

# Workforce Education Fund

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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). Proceeds of the WEF fund are then to be used for the following purposes:

1. To Fund the Limited English Proficiency Adjustment
2. Secondary Career and Technical Education Grants (\$1.5 million)
3. One-time Education Enhancement Programs

Further details on each program and the status of each are outlined below.

## Limited English Proficiency Adjustment Funding

As a part of SB 235 a new adjustment was added to the calculation of total local need for the state aid to general education funding formula. The new adjustment, called the Limited English Proficiency (LEP) adjustment, recognizes the additional cost of serving students with limited English language skills. Because funding through the state aid formula is a partnership between the state and local property taxpayers, funding was needed to cover the additional costs to the state.

As per SB 235, the Workforce Education Fund was designated to cover the state share for fiscal years 2014 through 2016. As of FY 2017, the state share is now covered with state general fund dollars.

Because it is an adjustment to the state aid formula, any district that serves eligible students will receive additional funding. Essentially, each student who scores below a 4.0 on the state-administered language proficiency assessment is counted as an additional 0.25 of a student. The LEP adjustment does not impact the target teacher ratio.

The table below summarizes the number of eligible LEP students for each year, the amount of the LEP adjustment, and the state share paid by the Workforce Education Fund.

## Secondary Career and Technical Education Grants (Workforce Education Grants)

For FY 2014 through 2016, funds of up to \$1.5 million remaining after the LEP adjustment is fully funded are 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, and a provision was added that up to \$250,000 may be distributed to private, non-profit entities that specialize in career and technical education. The grants are known as the Workforce Education Grants.

The Workforce Education Grants provide school districts 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 career and technical education programs in the state.

Eligible applicants are Local Education Agencies (LEAs) with projects designed to serve 7th – 12th grade students. The LEAs who 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, teacher training, student transportation, or similar activities. Projects should be completed within 18 months, and a one-to-one match is required.

Priority will be 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.

At the end of FY2016, \$1,500,000 in funding was available for distribution. The inaugural round of applications was released on February 29, 2016. 14 applications were received and nine grants were awarded to South Dakota school districts, totaling \$800,000. A second round of applications is anticipated to be released by early October 2016. Grant applications will be due at the end of November and announced by early January 2017. <http://doe.sd.gov/octe/weg.aspx>

**Below is a list of the districts awarded grants and a brief summary of each district’s project:**

School District	Project	Amount
Gayville-Volin	Expand the transportation program and facilities	TBD
Hitchcock-Tulare	Upgrade equipment for ag metals and precision agriculture instruction	\$33,169
Meade	Expand the precision machining program	\$28,505
Mitchell	Enhance equipment in the information technology, architecture and construction and biomedical sciences programs. Implement a one plus one licensed practical nursing program with Mitchell Technical Institute.	\$107,233
Platte-Geddes	Upgrade the ag, food and natural resources facilities	TBD
Rapid City Area	Upgrade the graphic design program	\$43,446
Sioux Falls	Implement a concurrent credit diesel technology option in the existing transportation program with Lake Area Technical Institute	\$99,760
Webster Area	Implement a Project Lead the Way biomedical sciences program (Principles of Biomedical Sciences and Human Body Systems courses)	\$43,000
Yankton	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.	\$278,400

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 were 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 legislature. Another bill passed during the

2016 session, SB9, appropriated \$2,200,000 from this fund to be used to fund the Native American achievement schools grant program and the paraprofessional tuition assistance scholarship program.

**Paraprofessional tuition assistance scholarship program:** Approximately \$440,000 of the funding has been set aside to provide tuition assistance for paraprofessionals working in public school districts with large Native American student populations and demonstrated academic need. The program supports these individuals in pursuing a teaching degree.

DOE has partnered with Black Hills State University for this program. The program delivery model consists of online coursework combined with face-to-face advising and face-to-face course modules. Each module is composed of separate courses “compacted” to be delivered in a weekend format with online follow-up, all of which can be taken WHILE paraprofessionals are employed full time and registered for student teaching. The modules are patterned after the old “Teacher Corps” model and are designed to have maximum impact for P-12 students as paraprofessionals return to classrooms.

Each face-to-face module will require three Friday-Saturday weekends of coursework, with follow-up that verifies completion of classroom applications. Because these participants are in classrooms currently, contact hours will not total 45 per 3-credit class; applications and follow-up will replace some contact hours. Courses can be compacted because these participants are a unique population, many of whom have stepped up to accept teaching responsibilities already. This model should allow participants to complete a degree in two years.

Eleven individuals were selected for the scholarships in the summer of 2016 and will begin coursework in the fall semester.

**Native American achievement schools grants:** The remaining amount, approximately \$1.7 million, will be 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 will 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 will be 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.

Grant applications are expected to be released in mid to late August.

## Revenues and Expenditures

The table below shows the revenues and distributions of the Workforce Education Fund

	ACTUAL FY2013	ACTUAL FY2014	ACTUAL FY2015	ACTUAL FY2016	PROJECTED FY2017
Interest & Dividends		\$4,025	\$11,269	\$30,037	\$28,471
Operating Transfers In	\$2,100,000	\$2,771	\$3,017,826	\$3,317,106	\$3,030,000
<b>TOTAL RECEIPTS</b>	<b>\$2,100,000</b>	<b>\$6,796</b>	<b>\$3,029,094</b>	<b>\$3,347,142</b>	<b>\$3,058,471</b>
Grants & Subsidies					
Limited English Proficiency		\$2,100,000	\$1,638,552	\$1,529,984	
CTE					\$4,000,000
One-Time Education Enhancement				\$117,349	\$1,905,619
Operating Transfer Out - SDSMT Summer Math				\$250,000	
<b>TOTAL DISBURSEMENTS</b>	<b>\$0</b>	<b>\$2,100,000</b>	<b>\$1,638,552</b>	<b>\$1,897,333</b>	<b>\$5,905,619</b>
NET (Receipts less Disbursements)	\$2,100,000	(\$2,093,204)	\$1,390,542	\$1,449,809	(\$2,847,148)
BEGINNING CASH BALANCE	\$0	\$2,100,000	\$6,796	\$1,397,339	\$2,847,148
<b>ENDING CASH BALANCE</b>	<b>\$2,100,000</b>	<b>\$6,796</b>	<b>\$1,397,339</b>	<b>\$2,847,148</b>	<b>\$0</b>