428	49.6%	\$4,678	\$6,549	\$10,583	\$15,261	\$17,132
LINCOLN	2,949	770	38.0%	\$3,582	\$5,015	\$11,908	\$15,490	\$16,923
LITTLE COMPTON	373	49	7.5%	\$706	\$988	\$15,949	\$16,655	\$16,937
MIDDLETOWN	2,207	720	32.1%	\$3,029	\$4,241	\$10,220	\$13,249	\$14,461
NARRAGANSETT	1,287	294	17.6%	\$1,659	\$2,323	\$17,194	\$18,853	\$19,517
NEWPORT	2,122	1,357	47.9%	\$4,517	\$6,324	\$10,231	\$14,748	\$16,555
NEW SHOREHAM	116	22	13.1%	\$1,233	\$1,726	\$38,315	\$39,548	\$40,041
NORTH KINGSTOWN	3,863	847	22.9%	\$2,154	\$3,016	\$11,061	\$13,215	\$14,077
NORTH PROVIDENCE	3,460	1,542	57.6%	\$5,429	\$7,601	\$8,482	\$13,911	\$16,083
NORTH SMITHFIELD	1,698	303	34.8%	\$3,275	\$4,585	\$9,851	\$13,126	\$14,436
PAWTUCKET	8,813	6,719	82.4%	\$7,765	\$10,871	\$2,691	\$10,456	\$13,562
PORTSMOUTH	2,338	372	14.1%	\$1,329	\$1,861	\$12,203	\$13,532	\$14,064
PROVIDENCE	22,790	19,541	87.0%	\$8,197	\$11,476	\$4,279	\$12,476	\$15,755
RICHMOND	1,178	195	39.0%	\$3,678	\$5,149	\$11,109	\$14,787	\$16,258
SCITUATE	1,341	240	19.9%	\$1,872	\$2,621	\$11,764	\$13,636	\$14,385
SMITHFIELD	2,382	360	31.7%	\$2,983	\$4,176	\$11,530	\$14,513	\$15,706
SOUTH KINGSTOWN	3,136	572	14.7%	\$1,382	\$1,935	\$14,052	\$15,434	\$15,987
TIVERTON	1,848	523	34.9%	\$3,286	\$4,600	\$11,930	\$15,216	\$16,530
WARWICK	9,063	3,165	38.5%	\$3,623	\$5,072	\$12,266	\$15,889	\$17,338
WESTERLY	2,837	1,007	27.6%	\$2,598	\$3,637	\$14,443	\$17,041	\$18,080
WEST WARWICK	3,440	1,827	64.1%	\$6,043	\$8,460	\$8,120	\$14,163	\$16,580
WOONSOCKET	5,773	4,392	86.0%	\$8,103	\$11,344	\$2,476	\$10,579	\$13,820



<b>CTE Tuition workbook using data used for FY 2018 funding formula</b>	<b>PK-12 RADM</b> (March 2017 Data adjusted for 17-18 PSOC growth)	<b>FRPL RADM</b> (March 2017 Data adjusted for 17-18 PSOC growth)	<b>Quadratic Mean</b>	<b>State \$: non-FRPL</b>	<b>State \$: FRPL</b>	<b>Local \$ (FY18)</b>	<b>Combined State + Local Tuition per-pupil</b>	<b>Success Factor Combined State + Local Tuition per-pupil</b>
BRISTOL-WARREN REGIONAL	3,199	1,089						
<i>BRISTOL</i>	<i>1,965</i>	<i>571</i>	<i>24.1%</i>	\$2,272	\$3,181	\$9,062	\$11,334	\$12,243
<i>WARREN</i>	<i>1,234</i>	<i>518</i>	<i>46.4%</i>	\$4,367	\$6,114	\$9,062	\$13,429	\$15,176
EXETER-WG REGIONAL	1,639	241						
<i>EXETER</i>	<i>773</i>	<i>135</i>	<i>25.8%</i>	\$2,434	\$3,408	\$13,208	\$15,642	\$16,616
<i>WEST GREENWICH</i>	<i>866</i>	<i>106</i>	<i>25.8%</i>	\$2,430	\$3,402	\$13,208	\$15,638	\$16,610
CHARIHO								
FOSTER-GLOC	1,093	209	38.3%	\$3,607	\$5,050	\$9,845	\$13,452	\$14,895
CENTRAL FALLS @	2,530	2,244	93.3%	\$8,795	\$12,313	\$3,159	\$11,954	\$15,472

# Attachment B

Program Category	Program Cost Benchmark	Eligible for High Cost Reimbursement
Air Force JROTC	\$ 827.00	Yes
Arts	-	No
Automotive	-	No
Aviation	-	Yes
Biotechnology	\$ 705.00	Yes
Business	\$ 181.00	Yes
Child Development	\$ 157.00	Yes
Computer Technology	\$ 259.00	Yes
Construction	\$ 1,119.00	Yes
Cosmetology	-	No
Culinary Arts & Hospitality	\$ 725.00	Yes
Drafting	\$ 485.00	Yes
Electricity	\$ 630.00	Yes
Engineering	\$ 572.00	Yes
Environmental & Life Sciences	\$ 191.00	Yes
Fashion Merchandising	-	No
Graphic Design	\$ 465.00	Yes
Health Careers	\$ 257.00	Yes
HVAC & Plumbing	\$ 418.00	Yes
Innovative	\$ 673.00	Yes
Law and Public Safety	\$ 126.00	Yes
Manufacturing	\$ 309.00	Yes
Marine Technology	\$ 493.00	Yes
TV Production/Journalism	-	No

There are no eligible expenses for aviation programs.  
 High cost reimbursement will be reconsidered after reviewing 16-17 UCOA data.